

# State of Alaska - Office of Management and Budget

## Fiscal Year 2020 Enacted Budget



| Operating and Mental Health *      | UGF                  | DGF                | All General Fund | Other          | Fed              | Total            | UGF Deficit      | Deficit with Capital ** |
|------------------------------------|----------------------|--------------------|------------------|----------------|------------------|------------------|------------------|-------------------------|
| FY20 December Release              | 4,724,023            | 855,124            | 5,579,147        | 680,854        | 2,719,700        | 8,979,701        | (1,384,889)      | (1,618,189)             |
| FY20 Gov Amend                     | 3,571,723            | 879,269            | 4,450,993        | 1,164,928      | 2,249,029        | 7,864,949        |                  | 11,800                  |
| Conference Committee               | 4,436,317            | 872,852            | 5,309,170        | 712,766        | 2,720,756        | 8,742,692        | (1,097,183)      | (1,233,983)             |
| Veto Actions***                    | (391,078)            | (8,649)            | (399,727)        | (12,352)       | (22,537)         | (434,615)        |                  |                         |
| <b>Enacted Bill</b>                | <b>4,045,240</b>     | <b>864,203</b>     | <b>4,909,443</b> | <b>700,415</b> | <b>2,698,219</b> | <b>8,308,076</b> | <b>(706,105)</b> | <b>(854,605)</b>        |
| <b>Change from December Budget</b> | <b>(678,784)</b>     | <b>9,079</b>       | <b>(669,704)</b> | <b>19,560</b>  | <b>(21,481)</b>  | <b>(671,625)</b> | <b>678,784</b>   | <b>763,584</b>          |
| <b>% Change</b>                    | <b>-14.4%</b>        | <b>1.1%</b>        | <b>-12.0%</b>    | <b>2.9%</b>    | <b>-0.8%</b>     | <b>-7.5%</b>     | <b>-49.0%</b>    | <b>-47.2%</b>           |
| <b>FY21 Starting Point</b>         | <b>Operating UGF</b> | <b>Capital UGF</b> | <b>Revenue</b>   | <b>Deficit</b> |                  |                  |                  |                         |
| Tentative Budget                   | 4,073,740            | 150,000            | 3,490,000        | (733,740)      |                  |                  |                  |                         |

On December 14, 2018 the budget released by the administration was an unendorsed budget, with a \$1.6 billion deficit, inherited from the prior administration. On February 13<sup>th</sup>, and through several subsequent amendments, the administration released a budget that balanced expenditures to revenues and paid a full dividend.

In early June the legislature passed a budget that included \$270 million in general fund reductions from the December 14<sup>th</sup> starting point. Through veto action an additional \$409 million has been reduced. This enacted budget spends nearly \$680 million, 12.2%, less than the proposed spending inherited by the administration on December 3<sup>rd</sup>.

The projected UGF deficit, accounting for a potential \$150 million capital budget, has been nearly halved. This puts the state on the path towards a sustainable, balanced, budget. In FY2021, based on current projections and known cost drivers, the administration expects to be faced with a UGF deficit of approximately \$730 million.

\* Includes \$1,249.8 million in UGF spending for K-12 Foundation and Pupil Transportation payments in anticipation of a valid appropriation.

\*\* Proposed capital budget amounts included for December and February budgets, \$150m capital budget assumed on other rows.

\*\*\* Includes reductions through line item vetoes and accounts for a reduction of \$30 million in additional K-12 Foundation funding not validly appropriated.