

# State of Alaska

## Fiscal 2007 Conference Committee less Vetoes Fiscal Summary

(dollars shown in millions)

	FY2006 Authorized (with Current Supplementals, less Vetoes)				FY2007 Conference Committee less Vetoes			
	General Fund	Federal Funds	Other Funds	Total Funds	General Fund	Federal Funds	Other Funds	Total Funds
<b>1 Revenues</b>								
2 Unrestricted General Fund Revenues (Spring 2006 Forecast) (A)	3,969.6			3,969.6	3,436.7			3,436.7
3 Department of Revenue Cash Flow Estimate (May 17, 2006)	41.8			41.8				0.0
4 Power Cost Equalization Endowment Contingent Revenue (B)				0.0	182.7			182.7
5 School Construction Grant Fund Contingent Revenue (B)				0.0	73.1			73.1
6 Reappropriations and Carry Forward (C)	458.4	0.9	4.0	463.2	568.4		28.9	597.2
7 Corporate Bond Proceeds(D)			85.0	85.0			170.0	170.0
8 Corporate Dividends (E)			55.0	55.0			67.2	67.2
9 Federal and Other State Funds		2,828.6	1,149.9	3,978.6		3,068.6	1,076.4	4,145.1
10 <b>Total Revenues</b>	<b>4,469.8</b>	<b>2,829.5</b>	<b>1,293.9</b>	<b>8,593.2</b>	<b>4,260.9</b>	<b>3,068.6</b>	<b>1,342.5</b>	<b>8,672.0</b>
<b>11 Authorization to Spend</b>								
<b>12 Operating</b>	<b>2,610.2</b>	<b>1,642.1</b>	<b>884.7</b>	<b>5,137.0</b>	<b>3,028.5</b>	<b>1,755.3</b>	<b>900.0</b>	<b>5,683.8</b>
13 Agency Operations (Non-formula)	1,351.9	824.9	1,362.1	3,538.9	1,532.1	844.0	1,472.7	3,848.8
14 Formula Programs	403.7	796.4	136.6	1,336.8	519.0	911.3	87.0	1,517.3
15 Public Education Fund (F)	854.6	20.8	11.9	887.3	846.4	0.0	0.0	846.4
16 Public Education Fund (New Legislation)				0.0	131.0			131.0
17 Duplicated Authorizations (G)			(626.0)	(626.0)			(659.8)	(659.8)
<b>18 Capital</b>	<b>338.7</b>	<b>1,102.0</b>	<b>238.7</b>	<b>1,679.4</b>	<b>730.2</b>	<b>1,273.5</b>	<b>271.8</b>	<b>2,275.4</b>
19 Project Appropriations & Revised Programs	338.7	1,102.0	511.8	1,952.6	705.1	1,273.5	480.7	2,459.3
20 DEED Major Maintenance Grants Fund Capital Projects (H)				0.0	25.1			25.1
21 Duplicated Authorizations (G)			(273.2)	(273.2)			(208.9)	(208.9)
<b>22 Debt and Other Statewide Appropriations</b>	<b>298.2</b>	<b>85.4</b>	<b>170.6</b>	<b>554.2</b>	<b>370.8</b>	<b>39.9</b>	<b>170.7</b>	<b>581.4</b>
23 Debt Service (I)	7.4	0.0	183.2	190.5	13.7	0.0	208.4	222.1
24 Debt Retirement Fund Capitalization (I)	45.8	8.0	58.0	111.8	41.5	9.3	43.6	94.3
25 Power Cost Equalization Endowment				0.0	182.7	5.0		187.7
26 Other Fund Capitalization (J)	20.9	35.6	15.3	71.8	56.8	25.1	53.3	135.3
27 New Legislation (less Education Foundation in HB13)				0.0	16.1	0.5	1.1	17.7
28 AK Capital Income Fund Capitalization (Am Hess)			35.0	35.0			28.0	28.0
<b>29 Supplementals</b>								
30 Operating Supplementals	141.2	0.5	(14.1)	127.6	60.0			60.0
31 Capital Supplementals	38.6	41.2	1.9	81.7				0.0
32 Fund Capitalization Supplementals	44.4	0.0	0.1	44.5				0.0
33 Duplicated Authorizations (G)			(108.7)	(108.7)			(163.7)	(163.7)
<b>34 Total Authorization to Spend</b>	<b>3,247.1</b>	<b>2,829.5</b>	<b>1,293.9</b>	<b>7,370.6</b>	<b>4,129.4</b>	<b>3,068.6</b>	<b>1,342.5</b>	<b>8,540.6</b>
35 PF Dividends/PFD Division Operations (K)			610.0	610.0			795.0	795.0
36 PF Inflation Proofing			856.0	856.0			692.0	692.0
37 Total AK Permanent Fund			1,466.0	1,466.0			1,487.0	1,487.0
<b>38 Totals with Permanent Fund</b>	<b>3,247.1</b>	<b>2,829.5</b>	<b>2,759.9</b>	<b>8,836.6</b>	<b>4,129.4</b>	<b>3,068.6</b>	<b>2,829.5</b>	<b>10,027.6</b>
<b>39 Budget Surplus (L)</b>	<b>1,222.6</b>				<b>131.4</b>			
<b>40 Investment of Surplus</b>								
41 Future Capital Projects (to AHFC)	300.0							
42 Public Education Fund (FY2007)	565.0							
43 Public Education Fund (FY2008)	300.0							
44 Year-end Surplus to Public Education Fund	57.6							

Notes are on page 2.

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## Notes

**A Unrestricted General Fund Revenues:** FY2006 Unrestricted Revenues are based on an ANS West Coast oil price of \$58.72 per barrel and estimated production of .854 million barrels per day. FY2007 is projected at \$53.60 per barrel and .825 million barrels per day. The FY2006 production estimate has been revised to .846 million barrels per day since the Spring 2006 Forecast. The amount shown on line 3 is a Department of Revenue cash flow update to the Spring 2006 Forecast. This update is due to the net effect of higher oil prices and lower production.

**B Contingency Revenue:** The appropriations to the PCE Endowment Fund and for five School Construction Grant Fund projects are contingent upon a Department of Revenue estimate of increased petroleum tax revenue due to the state for the months of April, May and June 2006.

**C Reappropriations and Carry Forward:** Includes fund sources for reappropriations and other appropriations (typically roll-forwards of prior year authorizations) that were posted to FY2006 subsequent to the FY2006 Conference Committee, and that do not require additional FY2006 revenue. The amount for FY2007 Governor's Amended and Conference Committee is the carry forward amount of the Public Education Fund being spent in FY2007.

**D Corporate Bond Proceeds:** Corporate Proceeds are bond proceeds from the sale of Alaska Student Loan Corporation (ASLC) bonds of \$85 million in FY2006. FY2007 Governor's Amended includes \$89.3 million in Northern Tobacco Securitization Corporation (NTSC) bond proceeds; FY2007 Conference Committee includes \$170.0 million NTSC bond proceeds.

**E Corporate Dividends:** Include funds made available to the State by the boards of the Alaska Industrial Development and Export Authority (AIDEA), Alaska Housing Finance Corporation (AHFC) and Alaska Student Loan Corporation (ASLC). The AIDEA dividend is \$8.8 million for FY2006 and \$16.6 million for FY2007. The total AHFC transfer for dividend, capital projects, loan programs and debt service is \$103 million for FY2006 and \$80.6 million for FY2007. Since AHFC's debt payments for general government purpose bonds do not require appropriation, the net transfers appropriated here are \$43.1 million for FY2006 and \$48.7 million for FY2007. The ASLC Dividend is \$3.1 million for FY2006 and \$1.9 million for FY2007.

**F Public Education Fund:** Legislation in the 2005 session established the Public Education Fund. One of the effects of this legislation was to remove expenditures for K-12 foundation program and pupil transportation from operating formula programs (line 14), since expenditures from the fund do not require appropriation. This reduced the amount shown in the FY2006 formula programs line by \$854.6 million GF, \$20.8 million federal, and \$11.9 million Public School Trust Fund. The Public Education Fund was capitalized with \$857.2 million GF, including the FY2006 capitalization of \$440.4 million, the roll forward from FY2005 of \$400 million, and a reappropriation of \$16.8 million. The remaining balance of \$2.6 million is included in Other Fund Capitalization, line 24.

The FY2007 proposed expenditures includes funds from the Public Education Fund. The Public Education Fund is capitalized with the FY2006 investment surplus of \$565 million GF, FY2006 projected roll-forward of \$3.4 million GF, and FY2007 capitalization of \$278 million GF, as shown on line 15.

**G 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, and debt payments from the Debt Retirement Fund.

**H DEED Major Maintenance Grants Fund Capital Projects:** An FY2006 supplemental from the DEED Major Maintenance Grants Fund is included in SB232 and reflected on line 31. The FY2007 amount shown on line 20 for the DEED Major Maintenance Grants Fund Capital Projects was appropriated in FSSLA 2005, Chapter 3, Section 60.

**I Debt Service/Debt Retirement Fund Capitalization:** The Debt Service line (line 23) includes actual payment of debt obligations, primarily general obligation bonds, certificates of participation (lease-financing), and International Airports revenue bonds. Some of these debt payments are made from the Debt Retirement Fund, which is capitalized from a variety of fund sources. The Debt Retirement Fund Capitalization line (line 24) identifies various funding sources used to pay debt from the Debt Retirement Fund.

**J Other Fund Capitalization:** Other Fund Capitalization includes capitalization of various State operating funds, such as the Fish and Game Fund, Power Cost Equalization and Rural Electric Capitalization Fund, and several others.

**K PF Dividends/PFD Division Operations:** Line 35 includes both the amounts for Permanent Fund Dividend (PFD) checks and other State operating costs of the PFD. In FY2006 the State will spend \$19 million for Department of Revenue Division of Permanent Fund Dividends operations (\$6 million) and DHSS Public Assistance PFD Hold Harmless (\$12.9 million). In FY2007 the amounts will be \$19.4 million for Department of Revenue Division of Permanent Fund Dividends operations (\$6.5 million), and DHSS Public Assistance PFD Hold Harmless (\$12.9 million).

**L FY2007 Budget Surplus:** Some of the expenditures shown for FY2007 are based on appropriations that are contingent on passage of petroleum production taxation legislation. The contingent revenues are on lines 4 and 5, and expenditures are included on lines 19 and 24. The two items that are contingent appropriations are the GF capitalization of the Power Cost Equalization Endowment Fund (SB231 Sec. 20(j)), and certain capital projects from the School Construction Grant Fund (SB231 Sec. 28(c)). The net effect on the FY2007 Budget Surplus is neutral.