

Senator Mike Dunleavy Sample 10-Year State Budget
(total including federal, other, DGF UGF)

SAMPLE 10-YEAR STATE BUDGET (total including federal, other, DGF and UGF)																														
<i>(\$ in millions)</i>	FY18			FY19			FY20			FY21			FY22			FY23			FY24			FY25			FY26			FY27		
Currently Projected Revenue ¹	\$ 6,737.1			\$ 6,985.7			\$ 7,019.7			\$ 7,056.7			\$ 7,125.4			\$ 7,152.0			\$ 7,187.5			\$ 7,287.3			\$ 7,357.8			\$ 7,357.8		
Minus/Plus Savings Draws ²	\$ 2,352.5			\$ 1,803.9			\$ 1,508.5			\$ 1,639.5			\$ 1,722.5			\$ 1,750.0			\$ 1,780.5			\$ 1,809.5			\$ 1,836.5			\$ 1,863.5		
Total Revenue		\$ 9,089.6		\$ 8,789.6			\$ 8,528.2			\$ 8,696.2			\$ 8,847.9			\$ 8,902.0			\$ 8,968.0			\$ 9,096.8			\$ 9,194.3			\$ 9,221.3		
Projected Expenditures ³	\$ 9,389.6			\$ 9,089.6			\$ 8,789.6			\$ 8,489.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6		
Minus Reductions ⁴	\$ 300.0			\$ 300.0			\$ 300.0			\$ 200.0			\$ -			\$ -			\$ -			\$ -			\$ -			\$ -		
Total Expenditures		\$ 9,089.6		\$ 8,789.6			\$ 8,489.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6			\$ 8,289.6		
Budget Surplus/Deficit⁵		\$ -		\$ -			\$ 38.6			\$ 406.6			\$ 558.3			\$ 612.4			\$ 678.4			\$ 807.2			\$ 904.7			\$ 931.7		

Sample Budget that would maintain the PFD and the current formula for calculating it

¹Revenue projections as provided by Legislative Finance & DoR; see separate tab: **Revenue**

²See separate tab: **Savings**

³See separate tab: **Expenditures**; FY19-27 is previous year's starting budget minus previous year's reductions

⁴Sample budget reduction amounts

⁵Surplus/deficit: surplus deposited into CBR

REVENUE (current sources, as projected)										
(\$ in millions)	FY18 revenue	FY19 revenue	FY20 revenue	FY21 revenue	FY22 revenue	FY23 revenue	FY24 revenue	FY25 revenue	FY26 revenue	FY27 revenue
Federal^{1,2}	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3
Other²	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6
DGF²	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1	\$ 990.1
UGF³	\$ 1,624.1	\$ 1,872.7	\$ 1,906.7	\$ 1,943.7	\$ 2,012.4	\$ 2,039.0	\$ 2,074.5	\$ 2,174.3	\$ 2,244.8	\$ 2,244.8
Total	\$ 6,737.1	\$ 6,985.7	\$ 7,019.7	\$ 7,056.7	\$ 7,125.4	\$ 7,152.0	\$ 7,187.5	\$ 7,287.3	\$ 7,357.8	\$ 7,357.8

¹All programs which rely 100% on federal revenue will continue only if 100% of that revenue continues; no augmentation from state spending

²Federal, Other and DGF amounts are equivalent to FY18 Revenue (Governor) as shown on Legislative Finance Division's Fiscal Summary dated Janu

³UGF revenue for FY18-FY26 from Department of Revenue's *Fall 2016 Revenue Sources Book*; FY27 = FY26 due to no DOR projections available yet

Projected revenue per non-partisan federal Energy Information Administration (EIA) is higher

SAVINGS																					
State of Alaska Savings Accounts	end FY17 balance	FY18 withdrawal	FY18 balance	FY19 withdrawal	FY19 balance	FY20 withdrawal	FY20 balance	FY21 withdrawal	FY21 balance	FY22 withdrawal	FY22 balance	FY23 withdrawal	FY23 balance	FY24 withdrawal	FY24 balance	FY25 withdrawal	FY25 balance	FY26 withdrawal	FY26 balance	FY27 withdrawal	FY27 balance ⁷
<i>(\$ in millions)</i>																					
Constitutional Budget Reserve (CBR) ¹	\$ 3,266.0	\$ 271.7	\$ 3,155.2	\$ 148.4	\$ 3,167.9	\$ -	\$ 3,371.7	\$ -	\$ 3,954.8	\$ -	\$ 4,704.4	\$ -	\$ 5,524.1	\$ -	\$ 6,427.6	\$ -	\$ 7,480.5	\$ -	\$ 8,653.9	\$ -	\$ 9,878.3
Statutory Budget Reserve (SBR) ²	\$ 288.0	\$ 288.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alaska Higher Education Investment Fund ³	\$ 344.2	\$ 100.0	\$ 233.8	\$ -	\$ 224.3	\$ -	\$ 215.0	\$ -	\$ 205.8	\$ -	\$ 196.7	\$ -	\$ 187.7	\$ -	\$ 178.9	\$ -	\$ 170.2	\$ -	\$ 161.6	\$ -	\$ 153.1
Power Cost Equalization (PCE) ⁴	\$ 987.4	\$ 200.0	\$ 781.5	\$ 200.0	\$ 563.1	\$ -	\$ 551.0	\$ -	\$ 545.2	\$ -	\$ 546.3	\$ -	\$ 551.4	\$ -	\$ 557.1	\$ -	\$ 563.2	\$ -	\$ 569.4	\$ -	\$ 575.7
Earnings Reserve Account (ERA) ⁵	\$ 8,345.0	\$ 1,471.5	\$ 10,383.0	\$ 1,455.5	\$ 10,056.0	\$ 1,508.5	\$ 10,512.0	\$ 1,639.5	\$ 10,933.0	\$ 1,722.5	\$ 11,162.0	\$ 1,750.0	\$ 11,284.0	\$ 1,780.5	\$ 11,404.0	\$ 1,809.5	\$ 11,516.0	\$ 1,836.5	\$ 11,623.0	\$ 1,863.5	\$ 11,730.0
Alaska Housing Capital Corporation (AHCC) ⁶	\$ 21.3	\$ 21.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Sharing/Community Assistance	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0	\$ -	\$ 90.0
Total in Savings Accounts/Withdrawals	\$ 13,341.8	\$ 2,352.5	\$ 14,553.5	\$ 1,803.9	\$ 14,011.4	\$ 1,508.5	\$ 14,649.6	\$ 1,639.5	\$ 15,638.7	\$ 1,722.5	\$ 16,609.3	\$ 1,750.0	\$ 17,547.2	\$ 1,780.5	\$ 18,567.6	\$ 1,809.5	\$ 19,729.8	\$ 1,836.5	\$ 21,007.8	\$ 1,863.5	\$ 22,337.1

All beginning balances (except ERA) provided by Legislative Finance Division; ERA data provided by PFC

¹See separate tab: **CBR**; CBR balances for each FY (include 2% earnings) as provided by Legislative Finance

²SBR balance goes to \$0 at end of FY18 unless future legislatures fund with new revenue

³See separate tab: **1226 Higher Ed**

⁴See separate tab: **PCE**

⁵See separate tab: **ERA**; ERA balances for each FY as provided by Alaska Permanent Fund Corporation (include projected earnings)

⁶AHCC fund goes to \$0 in FY18 and programs end unless future legislatures fund with new revenue

⁷It is projected that new oil revenue will enter the treasury by FY27, augmenting this balance

If future legislatures desire savings accounts beyond the Permanent Fund/ERA, future Alaskans can decide to tax themselves

EXPENDITURES (before reductions) with no-growth scenario										
(\$ in millions)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Federal ¹	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3
Other ¹	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6
DGF ¹	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5
UGF ¹	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2	\$ 4,290.2
State Spend sub-total	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3	\$ 5,947.3
Total	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6	\$ 9,389.6

BUDGET REDUCTIONS										
(\$ in millions)	FY18 ^a	FY19 ^b	FY20 ^c	FY21 ^d	FY22	FY23	FY24	FY25	FY26	FY27
Federal ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DGF ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UGF ¹	\$ 300.0	\$ 300.0	\$ 300.0	\$ 200.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 300.0	\$ 300.0	\$ 300.0	\$ 200.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

^a FY18 flat amount of \$ 300.0 or reduce 7.0% of FY18 UGF

^b FY19 flat amount of \$ 300.0 or reduce 7.0% of FY19 UGF

^c FY20 flat amount of \$ 300.0 or reduce 7.0% of FY20 UGF

^d FY21 flat amount of \$ 200.0 or reduce 4.7% of FY21 UGF

EXPENDITURES (after reductions)										
(\$ in millions)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Federal ¹	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3	\$ 3,442.3
Other ¹	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6	\$ 680.6
DGF ¹	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5	\$ 976.5
UGF ¹	\$ 3,990.2	\$ 3,690.2	\$ 3,390.2	\$ 3,190.2	\$ 3,190.2	\$ 3,190.2	\$ 3,190.2	\$ 3,190.2	\$ 3,190.2	\$ 3,190.2
State Spend sub-total	\$ 5,647.3	\$ 5,347.3	\$ 5,047.3	\$ 4,847.3	\$ 4,847.3	\$ 4,847.3	\$ 4,847.3	\$ 4,847.3	\$ 4,847.3	\$ 4,847.3
Total	\$ 9,089.6	\$ 8,789.6	\$ 8,489.6	\$ 8,289.6	\$ 8,289.6	\$ 8,289.6	\$ 8,289.6	\$ 8,289.6	\$ 8,289.6	\$ 8,289.6

PF Dividend transfers are outside of these budgets for all years

¹FY18 Expenditures (pre-PF authorization) as shown on Legislative Finance Division's Fiscal Summary dated January 4, 2017

CBR					
Constitutional Budget Reserve Balance with Variable Withdrawal Rates					
<i>(\$ in millions)</i>	Beginning balance	Withdrawal	Settlement s	2% Earnings	Ending Balance
FY17	6318.7	\$ 3,168.5	\$ -	\$ 115.8	\$ 3,266.0
FY18	3266.0	\$ 271.7	\$ 100.0	\$ 60.9	\$ 3,155.2
FY19	3155.2	\$ 148.4	\$ 100.0	\$ 61.1	\$ 3,167.9
FY20	3167.9	\$ (38.6)	\$ 100.0	\$ 65.1	\$ 3,371.7
FY21	3371.7	\$ (406.6)	\$ 100.0	\$ 76.6	\$ 3,954.8
FY22	3954.8	\$ (558.3)	\$ 100.0	\$ 91.3	\$ 4,704.4
FY23	4704.4	\$ (612.4)	\$ 100.0	\$ 107.3	\$ 5,524.1
FY24	5524.1	\$ (678.4)	\$ 100.0	\$ 125.1	\$ 6,427.6
FY25	6427.6	\$ (807.2)	\$ 100.0	\$ 145.7	\$ 7,480.5
FY26	7480.5	\$ (904.7)	\$ 100.0	\$ 168.7	\$ 8,653.9
FY27	8653.9	\$ (931.7)	\$ 100.0	\$ 192.7	\$ 9,878.3

As provided by Legislative Finance Division
Note: negative withdrawals are deposits in surplus years

EARNINGS RESERVE ACCOUNT (ERA)

as provided by Alaska Permanent Fund Corporation

<i>(\$ in millions)</i>	Starting Balance	Dividend Transfer ¹	Balance	Inflation Proofing	Balance	ER draw	Balance	Statutory Net Income	Projected Residual
FY17	\$ 8,345.0	\$ 696.0	\$ 7,649.0	\$ -	\$ 7,649.0	\$ -	\$ 7,649.0	\$ 2,735.0	\$ 10,383.0
FY18	\$ 10,383.0	\$ 2,202.5	\$ 8,180.5	\$ -	\$ 8,180.5	\$ 1,471.5	\$ 6,709.0	\$ 3,347.0	\$ 10,056.0
FY19	\$ 10,056.0	\$ 1,455.5	\$ 8,600.5	\$ -	\$ 8,600.5	\$ 1,455.5	\$ 7,145.0	\$ 3,367.0	\$ 10,512.0
FY20	\$ 10,512.0	\$ 1,508.5	\$ 9,003.5	\$ -	\$ 9,003.5	\$ 1,508.5	\$ 7,495.0	\$ 3,438.0	\$ 10,933.0
FY21	\$ 10,933.0	\$ 1,639.5	\$ 9,293.5	\$ -	\$ 9,293.5	\$ 1,639.5	\$ 7,654.0	\$ 3,508.0	\$ 11,162.0
FY22	\$ 11,162.0	\$ 1,722.5	\$ 9,439.5	\$ -	\$ 9,439.5	\$ 1,722.5	\$ 7,717.0	\$ 3,567.0	\$ 11,284.0
FY23	\$ 11,284.0	\$ 1,750.0	\$ 9,534.0	\$ -	\$ 9,534.0	\$ 1,750.0	\$ 7,784.0	\$ 3,620.0	\$ 11,404.0
FY24	\$ 11,404.0	\$ 1,780.5	\$ 9,623.5	\$ -	\$ 9,623.5	\$ 1,780.5	\$ 7,843.0	\$ 3,673.0	\$ 11,516.0
FY25	\$ 11,516.0	\$ 1,809.5	\$ 9,706.5	\$ -	\$ 9,706.5	\$ 1,809.5	\$ 7,897.0	\$ 3,726.0	\$ 11,623.0
FY26	\$ 11,623.0	\$ 1,836.5	\$ 9,786.5	\$ -	\$ 9,786.5	\$ 1,836.5	\$ 7,950.0	\$ 3,780.0	\$ 11,730.0
FY27	\$ 11,730.0	\$ 1,863.5	\$ 9,866.5	\$ -	\$ 9,866.5	\$ 1,863.5	\$ 8,003.0	\$ 3,833.0	\$ 11,836.0

¹ Difference between statutory calculation of dividend transfer and FY17 appropriation is included in the FY18 Dividend Transfer amount.

(Amount vetoed for FY17 Permanent Fund Dividend is included in FY18 dividend transfer)

Assumptions:

- * Return and inflation projections provided by Callan based upon current asset allocation and 2016 capital markets assumptions.
- * Total transfer amount is a five-year average of statutory net income (status quo methodology)
- * Projected residual earnings reserve balance does not include allocation of the Fund's unrealized gains.

Power Cost Equalization Endowment Fund -- Impacts of SB 196																
(\$ in millions)																
History and Projections (in Millions)																
Fiscal Year	Beginning Balance	Additional Deposits/ Withdrawals	Subtotal after Withdrawal	Earnings Rate*	Earnings	Projected Program Costs	Program Payout	2nd Prior Fiscal Year Earnings In Excess of Program Costs	70% of Excess Earnings Available for Allocation	Allocation to Community Assistance	Allocation to Rural Energy Programs	Excess Earnings that Remain in the PCE Fund	Excess Earnings that Remain in the PCE Fund	Ending Balance	3 Year Average Balance	% Payout (Program Costs Only)
					Growth		0.020		% Allocation Maximum	0.7	30.0					
									0.7					166.7		
FY03														166.7		
FY04	166.7			12.4%	20.7		15.1							179.3		
FY05	179.3			8.6%	15.4		15.9							181.1		
FY06	181.1			8.1%	14.6		22.2							184.4		
FY07	184.4	182.7		24.5%	45.1		25.7							400.3		
FY08	400.3			-4.7%	(18.8)		28.8							368.7	181.6	7.0%
FY09	368.7			-13.3%	(49.1)		37.7							303.4	255.3	6.4%
FY10	303.4			12.7%	38.4		31.8							320.7	317.8	6.6%
FY11	320.7			21.1%	67.7		32.7							364.5	357.4	6.7%
FY12	364.5	400.0		3.0%	10.9		39.5							751.8	330.9	7.2%
FY13	751.8			14.8%	111.5		40.6							840.2	329.5	7.0%
FY14	840.2			20.4%	171.1		41.7							977.9	479.0	7.0%
FY15	977.9			3.4%	33.2		38.4							969.4	652.2	6.4%
FY16	969.4			6.0%	58.2		41.7							985.8	856.6	4.9%
FY17	969.5			6.0%	58.2		40.4	(7.2)	13.6	-	-	-		987.4	929.2	4.3%
FY18	987.4	(200.0)	787.4	6.0%	47.2	41.2	41.2	17.0	17.0	11.9	-	5.1	0.1	781.5	977.7	4.2%
FY19	781.5	(200.0)	581.5	6.0%	34.9	42.0	42.0	16.2	16.2	11.3	-	4.9	0.1	563.1	980.9	4.3%
FY20	563.1	-	563.1	6.0%	33.8	42.8	42.8	4.4	4.4	3.1	-	1.3	0.0	551.0	918.2	4.7%
FY21	551.0	-	551.0	6.0%	33.1	43.7	38.9	-	-	-	-	-	-	545.2	777.3	5.0%
FY22	545.2	-	545.2	6.0%	32.7	44.6	31.6	-	-	-	-	-	-	546.3	631.9	5.0%
FY23	546.3	-	546.3	6.0%	32.8	45.4	27.7	-	-	-	-	-	-	551.4	553.1	5.0%
FY24	551.4	-	551.4	6.0%	33.1	46.4	27.4	-	-	-	-	-	-	557.1	547.5	5.0%
FY25	557.1	-	557.1	6.0%	33.4	47.3	27.4	-	-	-	-	-	-	563.2	547.6	5.0%
FY26	563.2	-	563.2	6.0%	33.8	48.2	27.6	-	-	-	-	-	-	569.4	551.6	5.0%
FY27	569.4	-	569.4	6.0%	34.2	49.2	27.9	-	-	-	-	-	-	575.7	557.2	5.0%
FY28	575.7								TOTAL	26.3	-	11.3				

*Earnings Rate - FY16 estimated to be 6%. For FY17-FY27, the earnings rate is copied forward from FY04-FY15 for illustration purposes only.
Per AS 42.45.085, the payout for a FY is determined on July1 by the avg for the first 3 of the preceding 4 years.

Language: 70% of excess earnings goes first to CA (max \$30m) then to RE (max \$25m).

Note: These figures do not reflect December 2016 updates, and are expected to change slightly.

Higher Education Fund Balance & Projection

(\$ in millions)

Alaska Higher Education Investment Fund (AHEIF)3

	FY15	History FY16	Projection FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Starting Balance	460.7	458.7	437.7	344.2	233.8	224.3	215.0	205.8	196.7	187.7	178.9	170.2	161.6
Additional Withdrawals	-	-	-	(100.0)	-	-	-	-	-	-	-	-	-
Subtotal	460.7	458.7	437.7	244.2	233.8	224.3	215.0	205.8	196.7	187.7	178.9	170.2	161.6
Available for for Grants/Scholarships (7% POMV)		32.1	30.6	17.1	16.4	15.7	15.0	14.4	13.8	13.1	12.5	11.9	11.3
<i>APS Appropriation</i>	11.0	11.5	11.5	11.8	10.9	10.5	10.0	9.6	9.2	8.8	8.3	7.9	7.5
<i>AEG Appropriation</i>	5.6	5.8	5.8	5.9	5.5	5.2	5.0	4.8	4.6	4.4	4.2	4.0	3.8
	16.6	17.3	17.3	17.8	16.4	15.7	15.0	14.4	13.8	13.1	12.5	11.9	11.3
<i>Other Appropriation</i>	-	6.7	95.6	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Total Appropriation	16.6	24.0	113.0	23.6	22.2	21.5	20.9	20.2	19.6	19.0	18.3	17.7	17.1
Investment Earnings	14.6	3.0	19.5	13.2	12.7	12.2	11.6	11.1	10.6	10.1	9.6	9.1	8.7
Ending Balance	458.7	437.7	344.2	233.8	224.3	215.0	205.8	196.7	187.7	178.9	170.2	161.6	153.1
Amount of Grants/Scholarships Status Quo		17.3	17.3	17.8	18.3	18.8	19.4	20.0	20.6	21.2	21.9	22.5	23.2
Amount of Grants/Scholarships Model		17.3	17.3	17.8	16.4	15.7	15.0	14.4	13.8	13.1	12.5	11.9	11.3
Difference		-	-	-	(1.9)	(3.1)	(4.4)	(5.6)	(6.8)	(8.1)	(9.3)	(10.6)	(11.9)

Program Growth Rate

3%

Investment Growth Rate

6%

Updated 7/28/16 with FY17 Budget, FY16 Earnings

Note: These figures do not reflect December 2016 updates, and are expected to change slightly.