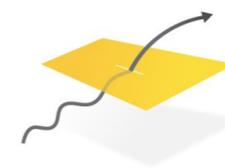


Building a Sustainable Future: Conversations with Alaskans

Fairbanks, Alaska

June 5-7, 2015

Overview, Definitions and Methodology



PROFESSIONAL GROWTH SYSTEMS
Achieving Extraordinary Results

Conference Objectives

- Objective 1 - Define the “Right Size of Government” from the point of view of all Alaskans
 - *What State government functions are at a Critical, Medium and Low level of need?*
 - *Assessment of current level of service for Critical and Medium functions? - Too Much, Not Enough, About Right*
- Objective 2 - Develop a solution that most Alaskans would agree to for closing the fiscal gap
- Objective 3 - Define how best to take this conversation to all Alaskans

Operating Definitions

- For Value of Service:

- Critical: deemed as necessary to continue by most Alaskans
- Medium: deemed as nice to have if affordable by most Alaskans
- Low: deemed as not needed or affordable in current fiscal climate

- For Level of Service:

- Not Enough: even in this fiscal climate, level of service must be increased
- About Right: level of service is appropriate given current fiscal climate
- Too Much: in the current fiscal climate, current level of service considered not affordable, should be decreased

Methodology

- Random Groups: seeking input across full spectrum of Alaskans to answer question “what would most Alaskans support?”
- Divided State government into 7 related functional groupings:
 - Resources and Environment: DNR, DFG, DEC
 - Health & Social Services: DHSS
 - Education & Training: DEED, UA, DLWD
 - Economic Development & Infrastructure: DCCED, DOTPF
 - Public Protection: DPS, DOC, DMVA
 - Government: Law, Admin, GOA
 - Finance and Capital: Revenue, Payments & Obligations, Capital

Methodology (cont.)

- For “Right Size of Government”

Discussions with Commissioners, as a resource, to inform re. current nature and level of services. Then, determination of whether need for each service is Critical, Medium or Low.

Then, determine whether current level of each service is Not Enough, About Right, Too Much. Adjust by 10 or 20% increments.

“Right Size of Government”, i.e. agreed upon level of spending to be calculated at each session and then close of Saturday to all of State govt. Revenue gap defined.

Methodology (cont)

- For Closing the Fiscal Gap
 - Use of a dynamic revenue and expense model built by Dept. of Revenue
 - To be demonstrated Saturday afternoon. Available for use by participants Saturday evening.
 - Again, random groups to develop a plan to close the gap by exercising revenue options (e.g. sales tax) and options (e.g. level of taxation) based on what “most Alaskans would approve”
 - Work (categories & options) until fiscal gap is closed

Your Participation

- “Right Size of Government”

Exercise completed by selected stakeholder group and one randomly selected group. Results posted on flip charts in Wood Center with opportunity to input questions and comments to all groups.

- “Closing the Fiscal Gap”

Exercise completed by randomly selected groups. Opportunity to give feedback in self-selected small groups at the close of the session on Sunday

Thank You for Your Participation and Helping Alaska Navigate to a
Sound Fiscal Future