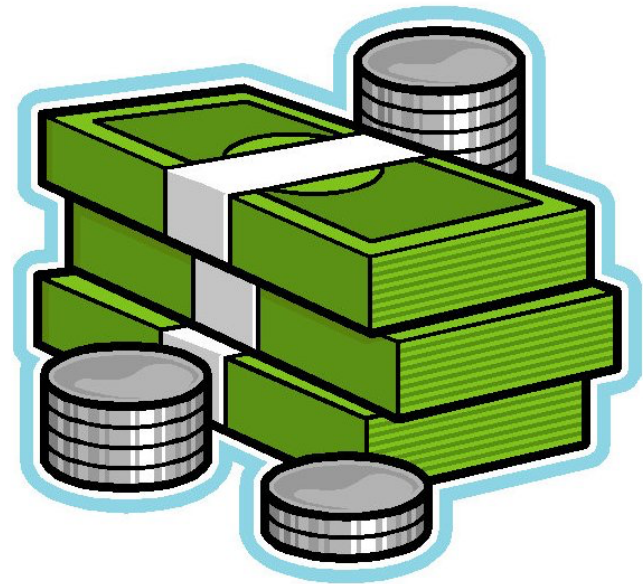
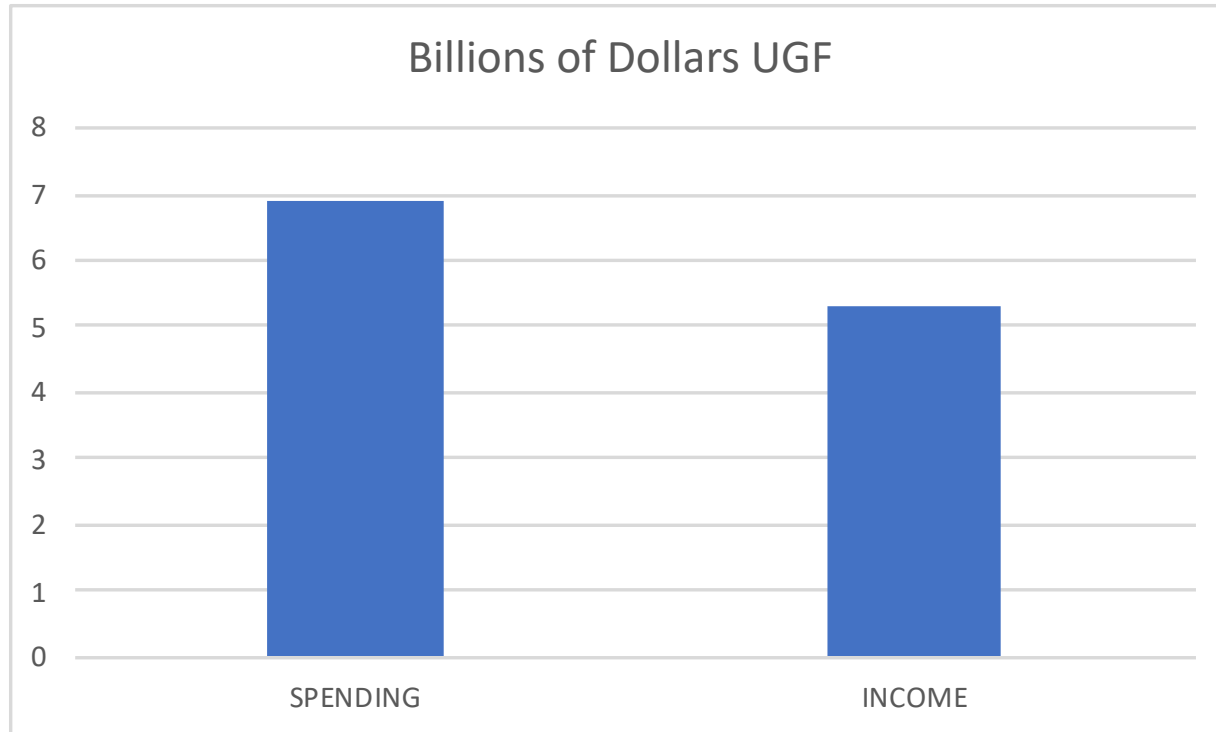


What is a budget?

- A budget says how much you plan to **spend** and how much you expect to **earn**
- In Alaska spending must match revenue. This is a **balanced budget**
- A budget is also a **policy document** - it says what's a priority and what is not



Alaska's Budget



\$6.9 billion

\$5.3 billion

Deficit: \$1.6 billion

UGF = Unrestricted General Fund
State funds that are not designated for a specific purpose and can be spent however the Legislature chooses

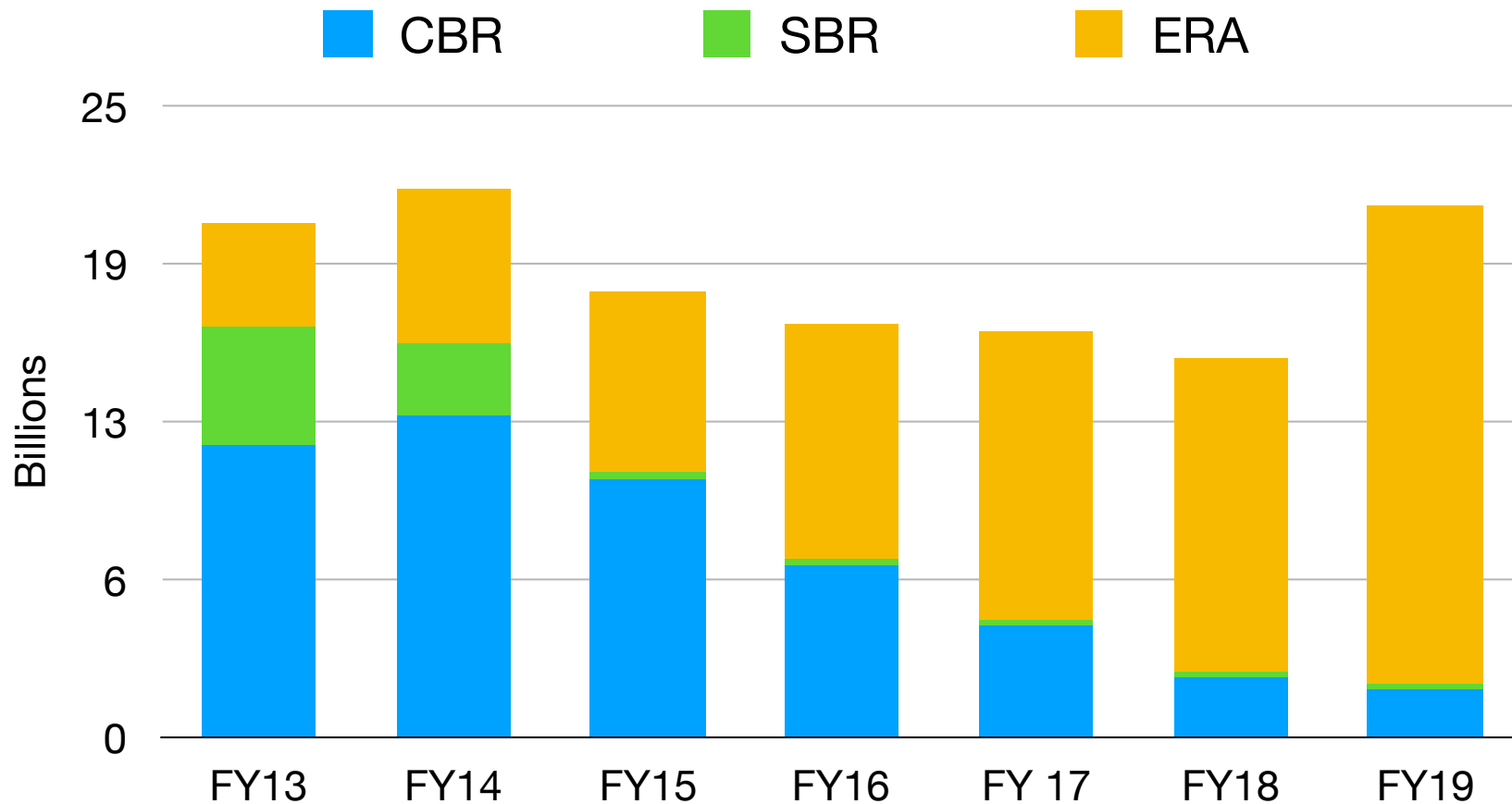
Tools to Balance the Budget

- **Use Savings**
- **Increase Revenue**
- **Cut Spending**
- **A Combination of These Three**



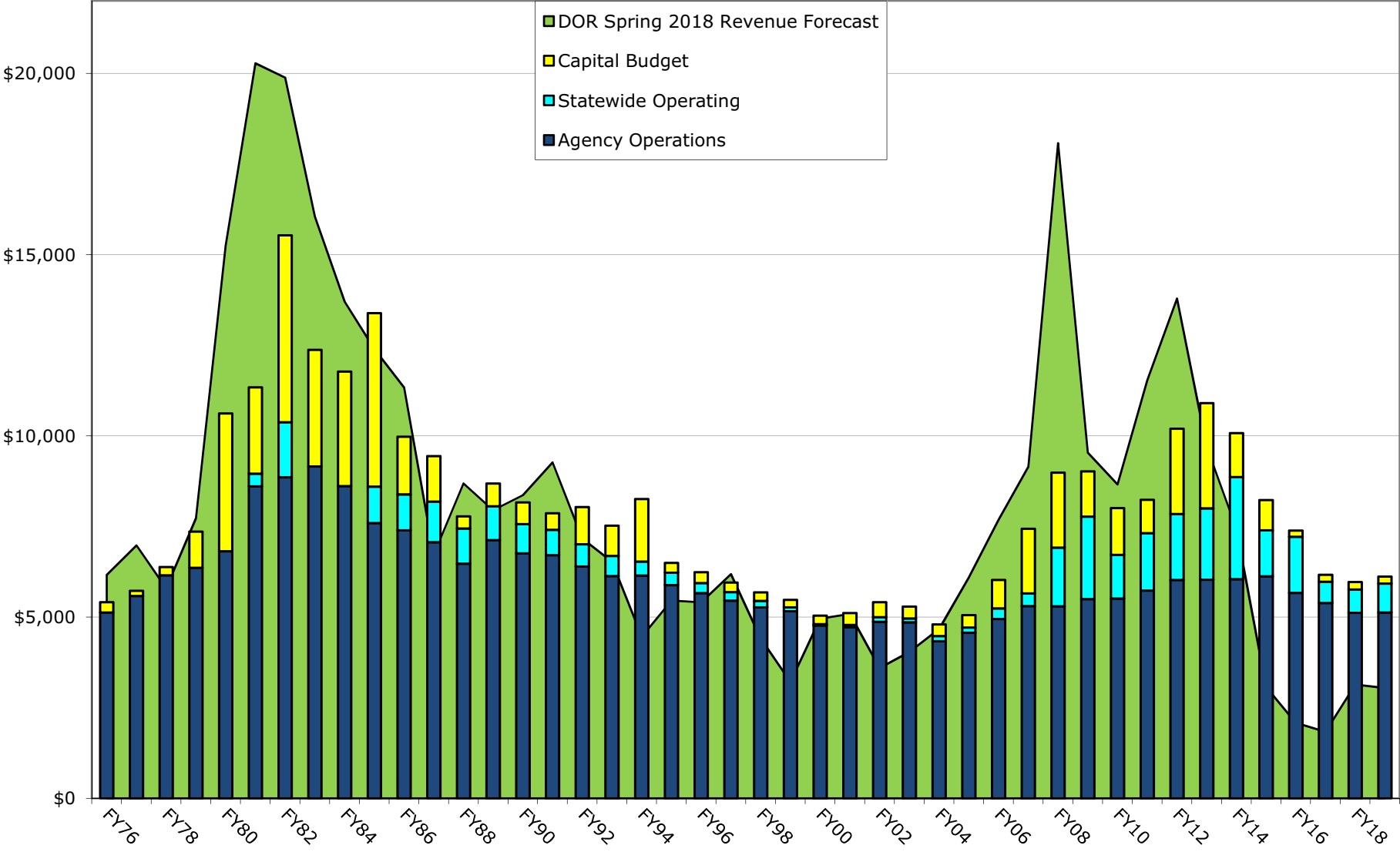
Savings

Constitutional Budget Reserve (CBR), Statutory Budget Reserve (SBR) & Permanent Fund Earnings Reserve Account (ERA)

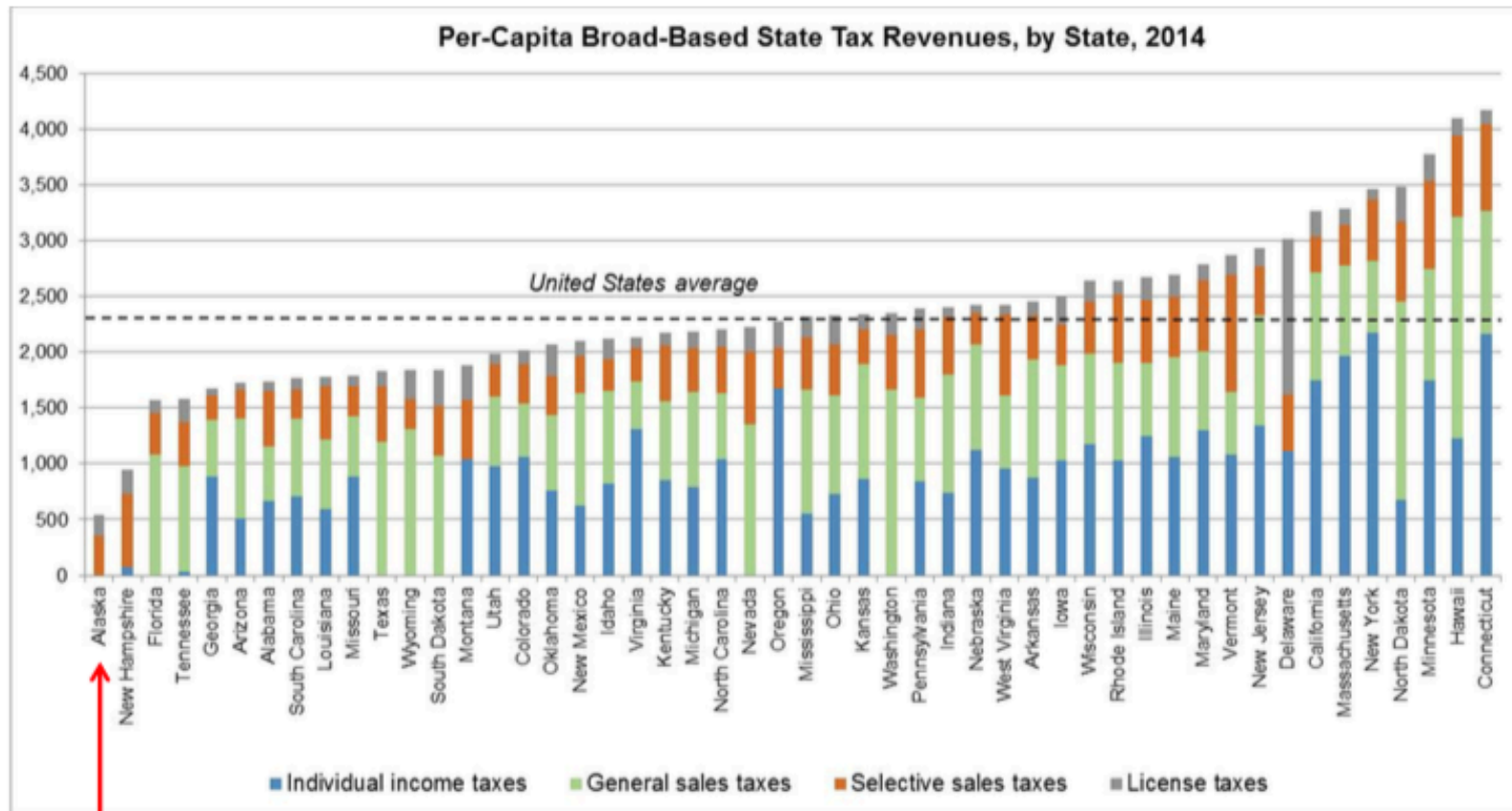


Source of data: Legislative Finance, 2019

Real Per Capita Unrestricted General Fund Revenue/ Budget History (2017 dollars Per Person)

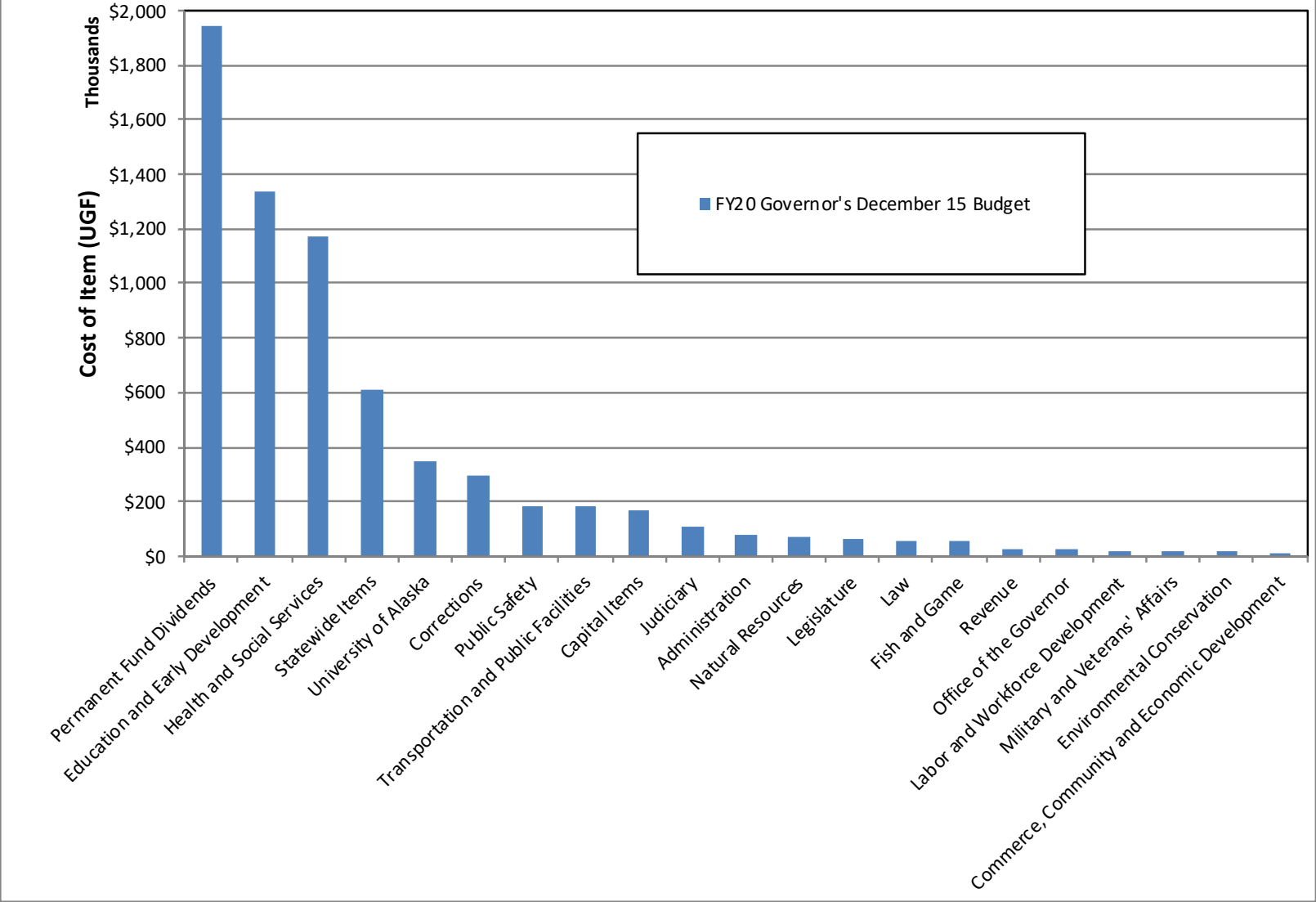


Alaskans pay much lower broad-based state taxes than residents of any other state.



Alaska

How does the State spend its money ?



FY 20 = Fiscal Year 2020, July 1, 2019 to June 30, 2020

Source: Legislative Finance, 2019

Alaska's Budget - What's the right balance?

- Currently, Alaska's revenues do not match expenditures
- Dividends play a pivotal role in the State budget
- Some say increasing dividends takes away money for government services; some say funding government services takes away money for dividends

