

# State of Alaska Fiscal Summary

(\$ millions)

	FY08 Management Plan with Adjustments				FY09 Governor's Request				GF Change	
	GF	Federal	Other	Total	GF	Federal	Other	Total	\$	%
<b>REVENUE (Excludes Permanent Fund Earnings)</b>										
1 Unrestricted General Fund Revenue (1)	3,572.6			3,572.6	5,222.8			5,222.8	1,650.2	146%
2 Carryforward (2)	18.6	6.2	2.0	26.8						
3 Public Education Fund Balance (3)	614.7			614.7						
4 Bond Proceeds and Other Borrowing (4)				0.0			60.0	60.0		
5 Net Corporate Dividends (5)			86.5	86.5			87.6	87.6		
6 Federal and Other Funds		2,538.9	1,114.4	3,653.3		2,571.2	1,217.3	3,788.5		
7 <b>Total Revenue</b>	<b>4,205.9</b>	<b>2,545.1</b>	<b>1,202.9</b>	<b>7,953.9</b>	<b>5,222.8</b>	<b>2,571.2</b>	<b>1,364.9</b>	<b>9,158.9</b>		
<b>APPROPRIATIONS</b>										
8 <b>Operating</b>	<b>3,763.0</b>	<b>1,751.8</b>	<b>1,024.2</b>	<b>6,539.0</b>	<b>4,241.7</b>	<b>1,779.5</b>	<b>1,131.4</b>	<b>7,152.7</b>	<b>478.7</b>	<b>13%</b>
9 Agency Operations (Non-Formula)	1,573.0	861.1	1,499.5	3,933.7	1,697.8	890.9	1,586.8	4,175.5	124.8	
10 Formula Programs	1,508.1	855.9	92.5	2,456.5	1,516.6	843.1	98.3	2,458.0	8.5	
11 Debt Service	124.8	11.8	217.9	354.5	115.2	13.1	245.9	374.1	(9.5)	
12 Fund Capitalization	28.4	23.0	23.0	74.4	32.4	27.5	28.0	87.9	4.0	
13 Direct Appropriations to Retirement	455.0	0.0	0.0	455.0	408.4	0.0	0.0	408.4	(46.6)	
14 New Legislation (6)					155.3	0.0	0.4	155.7	155.3	
15 RPLs	0.0	0.0	1.5	1.5	0.0	0.0	0.0	0.0	0.0	
16 Revenue Sharing	48.7	0.0	0.0	48.7	75.0	0.0	0.0	75.0	26.3	
17 Oil & Gas Tax Refunds	25.0	0.0	0.0	25.0	200.0	0.0	0.0	200.0	175.0	
18 Governor's Unspecified Amendments					41.0	5.0	16.0	62.0	41.0	
19 Duplicated Authorization (7)	0.0	0.0	(810.2)	(810.2)	0.0	0.0	(843.9)	(843.9)		
20 <b>Capital</b>	<b>358.8</b>	<b>790.1</b>	<b>178.6</b>	<b>1,327.5</b>	<b>317.8</b>	<b>791.7</b>	<b>233.5</b>	<b>1,343.0</b>	<b>(41.0)</b>	<b>-11%</b>
21 Project Appropriations & RPLs (Revised Programs)	345.3	790.0	210.8	1,346.1	292.8	791.6	322.6	1,407.0		
22 Mental Health Projects	10.6	0.0	5.5	16.1	4.6	0.0	13.0	17.6		
23 Projects Funded with Debt Proceeds (4)	0.0	0.0	94.2	94.2	0.0	0.0	326.6	326.6		
24 Fund Capitalization	2.9	0.1	78.1	81.1	10.0	0.1	127.8	137.9		
25 Governor's Unspecified Amendments					10.5	0.0	0.0	10.5		
26 Duplicated Authorization (7)	0.0	0.0	(210.0)	(210.0)	0.0	0.0	(556.5)	(556.5)		
27 <b>Total Authorization (unduplicated)</b>	<b>4,121.8</b>	<b>2,541.9</b>	<b>1,202.8</b>	<b>7,866.5</b>	<b>4,559.6</b>	<b>2,571.2</b>	<b>1,364.9</b>	<b>8,495.7</b>	<b>437.8</b>	<b>11%</b>
28 <b>Unadjusted Surplus (Draw From CBRF)</b>	<b>84.1</b>				<b>663.2</b>					
<b>ADJUSTMENTS TO REVENUE</b>										
29 Fall 2007 Revenue Adjustment (1)	2,567.2			2,567.2		0.0	0.0	0.0		
30 <b>Total Adjusted Revenue</b>	<b>6,773.1</b>	<b>2,545.1</b>	<b>1,202.9</b>	<b>10,521.1</b>	<b>5,222.8</b>	<b>2,571.2</b>	<b>1,364.9</b>	<b>9,158.9</b>	<b>(1,550.3)</b>	<b>-23%</b>
31 <b>Adjusted Surplus (Draw From CBRF)</b>	<b>2,651.3</b>				<b>663.2</b>					
<b>ADJUSTMENTS TO AUTHORIZATION</b>										
32 K-12 GF Obligations paid by the PEF (3)	(614.7)	0.0	0.0	(614.7)	(1,026.5)	0.0	0.0	(1,026.5)		
33 Public Education Fund for Future Fiscal Years (3)	0.0	0.0	0.0	0.0	1,000.0	0.0	0.0	1,000.0		
<b>Governor's Proposed Supplemental Authorization</b>										
34 Operating Placeholder	108.3	0.0	(0.0)	108.3	50.0	0.0	0.0	50.0		
35 Capital Projects (net of Duplication)	34.0	2.7	0.1	36.8	0.0	0.0	0.0	0.0		
36 Deposits to Retirement Accounts (8)	450.0	0.0	0.0	450.0	0.0	0.0	0.0	0.0		
37 Energy Fund	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0		
38 Oil & Gas Tax Refunds	125.0	0.0	0.0	125.0	0.0	0.0	0.0	0.0		
39 <b>Pre-Savings Authorization (unduplicated)</b>	<b>4,474.4</b>	<b>2,544.5</b>	<b>1,202.9</b>	<b>8,836.5</b>	<b>4,583.1</b>	<b>2,571.2</b>	<b>1,364.9</b>	<b>8,545.7</b>	<b>108.6</b>	<b>2%</b>
40 <b>Pre-Savings Surplus (Draw From CBRF)</b>	<b>2,298.7</b>				<b>639.7</b>					
<b>Governor's Proposed Savings</b>										
41 Public Education Fund for Future Fiscal Years (3)	1,575.0	0.0	0.0	1,575.0	0.0	0.0	0.0	0.0		
42 Transportation Fund	500.0	0.0	0.0	500.0	500.0	0.0	0.0	500.0		
43 Deposit to Constitutional Budget Reserve Fund (9)	223.7	0.0	0.0	223.7	155.3	0.0	0.0	155.3		
44 Other Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
45 <b>Final Anticipated Authorization (unduplicated)</b>	<b>6,773.1</b>	<b>2,544.5</b>	<b>1,202.9</b>	<b>11,135.2</b>	<b>5,238.4</b>	<b>2,571.2</b>	<b>1,364.9</b>	<b>9,201.0</b>		
46 <b>Final Anticipated Surplus (Draw From CBRF)</b>	<b>0.0</b>				<b>(15.6)</b>					
47 Permanent Fund Dividends	0.0	0.0	1,251.0	1,251.0	0.0	0.0	1,357.0	1,357.0		
48 Permanent Fund Inflation Proofing & Other Deposits (10)	0.0	0.6	3,217.0	3,217.6	0.0	0.0	803.0	803.0		
49 <b>TOTAL BUDGET WITH PERMANENT FUND</b>	<b>6,773.1</b>	<b>2,545.1</b>	<b>5,670.9</b>	<b>15,603.7</b>	<b>5,238.4</b>	<b>2,571.2</b>	<b>3,524.9</b>	<b>11,361.0</b>	<b>(1,534.8)</b>	<b>-23%</b>

**Notes:**

- (1) The FY08 revenue forecast published in the Spring 2007 Sources Book (line 1) is revised upward by \$3.2 billion on line 31. The \$614.7 million balance of the Public Education Fund is removed from revenue on line 31. The Fall 2007 revenue forecast for FY08 is 0.731 million barrels per day at \$72.64 per barrel; the FY09 forecast is 0.701 mbd at \$66.32/bbl.
- (2) Carryforward is money that was appropriated in a prior year (but posted to FY08 authorization after June 30, 2006) that is made available for spending in FY08 via multiyear appropriations or reappropriations.
- (3) In recent years, the amount of the Public Education Fund (PEF) used for current-year K-12 costs was shown as revenue in order to display how much K-12 funding came from prior fiscal years versus the current year. That presentation obscured the comparison of current-year revenue versus spending by overstating current-year revenue. The FY09 presentation improves clarity with the same net effect; instead of increasing revenue (line 3), FY09 general fund authorization is reduced by the amount of K-12 costs that are included as general funds on lines 11 and 15, but that will actually be paid from the PEF (\$885 million under current law plus \$141.5 million for K-12 increases associated with new legislation = \$1.0265 billion, line 35). The FY08 reduction in authorization for PEF payments is \$614.7 million (line 35). FY09 deposits to the PEF are shown on line 36.
- (4) The FY09 budget includes \$60 million in projects funded with proceeds of bonds to be sold by the Alaska Student Loan Corporation. This amount appears as revenue because the state is not responsible for debt service on these bonds. The Governor proposed \$240 million in projects financed with general obligation bonds. GO bonds proceeds do not appear as revenue because the state is responsible for future debt service payments. The GO bond proceeds are included on line 24 and are deducted on line 27.
- (5) 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 FY08 and FY09, respectively, are AHFC-\$73.5 million and \$59.7, AIDEA-\$10 million and \$23.8 million, and ASLC-\$1.2 million and \$4.1 million.
- (6) The amount for new legislation includes \$141.5 million to implement proposed changes to the K-12 formula and pupil transportation. An additional \$13.9 million is associated with unspecified legislation.
- (7) 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 (which includes repayment of principal) will be reflected in future operating budgets.
- (8) The Governor proposes to deposit \$450 million to the Teachers Retirement System (TRS) account to pay a portion of the systemwide unfunded liability.
- (9) The Governor proposes to deposit specified amounts to the Constitutional Budget Reserve Fund (CBRF) in FY08 and FY09, in addition to available general funds that might be swept to the CBRF at year end.
- (10) Anticipated FY08 Deposits to the Permanent Fund include \$769 million for inflation proofing plus the Governor's proposed \$2.448 billion transfer from the Earnings Reserve Account.

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(\$ millions)

## Constitutional Budget Reserve and Permanent Fund Account Balances

	Constitutional Budget Reserve Fund	Permanent Fund			
		Permanent Fund Total	Principal	Earnings Reserve	Unrealized Gains
<b>FY07 Beginning Balance</b>	2,267.1	32,910.0	26,104.0	2,585.0	4,221.0
Settlements	90.0	-	-	-	-
Net Earnings/Dedicated Revenues	189.7	5,980.0	532.0	3,471.0	1,977.0
Permanent Fund Inflation Proofing	-	-	860.0	(860.0)	-
Transfer to Capital Income Fund	-	(42.0)	-	(42.0)	-
Permanent Fund Dividend Payout	-	(1,022.0)	-	(1,022.0)	-
Transfer (to)/from General Fund	-	-	-	-	-
Loan to General Fund (prior year)	-	-	-	-	-
Loan to General Fund (current year)	180.3	-	-	-	-
Balance Adjustments	-	-	-	-	-
<b>FY07 Projected Ending Balance</b>	2,727.1	37,827.0	27,497.0	4,132.0	6,198.0
Net Additions to Account Balance	460.0	4,917.0	1,393.0	1,547.0	1,977.0
<b>FY08 Projected Beginning Balance</b>	2,727.1	37,827.0	27,497.0	4,132.0	6,198.0
Settlements	20.0	2,565.0	-	2,565.0	-
Net Earnings/Dedicated Revenues	147.7	830.0	472.0	-	358.0
Permanent Fund Inflation Proofing	-	-	769.0	(769.0)	-
Transfer to Capital Income Fund	-	(29.0)	-	(29.0)	-
Permanent Fund Dividend Payout	-	(1,251.0)	-	(1,251.0)	-
Transfer (to)/from General Fund	-	-	-	-	-
Loan to General Fund (prior year)	-	-	-	-	-
Loan to General Fund (current year)	147.3	-	-	-	-
Balance Adjustments	-	-	-	-	-
<b>FY08 Projected Ending Balance</b>	3,042.1	39,942.0	28,738.0	4,648.0	6,556.0
Net Additions to Account Balance	315.0	2,115.0	1,241.0	516.0	358.0

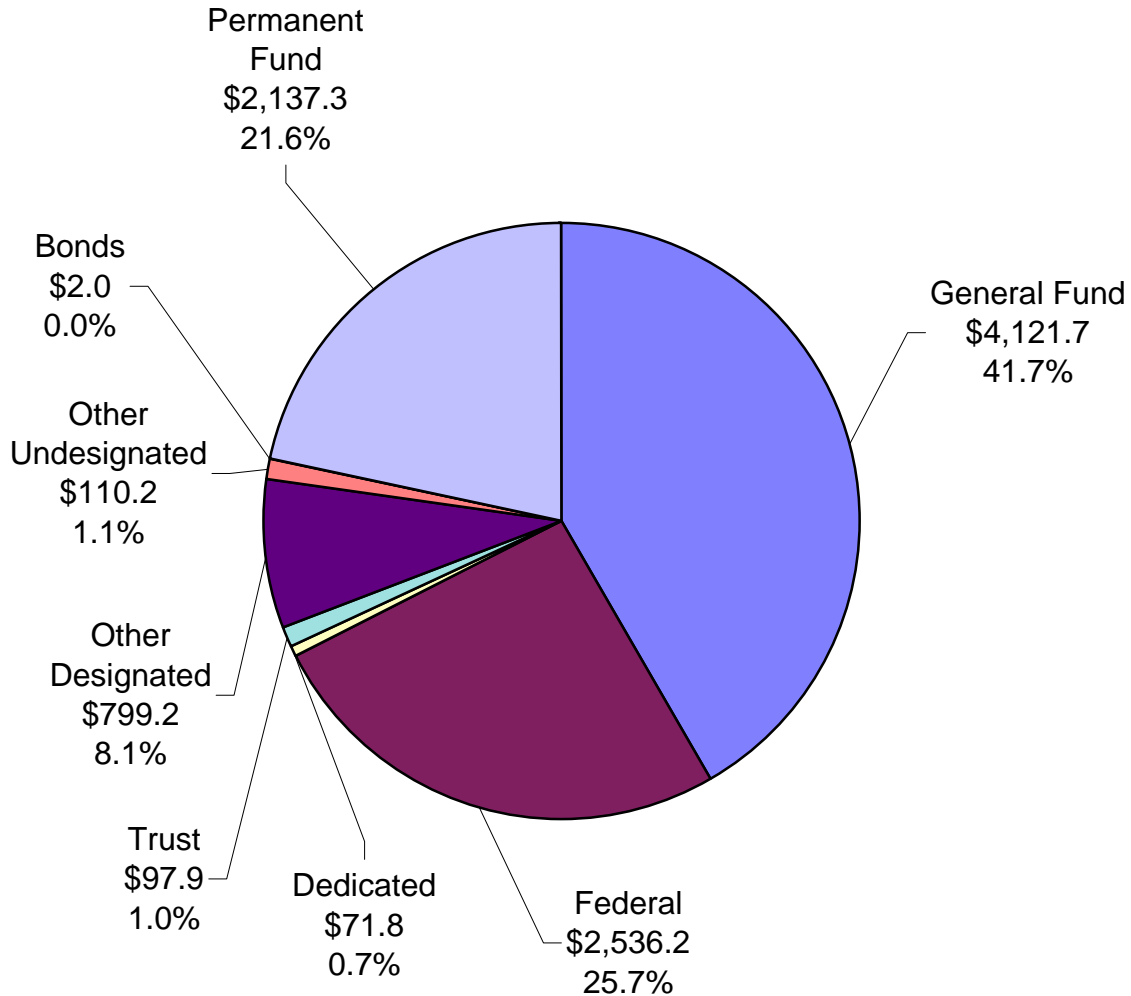
CBR information is from the Spring 2007 Revenue Sources Book

Permanent Fund information is from the APFC July 2007 financial projections

# State of Alaska Fiscal Summary

## FY08 Operating & Capital Budgets Unduplicated Appropriations by Category

(\$ millions)



### Definitions of Funds

**General Fund expenditures** include general fund match, general fund program receipts, general fund mental health, and "pure" general fund expenditures.

**Permanent Fund expenditures** include inflation proofing deposits into the fund, dividends and administrative costs. They also include special deposits to the fund and use of earnings as appropriated by the legislature.

**Federal expenditures** include all federal funds received and spent by the State. Federal funds typically can be used only for the specific purposes for which they are received.

**Dedicated expenditures** as provided for in the Constitution include expenditures by the School Fund (cigarette tax), Public School Fund, Second Injury Fund, Fisherman's Fund and the Fish and Game Fund.

**Trusts** include the Alaska Advance College Tuition Savings Fund, the Alyeska Settlement Fund, the Mental Health Trust, the Exxon Valdez Oil Spill Restoration Fund and several funds associated with public employee retirement systems.

**Other Undesignated** includes all non-federal, non-general fund codes that are not designated for a specific purpose by statute.

**Other Designated** includes all non-federal, non-general fund codes that are designated for a specific purpose by statute.

**Bonds** includes proceeds of bonds for which debt service payments will not appear in future budgets.