

State of Alaska
Fiscal 2017 Governor Fiscal Summary
(dollars shown in millions)

| | FY2016 Management Plan plus Supplementals | | | | | FY2017 Governor | | | | | UGF Change | UGF % Change | Total % Change |
|---|---|--------------------------|-------------------|----------------|-----------------|----------------------------|--------------------------|-------------------|----------------|------------------|----------------|--------------|----------------|
| | Unrestricted General Funds | Designated General Funds | Other State Funds | Federal Funds | Total Funds | Unrestricted General Funds | Designated General Funds | Other State Funds | Federal Funds | Total Funds | | | |
| 1 REVENUE | 1,609.5 | 926.7 | 639.5 | 3,458.3 | 6,634.0 | 4,389.5 | 894.7 | 713.2 | 3,142.9 | 9,140.3 | | | |
| 2 Total Unrestricted General Fund Revenues (A) (\$49.58, \$56.24) | 1,593.0 | | | | 1,593.0 | 1,796.4 | | | 3,142.9 | 1,796.4 | | | |
| 3 Deposits to the Permanent Fund Earning Reserve Account | | | | | 0.0 | (945.6) | | | | (945.6) | | | |
| 4 AIDEA and AHFC Dividend Adjustments | | | | | 0.0 | (11.3) | | | | (11.3) | | | |
| 5 Transfer from Permanent Fund Earnings Reserve | | | | | 0.0 | 3,200.0 | | | | 3,200.0 | | | |
| 6 Additional Revenue (B) | | | | | 0.0 | 350.0 | | | | 350.0 | | | |
| 7 Carryforward and Reappropriations (C) | 16.5 | | | 0.4 | 16.9 | | | | | 0.0 | | | |
| 8 Restricted Revenue (D) | | 926.7 | 639.5 | 3,457.9 | 5,024.1 | | 894.7 | 713.2 | 3,142.9 | 4,750.8 | | | |
| 9 APPROPRIATIONS | | | | | | | | | | | | | |
| 10 Total Operating | 5,270.6 | 830.6 | 611.8 | 2,182.4 | 8,895.4 | 5,759.9 | 848.7 | 645.6 | 2,185.9 | 9,440.2 | 489.3 | 9.3% | 6.1% |
| 11 Agency Operations | 4,111.9 | 805.0 | 558.9 | 2,153.7 | 7,629.4 | 3,997.9 | 828.8 | 564.3 | 2,157.1 | 7,548.1 | (114.0) | -2.8% | -1.1% |
| 12 Agency Operations (Non-formula) | 1,869.4 | 713.5 | 552.8 | 904.8 | 4,040.4 | 1,801.2 | 721.2 | 559.0 | 904.1 | 3,985.5 | (68.3) | -3.7% | -1.4% |
| 13 FY2016 Management Plan/FY2017 Governor | 1,856.4 | 713.5 | 552.8 | 904.8 | 4,027.4 | 1,801.2 | 721.2 | 559.0 | 904.1 | 3,985.5 | (55.3) | -3.0% | |
| 14 Supplementals | 13.0 | | | | 13.0 | | | | | 0.0 | | | |
| 15 Legislature and Judiciary Operations | 184.0 | 0.6 | 0.7 | 1.3 | 186.6 | 178.7 | 0.6 | 0.6 | 1.3 | 181.1 | (5.3) | -2.9% | -2.9% |
| 16 Total K-12 Foundation and Pupil Transportation (E) | 1,247.5 | 13.0 | 0.0 | 20.8 | 1,281.3 | 1,243.0 | 30.0 | 0.0 | 20.8 | 1,293.7 | (4.5) | -0.4% | 1.0% |
| 17 Agency Operations (Formula) | 811.0 | 78.0 | 2.8 | 1,067.1 | 1,958.9 | 775.1 | 77.0 | 4.8 | 1,230.8 | 2,087.7 | (35.8) | -4.4% | 6.6% |
| 18 Revised Programs Legislatively Approved | | | 2.6 | 159.7 | 162.3 | | | | | 0.0 | | | |
| 19 Duplicated Authorizations Non-additive (F) | | | 747.1 | | 747.1 | | | 771.7 | | 771.7 | | | |
| 20 Statewide Operations | 1,158.7 | 25.6 | 52.9 | 28.7 | 1,265.9 | 1,762.0 | 19.9 | 81.3 | 28.9 | 1,892.1 | 603.3 | 52.1% | 49.5% |
| 21 Debt Service (G) | 206.2 | 23.9 | 43.3 | 5.2 | 278.7 | 436.7 | 18.3 | 76.0 | 5.2 | 536.2 | 230.4 | 111.8% | 92.4% |
| 22 FY2016 Management Plan/FY2017 Governor | 206.2 | 23.9 | 43.3 | 5.2 | 278.7 | 436.7 | 18.3 | 76.0 | 5.2 | 536.2 | 230.4 | 111.8% | 92.4% |
| 23 Supplementals | | | 0.0 | | 0.0 | | | | | 0.0 | | | |
| 24 Direct Appropriations to Retirement | 262.5 | | 2,531.5 | | 2,794.0 | 48.9 | | | | 48.9 | (213.6) | -81.4% | -98.2% |
| 25 FY2016 Management Plan/FY2017 Governor | 262.5 | | | | 262.5 | 48.9 | | | | 48.9 | (213.6) | -81.4% | -81.4% |
| 26 Supplementals (duplicated authorization) (F) | | | 2,531.5 | | 2,531.5 | | | | | 0.0 | | | |
| 27 Fund Capitalizations (H) | 146.0 | 1.7 | 9.6 | 23.5 | 180.8 | 3.0 | 1.6 | 5.3 | 23.6 | 33.6 | (143.0) | -97.9% | -81.4% |
| 28 FY2016 Management Plan/FY2017 Governor | 2.0 | 1.7 | 5.4 | 23.5 | 32.5 | 3.0 | 1.6 | 5.3 | 23.6 | 33.6 | | | |
| 29 Supplementals | 144.0 | | 4.2 | | 148.2 | | | | | 0.0 | | | |
| 30 Revenue Sharing | 35.4 | | | | 35.4 | | | | | 0.0 | | | |
| 31 FY2016 Management Plan/FY2017 Governor | 0.0 | | | | 0.0 | | | | | 0.0 | | | |
| 32 Supplementals | 35.4 | | | | 35.4 | | | | | 0.0 | | | |
| 33 Oil and Gas Tax Credits | 500.0 | | | | 500.0 | 73.4 | | | | 73.4 | | | |
| 34 Judgments, Claims and Settlements | 8.6 | | | | 8.6 | | | | | 0.0 | | | |
| 35 New Legislation Placeholder | | | | | 0.0 | 1,200.0 | | | | 1,200.0 | | | |
| 36 Duplicated Authorizations Non-additive (F) | | | 2,559.6 | | 2,559.6 | | | 12.2 | | 12.2 | | | |
| 37 Total Capital | 118.4 | 56.6 | 27.7 | 1,275.0 | 1,478.6 | 194.3 | 6.8 | 67.6 | 956.9 | 1,225.5 | 75.9 | 64.1% | -17.1% |
| 38 Project Appropriations | 118.4 | 56.6 | 27.7 | 1,275.0 | 1,477.7 | 194.3 | 6.8 | 67.6 | 956.9 | 1,225.5 | 75.9 | 64.1% | -17.1% |
| 39 Revised Programs Legislatively Approved | | | | 1.0 | 1.0 | | | | | 0.0 | | | |
| 40 Duplicated Authorizations Non-additive (F) | | | 32.5 | | 32.5 | | | 36.2 | | 36.2 | | | |
| 41 Pre-Transfer Authorization | 5,389.0 | 887.1 | 639.5 | 3,458.3 | 10,374.0 | 5,954.2 | 855.4 | 713.2 | 3,142.9 | 10,665.7 | 565.2 | 10.5% | 2.8% |
| 42 Fund Transfers | (226.1) | 39.6 | 0.0 | 0.0 | (186.5) | (1,137.8) | 39.3 | 0.0 | 0.0 | (1,098.5) | | | |
| 43 Designated Reserves/Loan Funds | | | | | 0.0 | | | | | 0.0 | | | |
| 44 Public Education Fund - Current Year Draw (E) | (1,247.5) | | | | (1,247.5) | (1,243.0) | | | | (1,243.0) | | | |
| 45 Public Education Fund - Current Year Deposit (E) | 967.0 | | 0.0 | | 967.0 | 1,243.0 | | | | 1,243.0 | | | |
| 46 Undesignated Reserves | | | | | 0.0 | | | | | 0.0 | | | |
| 47 Statutory Budget Reserve (SBR) | | | 5,500.0 | | 5,500.0 | (4,200.0) | | | | (4,200.0) | | | |
| 48 Transfer from the Constitutional Budget Reserve | | | 5,500.0 | | 5,500.0 | | | | | 0.0 | | | |
| 49 Draw for New Legislation | | | | | 0.0 | (1,200.0) | | | | (1,200.0) | | | |
| 50 Transfer to the Permanent Fund Earnings Reserve Account | | | | | 0.0 | (3,000.0) | | | | (3,000.0) | | | |
| 51 Other Transfers | | | | | 0.0 | | | | | 0.0 | | | |
| 52 Permanent Fund Earnings Reserve Fund Transfer from the SBR | | | | | 0.0 | 3,000.0 | | | | 3,000.0 | | | |
| 53 REAA/Small Municipal School District Fund (I) | 38.8 | | | | 38.8 | 41.6 | | | | 41.6 | | | |
| 54 Renewable Energy Grant Fund (J) | | | | | 0.0 | 5.0 | | | | 5.0 | | | |
| 55 Constitutional Budget Reserve Fund (K) | | | (5,500.0) | | (5,500.0) | | | | | 0.0 | | | |
| 56 Other Transfers (L) | 15.6 | 39.6 | | | 55.1 | 15.5 | 39.3 | | | 54.8 | | | |
| 57 Duplicated Authorizations Non-additive (F) | | | 157.0 | | 157.0 | | | | | 0.0 | | | |
| 58 Total Authorization to Spend | 5,162.9 | 926.7 | 639.5 | 3,458.3 | 10,187.4 | 4,816.4 | 894.7 | 713.2 | 3,142.9 | 9,567.1 | (346.5) | -6.7% | -6.1% |
| 59 Post-Transfer Balance to/(from) SBR | (3,553.5) | | | | | (426.9) | | | | | | | |

Notes

A Total Unrestricted General Fund Revenue: Line 2 is based on information from the Department of Revenue Fall 2015 Revenue Forecast.

| Unrestricted General Fund Revenue | FY2016 | FY2017 | Corporate Dividends | FY2016 | FY2017 |
|--|------------------|------------------|--|---------------|---------------|
| Oil Price (ANS West Coast Spot per barrel) | \$49.58 | \$56.24 | Alaska Industrial Development and Export Authority (AIDEA) | \$17.7 | \$6.3 |
| Average ANS oil production (thb barrels/day) | 500.2 | 504.9 | Alaska Housing Finance Corporation for Projects | \$8.7 | \$13.5 |
| Unrestricted General Fund Revenue | \$1,593.0 | \$1,796.4 | Total as Unrestricted General Funds | \$26.4 | \$19.8 |

B Additional Revenue: Includes pending legislation for state income tax, increases to mining, fishing, tourism, motor vehicle, alcohol, and tobacco taxes, and reform of oil and gas taxes.

C Carryforward and Reappropriations: Includes fund sources for reappropriations and other appropriations (typically roll-forwards of prior year multi-year appropriations) that do not require additional FY2016 or FY2017 revenue.

D Restricted Revenue: Other revenue not included as Unrestricted General Fund Revenues in the Revenue Sources Book, such as Federal Receipts and University Receipts.

Notes continued

E Public Education Fund: Legislation in 2005 established the Public Education Fund (PEF). One of the effects of this legislation was to remove expenditures for K-12 Public Education from Agency Operations (Formula) on line 17. The FY2016 and FY2017 proposed total K-12 Foundation Program and Pupil Transportation expenditures is shown on line 16. The table below shows the amount of K-12 Foundation Formula and Pupil Transportation being expensed from the Public Education Fund, since expenditures from the fund do not require appropriation.

| Public Education Fund Expenditures | FY2016 | FY2017 |
|------------------------------------|--------------------|--------------------|
| K-12 Foundation Formula | \$1,168,239.5 | \$1,163,984.5 |
| Pupil Transportation | \$79,240.3 | \$78,969.8 |
| Public Education Fund Total | 1,247,479.8 | 1,242,954.3 |

F Duplicated Authorizations: These appropriations 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. The most significant examples of these type of expenditures include operating payments from Interagency Receipts, Capital Improvement Project Receipts, and In-state Pipeline Fund. The amount displayed on lines 24 and 26 is proceeds from Pension Obligation Bonds, which is removed from the total on line 20 as this is a duplicated authorization.

G Debt Service: The Debt Service line includes actual payment of debt obligations, primarily General Obligation Bonds, State debt reimbursement programs such as School Debt reimbursement, Certificates of Participation (lease-financing), and International Airports Revenue Bonds. FY2017 also includes debt service for Pension Obligation Bonds.

H Fund Capitalizations: Line 27 consists of the Alaska Liquefied Natural Gas Project Fund, the In-state Pipeline Fund, the Alaska Children's Trust Grant Account, the Disaster Relief Fund, the Crime Victim Compensation Fund, the Alaska Clean Water Fund, the Alaska Drinking Water Fund, the Municipal Bond Bank Reserve Fund, the Election Fund, the Fish and Game Revenue Bond Redemption Fund and the Emerging Energy Technology fund.

I REAA/Small Municipal School District Fund: The REAA/Small Municipal School District Fund is capitalized with \$38.8 million Unrestricted General Funds in FY2016, and \$41.6 million Unrestricted General Funds in FY2017, per AS 14.11.025. There are currently no capital projects appropriated from the REAA/Small Municipal School District Fund for FY2016 or FY2017.

J Renewable Energy Grant Fund: The Renewable Energy Grant Fund is capitalized with \$5.0 million Unrestricted General Funds in FY2017. In FY2016, \$11.5 million in grants are appropriated from the Renewable Energy Grant Fund on line 38 in the Designated General Funds column. In FY2017, \$5.0 million in grants are appropriated from the Renewable Energy Grant Fund on line 38 in the Designated General Funds column.

K Constitutional Budget Reserve Fund: Line 55 transfers \$5.5 billion from the Constitutional Budget Reserve Fund to the Statutory Budget Reserve Fund. HB2001 allows for the transfer of the amounts necessary to balance revenue and general fund appropriations from the Constitutional Budget Reserve Fund for FY2016.

L Other Transfers: Includes capitalization of various State funds, such as the Fish and Game Fund, Oil and Hazardous Substance Release Prevention and Response Accounts, and the Vaccine Assessment Account.

Reconciliation of Total Authorization

(dollars shown in millions)

| | FY2016 Management Plan plus Supplementals | | | | | FY2017 Governor | | | | | UGF Change | UGF % Change | Total % Change |
|---|---|--------------------------|-------------------|---------------|-------------|----------------------------|--------------------------|-------------------|---------------|-------------|------------|--------------|----------------|
| | Unrestricted General Funds | Designated General Funds | Other State Funds | Federal Funds | Total Funds | Unrestricted General Funds | Designated General Funds | Other State Funds | Federal Funds | Total Funds | | | |
| 60 Permanent Fund Appropriations | 0.0 | 2,314.0 | 0.0 | 0.0 | 2,314.0 | 0.0 | 3,221.0 | 0.0 | 0.0 | 3,221.0 | | | |
| 61 PF Dividends / PFD Division Operations (M) | | 1,405.0 | | | 1,405.0 | | 0.0 | | | 0.0 | | | |
| 62 PF Inflation Proofing | | 888.0 | | | 888.0 | | 0.0 | | | 0.0 | | | |
| 63 AK Capital Income Fund (Am Hess) (N) | | 21.0 | | | 21.0 | | 21.0 | | | 21.0 | | | |
| 64 General Fund Appropriation | | | | | 0.0 | | 3,200.0 | | | 3,200.0 | | | |
| 65 Total Authorization to Spend with Permanent Fund | 5,162.9 | 3,240.7 | 639.5 | 3,458.3 | 12,501.4 | 4,816.4 | 4,115.7 | 713.2 | 3,142.9 | 12,788.1 | (346.5) | -6.7% | 2.3% |
| 66 Fiscal Year Summary (Includes Permanent Fund) | 5,162.9 | 3,240.7 | 639.5 | 3,458.3 | 12,501.4 | 4,816.4 | 4,115.7 | 713.2 | 3,142.9 | 12,788.1 | (346.5) | -6.7% | 2.3% |
| 67 Agency Operations | 4,111.9 | 805.0 | 558.9 | 2,153.7 | 7,629.4 | 3,997.9 | 828.8 | 564.3 | 2,157.1 | 7,548.1 | (114.0) | -2.8% | -1.1% |
| 68 Statewide Totals | 1,158.7 | 25.6 | 52.9 | 28.7 | 1,265.9 | 1,762.0 | 19.9 | 81.3 | 28.9 | 1,892.1 | 603.3 | 52.1% | 49.5% |
| 69 Total Operating | 5,270.6 | 830.6 | 611.8 | 2,182.4 | 8,895.4 | 5,759.9 | 848.7 | 645.6 | 2,185.9 | 9,440.2 | 489.3 | 9.3% | 6.1% |
| 70 Capital | 118.4 | 56.6 | 27.7 | 1,275.9 | 1,478.6 | 194.3 | 6.8 | 67.6 | 956.9 | 1,225.5 | 75.9 | 64.1% | -17.1% |
| 71 Total Authorization Pre-Transfers | 5,389.0 | 887.1 | 639.5 | 3,458.3 | 10,374.0 | 5,954.2 | 855.4 | 713.2 | 3,142.9 | 10,665.7 | | | |
| 72 Fund Transfers | (226.1) | 39.6 | 0.0 | 0.0 | (186.5) | (1,137.8) | 39.3 | 0.0 | 0.0 | (1,098.5) | | | |
| 73 Total Authorization to Spend | 5,162.9 | 926.7 | 639.5 | 3,458.3 | 10,187.4 | 4,816.4 | 894.7 | 713.2 | 3,142.9 | 9,567.1 | (346.5) | -6.7% | -6.1% |
| 74 Permanent Fund Appropriations | 0.0 | 2,314.0 | 0.0 | 0.0 | 2,314.0 | 0.0 | 3,221.0 | 0.0 | 0.0 | 3,221.0 | | | |

M PF Dividends / PFD Division Operations: Line 61 includes both the amounts for Permanent Fund Dividend (PFD) checks and other State operating costs of the PFD. The amount appropriated in FY2016 is sufficient to provide for PFD checks to each eligible individual for 2016 (\$1,000) and 2017.

| Permanent Fund Dividend Fund Other Expenditures | FY2016 | FY2017 |
|---|---------------|---------------|
| Department of Revenue, Division of Permanent Fund Dividend operations | \$8.4 | \$8.4 |
| Department of Health and Social Services, Public Assistance PFD Hold Harmless | \$17.7 | \$17.7 |
| Total | \$26.1 | \$26.1 |

included in Line 12
included in Line 17

The financial information for the Permanent Fund section (lines 61-63) is from the Alaska Permanent Fund Corporation Fund Financial History & Projections as of October 31, 2015. These financial statements are available on the Alaska Permanent Fund website: www.APFC.org.

N Alaska Capital Income Fund: The Alaska Capital Income Fund is authorized by AS 37.05.565. The fund consists of income earned on money awarded as a result of the State vs. Amerada Hess royalty case, estimated to be \$18-25 million per year, plus other appropriations.