



29th Alaska State Legislature
Senate Finance Budget Subcommittee
Department of Administration
FY17 Operating Budget

Chairman:

Sen. Mike Dunleavy
Capitol Room 11
465-6600

Members:

Sen. Anna MacKinnon
Capitol Room 516
465-3777

Sen. Bill Stoltze
Capitol Room 125
465-4958

Sen. Dennis Egan
Capitol Room 417
465-4947

Committee Aide:

Sheila Peterson
465-5078

DEPARTMENT OF ADMINISTRATION
FY2017 SENATE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT
March 3, 2016

RECOMMENDATIONS:

The following recommendations were driven by the unprecedented downturn of revenues resulting from the precipitous drop in oil prices. This Subcommittee recognizes and acknowledges that some very worthwhile programs may go unfunded or underfunded but its choices are very limited given the financial circumstances the State of Alaska finds itself in.

The Senate Finance Budget Subcommittee for the Department of Administration submits a recommended operating budget (numbers only) for FY17 to the Senate Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 65,554.8
Designated General Funds (DGF)	30,090.7
Other Funds	227,755.6
Federal Funds	2,221.5

TOTAL **\$325,622.6**

Positions:

Permanent Full-Time	1,040
Permanent Part-Time	19
Temporary	37
Total	1,096

The Unrestricted General Fund difference from the FY16 Management Plan to the Senate Subcommittee budget recommendation is a reduction of \$9,612.5, a 12.8% reduction.

BUDGET ACTION:

The Senate Finance Budget Subcommittee for the Department of Administration held three meetings with the Department. The Subcommittee reviewed and accepted the FY17 Governor's amended budget request.

In addition to the acceptance of the Governor's amended budget, following are highlights of the Subcommittee recommendations:

- Reduce Unrestricted General Fund by \$44.6 and Interagency Receipts by \$149.5 in Office of the Commissioner, eliminating one deputy commissioner position.
- Reduce Unrestricted General Fund by \$32.2 and Interagency Receipts by \$107.7 in Office of the Commissioner, eliminating one special assistant position.
- Reduce Unrestricted General Fund for Personnel by \$1,485.8, thus eliminating the rate subsidy.
- Switch Unrestricted General Fund in Purchasing within General Services by \$655.9 with \$655.9 General Fund/Program Receipt authority.
- Reduce Interagency Authority for Central Mail by \$347.1, leaving \$2,800.0 I/A.
- Decrease \$100.0 Unrestricted General Fund for Payments on Behalf of Municipalities within Alaska Land Mobile Radio (ALMR) program, thereby eliminating all funding in this allocation.
- Decrease \$44.4 Unrestricted General Fund for the Public Broadcast Commission, eliminating state support for the commission.
- Decrease \$2,036.6 Unrestricted General Fund for the Public Broadcast – Radio Grant Program, eliminating state support for the grant program.
- Decrease \$600.0 Unrestricted General Fund for the Public Broadcast – TV Grant Program, eliminating state support for the grant program.
- Decrease \$50.0 Unrestricted General Fund for the Alaska Information Radio Reading and Education Services (AIRRES) Grant Program, eliminating state support for the grant program.
- Decrease \$200.0 Unrestricted General Fund for the Alaska Public Offices Commission.
- Add wordage language to read as follows:
 - At the discretion of the Commissioner of the Department of Administration, up to \$750,000 may be transferred between appropriations within the Department of Administration. A written report documenting all transfers of funds between appropriations shall be provided to the legislature by January 31, 2017.

- It is the intent of the legislature that the Department of Administration review the Juneau Central Mail program using Shared Services processes to find and implement efficiencies, evaluate the cost effectiveness of centralization and explore implementing mail service efficiencies in other areas of the State.
- It is the intent of the legislature that the Department of Administration, Division of General Services, work quickly and diligently to secure additional tenants for the Atwood Building in Anchorage to achieve 100% occupancy.
- It is the intent of the legislature that the Department of Administration and its partners find an alternate, more efficient and reliable system to the Alaska Land Mobile Radio (ALMR) in order to provide emergency communications for communities. The Department shall develop and deliver a plan to the legislature by December 31, 2016. When researching and developing a plan, the Department should consider commercial off-the-shelf systems, as well as all other technologies available in an effort to keep costs controlled. If the Department develops a plan that can effectively replace the ALMR system, the replacement and funding associated with the new system should be included in the Governor's amended budget.
- It is the intent of the legislature that the Department of Administration, Division of Motor Vehicles, seek out efficiencies to streamline processes and outsource where practical to reduce costs or increase revenue through improved efficiencies within the division to increase the amount of dollars deposited into the General Fund and reduce wait times.

ATTACHED REPORTS:

The Senate Finance Budget Subcommittee for the Department Administration adopts the attached reports:

Subcommittee generated reports

Budget Action Worksheet

Legislative Finance Division Reports – Senate Structure (Numbers Only)

1. Multi-year Agency Totals – Senate Structure
2. Multi-year Appropriation/Allocation Summary (All Funds)
3. Multi-year Appropriation/Allocation Summary (UGF)
4. Transaction Comparison between ADJ Base and S Subcomm
5. Transaction Comparison between Gov Amd and S Subcomm
6. Transaction Comparison between H Subcomm and S Subcomm
7. Wordage



 Senator Mike Dunleavy, Chair

Senate Finance Budget Subcommittee for the Department of Administration

March 3, 2016

**2016 Legislature - Operating Budget
Transaction Change Detail - Senate Structure**

Agency: State Retirement Payments

**Appropriation: Elected Public Officers Retirement System Benefits
Allocation: Elected Public Officers Retirement System Benefits**

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY16 Conference Committee												
1004 Gen Fund (UGF)		1,980.3	0.0	0.0	20.0	0.0	0.0	1,960.3	0.0	0	0	0
Reduce Retirement Funding For Elected Public Officers	Dec	-98.9	0.0	0.0	0.0	0.0	0.0	-98.9	0.0	0	0	0
1004 Gen Fund (UGF)		-98.9										
Move Elected Public Officers Retirement System benefit payments to Statewide Retirement Assistance	Dec	-1,881.4	0.0	0.0	-20.0	0.0	0.0	-1,861.4	0.0	0	0	0
1004 Gen Fund (UGF)		-1,881.4										
Elected Public Officers Retirement System benefit payments	Lang	1,881.4	0.0	0.0	20.0	0.0	0.0	1,861.4	0.0	0	0	0
1004 Gen Fund (UGF)		1,881.4										
HouseSub Total		1,881.4	0.0	0.0	20.0	0.0	0.0	1,861.4	0.0	0	0	0
		** Senate Subcommittee ***										
FY16 Conference Committee												
1004 Gen Fund (UGF)		1,980.3	0.0	0.0	20.0	0.0	0.0	1,960.3	0.0	0	0	0
Reduce Retirement Funding For Elected Public Officers	Dec	-98.9	0.0	0.0	0.0	0.0	0.0	-98.9	0.0	0	0	0
1004 Gen Fund (UGF)		-98.9										
Move Elected Public Officers Retirement System benefit payments to Statewide Retirement Assistance	Dec	-1,881.4	0.0	0.0	-20.0	0.0	0.0	-1,861.4	0.0	0	0	0
1004 Gen Fund (UGF)		-1,881.4										
Elected Public Officers Retirement System benefit payments	Lang	1,881.4	0.0	0.0	20.0	0.0	0.0	1,861.4	0.0	0	0	0
1004 Gen Fund (UGF)		1,881.4										
Senate Subcommittee Total		1,881.4	0.0	0.0	20.0	0.0	0.0	1,861.4	0.0	0	0	0

**2016 Legislature - Operating Budget
Transaction Change Detail - Senate Structure**

Numbers and Language

Agency: State Retirement Payments

**Appropriation: Unlicensed Vessel Personnel Annuity Retirement Plan
Allocation: Unlicensed Vessel Personnel Annuity Retirement Plan**

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY16 Conference Committee												
1004 Gen Fund (UGF)		46.0					0.0	46.0	0.0	0	0	0
Reduce Retirement Funding for the Unlicensed Vessel Participant Annuity Retirement Plan	Dec	-2.3	0.0	0.0	0.0	0.0	0.0	-2.3	0.0	0	0	0
1004 Gen Fund (UGF)		-2.3										
Move Unlicensed Vessel Participant Annuity Retirement System benefit payments to Statewide Retirement Assistance	Dec	-43.7	0.0	0.0	0.0	0.0	0.0	-43.7	0.0	0	0	0
1004 Gen Fund (UGF)		-43.7										
Unlicensed Vessel Participant Annuity Retirement System benefit payments	Lang	43.7	0.0	0.0	0.0	0.0	0.0	43.7	0.0	0	0	0
1004 Gen Fund (UGF)		43.7										
HouseSub Total		43.7	0.0	0.0	0.0	0.0	0.0	43.7	0.0	0	0	0
FY16 Conference Committee												
1004 Gen Fund (UGF)		46.0					0.0	46.0	0.0	0	0	0
Reduce Retirement Funding for the Unlicensed Vessel Participant Annuity Retirement Plan	Dec	-2.3	0.0	0.0	0.0	0.0	0.0	-2.3	0.0	0	0	0
1004 Gen Fund (UGF)		-2.3										
Move Unlicensed Vessel Participant Annuity Retirement System benefit payments to Statewide Retirement Assistance	Dec	-43.7	0.0	0.0	0.0	0.0	0.0	-43.7	0.0	0	0	0
1004 Gen Fund (UGF)		-43.7										
Unlicensed Vessel Participant Annuity Retirement System benefit payments	Lang	43.7	0.0	0.0	0.0	0.0	0.0	43.7	0.0	0	0	0
1004 Gen Fund (UGF)		43.7										
Senate Subcommittee Total		43.7	0.0	0.0	0.0	0.0	0.0	43.7	0.0	0	0	0