

State of Alaska FY2007 Governor's Operating Budget

Department of Revenue

Department of Revenue

Mission

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Coordination, development and promotion of programs for collection and investment of public funds
- Formulation of specific recurring revenue sources
- Provide controls and enforcement for the collection, investment and payment of funds (Permanent Fund, Child Support, Tax and Treasury)
- Provide administrative support for the following independent boards and corporations:
 - 1) Alaska Retirement Management Board
 - 2) Alaska Mental Health Trust Authority
 - 3) Alaska Municipal Bond Bank Authority
 - 4) Alaska Natural Gas Development Authority
 - 5) Alaska Housing Finance Corporation
 - 6) Alaska Permanent Fund Corporation

End Results	Strategies to Achieve Results
<p>A: Optimal administration of current tax and gaming programs.</p> <p><u>Target #1:</u> Percentage of taxes collected compared to taxes due between 92% and 98%. <u>Measure #1:</u> Percentage of taxes collected compared to the taxes due.</p>	<p>A1: Increase audit coverage (audit activities improve compliance and revenue).</p> <p><u>Target #1:</u> Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years). <u>Measure #1:</u> Number of new audits opened.</p> <p>A2: Increase voluntary compliance from identifying non-filers.</p> <p><u>Target #1:</u> Find 30 non-filers through compliance work. <u>Measure #1:</u> Number of non-filers brought into compliance.</p>
End Results	Strategies to Achieve Results
<p>B: Improve the risk adjusted return of funds under the stewardship of the Treasury Division by continually improving investment returns.</p> <p><u>Target #1:</u> For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable one-year target returns. <u>Measure #1:</u> Actual returns compared with target returns reported by consultant or the custodian bank.</p>	<p>B1: Portfolio Investment Officer staff is continually upgraded in experience and education.</p> <p><u>Target #1:</u> Increase average longevity of the investment officers to 5 years. <u>Measure #1:</u> The average longevity of investment officers. (Include the Chief Investment Officer and the 5 public market and 3 private market staff reporting to the Chief Investment Officer.)</p> <p><u>Target #2:</u> At least 4 investment staff will have their Chartered Financial Analyst (CFA) designation. <u>Measure #2:</u> Number of investment staff with Chartered Financial Analyst designation.</p>

End Results	Strategies to Achieve Results
<p>C: Collection and distribution of child support due to the children served by CSSD.</p> <p><u>Target #1:</u> Increase collections by 2%, net PFD. <u>Measure #1:</u> Percent of change in total collections, net PFD collections.</p> <p><u>Target #2:</u> Increase disbursements of child support payments by 1.8%. <u>Measure #2:</u> Percent of change in total disbursements.</p>	<p>C1: Improve the environment necessary for increased collections.</p> <p><u>Target #1:</u> Increase paternities established to 100%. <u>Measure #1:</u> Percentage of paternities established.</p> <p><u>Target #2:</u> Increase cases with orders to 93%. <u>Measure #2:</u> Percentage of cases with orders.</p> <p><u>Target #3:</u> Increase current collections to 55%. <u>Measure #3:</u> Percentage of current collections.</p> <p><u>Target #4:</u> Increase number of cases with arrearage collections to 71%. <u>Measure #4:</u> Percentage of cases with arrearage collections.</p> <p><u>Target #5:</u> Increase the cost effectiveness ratio to 4.55. <u>Measure #5:</u> Cost effectiveness ratio.</p> <p><u>Target #6:</u> Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections. <u>Measure #6:</u> Percentage of cases with no collections for one year or more versus total cases eligible for collection.</p>
End Results	Strategies to Achieve Results
<p>D: All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend (PFD) in October.</p> <p><u>Target #1:</u> 100% of eligible applicants not in appeal are paid in October. <u>Measure #1:</u> Percentage of eligible applicants not in appeal who are paid in October.</p>	<p>D1: Provide staff with needed training to perform effectively.</p> <p><u>Target #1:</u> 100% of new staff receive standardized training within first three months. <u>Measure #1:</u> Percentage of new staff that receive standardized training within first three months.</p>

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> • TAX DIVISION: • Enforce tax compliance through audit • Focus activity examination on high risk returns and errors • Streamline examination process • Employ IRS data and examination resources to identify non-filers • TREASURY MANAGEMENT: • Define roles of potential new asset class managers and perform adequate due diligence • Financially support meeting CFA designation targets and ongoing education requirements of the investment officers • Have programmer work with external custodian to automate download of accounting data • PERMANENT FUND DIVISION: 	<ul style="list-style-type: none"> • Cross train staff to work in multiple functional areas • Allocate staff across unit lines to address peak work load • Market on-line and myAlaska filing through media • CHILD SUPPORT SERVICES DIVISION: • Improve communications, processes and interface with other states • Establish and train a special collections unit • Review and adjust cases • Establish paternity • Inform obligees of accurate amounts due • Locate employers and assets of non-custodial parents

FY2007 Resources Allocated to Achieve Results

FY2007 Department Budget: \$207,259,400	Personnel:	
	Full time	848
	Part time	57
	Total	905

Performance Measure Detail

A: Result - Optimal administration of current tax and gaming programs.

Target #1: Percentage of taxes collected compared to taxes due between 92% and 98%.

Measure #1: Percentage of taxes collected compared to the taxes due.

Taxes Collected Compared to Taxes Due

Year	% Collected
2002	96.6%
2003	98.5%
2004	99.7%
2005	98.6%
2006	Target: 96.0%

Analysis of results and challenges: At the margin, this percentage is driven primarily by the Tax Division's resolution of large and complex oil and gas income and production tax cases. Too high a percentage indicates that the division is not assessing difficult taxpayers or issues where the State is likely to collect less than 100%. Too low a figure indicates that the State is being overly aggressive with taxpayers and then settling too easily. A balanced result indicates a balanced approach. In 2005, the Tax Division collected \$1,522.1 million out of \$1,544.4 million voluntarily reported or assessed by the department.

The Division performed outside of our target range again in 2005. The results reflect increased assessments offset by proportionately larger increases in overall collections resulting from higher oil prices. Rising oil revenue does not fully account for missing the target in 2005. We missed the target using the averages over the last five years as well as applying 2005 assessment collections to average voluntary collections over the past five years.

Current collections on assessments reflect both current and past audit activity. These results are reflective of the historical decline in the Division's audit effort that continued through 2005. Sustained success in this and other enforcement related performance measures can only follow increased enforcement efforts. While a single assessment may temporarily push the Division into our target range we do not foresee sustainable performance within the target range during 2007 or 2008.

A1: Strategy - Increase audit coverage (audit activities improve compliance and revenue).

Target #1: Open 20 new audit cases (taxpayers that have not been audited by us in the prior five years).

Measure #1: Number of new audits opened.

Number of New Audit Cases Opened

Year	# of Cases
2002	9
2003	13
2004	7
2005	14
2006	Target: 20

Analysis of results and challenges: The Tax Division maintains 100% coverage in oil and gas income and production taxes (and new oil and gas audit subjects are not included in this measure). An audit presence in each of the other tax types improves long-term voluntary compliance as well as generates new audit revenues. Furthermore, once established, audit generated revenues tend to recur as taxpayers modify their reporting to become consistent with the audit findings. In 2005, the increase in the number of audits occurred within seven tax programs led by new Corporate Net Income Tax audits. Not included in the new audit count are seven audits of exploration tax credit claims by existing taxpayers. These audits do not meet our definition of "new audits" although they represent new and expanded audit effort by the division. Despite improvement in 2005, the division failed to reach our goal of twenty new audit cases as a result of continued redirection of audit resources to major revenue and development projects. We view twenty new audit subjects annually as an appropriate target. This goal remains in 2006.

A2: Strategy - Increase voluntary compliance from identifying non-filers.

Target #1: Find 30 non-filers through compliance work.

Measure #1: Number of non-filers brought into compliance.

New Filers Through Compliance

Year	# of New Filers
2004	38
2005	45
2006	Target: 30

Analysis of results and challenges: The Tax Division encourages voluntary compliance as the most effective tool for collecting tax revenues. An important aspect of voluntary compliance is for taxpayers to believe that they are paying about the same amount in taxes as other similarly situated taxpayers. Seeking out and finding new taxpayers and bringing them into compliance assists revenue both in long-term voluntary compliance as well as bringing in the revenues from the new taxpayers. The division does not believe there are any major oil and gas taxpayers not filing, but we are going after the tax types that constitute the other 20% of its revenue responsibilities. This target and measure does not include federal or multi-state compliance programs in which we currently participate. New tax programs accounted for 16 of the 45 taxpayers brought into compliance during 2005. We maintain our target of 30 non-filers as an appropriate goal for our mix of maturing and established programs.

B: Result - Improve the risk adjusted return of funds under the stewardship of the Treasury Division by continually improving investment returns.

Target #1: For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable one-year target returns.

Measure #1: Actual returns compared with target returns reported by consultant or the custodian bank.

See Table in Analysis Section

Year	Actual Return	Target Return
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Analysis of results and challenges: 1 YEAR RETURN DATA FOR FUNDS MANAGED BY THE TREASURY DIVISION:

General Fund and Other Non-segregated Investment Funds

FY2002 Actual 4.63% Target 5.75%
 FY2003 Actual 4.82% Target 4.96%
 FY2004 Actual 0.92% Target 0.55%
 FY2005 Actual 2.84% Target 2.42%

Alaska Children's Trust

FY2002 Actual -3.64% Target -3.37%
 FY2003 Actual 8.10% Target 6.62%
 FY2004 Actual 8.65% Target 8.29%
 FY2005 Actual 7.58% Target 7.47%

Public School Trust

FY2002 Actual -3.13% Target -3.37%
 FY2003 Actual 6.87% Target 6.62%
 FY2004 Actual 9.04% Target 8.29%
 FY2005 Actual 7.59% Target 7.48%

International Airports Revenue Fund

FY2002 Actual 5.55% Target 6.92%
 FY2003 Actual 6.03% Target 5.60%
 FY2004 Actual 0.65% Target 0.23%
 FY2005 Actual 3.14% Target 2.60%

Constitutional Budget Reserve Fund - Main Account

FY2002 Actual 6.11% Target 7.02%
 FY2003 Actual 7.29% Target 6.85%
 FY2004 Actual 0.82% Target 0.33%
 FY2005 Actual 3.80% Target 3.38%

Constitutional Budget Reserve Fund - Sub Account

FY2002 Actual -5.61% Target -5.31%
 FY2003 Actual 5.02% Target 4.05%
 FY2004 Actual 12.13% Target 13.13%
 FY2005 Actual 8.54% Target 8.57%

Retirement Health Insurance Fund - Longterm Care Account

FY2002 Actual -6.30% Target -6.69%
 FY2003 Actual 4.22% Target 3.29%
 FY2004 Actual 13.43% Target 15.33%
 FY2005 Actual 8.64% Target 8.71%

Retirement Health Insurance Fund - Major Medical

FY2002 Actual 6.14% Target 6.54%
 FY2003 Actual 6.92% Target 6.47%
 FY2004 Actual 0.95% Target 0.48%
 FY2005 Actual 4.41% Target 4.16%

Power Cost Equalization Fund

FY2002 not available
 FY2003 Actual 3.88% Target 4.05%
 FY2004 Actual 12.90% Target 14.58%
 FY2005 Actual 8.78% Target 8.67%

Returns for FY2006 will depend on market conditions and cannot be estimated.

B1: Strategy - Portfolio Investment Officer staff is continually upgraded in experience and education.

Target #1: Increase average longevity of the investment officers to 5 years.

Measure #1: The average longevity of investment officers. (Include the Chief Investment Officer and the 5 public market and 3 private market staff reporting to the Chief Investment Officer.)

Average Longevity of Investment Staff

Fiscal Year	# of Years
FY 2002	N/A
FY 2003	N/A
FY 2004	2.6 years
FY 2005	2.8 years
FY 2006	3.8 years
FY 2007	Target: 4 years

Target #2: At least 4 investment staff will have their Chartered Financial Analyst (CFA) designation.

Measure #2: Number of investment staff with Chartered Financial Analyst designation.

Number of Staff Holding CFA Designation

Fiscal Year	# of Staff
FY 2002	3
FY 2003	3
FY 2004	3
FY 2005	4
FY 2006	4
FY 2007	Target: 5

Analysis of results and challenges: The CFA designation takes a minimum of 3 years to obtain.

C: Result - Collection and distribution of child support due to the children served by CSSD.

Target #1: Increase collections by 2%, net PFD.

Measure #1: Percent of change in total collections, net PFD collections.

Percent Change in Total Collections for a Fiscal Year

Fiscal Year	Percent Change
FY 2002	7.4%
FY 2003	6.2%
FY 2004	4.2%
FY 2005	1.92%

Analysis of results and challenges: The division increased non-PFD collections from FY2004 to FY2005 in the amount of \$1,696,650 or 1.92%. Increasing total collections allows the division to increase distributions to custodial parents. This improves the financial support that benefits children's lives. The increase in FY2002 relates to the implementation of the mandatory multi-state federal financial institution data match program. During FY2003, the state financial institute data match program was initiated which accounted for the increase in that year. The division continues to expect a steady but gradual increase in non-PFD collections as projected increases will have to come from much smaller operational changes as no significant federal or state major enhancements are planned at this time.

Target #2: Increase disbursements of child support payments by 1.8%.

Measure #2: Percent of change in total disbursements.

Analysis of results and challenges: This is a new measure for FY2006.

C1: Strategy - Improve the environment necessary for increased collections.

Target #1: Increase paternities established to 100%.

Measure #1: Percentage of paternities established.

Percentage of Paternities Established

Fiscal Year	Percentage Established
FFY 2002	89.6%
FFY 2003	89.3%
FFY 2004	87%
FFY 2005	105%

Analysis of results and challenges: Improving the number of paternities that the division establishes allows cases to be available for establishing an order and, in turn, allows money to start flowing to the family. The federal government measures this by taking the number of children with paternity established or acknowledged in the current fiscal year divided by the number of children born out of wedlock for the prior fiscal year, which can result in more than 100% of paternities established.

Target #2: Increase cases with orders to 93%.

Measure #2: Percentage of cases with orders.

Percentage of Cases With Orders

Fiscal Year	Percentage w/Orders
FY 2002	83%
FY 2003	81%
FY 2004	84.7%
FY 2005	92.3%

Analysis of results and challenges: Collections cannot be made without a proper order in place. Establishing this quickly and effectively is one of the keys to a successful child support program. Reviewing and streamlining the division's process in establishing cases will aid in the timeliness of collecting and distributing child support.

Target #3: Increase current collections to 55%.

Measure #3: Percentage of current collections.

Percentage of Current Collections

Fiscal Year	Percentage
FFY 2002	54%
FFY 2003	53.2%
FFY 2004	54.2%
FFY 2005	52%

Analysis of results and challenges: Also a main component to any child support program, collecting current money due is crucial to the financial well-being of the children it is intended to benefit. Increased information systems for new hires with the federal government and Alaska employers will enhance our ability to streamline the withholding process, improving the overall ability to collect current support quickly.

Target #4: Increase number of cases with arrearage collections to 71%.

Measure #4: Percentage of cases with arrearage collections.

Percentage of Cases with Arrearage Collections

Fiscal Year	Percentage
FFY 2002	68.4%
FFY 2003	66.5%
FFY 2004	65.4%
FFY 2005	67.9%

Analysis of results and challenges: A higher concentration on cases with special collection needs will increase overall collections.

Target #5: Increase the cost effectiveness ratio to 4.55.

Measure #5: Cost effectiveness ratio.

Cost Effectiveness Ratio

Fiscal Year	Ratio
FFY 2002	4.49
FFY 2003	4.24
FFY 2004	4.42
FFY 2005	4.52

Analysis of results and challenges: Two components, expenses and collections, figure into this target. Overall, showing the highest possible amount of collections for the least amount spent is highly sought. With improved automation and new ideas to streamline, we hope to meet this target.

Target #6: Reduce cases with no collections for one year or more to 12% or less of cases eligible for collections.

Measure #6: Percentage of cases with no collections for one year or more versus total cases eligible for collection.

Cases With No Previous Collection for 1 Year or More

Fiscal Year	Percentage
FY 2002	NA
FY 2003	NA
FY 2004	23%
FY 2005	12%

Analysis of results and challenges: A recent analysis of outstanding collections showed a relationship between those cases with the highest outstanding balances and those with no recent collections. A significant priority will be redirected to achieve better results here.

D: Result - All eligible Alaskans, whose applications are not on appeal, receive their Permanent Fund Dividend (PFD) in October.

Target #1: 100% of eligible applicants not in appeal are paid in October.

Measure #1: Percentage of eligible applicants not in appeal who are paid in October.

Eligible Applicants Paid in October

Year	Percentage
2002	93.6%
2003	93.7%
2004	94.0%
2005	96.0%
2006	Target: 98.0%

Analysis of results and challenges: The target for 2005 was 95%; PFD exceeded that target. Additional increases in on-line filing, increased use of automation in processing, cross-utilization of staff, and implementation of the new Dividend Application Information System (DAIS II) should result in a further increase in 2006.

D1: Strategy - Provide staff with needed training to perform effectively.

Target #1: 100% of new staff receive standardized training within first three months.

Measure #1: Percentage of new staff that receive standardized training within first three months.

Standardized Training of Staff Within First Three Months

Year	% of Staff
2004	50%
2005	100%
2006	Target: 100%

Analysis of results and challenges: Standardized training was developed and implemented between December 2003 and January 2004. This training is proving to be effective for all staff and is updated with each session taught. All new employees were given this training in 2005.

Key Department Challenges

- As part of the Governor's gas team, commercialize the very large reserves of North Slope natural gas and support efforts to construct a gas pipeline to bring the gas to market.
- Continuing to provide key decision makers (Governor and Legislature) with the information necessary to adopt a fiscal plan to insure that the State of Alaska has the financial resources necessary to provide constitutionally required public services in an era of volatile oil prices and declining production.
- Retaining and recruiting qualified professional level staff in a competitive environment. Vacancies and turnover of investment officers, tax and audit professionals, and IT staff challenge the ability of the department to maintain the integrity of core programs and to take on the new initiatives required to accomplish the department's mission.
- Key debt issues include maintenance of the State's credit ratings with Standard and Poor's, Fitch Ratings, and Moody's Investors Service. Regular communication of state current events to the rating analysts as well as ensuring analysts' concerns are relayed to the state's leadership are key to meeting this challenge.
- Primary key issues for portfolio management continue to be managing investment risk in the current low interest rate environment.
- The Child Support Services Division faces the possibility of a new federal medical support incentive performance measure and a new federal undistributed collections standard. New computer programming and personnel resources will be required to monitor these new items and modify our existing priorities to make sure Alaska meets or exceeds these standards. The addition of a new incentive measure further dilutes the total incentive dollars.

Significant Changes in Results to be Delivered in FY2007

- After the legislature approves a contract under the Stranded Gas Act (SGA), the department, as part of the Governor's gas team, will implement the terms of the agreement, including State participation in the ownership of a pipeline if it is approved as part of the contract.
- The Tax Division will continue efforts to revitalize the corporate audit program, with a target of an additional \$5 million a year in tax revenues by year 5 of the program.

Major Department Accomplishments in 2005

- As part of the Governor's gas team under the Stranded Gas Development Act (SGA), the Department of Revenue encourages commercialization of North Slope gas. The Departments of Law and Natural Resources are partners in this effort. The stranded gas cabinet has evaluated the appropriate risk for the State to take and has made a proposal that is under consideration by the producers (BP/ConocoPhillips/ExxonMobil) to move Alaska's stranded gas to market.
- The Tax Division completed an economic model of state-wide broad based revenue options, and is working to build a state-wide economic model for key economic variables such as the price of oil.
- The Tax Division completed gaming regulations governing Calcutta pools and Crane Classics pursuant to recent legislation.
- Since the end of FY2004, the State has maintained a stable credit rating. Agency credit ratings affect the State's ability to borrow money at favorable interest rates.
- Five of the six funds managed by the Treasury Division exceeded their benchmarks for the year ended June 30, 2005; in addition, 29 of the 33 sub-funds exceeded their benchmarks for this time period.
- Increased efforts in fraud investigations by the Permanent Fund Dividend Division resulted in two federal convictions and two indictments for PFD fraud cases. The division doubled the number of cases audited, and the number of denials and assessments increased from \$1.4 million to \$1.6 million despite decreased value of PFDs denied and assessed.
- The Child Support Services Division has shown improved results in child support collection efforts when comparing the results in FY2005 to the previous data from three years ago. In FY2002, the division had 48,500 cases, 83% with orders. Collections for this time period were \$95 million. Three years later in FY2005, the division has 52,560 cases, 92.3% with orders and collections of \$98.9 million.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

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|-------------------------------------|--|
| 1. Tax Division | 7. Alaska Permanent Fund Corporation |
| 2. Treasury Management | 8. Alaska Retirement Management Board |
| 3. Child Support Services Division | 9. Alaska Housing Finance Corporation |
| 4. Permanent Fund Dividend Division | 10. Alaska Municipal Bond Bank Authority |
| 5. Commissioner's Office | 11. Alaska Mental Health Trust Authority |
| 6. Administrative Services Division | 12. Alaska Natural Gas Development Authority |

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Department Budget Summary by RDU

All dollars shown in thousands

	FY2005 Actuals				FY2006 Management Plan				FY2007 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures	None.											
Non-Formula Expenditures												
Taxation and Treasury	7,468.7	0.0	39,088.4	46,557.1	9,748.5	0.0	48,444.4	58,192.9	10,118.2	0.0	48,706.1	58,824.3
Child Support Services	0.0	13,569.5	5,410.2	18,979.7	0.0	15,470.1	5,594.5	21,064.6	231.2	16,280.7	5,699.6	22,211.5
Administration and Support	4,924.3	1,050.9	1,325.2	7,300.4	6,324.0	943.0	1,521.0	8,788.0	788.3	1,244.3	1,556.1	3,588.7
AK Natural Gas Dev Authority	256.3	0.0	0.0	256.3	2,448.3	0.0	0.0	2,448.3	299.6	0.0	0.0	299.6
Mental Health Trust Authority	0.0	0.0	1,894.2	1,894.2	0.0	0.0	2,149.5	2,149.5	0.0	0.0	2,274.9	2,274.9
AK Municipal Bond Bank Auth	0.0	0.0	602.8	602.8	0.0	0.0	720.9	720.9	0.0	0.0	778.0	778.0
Alaska Housing Finance Corp	0.0	20,844.8	18,938.5	39,783.3	0.0	22,474.4	22,449.0	44,923.4	0.0	24,306.6	23,348.8	47,655.4
AK Permanent Fund Corporation	0.0	0.0	48,190.8	48,190.8	0.0	0.0	57,251.4	57,251.4	0.0	0.0	71,627.0	71,627.0
Totals	12,649.3	35,465.2	115,450.1	163,564.6	18,520.8	38,887.5	138,130.7	195,539.0	11,437.3	41,831.6	153,990.5	207,259.4

Funding Source Summary

All dollars in thousands

Funding Sources	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
1001 Constitutional Budget Reserve Fund	150.0	167.0	185.4
1002 Federal Receipts	32,781.2	36,309.6	38,952.4
1004 General Fund Receipts	12,002.3	17,787.7	10,715.0
1005 General Fund/Program Receipts	647.0	733.1	722.3
1007 Inter-Agency Receipts	4,281.3	4,791.6	5,089.8
1009 Revenue Bonds for AHFC		1,398.6	
1016 CSSD Federal Incentive Payments	1,632.8	1,634.9	1,634.9
1017 Benefits Systems Receipts	99.0	199.0	199.0
1027 International Airport Revenue Fund	68.0	76.7	80.9
1029 Public Employees Retirement System Fund	19,183.4	23,246.3	23,791.6
1034 Teachers Retirement System Fund	9,605.6	12,038.2	12,293.1
1042 Judicial Retirement System	230.9	360.0	364.5
1045 National Guard & Naval Militia Retirement System	76.4	214.5	215.5
1046 Student Revolving Loan Fund	49.0	92.0	95.2
1050 Permanent Fund Dividend Fund	5,551.1	5,987.9	6,471.5
1061 Capital Improvement Project Receipts	1,524.4	2,039.6	2,158.6
1066 Public School Fund	185.0	219.0	230.2
1094 Mental Health Trust Administration	1,421.4	1,628.7	1,738.1
1098 Children's Trust Earnings	34.7	38.0	40.1
1103 Alaska Housing Finance Corporation Receipts	16,719.7	19,719.4	20,505.2
1104 Alaska Municipal Bond Bank Receipts	602.8	720.9	778.0
1105 Alaska Permanent Fund Corporation Receipts	48,858.3	57,322.1	71,701.1
1108 Statutory Designated Program Receipts		750.0	750.0
1133 CSSD Administrative Cost Reimbursement	1,051.2	943.0	1,244.3
1142 Retiree Health Ins Fund/Major Medical	64.2	81.3	85.5
1143 Retiree Health Ins Fund/Long-Term Care Fund	70.7	95.6	98.2
1156 Receipt Supported Services	5,404.2	5,594.5	5,699.6
1169 PCE Endowment Fund	165.4	200.5	207.2
1175 Business License and Corporation Filing Fees and Taxes	1,104.6	1,137.3	1,194.2
1192 Mine Reclamation Trust Fund		12.0	18.0
Totals	163,564.6	195,539.0	207,259.4

Position Summary

Funding Sources	FY2006 Management Plan	FY2007 Governor
Permanent Full Time	846	848
Permanent Part Time	60	57
Non Permanent	17	17
Totals	923	922

FY2007 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Child Support Services Computer Replacement Project Phase 2	0	97,185	50,065	147,250
Permanent Fund Dividend Computer Replacement Project	0	0	125,000	125,000
AHFC Housing Loan Program/Teacher/Health and Public Safety Professionals Housing	0	0	5,000,000	5,000,000
AHFC Supplemental Housing Development Program	0	0	6,000,000	6,000,000
AHFC Low Income Weatherization	0	1,800,000	4,200,000	6,000,000
AHFC Senior Citizens Housing Development Program	0	0	3,000,000	3,000,000
AHFC Housing and Urban Development Federal HOME Grant	0	3,375,000	750,000	4,125,000
AHFC Housing and Urban Development Capital Fund Program	0	1,248,200	0	1,248,200
AHFC Federal and Other Competitive Grants	0	3,000,000	1,250,000	4,250,000
AHFC Competitive Grants for Public Housing	0	750,000	250,000	1,000,000
AHFC Energy Efficiency Monitoring Research	0	0	500,000	500,000
AHFC State Energy Program Special Projects	0	360,000	30,000	390,000
AHFC Maintenance Workshop	0	0	500,000	500,000
AHFC Statewide Project Improvements	0	0	5,000,000	5,000,000
AHFC Anchorage Rental Reallocation and Dispersal Program	0	0	1,000,000	1,000,000
AHFC Statewide Fire Protection System Investigation	0	0	510,000	510,000
AHFC Facility Management Monitoring Project	0	0	250,000	250,000
AHFC Denali Commision Projects	0	17,000,000	0	17,000,000
AHFC Homeless Assistance Program	0	0	2,000,000	2,000,000
AHFC Beneficiary and Special Needs Housing	0	0	1,750,000	1,750,000
Department Total	0	27,630,385	32,165,065	59,795,450

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2006 Management Plan to FY2007 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	18,520.8	38,887.5	138,130.7	195,539.0
Adjustments which will continue current level of service:				
-Taxation and Treasury	380.8	0.0	356.8	737.6
-Child Support Services	231.2	689.6	94.3	1,015.1
-Administration and Support	-5,540.2	43.0	33.7	-5,463.5
-AK Natural Gas Dev Authority	-2,149.5	0.0	0.0	-2,149.5
-Mental Health Trust Authority	0.0	0.0	76.0	76.0
-AK Municipal Bond Bank Auth	0.0	0.0	4.6	4.6
-Alaska Housing Finance Corp	0.0	815.4	899.8	1,715.2
-AK Permanent Fund Corporation	0.0	0.0	219.7	219.7
Proposed budget decreases:				
-Taxation and Treasury	-339.0	0.0	-1,413.6	-1,752.6
-Mental Health Trust Authority	0.0	0.0	-17.3	-17.3
Proposed budget increases:				
-Taxation and Treasury	327.9	0.0	1,318.5	1,646.4
-Child Support Services	0.0	121.0	10.8	131.8
-Administration and Support	4.5	258.3	1.4	264.2
-AK Natural Gas Dev Authority	0.8	0.0	0.0	0.8
-Mental Health Trust Authority	0.0	0.0	66.7	66.7
-AK Municipal Bond Bank Auth	0.0	0.0	52.5	52.5
-Alaska Housing Finance Corp	0.0	1,016.8	0.0	1,016.8
-AK Permanent Fund Corporation	0.0	0.0	14,155.9	14,155.9
FY2007 Governor	11,437.3	41,831.6	153,990.5	207,259.4