



REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

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Department of Administration FY 10 Budget Subcommittee February 26, 2009

Recommendations

Members:

Rep. Bill Thomas, Chair
Rep. Kurt Olson
Rep. Craig Johnson
Rep. Charisse Millett
Rep. Wes Keller
Rep. Chris Tuck
Rep. Max Gruenberg

The House Finance Budget Subcommittee for the Department of Administration submits an operating budget for FY 10 to the House Finance Committee as follows:

General Funds: \$72,849.9
Federal Funds: \$2,782.4
Other Funds: \$217,610.1
Total: \$293,242.4

The Subcommittee held four meetings with the Department and took the following actions:

Budget Action

Analyzed all transactions submitted by the Governor. The following are budget action highlights:

- Reviewed requests from the Alaska Public Broadcasting Commission for station operating grants and an internal budget increase. Alaska Public Radio received an increase in FY 09 of \$400,000. The committee denies the requested increase.
- Reviewed requests from Partners for Progress, a non-profit entity that provides support to Therapeutic Courts, for an increase in program operating grants of \$65,000 to replace federal funds that are expiring. Partners for Progress received an increase in FY 09 of \$65,000; the requested increase would bring their total GF to \$130,000. The committee denies the requested increase.

- Reviewed budget request for ALMR and did a three-year look back at the entire program. Committee recommends that the Department work with the municipalities and begin requiring the municipalities who participate in this program to pay their part of the operating and maintenance costs. The committee recommends a phase out approach to the state subsidy for the municipalities' share with full participation by the municipalities to begin in FY11. (Intent language has been added to the budget.)
- Reviewed the State Travel Office. The committee recommends that all out-of-state trips taken by state employees should be conducted on a mileage ticket where possible. (Intent language has been added to the budget.)
- Reviewed Centralized Administrative Services. Recommend that Finance Operations replace \$220,000 in general fund monies with Capital Improvement Project receipts.
- Reviewed Finance Operations' request for additional authority to spend receipts anticipated under a new contract with the U.S. Bank for the Bank One Card. The funding from these receipts would be used to offset cost increases related to the Alaska Data Enterprise Reporting warehouse and to provide for vacancy factor reductions. The committee recommends a fund source change to General Fund monies in compliance with AS 37.05.142-144.
- Reviewed budget request from Enterprise Technology Services to increase the State of Alaska Telecommunications System (SATS) for operations and maintenance. The requested funding would assist in maintaining the operations of the SATS microwave network system which serves areas outside of Anchorage. Many state agencies use this system and the increase is important to its continued operation. The committee accepts the \$300.0 general fund request, but feels that those that use this system should assist in its funding. The Department is asked to present the House Finance Co-Chairs with information on how the Department plans to charge the various other departments to recoup these costs.
- Reviewed fund source changes for unrealized contractual wage and health benefit increases. The committee rejects the Department's request to change the fund source of these increases from interagency receipts to general fund monies, and requests that the Department present the House Finance Co-Chairs with information on how the Department plans to charge the various other departments to recoup these costs within 10 days of this closeout.

Amendment Action

Reviewed amendments submitted by the Governor.

Accepted the following Governor's proposed amendments:

1.) Centralized Administrative Services	Dec	-\$7.5	GF
2.) Public Defender Agency	Inc	\$1,000.0	GF

Items of Concern

The committee is extremely concerned about the Alaska Land Mobile Radio program. This program has been in place for several years and thus far the Department has been unable to get the municipalities participating in the program to pay their share of the costs. The committee recommends that the Department do its best to work with the participating municipalities over the interim and strategize on how best to phase out this state subsidy and begin charging the municipalities the full amount of their share of the costs.

Attached Reports

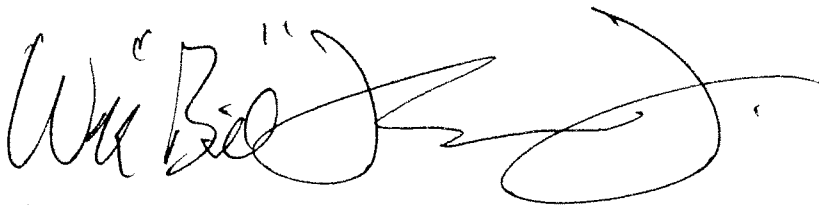
The committee adopts the reports attached:

Committee Generated Reports

- 1.) Transaction spreadsheet and summary

Legislative Finance Division Reports (Numbers Only)

- 1.) Agency Totals – FY 2010 Operating Budget – House Structure
- 2.) Appropriation/Allocation Summary (All Funds) – House Structure
- 3.) Appropriation/Allocation Summary (GF) – House Structure
- 4.) Transaction Comparison – House Structure (Between ADJ Base and H Subcomm)
- 5.) Transaction Comparison – House Structure (Between Gov Amd and H Subcomm)
- 6.) Wordage Report – FY 2010 Operating Budget, House Structure



Representative Bill Thomas
House Finance Subcommittee for Administration Chair
February 26, 2009