

ALASKA STATE LEGISLATURE

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SENATE FINANCE BUDGET SUBCOMMITTEE FOR THE DEPARTMENT OF ADMINISTRATION

FISCAL YEAR 2013 RECOMMENDATIONS

March 22nd, 2012

The Senate Finance Budget Subcommittee for the Department of Administration submits an operating report to the full Senate Finance Committee for Fiscal Year 2013 as follows:

Fund Source:

	FY12 Management Plan	FY13 Governor's Amended+	FY 13 Senate Sub	Difference (Gov Amend+ to SenateSub)	Difference (Gov Amend+ to SenateSub)
Unrestricted General Funds	\$79,686.0	\$84,392.0	\$82,915.8	(\$1,476.2)	(1.7%)
Designated General Funds	\$23,493.5	\$23,947.3	\$23,947.3	(\$0.0)	(0.0%)
Other Funds	\$204,690.1	\$213,290.0	\$213,290.0	(\$0.0)	(0.0%)
Federal Funds	\$4,539.4	\$4,989.8	\$4,989.8	(\$0.0)	(0.0%)
Total	\$312,409.0	\$326,619.1	\$325,142.9	(\$1,476.2)	(0.5%)

Personnel:

The Subcommittee reviewed the authorized position count for the Department. The Governor's amended budget proposal requested one new position and transfers five positions from DHSS, but also deletes several vacant positions for a net decrease of four positions. The Subcommittee is recommending that those new positions and deleted vacancies be accepted as requested.

Position Summary	FY12 Management Plan	FY13 Governor's Amended+	FY 13 Senate Subcommittee
Permanent Full Time	1,091	1,087	1,087
Permanent Part Time	18	18	18
Temporary	41	40	40
Total	1,150	1,145	1,145

Budget Action:

The Subcommittee held four meetings with the Department and took the following actions¹:

1. Adopted the Fiscal Year 2013 Adjusted Base.
2. Reviewed each of the increments, decrements, and fund changes submitted by the Governor. Recommends action on the Governor's proposal including the following:
 - a. Adopt Inc \$1,500.0 CIP RCPT for Implementation of IRIS
 - b. Adopt Dec \$112.5 GF/PR to Discontinue Databasics
 - c. Adopt Inc \$440.5 GRPBEN for Third Party Contract Increases
 - d. Adopt Inc \$80.0 I/A for Postage Increases
 - e. Adopt Inc \$2,500.0 I/A for Lease Costs
 - f. Adopt Inc \$750.0 I/A for Facilities Operation and Maintenance Costs
 - g. Adopt Inc \$80.0 PBF for Public Building Costs
 - h. Adopt Inc \$36.3 AOGCC RCPTS for Increased Oversight of Oil, Gas, and Geotherm
 - i. Adopt Inc \$150.0 FED for John R. Justice Student Repayment Program
 - j. Adopt Inc \$68.1 UGF for Additional Support for Elections
 - k. Adopt Inc \$87.5 GF/PR for State Operated DMV Office in Kotzebue (+ 1 PFT)
 - l. Adopt Inc \$74.5 GF/PR for Server Hosting Costs
3. Reviewed each of the operating budget amendments submitted by the Governor. Recommends action on the Governor's proposal including the following:
 - a. Adopt Inc \$800.0 UGF for Office of Public Advocacy Caseload Increase
 - b. Adopt Inc \$1,000.0 UGF for Public Defender Caseload Increase
 - c. Adopt Inc \$340.0 FED for Grants to Crime Victims through VCCB
 - d. Reject Inc \$75.0 UGF for Retirement System Trust Fund Costs
 - e. Reject Inc \$1,500.0 UGF for ALMR Equipment, Maintenance, and Training
4. Recommends the adoption of the following increments, decrements, and statements of intent proposed by members of the Subcommittee:
 - a. Adopt \$98.8 UGF for Government Access Television Program Expansion
 - b. Adopt one statement of legislative intent:
 - i. "It is the intent of the legislature that the Department seek full recovery of the portion of FY2013 Alaska Land Mobile Radio system costs attributable to use of the system by federal government agencies, and that a long-term cost-share plan be developed and implemented prior to the Department's FY2014 budget request to the legislature."

Other Subcommittee Findings:

1. The Subcommittee finds the Department has complied with 2012 legislative intent to prepare and submit a report on the future viability of the Alaska Land Mobile Radio system. This

¹ Budget adjustments that are primarily technical in nature, that authorize Mental Health Trust receipts, or that primarily represent non-growth administrative restructuring are not included.

report sufficiently confirms that there is not a more cost-effective system available to meet the needs of the State. The Subcommittee also finds that the Department has sufficiently engaged the diverse group of ALMR users in evaluating long-term solutions. However, the Subcommittee remains concerned with the Department's failure to implement a cost-share plan. This failure is exacerbated by the present deacquisition of many federally maintained radio sites to Alaska which guarantees dramatically increased future costs to the State but without any guarantee that those costs will be equitably shared with federal government users.

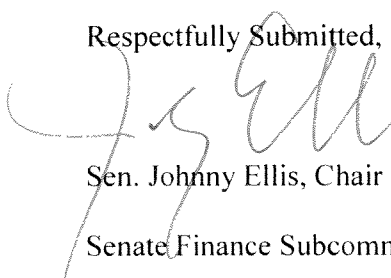
2. The Subcommittee finds that the Department has failed to sufficiently facilitate legislative consideration of statutory adjustments to Alaska's retirement systems. With the very fast pace of the 90-day legislative session, it is critical that the Legislature has timely access to information about the fiscal impact of pending legislation. The subcommittee appreciates the complexity of actuarial calculations, but any unnecessary delay in delivering fiscal analysis to the Legislature is contrary to the Department's mission and significantly impedes responsible policy development.

Documents Attached:

Reports from the Division of Legislative Finance (numbers and language):

1. Agency Totals – FY2013 Operating Budget, Senate Structure
2. Appropriation/Allocation Summary – Senate Structure
3. Appropriation/Allocation Summary (GF Only) – Senate Structure
4. Transaction Comparison – Senate Structure (Between Adjusted Base and Senate Subcommittee)
5. Transaction Comparison – Senate Structure (Between Governor's Amended+ and Senate Subcommittee)
6. Transaction Comparison – Senate Structure (Between House and Senate Subcommittees)
7. Wordage Report – FY2013 Operating Budget, Senate Structure

Respectfully Submitted,


Sen. Johnny Ellis, Chair


Sen. Linda Menard


Sen. Bill Wielechowski

Senate Finance Subcommittee on the Department of Administration