

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Community & Economic Development  
DCED State Facilities Rent  
BRU/Component

## **Component: DCED State Facilities Rent**

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### **Component Mission**

To fund necessary maintenance and help prevent future deferred maintenance problems in the eight buildings in the new state facilities rent pool.

### **Component Services Provided**

Implement the State Facilities Rent Structure.

### **Component Goals and Strategies**

To fund necessary maintenance and help prevent future deferred maintenance problems in the eight buildings in the new state facilities rent pool.

### **Key Component Issues for FY2001 – 2002**

During years of budget constraints, state buildings have not been adequately maintained, resulting in a serious and expensive deferred maintenance backlog. By implementing a rent structure, the state will be able to recover an estimated \$1.5 million (statewide) in federal and other non-general funds for space occupied in state buildings. General funds now spent on building maintenance and operations by the Department of Transportation and Public Facilities (DOT/PF) for seven state buildings and by the Department of Administration (DOA) for the Atwood Building in Anchorage are being transferred from DOT/PF and DOA to the agencies occupying the buildings in the facilities rent pool. The agencies will pay rent, using these transferred general funds to pay for space occupied by general fund programs and collecting rent from non-general fund sources as appropriate.

### **Major Component Accomplishments for FY2000**

Not applicable.

### **Statutory and Regulatory Authority**

Not applicable

**DCED State Facilities Rent**  
**Component Financial Summary**

All dollars in thousands

|                                | FY2000 Actuals | FY2001 Authorized | FY2002 Governor |
|--------------------------------|----------------|-------------------|-----------------|
| <b>Non-Formula Program:</b>    |                |                   |                 |
| <b>Component Expenditures:</b> |                |                   |                 |
| 71000 Personal Services        | 0.0            | 0.0               | 0.0             |
| 72000 Travel                   | 0.0            | 0.0               | 0.0             |
| 73000 Contractual              | 0.0            | 496.3             | 537.9           |
| 74000 Supplies                 | 0.0            | 0.0               | 0.0             |
| 75000 Equipment                | 0.0            | 0.0               | 0.0             |
| 76000 Land/Buildings           | 0.0            | 0.0               | 0.0             |
| 77000 Grants, Claims           | 0.0            | 0.0               | 0.0             |
| 78000 Miscellaneous            | 0.0            | 0.0               | 0.0             |
| <b>Expenditure Totals</b>      | <b>0.0</b>     | <b>496.3</b>      | <b>537.9</b>    |
| <b>Funding Sources:</b>        |                |                   |                 |
| 1004 General Fund Receipts     | 0.0            | 496.3             | 359.9           |
| 1007 Inter-Agency Receipts     | 0.0            | 0.0               | 178.0           |
| <b>Funding Totals</b>          | <b>0.0</b>     | <b>496.3</b>      | <b>537.9</b>    |

**Estimated Revenue Collections**

| Description                     | Master Revenue Account | FY2000 Actuals | FY2001 Authorized | FY2001 Cash Estimate | FY2002 Governor | FY2003 Forecast |
|---------------------------------|------------------------|----------------|-------------------|----------------------|-----------------|-----------------|
| <b>Unrestricted Revenues</b>    |                        |                |                   |                      |                 |                 |
| None.                           |                        | 0.0            | 0.0               | 0.0                  | 0.0             | 0.0             |
| <b>Unrestricted Total</b>       |                        | <b>0.0</b>     | <b>0.0</b>        | <b>0.0</b>           | <b>0.0</b>      | <b>0.0</b>      |
| <b>Restricted Revenues</b>      |                        |                |                   |                      |                 |                 |
| Interagency Receipts            | 51015                  | 0.0            | 0.0               | 0.0                  | 178.0           | 178.0           |
| <b>Restricted Total</b>         |                        | <b>0.0</b>     | <b>0.0</b>        | <b>0.0</b>           | <b>178.0</b>    | <b>178.0</b>    |
| <b>Total Estimated Revenues</b> |                        | <b>0.0</b>     | <b>0.0</b>        | <b>0.0</b>           | <b>178.0</b>    | <b>178.0</b>    |

**DCED State Facilities Rent**

**Proposed Changes in Levels of Service for FY2002**

Increments for the Divisions of Insurance, Occupational Licensing, and Banking, Securities, & Corporations are requested to cover rent expenses in FY02. An increment for the DCED State Facilities Rent Component is requested to receive the rent payments, in the form of interagency receipts. General funds, in the amount of FY01 rental rates paid by the 3 divisions, are transferred to the Department of Administration.

**Summary of Component Budget Changes**

**From FY2001 Authorized to FY2002 Governor**

*All dollars in thousands*

|  | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|--|----------------------|----------------------|--------------------|--------------------|
| <b>FY2001 Authorized</b>   | <b>496.3</b>         | <b>0.0</b>           | <b>0.0</b>         | <b>496.3</b>       |
| <b>Adjustments which will continue current level of service:</b>     |                      |                      |                    |                    |
| -GF from DOA for additional Atwood Building Space                    | 14.8                 | 0.0                  | 0.0                | 14.8               |
| -State Facilities Transfer to DOA                                    | -151.2               | 0.0                  | 0.0                | -151.2             |
| <b>Proposed budget increases:</b>                                    |                      |                      |                    |                    |
| - Banking, Securities & Corporations rent                            | 0.0                  | 0.0                  | 24.7               | 24.7               |
| - Insurance rent   | 0.0                  | 0.0                  | 72.1               | 72.1               |
| - Occupational Licensing rent  | 0.0                  | 0.0                  | 68.8               | 68.8               |
| -Increase in Rent from Commissioner's Office, Admin Services and CBD | 0.0                  | 0.0                  | 12.4               | 12.4               |
| <b>FY2002 Governor</b>   | <b>359.9</b>         | <b>0.0</b>           | <b>178.0</b>       | <b>537.9</b>       |