

Governor's Proposed FY 08 Budget

(General Funds)

Budget Summary (in millions)	FY07	Murkowski Proposed FY 08	Palin Proposed FY08 12/15/06	FY09	FY10	FY11
Unrestricted general fund revenue (includes PPT)	\$ 4,912.3	\$ 3,911.1	\$ 3,911.1	\$ 3,776.6	\$ 3,669.0	\$ 3,718.8
Less tire tax revenue (repeal)			(1.8)	(1.8)	(1.8)	(1.8)
Total Unrestricted General Fund Revenues	\$ 4,912.3	\$ 3,911.1	\$ 3,909.3	\$ 3,774.8	\$ 3,667.2	\$ 3,717.0
<u>Operating & Debt/Other</u>						
Base Operating	\$ 3,363.3	\$ 2,998.7	\$ 2,998.7			
Supplemental budget	60.0	60.0	30.0			
<u>FY08 Proposed Additions Above FY07</u>						
Medicaid - formula increase		38.0	38.0			
Child care - formula increase		1.5	1.5			
Contractual increases (e.g. corrections out of state \$8.1m)		9.6	9.6			
Fuel and utility increases		22.3	22.3			
Replace non-continuing DHSS federal funds		12.8	12.8			
North Slope lease monitoring		4.5	4.5			
Workload & program increases, maintenance of service		23.3	23.3			
Implement Cruise ship head tax		3.1	3.1			
Bargaining unit contract increases		16.7	16.7			
Court system request		3.3	3.3			
<u>PERS/TRS Cost Increases</u>						
Exec, Legislature, Court, University		178.4	178.4			
School Districts		207.4	207.4			
Local Governments		77.5	77.5			
<u>Governor Palin Commitments</u>						
Maintain K-12 base funding			35.0			
Local government support			48.1			
Longevity Bonus (amount to restore program in FY08)			33.7			
Fund Public Offices Commission investigator			0.1			
FY 08 efficiencies and spending reductions			(150.0)			
Total Operating & Debt/Other Expenditures	\$ 3,423.3	\$ 3,657.1	\$ 3,594.0			
<u>Capital</u>						
School construction grants (appropriated in 06 for FY 08)		\$ 89.7	\$ 89.7			
GF match for federal funds/Mental Health Trust		91.7	91.7			
GF Projects		527.5	-			
Total Capital Expenditures	\$ 730.2	\$ 708.9	\$ 181.4			
Total Authorization to Spend	\$ 4,153.5	\$ 4,366.0	\$ 3,775.4			
Current Revenues over Expenditures (deficit)	\$ 758.8	\$ (454.9)	\$ 133.9			
<u>Early Education Funding Bill (1st 60 days)</u>						
FY08 formula base		\$ 904.8				
FY 08 PERS/TRS Inc (FY 07 inc. in base)		207.4				
Maintain K-12 base funding		35.0				
K-12 funding for FY 08		\$ 1,147.2				
<u>Constitutional Budget Reserve (CBR)</u>						
Projected Beginning Balance		\$ 2,424.0				
Deposit FY 07 Budget Surplus		1,351.2				
Deposit FY 08 Budget Surplus		518.0				
Total CBR balance after deposits		\$ 4,293.2				
<u>Permanent Fund Earnings Reserve Deposit</u>						
FY06 Balance		\$ 2,585.0				
Statutory Net Income		2,063.0				
Dividends		(878.0)				
Inflation Proofing		(732.0)				
Estimated FY07 Balance		\$ 3,038.0				
Required for FY08 dividends, inflation proofing and cash flow		(1,730.0)				
Estimated deposit on 6-30-07		\$ 1,308.0				