

01/21/16

OVERVIEW:

FY 17

OPERATING

BUDGET BY

LEGISLATIVE

FINANCE

DIVISION

<TARGET><BILL></BILL><SUBJECT>01-21-16 OVERVIEW FY 17
OPERATING BUDGET BY LEGISLATIVE FINANCE
DIVISION</SUBJECT><COMM>SF29</COMM></TARGET>

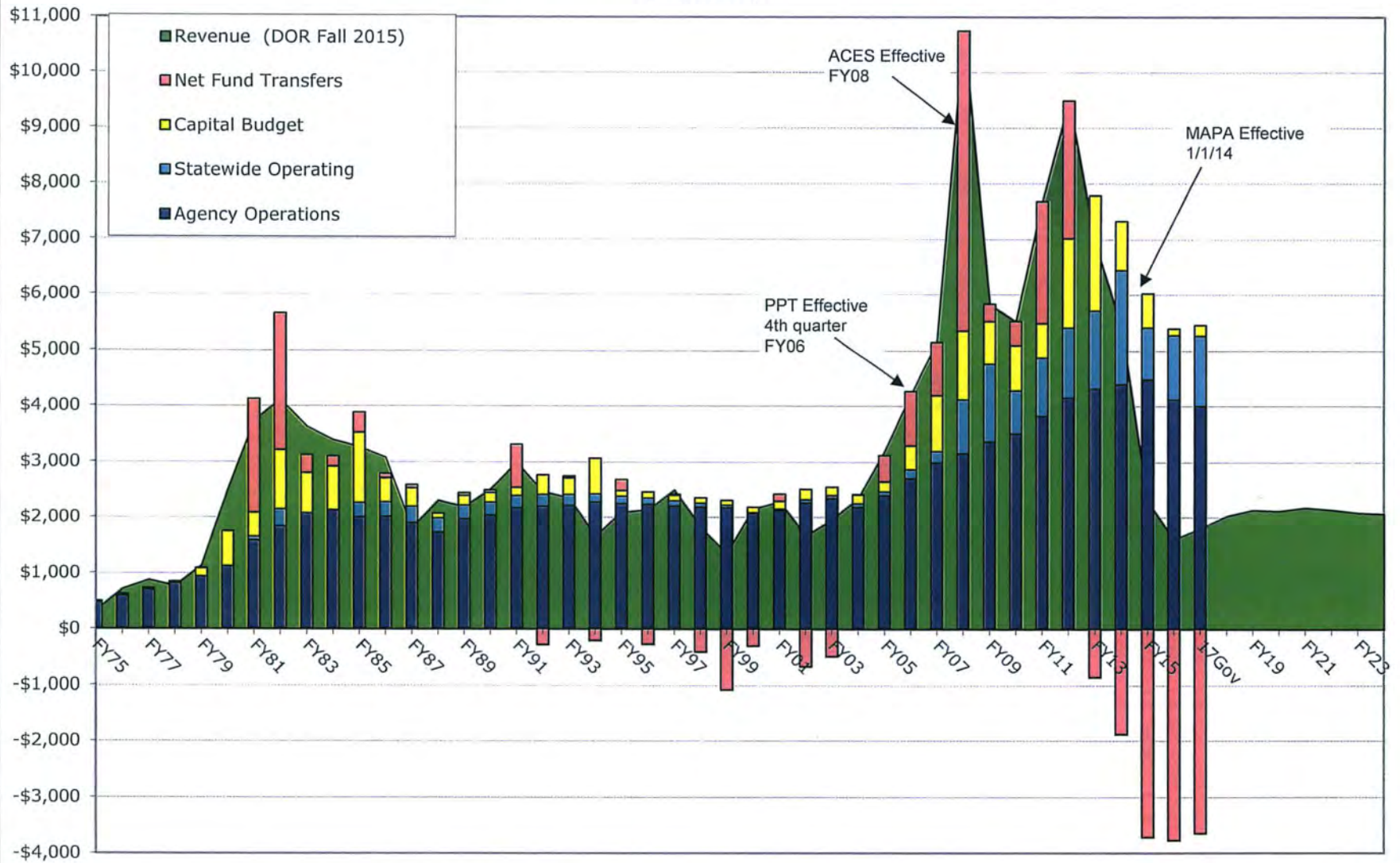
Overview of the FY17 Budget

Senate Finance Committee

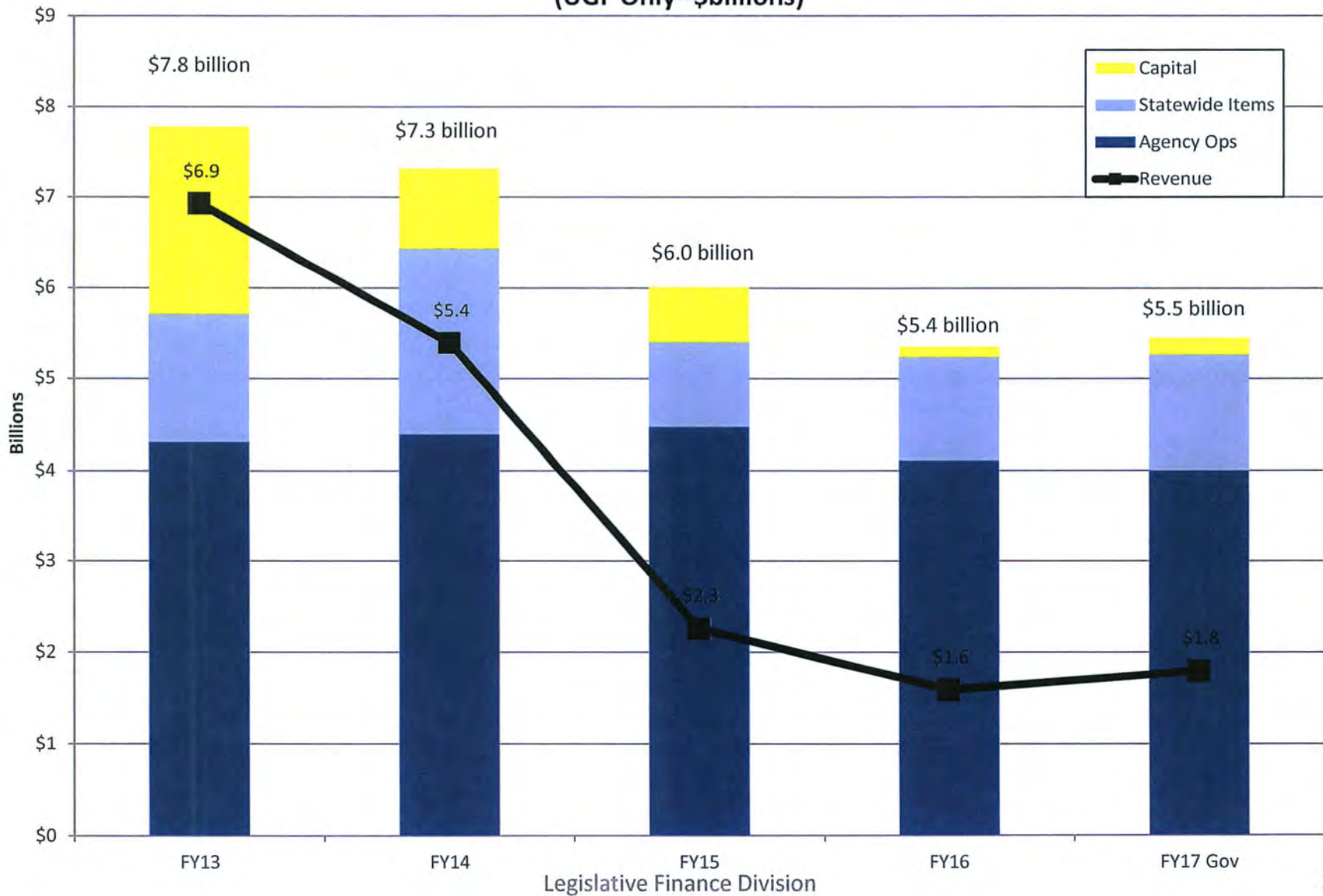
January 21, 2016

David Neal, Director
Legislative Finance Division

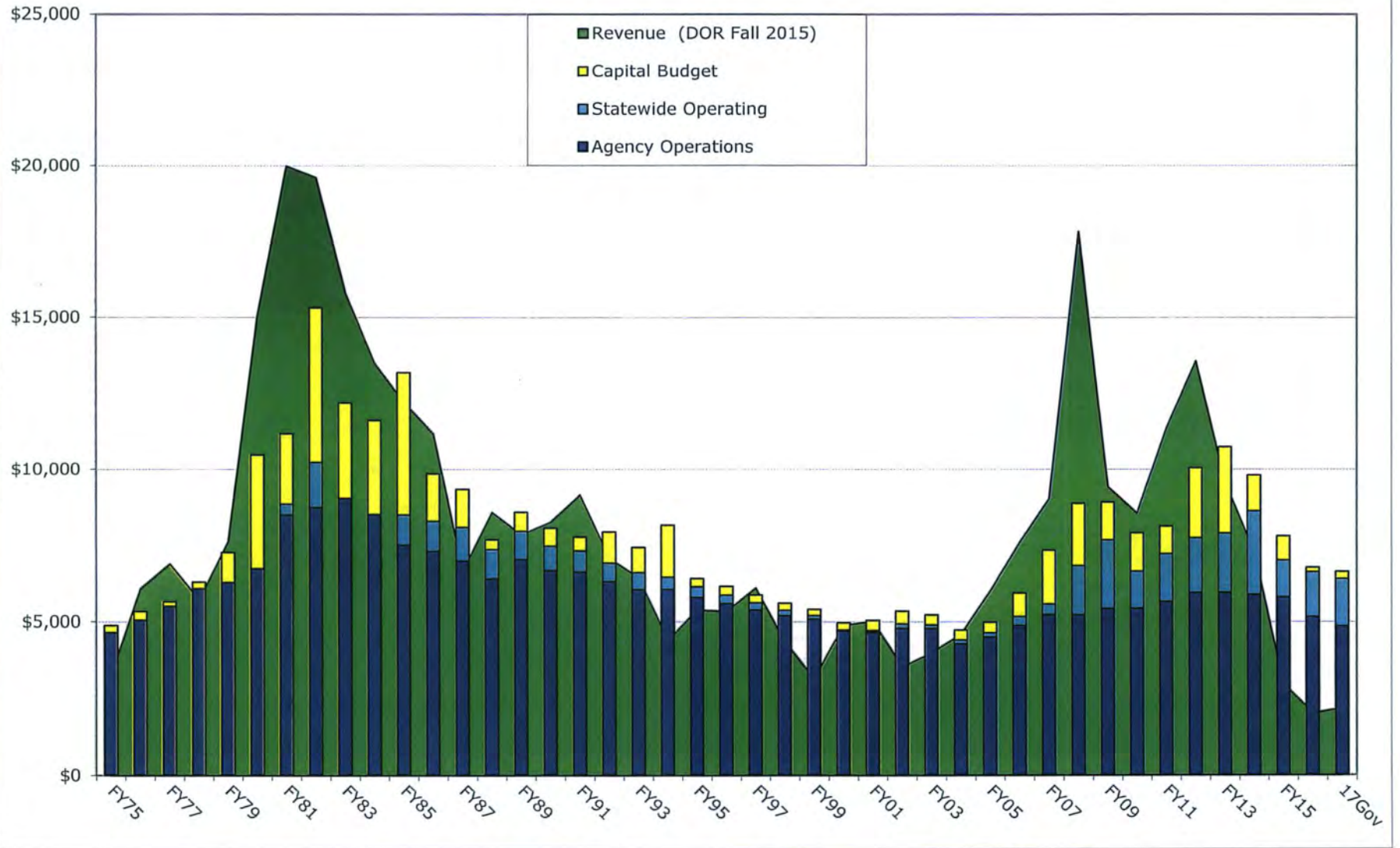
Unrestricted General Fund Revenue/ Budget History (\$ millions)



Total Agency Operating Budgets, Statewide Items and Capital Budget Compared to Revenue (UGF Only--\$billions)



Real Per Capita Unrestricted General Fund Revenue/ Budget History (2014 dollars Per Person)



AGENCY OPERATIONS 2014 Inflation Adjusted \$ (GF Only)													
Departments	05MgtPin	06MgtPin	07MgtPin	08MgtPin	09MgtPin	10MgtPin	11MgtPin	12MgtPin	13MgtPin	14MgtPin	15MgtPin	16MgtPin	17Gov
Administration	75,532.9	85,948.6	96,143.8	98,309.0	108,170.3	110,193.2	111,680.7	110,402.1	113,914.8	113,944.1	113,639.4	103,688.3	95,418.0
Commerce, Community & Econ Dev	78,206.9	83,732.0	94,343.6	99,130.8	132,779.8	118,419.0	149,137.5	113,153.8	140,309.2	143,187.1	124,631.3	111,551.7	100,355.6
Corrections	215,040.8	226,925.6	239,536.1	250,104.4	258,869.7	259,270.3	275,653.4	289,089.3	320,160.3	320,405.2	312,881.2	297,872.3	284,099.2
Education & Early Dev	1,088,663.3	1,140,628.6	1,243,071.8	1,227,570.2	1,223,958.4	1,275,629.7	1,316,027.1	1,328,564.8	1,359,674.1	1,333,112.5	1,437,366.5	1,311,372.2	1,289,850.3
Environmental Conservation	38,110.3	40,487.1	41,865.4	44,000.6	47,815.2	47,668.9	49,327.3	49,453.9	50,893.2	52,093.0	49,685.8	46,294.1	43,802.1
Fish and Game	50,081.2	58,061.3	65,992.1	64,129.0	79,246.8	77,743.8	81,611.5	86,261.2	92,154.6	92,426.9	88,406.5	76,203.2	68,639.4
Governor	27,040.3	26,404.8	45,576.2	24,601.8	30,123.7	29,890.8	34,687.9	32,804.9	35,671.4	32,814.5	33,609.5	22,640.6	21,861.3
Health & Social Services	776,361.2	854,595.6	987,849.9	1,017,636.1	1,119,721.0	1,017,112.1	1,107,831.6	1,307,891.6	1,370,591.1	1,346,758.2	1,349,928.3	1,241,050.4	1,169,049.2
Labor & Workforce Dev	45,981.5	52,315.7	56,929.3	61,739.3	72,450.5	72,447.2	70,714.9	70,908.0	72,050.2	70,319.8	68,295.5	60,485.7	57,077.5
Law	42,479.8	55,485.2	51,002.7	48,414.7	65,022.9	65,514.7	68,455.6	76,907.7	74,360.0	67,425.7	64,003.2	56,117.3	51,330.3
Military & Veterans' Affairs	12,223.8	16,584.5	16,757.3	14,666.2	14,008.9	13,207.1	13,816.7	18,415.2	23,241.8	22,772.8	24,845.3	16,874.8	17,755.5
Natural Resources	86,249.0	104,585.5	103,373.8	101,075.7	112,655.8	108,455.6	108,252.6	109,642.8	111,552.2	111,210.1	114,541.3	94,417.5	123,320.0
Public Safety	119,054.7	127,665.1	136,760.9	136,608.0	145,972.8	158,408.6	167,002.6	172,551.5	178,992.0	182,591.8	178,108.9	163,592.8	155,696.3
Revenue	31,926.6	39,939.5	34,871.0	35,428.1	38,820.0	37,037.3	50,335.1	43,226.7	44,020.5	44,139.7	43,638.6	38,486.5	38,335.6
Transportation	249,730.8	283,864.5	322,843.4	317,651.2	347,660.1	341,410.5	364,058.2	377,341.3	368,354.8	358,845.4	346,772.3	311,776.8	285,654.4
University of Alaska	601,299.2	629,481.3	669,537.1	678,435.7	693,786.6	699,122.4	713,630.1	714,540.9	726,126.9	690,307.6	687,293.2	663,038.0	642,929.2
Branch-wide Unallocated Approp	-	-	-	14,280.0	-	20,340.0	16,095.0	13,910.0	37,800.0	36,720.0	27,000.0	-	-
Judiciary	75,874.2	80,641.1	90,406.9	92,061.3	96,313.8	98,548.8	105,848.8	108,720.1	112,560.9	113,314.1	112,384.3	108,480.1	102,403.7
Legislature	53,866.5	63,266.5	67,141.2	72,897.6	73,914.3	76,021.7	76,876.0	79,730.6	78,251.6	77,614.4	77,688.4	72,039.1	69,047.9
TOTAL	3,667,723.1	3,971,612.6	4,364,002.5	4,398,739.7	4,661,290.5	4,626,441.6	4,881,042.7	5,103,516.4	5,310,679.6	5,210,002.9	5,254,719.5	4,795,981.3	4,616,625.6
Cost per Alaskan	\$ 5,560	\$ 5,888	\$ 6,469	\$ 6,467	\$ 6,787	\$ 6,630	\$ 6,836	\$ 7,058	\$ 7,259	\$ 7,073	\$ 7,126	\$ 6,502	\$ 6,228
Alaska's Population (2015 and 2016 are Projections)	659,653	674,583	674,583	680,169	686,818	697,828	714,021	723,133	731,630	736,616	737,354	737,625	741,286
Value of one 2014 dollar in historical dollars (Per Dpt. of Labor's 2014 Anc CPI Data)	\$1.29	\$1.26	\$1.22	\$1.19	\$1.14	\$1.13	\$1.11	\$1.07	\$1.05	\$1.02	\$1.00	\$0.98	\$0.96

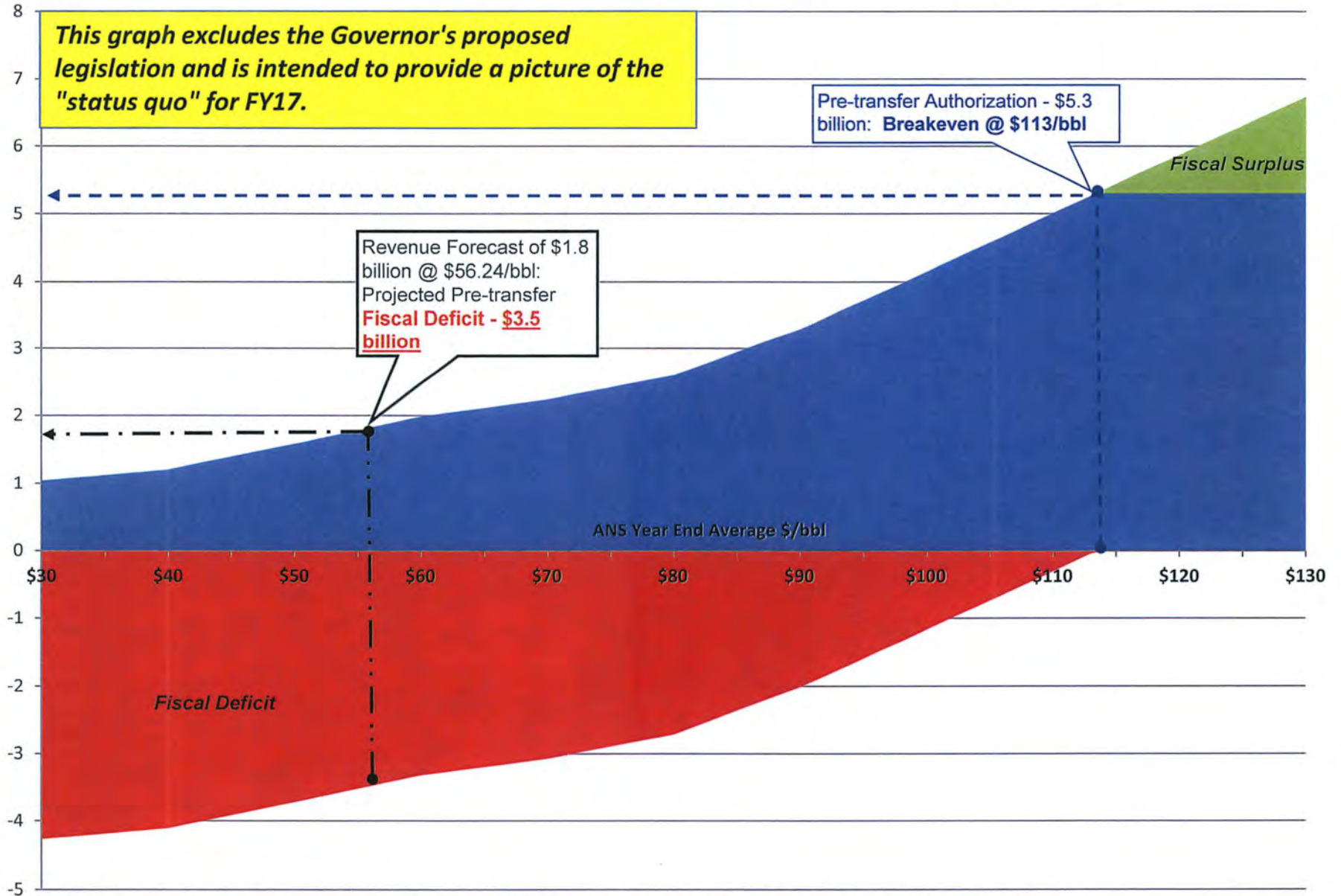
State of Alaska Fiscal Summary--FY16 and FY17 (Part 1)

(\$ millions)

	FY16 Management Plan						FY17 Governor						Change in UGF	
	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	\$	%
	REVENUE	1,609.5	926.8	2,536.2	639.5	3,458.3	6,634.0	5,013.5	894.7	5,908.2	713.2	3,142.9	6,976.6	3,404.0
Unrestricted General Fund Revenue (Fall 2015) (1)	1,593.0	-	1,593.0	-	-	1,593.0	1,796.4	-	1,796.4	-	-	1,796.4		
Production Taxes and Non-dedicated Royalties	-	-	-	-	-	-	991.3	-	991.3	-	-	991.3		
Other Current Sources of Revenue	-	-	-	-	-	-	805.1	-	805.1	-	-	805.1		
Sustainable Transfer from the Earnings Reserve Account (2)	-	-	-	-	-	-	3,200.0	-	3,200.0	-	-	3,200.0		
Transfer from the Earnings Reserve Account for Dividends (2)	-	-	-	-	-	-	230.9	-	230.9	-	-	230.9		
Production Taxes and Royalties to Earnings Reserve Account	-	-	-	-	-	-	(446.5)	-	(446.5)	-	-	(446.5)		
New Revenue Sources Proposed by the Governor (3)	-	-	-	-	-	-	244.0	-	244.0	-	-	244.0		
Carryforward, Repeals, Adjustments and Fiscal Notes (4)	16.5	-	16.5	-	0.4	16.9	(11.3)	-	(11.3)	-	-	(11.3)		
Designated General Fund Revenue (5)	-	926.8	926.8	-	-	926.8	-	894.7	894.7	-	-	894.7		
APPROPRIATIONS														
TOTAL OPERATING APPROPRIATIONS	5,270.6	830.6	6,101.2	611.8	2,182.4	8,895.4	5,259.9	848.7	6,108.6	645.6	2,185.9	8,940.2	(10.7)	-0.2%
Agency Operations	4,111.8	805.0	4,916.9	558.9	2,153.7	7,629.4	3,997.9	828.8	4,826.7	564.3	2,157.1	7,548.1	(113.9)	-2.8%
Current Fiscal Year Appropriations (Includes Fiscal Notes)	4,098.8	805.0	4,903.9	558.9	2,153.7	7,616.4	3,997.9	828.8	4,826.7	564.3	2,157.1	7,548.1	(100.9)	-2.5%
Agency Operations (Non-Formula)	2,040.4	714.1	2,754.5	553.5	906.1	4,214.0	1,979.8	721.8	2,701.6	559.5	905.4	4,166.6	(80.6)	-3.0%
K-12 Foundation Formula and Pupil Transportation	1,247.5	13.0	1,260.5	-	20.8	1,281.3	1,243.0	30.0	1,273.0	-	20.8	1,293.7	(4.5)	-0.4%
Medical Services (Formula)	635.1	1.8	636.9	2.8	988.2	1,605.0	603.5	1.8	605.3	4.8	1,125.3	1,735.3	(31.6)	-5.0%
Other Formula Programs	175.8	76.2	252.0	-	100.8	352.9	171.6	75.2	246.8	-	105.6	352.4	(4.2)	-2.4%
Revised Programs Legislatively Approved	-	-	-	2.6	159.7	162.3	-	-	-	-	-	-	-	-
Duplicated Authorization (non-additive) (6)	-	-	-	747.3	-	747.3	-	-	-	771.7	-	771.7	-	-
Supplemental Appropriations (Agency Operations) (7)	13.0	-	13.0	-	-	13.0	-	-	-	-	-	-	-	-
Statewide Obligations	1,158.7	25.6	1,184.3	52.9	28.7	1,265.9	1,262.0	19.9	1,281.9	81.3	28.9	1,392.1	103.3	8.9%
Current Fiscal Year Appropriations	979.3	25.6	1,004.9	48.7	28.7	1,082.3	1,262.0	19.9	1,281.9	81.3	28.9	1,392.1	282.7	28.9%
Debt Service	206.2	23.9	230.1	43.3	5.2	278.7	436.7	18.3	455.0	76.0	5.2	536.2	230.4	111.8%
Fund Capitalization	502.0	1.7	503.7	5.4	23.5	532.5	776.4	1.6	778.0	5.3	23.6	807.0	274.4	54.7%
Oil & Gas Production Tax Credits	500.0	-	500.0	-	-	500.0	73.4	-	73.4	-	-	73.4	(426.6)	-85.3%
Other Fund Capitalization	2.0	1.7	3.7	5.4	23.5	32.5	3.0	1.6	4.6	5.3	23.6	33.5	1.0	50.0%
Permanent Fund Dividend Fund (2)	-	-	-	-	-	-	700.0	-	700.0	-	-	700.0	700.0	-
Retirement Costs: Actuarial Recommendation	262.5	-	262.5	-	-	262.5	48.9	-	48.9	-	-	48.9	(213.6)	-81.4%
Judgments, Claims and Settlements	8.6	-	8.6	-	-	8.6	-	-	-	-	-	-	(8.6)	-100.0%
Duplicated Authorization (non-additive) (6)	-	-	-	15.4	-	15.4	-	-	-	12.2	-	12.2	-	-
Supplemental Appropriations (Statewide)	179.4	-	179.4	4.2	-	183.6	-	-	-	-	-	-	-	-
Community Revenue Sharing	35.4	-	35.4	-	-	35.4	-	-	-	-	-	-	-	-
AKLNG and In-state Pipeline (7)	144.0	-	144.0	4.2	-	148.2	-	-	-	-	-	-	-	-
Cost of Issuing Pension Obligation Bonds (duplicated)	-	-	-	12.7	-	12.7	-	-	-	-	-	-	-	-
Pension Obligation Bond Proceeds to Retirement (duplicated)	-	-	-	2,531.5	-	2,531.5	-	-	-	-	-	-	-	-
TOTAL CAPITAL APPROPRIATIONS	118.4	56.6	175.0	27.7	1,275.9	1,478.6	194.3	6.8	201.0	67.6	956.9	1,225.5	75.9	64.1%
Current Fiscal Year Appropriations	118.4	56.6	175.0	27.7	1,275.9	1,478.6	194.3	6.8	201.0	67.6	956.9	1,225.5	75.9	64.1%
Project Appropriations & RPLs (Revised Programs)	118.4	56.6	175.0	27.7	1,275.9	1,478.6	194.3	6.8	201.0	67.6	956.9	1,225.5	75.9	64.1%
Duplicated Authorization (non-additive) (6)	-	-	-	32.5	-	32.5	-	-	-	36.2	-	36.2	-	-
Money on the Street (includes all fund sources) (8)	118.4	56.6	175.0	60.2	1,275.9	1,511.1	194.3	6.8	201.0	103.8	956.9	1,261.8	75.9	64.1%
Pre-Transfers Authorization (unduplicated)	5,389.0	887.2	6,276.2	639.5	3,458.3	10,374.0	5,454.2	855.4	6,309.6	713.2	3,142.9	10,165.7	65.2	1.2%
Pre-Transfers Surplus/(Deficit)	(3,779.5)	-	Revenue Covers	29.9%	of Appropriations		(440.7)	-	Revenue Covers	91.9%	of Appropriations			
Pre-Transfer Authorization without Governor's Legislation (9)	-	-	-	-	-	-	5,305.8	-	-	-	-	-	-	-
Pre-Transfer Deficit without Governor's Legislation (9)	-	-	-	-	-	-	(3,520.7)	-	Revenue Covers	33.6%	of Appropriations			

FY17 Unrestricted General Fund Revenue - Fiscal Sensitivity

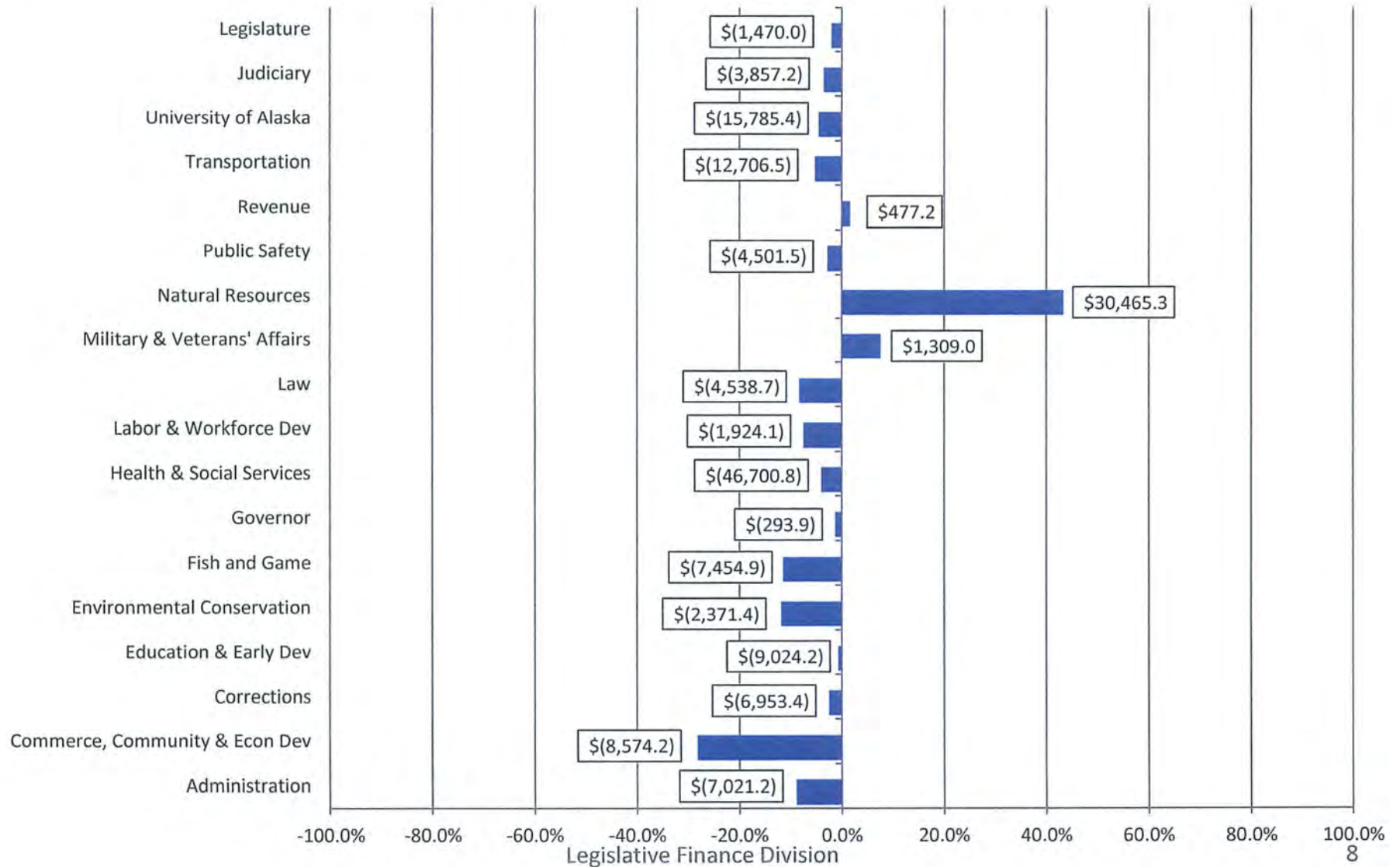
(\$ Billions)



Note: Revenue figures are based on the DOR Fall 2015 forecast and include revenue not directly affected by oil prices.

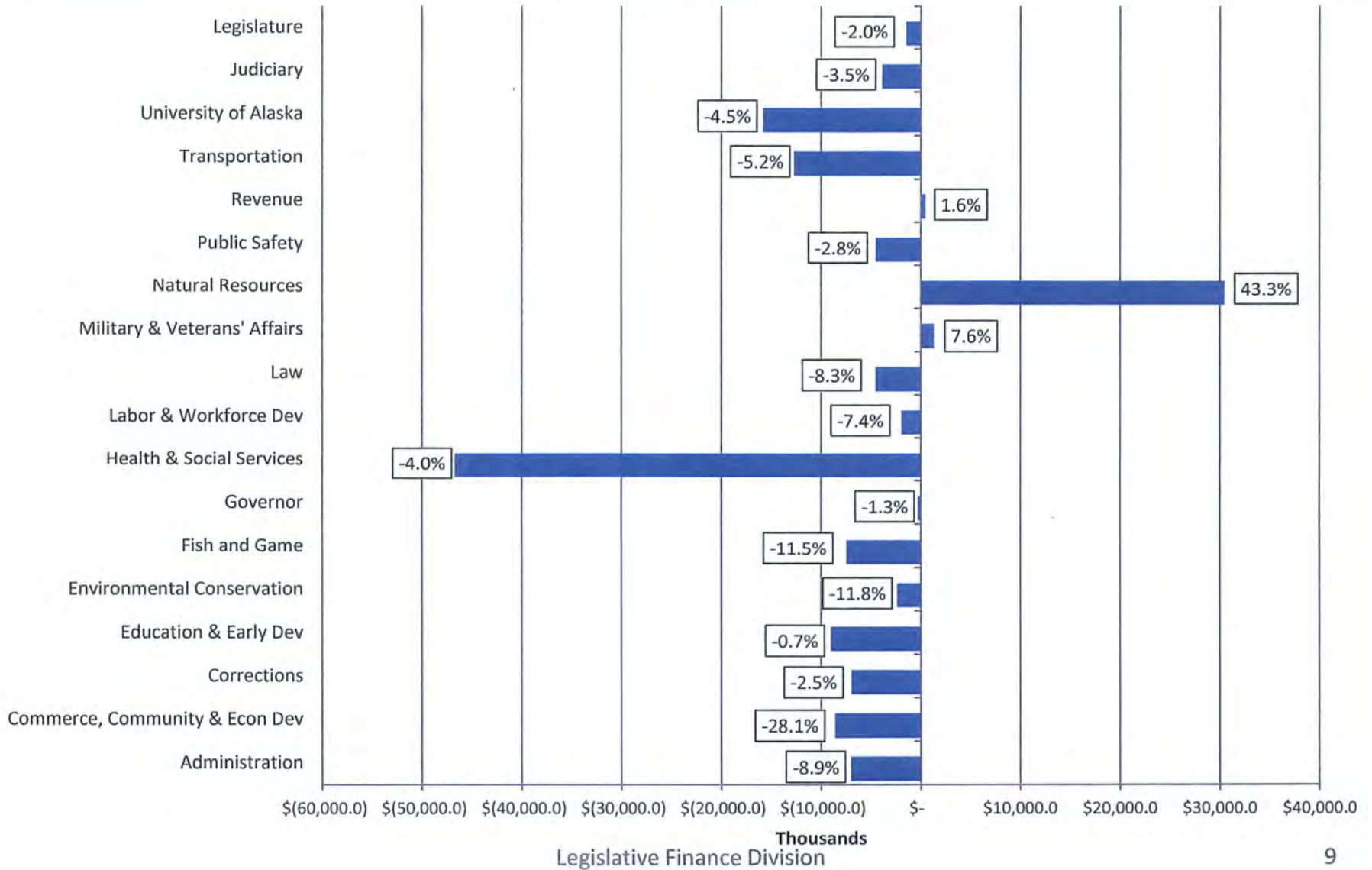
Agency Operating Budgets Percentage Change from FY16 Mgt Plan to FY17 Gov (UGF Only)

Boxes reflect the \$ change in thousands.



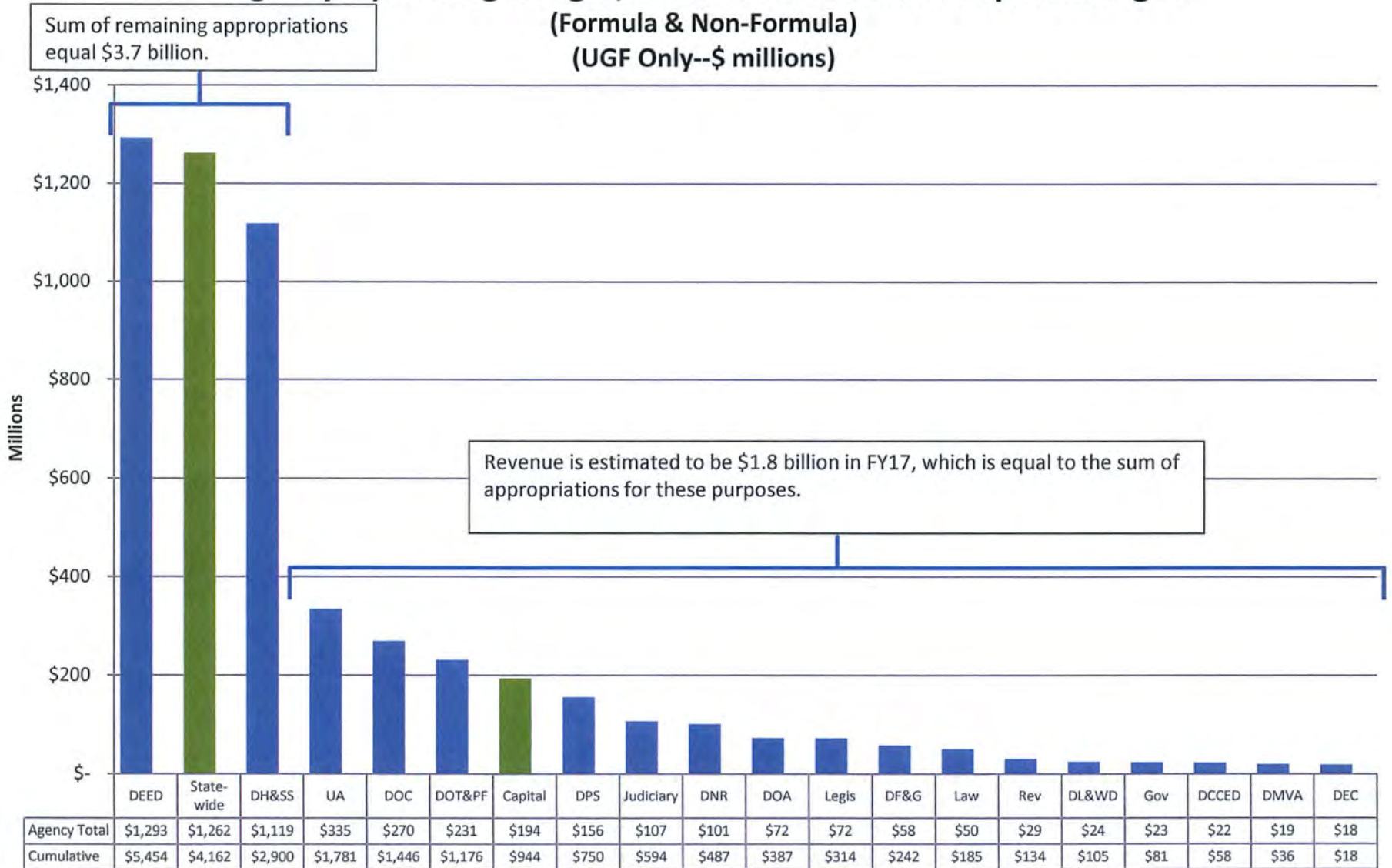
Agency Operating Budgets Change from FY16 Mgt Plan to FY17 Gov (UGF Only)

Boxes reflect the percentage change.



PERS and TRS Costs (\$ million)			
	Cost w/o POBs	Cost w/POBs	Additional Cost of POBs
PERS			
State Assistance	99.1	-	
Costs to Issue (FY16)	-	7.2	
Debt Service	-	129.0	
Subtotal	99.1	136.2	37.1
TRS			
State Assistance	116.7	43.4	
Costs to Issue (FY16)	-	5.5	
Debt Service	-	89.6	
Subtotal	116.7	138.5	21.8
TOTAL	215.8	274.7	58.9

FY17 Governor's Request Agency Operating Budget, Statewide Items and Capital Budget (Formula & Non-Formula) (UGF Only--\$ millions)



Unrestricted General Fund Revenue/ Budget History (millions)

