Alaska Mental Health Trust Authority

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MEMO

To: Brent Fisher, Chair
Through: Mary Wilson, Chief Executive Officer
From: Julee Farley, Chief Financial Officer
Date: August 27, 2026
Re: FY28-29 Budget Recommendations

REQUESTED MOTION #1:

I move the full Board of Trustees appropriate MHTAAR, MHT Admin and Authority Grant funds for FY2028 in the amount of $49,258,000. This consists of $27,778,000 of MHTAAR and MHT Admin and $21,480,000 of Authority Grants. These funds are to be used for the programs and activities described in the detailed FY28-29 Budget Recommendations document prepared for the August 26 and 27, 2026 Board of Trustees Meeting. Included in this motion is a recommendation by the full Board of Trustees for a State of Alaska appropriation of $8,250,000 of GF/MH funds.

REQUESTED MOTION #2:

I move the full Board of Trustees appropriate MHTAAR, MHT Admin and Authority Grant funds for FY2029 in the amount of $51,259,400. This consists of $27,881,600 of MHTAAR and MHT Admin and $23,377,800 of Authority Grants. These funds are to be used for the programs and activities described in the detailed FY28-29 Budget Recommendations document prepared for the August 26 and 27, 2026 Board of Trustees Meeting. Included in this motion is a recommendation by the full Board of Trustees for a State of Alaska appropriation of $8,250,000 of GF/MH funds.

Background:

The Trust prepares budgets on a two-year cycle, which incorporates the use of Trust spendable income for operating costs of the Trust Authority, Mental Health Trust Authority Authorized Receipts (MHTAAR), and recommended Authority Grants. The budget additionally includes recommendations to the State of Alaska for the appropriation of General Fund/Mental Health (GF/MH) funds for mental health programs that benefit Trust beneficiaries.

The FY28-29 Budget Recommendation document (included in the board meeting materials) provides the details for how Trust spendable income (MHTAAR, MHT Admin, and Authority Grant) and non-Trust funds (General Funds/Mental Health) are allocated. This budget incorporates changes from the recommended budget presented at the July 29 & 30, 2026 Program & Planning Committee meeting; all items that were revised are highlighted in green in the budget spreadsheet included in your board packet.

The Non-Focus area section of the budget document includes Trust Authority and Trust Land Office agency budgets as approved and recommended by the Finance Committee, as well as staff-recommended spending outside the Focus Areas and Other Priority Areas to improve the lives of beneficiaries

Available Revenue for FY2028 and FY2029 are estimated at $52,6 million and $54.6 million, respectively. After accounting for the proposed spending levels, we estimate $3MM of unobligated FY28 funds and $3MM of unobligated FY29 funds. Note that some of the FY26 and FY27 unobligated funds will be necessary to cover salary increases, as well as to cover any benefit increases. Staff recommends these unobligated funds not be allocated for specific programmatic purposes at this time. Uncertainties regarding the general needs of beneficiaries and the community-based organizations that support them, the state's policies and funding levels for behavioral health care, as well as uncertainty on future investment returns make it important to provide flexibility to ensure the best possible allocation of funds as needs are identified.