

State of Alaska FY2002 Governor's Operating Budget

Department of Health and Social Services
HSS State Facilities Rent
Component

Component: HSS 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 first year of the State Facilities Rent Structure.

Component Goals and Strategies

Improve the condition of state buildings and help prevent future deferred maintenance problems by implementing the first year phase of a state facilities rent structure.

Key Component Issues for FY2001 – 2002

The Department of Health & Social Services will participate in the Rent Pilot Project in FY 2001 for three buildings (the Alaska Office Building, the Court Plaza Building and the Fairbanks Regional Office Building). 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

No statutes and regulations.

HSS State Facilities Rent
Component Financial Summary

All dollars in thousands

| | FY2000 Actuals | FY2001 Authorized | FY2002 Governor |
|--------------------------------|----------------|-------------------|-----------------|
| Non-Formula Program: | | | |
| Component Expenditures: | | | |
| 71000 Personal Services | 0.0 | 0.0 | 0.0 |
| 72000 Travel | 0.0 | 0.0 | 0.0 |
| 73000 Contractual | 0.0 | 625.0 | 689.4 |
| 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 |
| Expenditure Totals | 0.0 | 625.0 | 689.4 |
| Funding Sources: | | | |
| 1002 Federal Receipts | 0.0 | 175.7 | 237.2 |
| 1004 General Fund Receipts | 0.0 | 449.3 | 452.2 |
| Funding Totals | 0.0 | 625.0 | 689.4 |

Estimated Revenue Collections

| Description | Master Revenue Account | FY2000 Actuals | FY2001 Authorized | FY2001 Cash Estimate | FY2002 Governor | FY2003 Forecast |
|---------------------------------|------------------------|----------------|-------------------|----------------------|-----------------|-----------------|
| Unrestricted Revenues | | | | | | |
| None. | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Unrestricted Total | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Restricted Revenues | | | | | | |
| Federal Receipts | 51010 | 0.0 | 175.7 | 175.7 | 237.2 | 250.0 |
| Restricted Total | | 0.0 | 175.7 | 175.7 | 237.2 | 250.0 |
| Total Estimated Revenues | | 0.0 | 175.7 | 175.7 | 237.2 | 250.0 |

HSS State Facilities Rent**Proposed Changes in Levels of Service for FY2002**

In FY 2001, the Facilities Rent Pilot Project was added to this component for Health & Social Services. The pilot project included three buildings that Health & Social Services occupies: the Fairbanks Regional Office Building, the Alaska Office Building, and the Court Plaza Building. Rent for these buildings was transferred in from Department of Administration and Risk Management costs will transferred in from the various Divisions in Health & Social Services who occupy these buildings. In FY 2002, the Community Building will be added.

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> |
|--|----------------------|----------------------|--------------------|--------------------|
| FY2001 Authorized | 449.3 | 175.7 | 0.0 | 625.0 |
| Adjustments which will continue current level of service: | | | | |
| -Transfer \$2.9 from DOA for Community Building | 2.9 | 0.0 | 0.0 | 2.9 |
| Proposed budget increases: | | | | |
| -Increase for Rent Project to add Community Building | 0.0 | 61.5 | 0.0 | 61.5 |
| FY2002 Governor | 452.2 | 237.2 | 0.0 | 689.4 |