Trust
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 $49,193,000. This consists of $27,713,000 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 $51,162,900. This consists of $27,925,100 of MHTAAR and MHT Admin and $23,237,800 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.

Note: highlighted figures will be revised if budget amendments are adopted.

Background:

The Trust prepares budgets on a two-year cycle, which incorporates the use of Trust spendable income for Trust Authority operations, Mental Health Trust Authority Authorized Receipts (MHTAAR), and recommended Authority Grants. The budget also includes recommended State of Alaska GF/MH appropriations for mental health programs serving Trust beneficiaries.

The FY28–29 Budget Recommendation spreadsheet, included in the Board meeting materials, outlines how Trust spendable income (MHTAAR, MHT Admin, and Authority Grants) and non-Trust funds (GF/MH) are allocated.

This budget reflects updates to the recommendations presented at the July 29–30, 2026 Program & Planning Committee meeting, highlighted in green in the budget spreadsheet provided in the Board packet. Items marked in orange on the budget spreadsheet are new for FY28. The first section of the budget document includes agency budgets for the Trust Authority and Trust Land Office, as approved and recommended by the Finance Committee, followed by recommended spending for cross-priority initiatives, grantmaking, and the four priority areas supporting beneficiary well-being.

Available revenue is estimated at $52.6 million for FY2028 and $54.6 million for FY2029. After accounting for proposed spending levels, approximately $3.0 million in each fiscal year remains unobligated. Some portion of these funds will be necessary to cover salary adjustments and anticipated increases in employee benefits, including health insurance, in the respective fiscal years.

Staff do not recommend allocation of unobligated funds for FY2028 and FY2029 for specific programmatic purposes at this time. Maintaining flexibility is important given:

- evolving needs of beneficiaries;
- changing capacity among community-based organizations;
- uncertainty in state policy and behavioral health funding levels; and
- variability in investment performance.

Maintaining unobligated funds enables Trustees to allocate resources strategically as new needs and opportunities are identified. Trustees may choose to direct the use of unobligated funds during FY28/FY29 budget deliberations as well as during future Board of Trustee meetings.