

## **Statewide Appropriations Ten Year Expenditure Projection**

The statewide appropriations sections of the ten-year expenditure projection takes in to consideration elements of state spending that are not necessarily tied to agency budgets. In some instances, as was the case with estimated wage and benefit increases, it was determined to be a more consistent method to have a centralized forecast for wage and benefit increases than to have agencies forecast this portion of their budgets separately.

Discussed below are the key assumptions inherent in each of the sections of the statewide appropriations projection.

### **Baseline Scenario- Statewide Operating Budget Assumptions**

**Wage & Benefits Increases:** FY10 and FY11 have no escalation projections as all known collective bargaining unit increases were incorporated in to the baseline projections. Wage and benefit increases for FY12 forward were based on the following assumptions: Total personal services costs in FY11 Governor's budget serves as base. Wages and wage linked benefits increase at an annual average rate of 2.5% through FY2020. Health care component costs increase at a rate of 5.0% annually through FY2020. Total increases allocated to fund sources based upon historical share of total personal services costs from the Alaska Budget System personal services module. University of Alaska personal services escalation excluded from the baseline since the University provided a ten year projection including wage and benefit growth.

**Direct Deposits to Retirement Systems.** FY10 and FY11 based upon submitted budgets. FY12 through FY20 based upon actuarial projections from Buck Consultants. Future direct state contributions are based upon investment returns in a modest recovery scenario which projects earnings through fiscal year end FY10 of 16%, FY11 12% and 8.25% thereafter. All results are based upon the data assumptions and plan provisions as described in the June 30, 2008 system valuation.

**Debt Service and Debt Retirement Fund Capitalization:** Projections of future debt are estimates from the Alaska Department of Revenue as of the December 2009 Governor's budget release. Important components to the short term changes in debt payments include the second issuance of the 2008 General Obligation bond package, the issuance and subsequent beginning of the debt repayment for the Statewide Crime Laboratory and the University of Alaska Life Sciences facility, and increasing state contributions for the school debt reimbursement program. Beginning in FY12, the school debt reimbursement program is held constant as it is uncertain what the future configuration of the debt reimbursement program will be after its scheduled sunset in the fall of 2010.

**Other Fund Capitalizations:** Appropriations to capitalize a variety of funds are included in these projections. Among the larger funds are the Disaster Relief Fund, the Alaska Clean Water and Alaska Drinking Water Funds, and the Oil and Hazardous Substance Release Prevention Account. Generally, the capitalization of these funds and the other not mentioned here were held at FY2011 levels for the entire projection period.

**Revenue Sharing:** Municipal revenue sharing program is held at FY2011 level through FY2020.

**Oil and Gas Tax Credits:** Oil and Gas tax credits program held at FY2011 level through FY2020.

### **Baseline Scenario- Statewide Capital Budget Assumptions**

**Other Fund Capitalization** Renewable Energy Grant Fund capitalization of \$25.0 million assumed to occur annually through FY2015. Power Project Fund capitalization assumed to occur annually through FY15.

### **Gasline Scenario- Statewide Capital Budget Assumptions**

**Other Fund Capitalizations** – Annual capitalization of the AGIA Reimbursement Fund on the following schedule:

FY2011- \$150 million

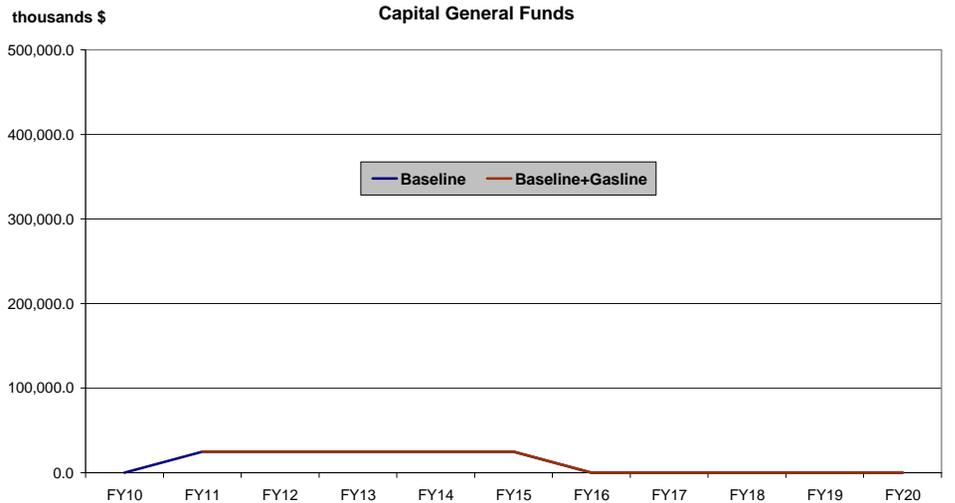
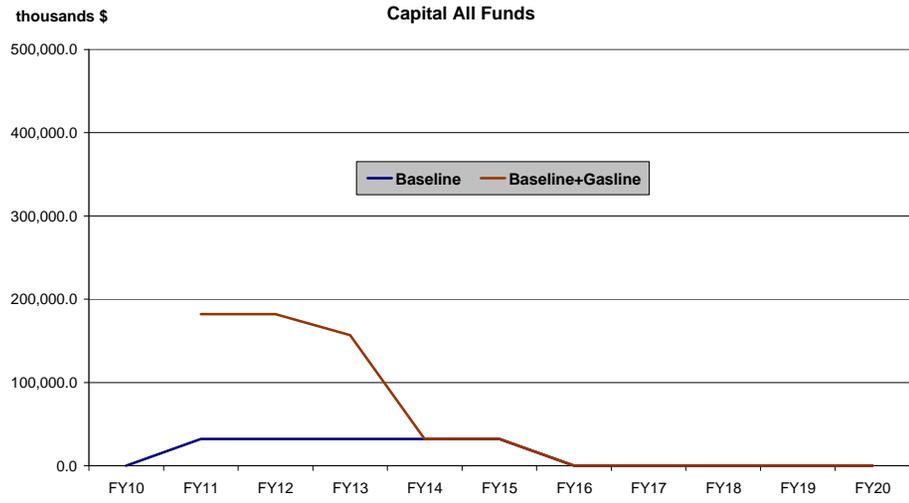
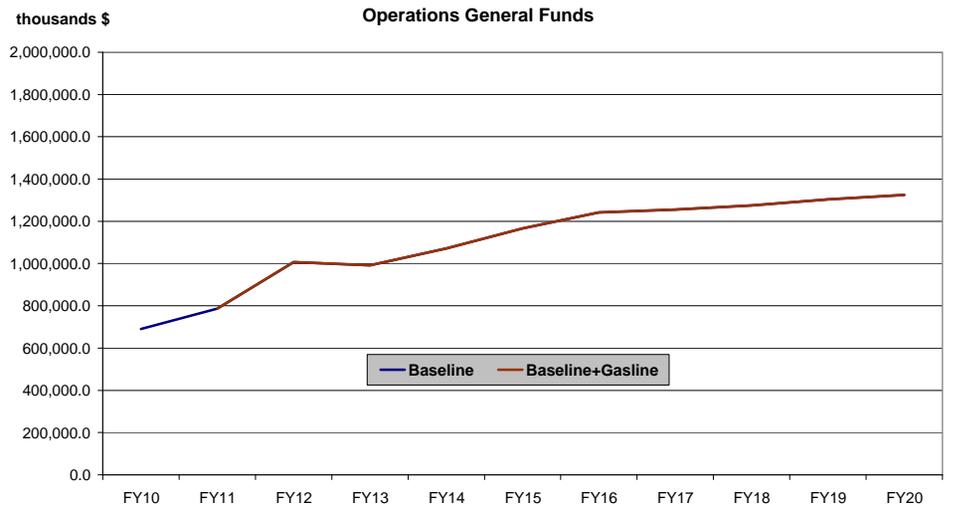
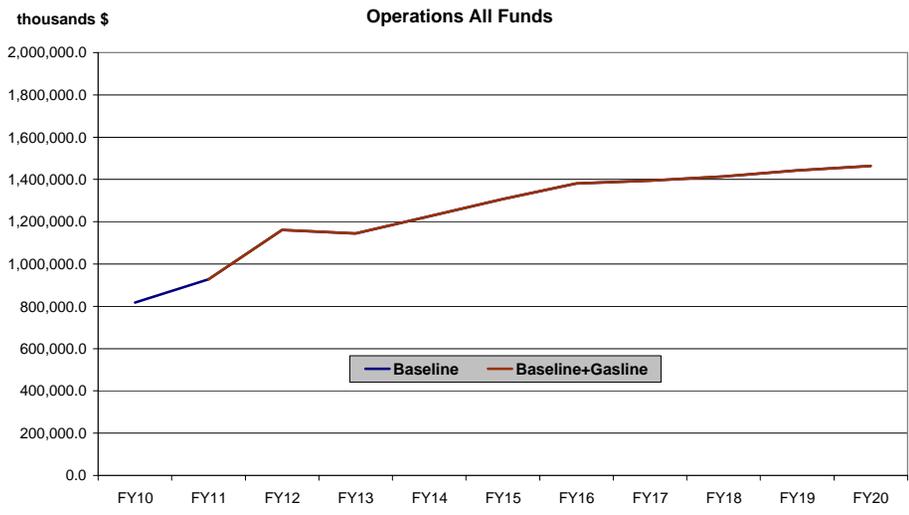
FY2012- \$150 million

FY2013- \$125 million

### **Initiative Scenario- Statewide Capital Budget Assumptions**

At this time, no statewide capital initiatives are projected in this section. The Governor's 5-year deferred maintenance proposal is embedded in the agency allocations for FY2011 and they are assumed to be carried forward at those levels through FY2015.

# Statewide Appropriations



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## Baseline

(thousands)

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Statewide TOTAL</b>	817,485.5	960,359.7	1,193,142.5	1,176,819.9	1,257,694.7	1,339,484.1	1,380,712.7	1,394,265.9	1,413,860.1	1,442,668.8	1,463,120.8
General Fund	689,686.4	811,627.1	1,031,790.0	1,016,026.8	1,096,811.6	1,191,601.0	1,241,842.7	1,256,081.6	1,275,644.2	1,304,340.3	1,324,591.3
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	32,074.9	44,442.5	39,358.3	39,417.7	39,495.5	27,442.6	27,676.6	27,919.0	28,169.8	28,429.7	28,698.7
Other State Funds	95,724.2	104,290.0	121,994.2	121,375.4	121,387.5	120,440.5	111,193.4	110,265.4	110,046.1	109,898.8	109,830.7
<b>OPERATIONS- Statewide</b>	817,485.5	928,359.7	1,161,142.5	1,144,819.9	1,225,694.7	1,307,484.1	1,380,712.7	1,394,265.9	1,413,860.1	1,442,668.8	1,463,120.8
General Fund	689,686.4	786,627.1	1,006,790.0	991,026.8	1,071,811.6	1,166,601.0	1,241,842.7	1,256,081.6	1,275,644.2	1,304,340.3	1,324,591.3
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	32,074.9	44,442.5	39,358.3	39,417.7	39,495.5	27,442.6	27,676.6	27,919.0	28,169.8	28,429.7	28,698.7
Other State Funds	95,724.2	97,290.0	114,994.2	114,375.4	114,387.5	113,440.5	111,193.4	110,265.4	110,046.1	109,898.8	109,830.7
<b>Wage &amp; Benefits</b>	0.0	0.0	48,477.3	49,985.4	51,546.1	53,161.2	54,833.1	56,564.0	58,356.1	60,211.9	62,133.9
General Fund	0.0	0.0	24,238.7	24,992.7	25,773.0	26,580.6	27,416.6	28,282.0	29,178.0	30,105.9	31,067.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	6,786.8	6,998.0	7,216.4	7,442.6	7,676.6	7,919.0	8,169.8	8,429.7	8,698.7
Other State Funds	0.0	0.0	17,451.8	17,994.8	18,556.6	19,138.0	19,739.9	20,363.0	21,008.2	21,676.3	22,368.2
<b>Retirement Systems</b>	284,687.5	357,564.6	520,283.0	503,024.0	585,000.0	678,309.0	752,691.0	765,308.0	788,420.0	815,512.0	846,417.0
General Fund	284,687.5	357,564.6	520,283.0	503,024.0	585,000.0	678,309.0	752,691.0	765,308.0	788,420.0	815,512.0	846,417.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Debt Service</b>	114,077.2	108,973.0	119,006.5	117,672.8	117,118.5	115,450.4	111,826.6	110,221.9	105,831.0	104,988.1	104,219.4
General Fund	35,236.7	35,403.7	35,806.9	35,635.0	35,630.4	35,490.8	34,716.0	34,662.4	31,135.9	31,108.3	31,099.6
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	78,840.5	73,569.3	83,199.6	82,037.8	81,488.1	79,959.6	77,110.6	75,559.5	74,695.1	73,879.7	73,119.7
<b>Debt Retirement Fund Cap.</b>	121,428.2	152,784.6	176,427.4	177,189.3	175,081.8	163,615.1	164,413.7	165,223.7	164,304.8	165,008.6	153,402.2
General Fund	105,679.7	131,053.3	163,855.9	164,769.5	162,802.7	163,615.1	164,413.7	165,223.7	164,304.8	165,008.6	153,402.2
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	12,007.7	12,353.3	12,571.5	12,419.8	12,279.1	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	3,740.8	9,378.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other Fund Cap.</b>	57,292.6	69,037.5	56,948.3	56,948.3	56,948.3	56,948.3	56,948.3	56,948.3	56,948.3	56,948.3	56,948.3
General Fund	24,082.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5	22,605.5
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	20,067.2	32,089.2	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0
Other State Funds	13,142.9	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8	14,342.8

# Statewide Appropriations

## Baseline

(thousands)

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Revenue Sharing</b>	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0
General Fund	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0	60,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Oil &amp; Gas Tax Credits</b>	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0
General Fund	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0	180,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL - Statewide</b>	0.0	32,000.0	32,000.0	32,000.0	32,000.0	32,000.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	25,000.0	25,000.0	25,000.0	25,000.0	25,000.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	7,000.0	7,000.0	7,000.0	7,000.0	7,000.0	0.0	0.0	0.0	0.0	0.0
<b>Debt Service</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other Fund Capitalization</b>	0.0	32,000.0	32,000.0	32,000.0	32,000.0	32,000.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	25,000.0	25,000.0	25,000.0	25,000.0	25,000.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	7,000.0	7,000.0	7,000.0	7,000.0	7,000.0	0.0	0.0	0.0	0.0	0.0

# Statewide Appropriations

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Gasline</b>											
<b>Statewide TOTAL</b>	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Statewide Operations</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Statewide Capital</b>	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL Debt Service</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL Other Fund Cap</b>	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	15,000.0	150,000.0	150,000.0	125,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0