

**1/27/09  
OVERVIEW:  
LEGIS.  
FINANCE  
DIVISION**

<target><bill></bill><subject>1-27-09 OVERVIEW LEGISLATIVE  
FINANCE DIVISION</subject><comm>HFIN26</comm></target>

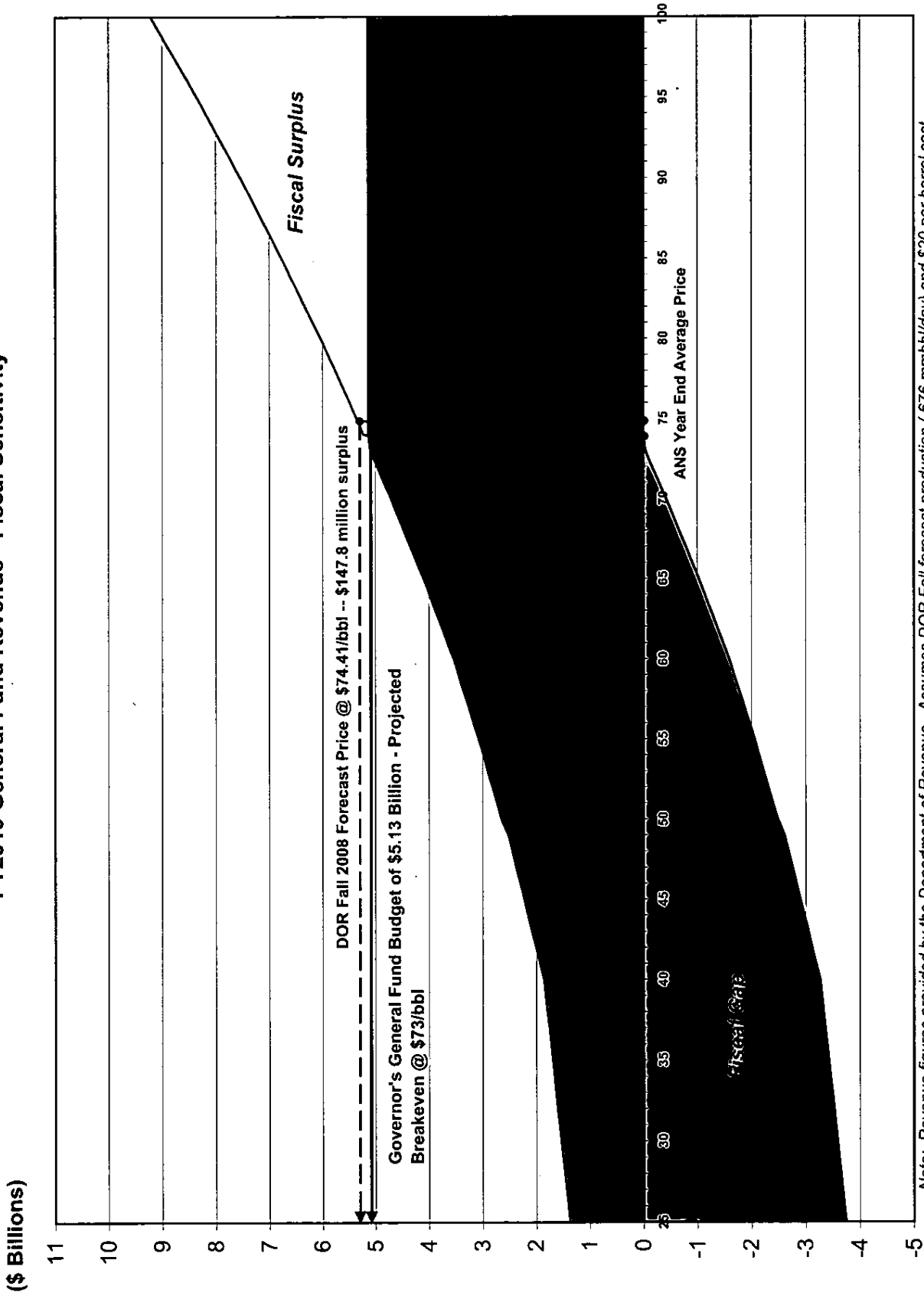
**The Fiscal Year 2010 Budget:  
Legislative Fiscal Analyst's  
Overview of the Governor's Request**

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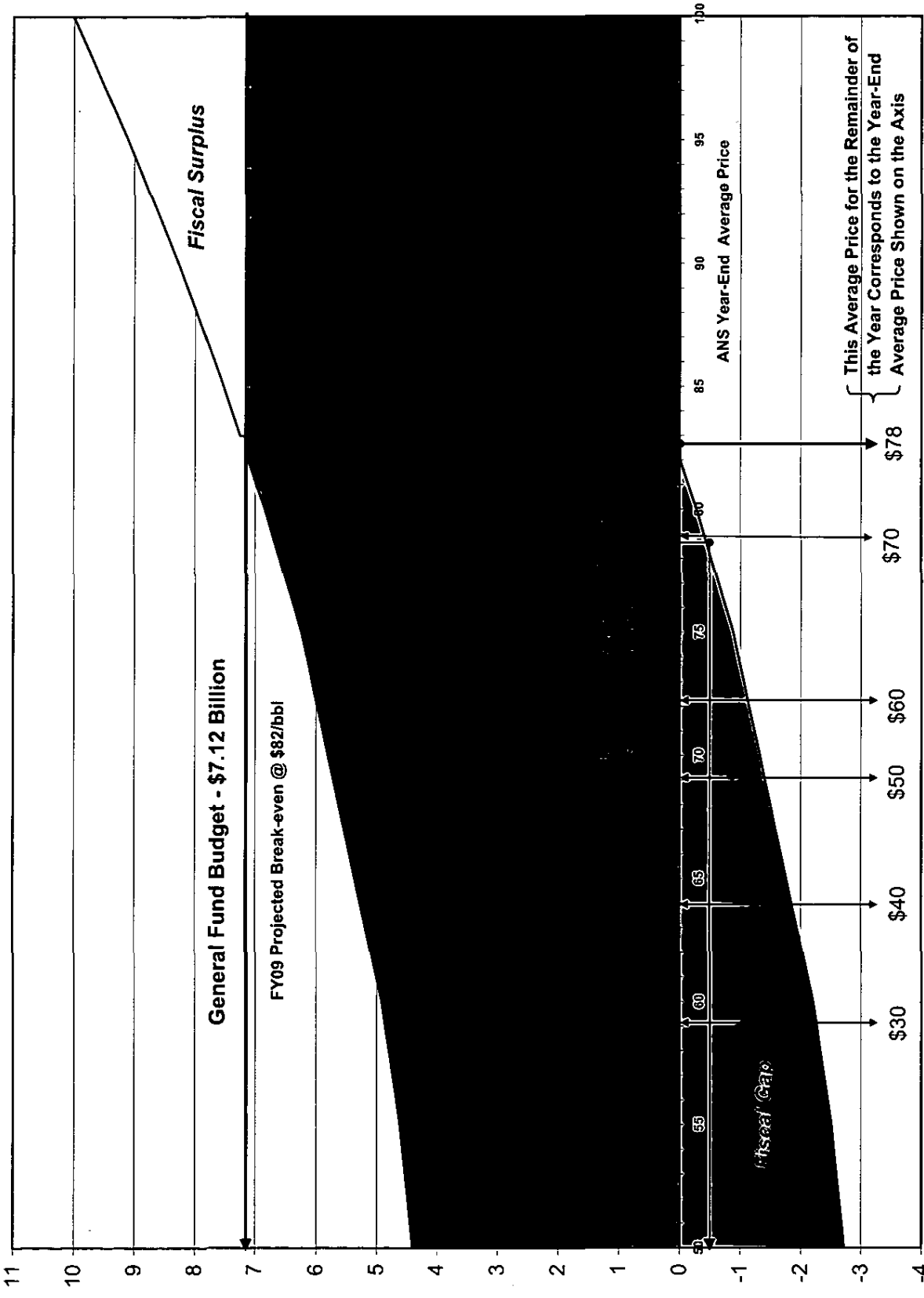
**House Finance Committee  
January 27, 2009**

# FY2010 General Fund Revenue - Fiscal Sensitivity



Note: Revenue figures provided by the Department of Revenue. Assumes DOR Fall forecast production (.676 mmbbl/day) and \$20 per barrel cost estimates. Revenue figures include sources not directly affected by oil prices. Budget figures include operating and capital.

### FY09 General Fund Revenue - Fiscal Sensitivity



Note: Revenue figures provided by the Department of Revenue. Assumes DOR Fall 2008 forecast production (.701 mmbbl/day) and \$20 cost estimates. Revenue figures include sources not directly affected by oil prices. Budget figures include operating, capital and savings.

# State of Alaska Fiscal Summary

(\$ millions)

	FY09 Authorized				FY2010 Governor's Proposed				GF Change	
	GF	Federal	Other	Total	GF	Federal	Other	Total	\$	%
<b>REVENUE</b> (Excludes Permanent Fund Earnings)	<b>6,765.5</b>	<b>2,561.5</b>	<b>3,836.7</b>	<b>13,163.7</b>	<b>5,275.4</b>	<b>2,803.8</b>	<b>3,384.7</b>	<b>11,463.9</b>	<b>(1,490.1)</b>	<b>-22.0%</b>
Unrestricted General Fund Revenue (Fall 2008) (1)	6,751.4			6,751.4	5,275.4			5,275.4	(1,476.0)	-21.9%
Unrestricted General Fund Revenue (2008 Interim) (1)	0.0			0.0	0.0			0.0		
Unrestricted General Fund Revenue (Spring 2009) (1)	0.0			0.0	0.0			0.0		
Carryforward (2)	14.1	4.6	1.4	20.0				0.0		
Net Corporate Dividends (3)			87.6	87.6			84.5	84.5		
Federal and Other Funds		2,556.9	3,747.7	6,304.6		2,803.8	3,300.1	6,103.9		
<b>APPROPRIATIONS</b>										
<b>TOTAL OPERATING APPROPRIATIONS</b>	<b>5,273.4</b>	<b>1,754.0</b>	<b>1,093.9</b>	<b>8,121.3</b>	<b>4,572.5</b>	<b>1,699.9</b>	<b>954.4</b>	<b>7,226.8</b>	<b>(700.9)</b>	<b>-13.3%</b>
<b>Agency Operations</b>	<b>3,427.9</b>	<b>1,713.4</b>	<b>991.9</b>	<b>6,133.2</b>	<b>3,569.9</b>	<b>1,667.9</b>	<b>987.1</b>	<b>6,224.9</b>	<b>141.9</b>	<b>4.1%</b>
<b>Current Fiscal Year Appropriations</b>	<b>3,427.9</b>	<b>1,713.4</b>	<b>991.9</b>	<b>6,133.2</b>	<b>3,519.9</b>	<b>1,667.9</b>	<b>987.1</b>	<b>6,174.9</b>	<b>91.9</b>	<b>2.7%</b>
Agency Operations (Non-Formula)	1,775.8	869.8	968.0	3,613.7	1,800.1	840.4	966.3	3,606.8	24.3	1.4%
K-12 Formula	1,003.3	20.8	14.3	1,038.4	1,054.6	20.8	12.9	1,088.3	51.3	5.1%
Other Formula Programs	648.9	810.8	9.2	1,468.8	640.2	806.7	7.8	1,454.7	(8.6)	-1.3%
Amendments	0.0	12.0	0.3	12.3	20.0	0.0	0.0	20.0		
New Legislation (other than those affecting K-12 Foundation)	0.0	0.0	0.0	0.0	5.0	0.0	0.0	5.0		
Duplicated Authorization (non-additive) (4)	0.0	0.0	705.7	705.7	0.0	0.0	708.9	708.9		
Supplemental Appropriations (placeholder)	0.0	0.0	0.0	0.0	50.0	0.0	0.0	50.0	50.0	
<b>Statewide Operations</b>	<b>1,845.4</b>	<b>40.7</b>	<b>102.0</b>	<b>1,988.1</b>	<b>1,002.6</b>	<b>32.0</b>	<b>(32.6)</b>	<b>1,002.0</b>	<b>(842.8)</b>	<b>-45.7%</b>
<b>Current Fiscal Year Appropriations</b>	<b>1,845.4</b>	<b>40.7</b>	<b>102.0</b>	<b>1,988.1</b>	<b>1,002.6</b>	<b>32.0</b>	<b>(32.6)</b>	<b>1,002.0</b>	<b>(842.8)</b>	<b>-45.7%</b>
Debt Service	144.3	13.1	74.1	231.4	157.0	12.0	76.8	245.8	12.7	8.8%
Fund Capitalization	791.5	27.6	28.0	847.1	34.5	20.0	(109.4)	(55.0)	(757.1)	-95.6%
Direct Appropriations to Retirement	449.6	0.0	0.0	449.6	451.2	0.0	0.0	451.2	1.6	0.3%
Revenue Sharing	60.0	0.0	0.0	60.0	60.0	0.0	0.0	60.0	0.0	0.0%
Oil & Gas Investment Credits	400.0	0.0	0.0	400.0	300.0	0.0	0.0	300.0	(100.0)	-25.0%
Duplicated Authorization (non-additive) (4)	0.0	0.0	136.2	136.2	0.0	0.0	0.0	0.0		
Supplemental Appropriations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Fund Capitalization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Local Government Support	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Deposits to Retirement Accounts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Oil & Gas Investment Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>TOTAL CAPITAL APPROPRIATIONS</b>	<b>669.0</b>	<b>807.4</b>	<b>276.8</b>	<b>1,753.2</b>	<b>555.1</b>	<b>1,103.9</b>	<b>247.2</b>	<b>1,906.3</b>	<b>(113.8)</b>	<b>-17.0%</b>
<b>Current Fiscal Year Appropriations</b>	<b>669.0</b>	<b>807.4</b>	<b>276.7</b>	<b>1,753.1</b>	<b>535.1</b>	<b>1,103.9</b>	<b>247.2</b>	<b>1,886.3</b>	<b>(133.8)</b>	<b>-20.0%</b>
Project Appropriations & RPLs (Revised Programs)	529.0	807.3	248.7	1,585.0	415.1	1,103.9	219.2	1,738.3	(113.8)	-21.5%
Fund Capitalization	140.0	0.1	28.0	168.1	120.0	0.0	28.0	148.0	(20.0)	-14.3%
Projects Funded w/ General Obligation Bonds (non-add) (5)	0.0	0.0	315.1	315.1	0.0	0.0	0.0	0.0		
Projects Funded w/ Other Debt Proceeds (non-additive) (5)	0.0	0.0	28.6	28.6	0.0	0.0	24.3	24.3		
Capital Vetoes (non-additive)	(71.4)	0.0	(43.3)	(114.7)	0.0	0.0	0.0	0.0		
Duplicated Authorization (non-additive) (4)	0.0	0.0	529.7	529.7	0.0	0.0	310.2	310.2		
Supplemental Appropriations	0.0	0.0	0.1	0.1	20.0	0.0	0.0	20.0		
Capital Projects (net of Duplication)	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0		
Capital Project Vetoes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Fund Capitalization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Pre-Savings Authorization (unduplicated)</b>	<b>5,942.3</b>	<b>2,561.5</b>	<b>1,370.7</b>	<b>9,874.5</b>	<b>5,127.6</b>	<b>2,803.8</b>	<b>1,201.7</b>	<b>9,133.1</b>	<b>(814.7)</b>	<b>-13.7%</b>
Pre-Savings Surplus (Draw From CBRF)	823.1	12% of Revenue			147.8	3% of Revenue				
<b>SAVINGS</b>	<b>1,181.3</b>	<b>0.0</b>	<b>0.0</b>	<b>1,181.3</b>	<b>(234.8)</b>	<b>0.0</b>	<b>0.0</b>	<b>(234.8)</b>	<b>(1,416.1)</b>	<b>-120%</b>
<b>Current Fiscal Year Appropriations</b>	<b>1,181.3</b>	<b>0.0</b>	<b>0.0</b>	<b>1,181.3</b>	<b>(234.8)</b>	<b>0.0</b>	<b>0.0</b>	<b>(234.8)</b>	<b>(1,416.1)</b>	<b>-119.9%</b>
Constitutional Budget Reserve Fund	1,000.0	0.0	0.0	1,000.0	0.0	0.0	0.0	0.0	(1,000.0)	-100.0%
Statutory Budget Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Public Education Fund	175.3	0.0	0.0	175.3	9.6	0.0	0.0	9.6	(165.7)	-94.5%
Cruise Ship Gambling Tax Receipts	6.0	0.0	0.0	6.0	(6.0)	0.0	0.0	(6.0)	(12.0)	-200.0%
AHFC Savings Account	0.0	0.0	0.0	0.0	(238.4)	0.0	0.0	(238.4)	(238.4)	
Supplemental Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Constitutional Budget Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Statutory Budget Reserve Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Community Revenue Sharing Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Post-Savings Authorization (unduplicated)</b>	<b>7,123.6</b>	<b>2,561.5</b>	<b>1,370.7</b>	<b>11,055.8</b>	<b>4,892.8</b>	<b>2,803.8</b>	<b>1,201.7</b>	<b>8,898.3</b>	<b>(2,230.9)</b>	<b>-31.3%</b>
Post-Savings Surplus (Draw From CBRF)	(358.2)	-5% of Revenue			382.6	7% of Revenue				
<b>Permanent Fund Appropriations</b>	<b>0.0</b>	<b>0.0</b>	<b>2,466.0</b>	<b>2,466.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,183.0</b>	<b>2,183.0</b>		
Permanent Fund Dividends	0.0	0.0	1,286.0	1,286.0	0.0	0.0	1,311.0	1,311.0		
Permanent Fund Inflation Proofing	0.0	0.0	1,180.0	1,180.0	0.0	0.0	872.0	872.0		
Other Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Total Authorization (unduplicated)</b>	<b>7,123.6</b>	<b>2,561.5</b>	<b>3,836.7</b>	<b>13,521.8</b>	<b>4,892.8</b>	<b>2,803.8</b>	<b>3,384.7</b>	<b>11,081.3</b>	<b>(2,230.9)</b>	<b>-31.3%</b>
<b>FISCAL YEAR SUMMARY</b>	<b>7,123.6</b>	<b>2,561.5</b>	<b>1,370.7</b>	<b>11,055.8</b>	<b>4,892.8</b>	<b>2,803.8</b>	<b>1,201.7</b>	<b>8,898.3</b>	<b>(2,230.9)</b>	<b>-31.3%</b>
Agency Operations	3,427.9	1,713.4	991.9	6,133.2	3,569.9	1,667.9	987.1	6,224.9	141.9	4.1%
Statewide Operations	1,845.4	40.7	102.0	1,988.1	1,002.6	32.0	(32.6)	1,002.0	(842.8)	-45.7%
Total Operating	5,273.4	1,754.0	1,093.9	8,121.3	4,572.5	1,699.9	954.4	7,226.8	(700.9)	-13.3%
Capital	669.0	807.4	276.8	1,753.2	555.1	1,103.9	247.2	1,906.3	(113.8)	-17.0%
Savings	1,181.3	0.0	0.0	1,181.3	(234.8)	0.0	0.0	(234.8)	(1,416.1)	-119.9%

**Notes:**

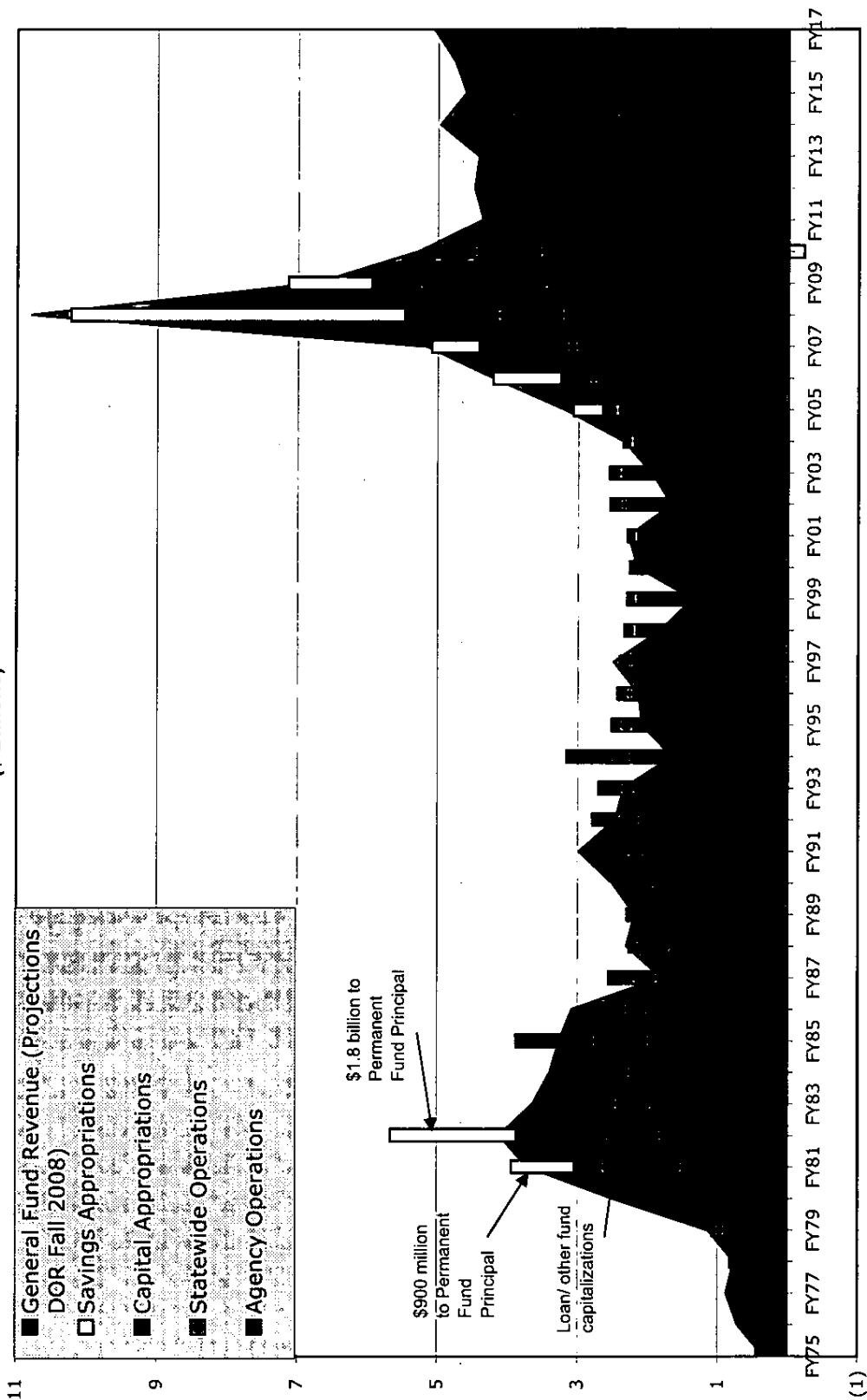
January 15, 2009

- (1) The Fall 2008 revenue forecast for FY09 is 0.701 mmbd at \$77.66 per barrel; the FY2010 forecast is 0.676 mmbd at \$74.41/bbl.
- (2) Carryforward is money that was appropriated in a prior year that is made available for spending in FY09 via multiyear appropriations or reappropriations.
- (3) Corporate dividends include funds made available to the State by the boards of AHFC, AIDEA, and ASLC. Dividends retained by AHFC for debt service on state capital project bonds are excluded from the stated amount. Net dividends for FY09 and FY2010, respect.
- (4) Duplicated authorizations are in the budget twice, such as when funds flow in and out of a holding account or one agency pays another for services provided. Duplicated authorization also includes the expenditure of bond proceeds when debt service on bonds.
- (5) The state is responsible for future debt service payments on airport revenue bonds and GO bonds. Bond proceeds are included on line 36 and 37 and are deducted on line 40.

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# State of Alaska--General Fund Budget History

(\$ Billions)



(1)