

State of Alaska
FY2006 Governor's Operating Budget

Dept. of Commerce, Community, and Economic Dev.
Investments
RDU/Component Budget Summary

RDU/Component: Investments

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

To promote economic development through direct state lending within those industries and within those areas of the state that are not adequately serviced by the private sector;

To provide interagency and interdepartmental loan servicing of other loan portfolios that increase operational efficiencies; and

To protect the State's investments in the loan funds under administration and provide a return on capital when it does not impair program missions.

Core Services

Provide direct state loan origination and servicing under four active loan programs: Commercial Fishing, Fisheries Enhancement, Small Business Economic Development and Rural Development Initiative Fund.

Provide servicing of loan portfolios owned by other state agencies.

Protect the financial integrity of the loan funds under administration through loan servicing efforts and provide a return on capital to the state when appropriate.

End Results	Strategies to Achieve Results
<p>A: Promote economic development through direct state lending in those industries and in those areas that are not adequately serviced by the private sector.</p> <p><u>Target #1:</u> Create or maintain 500 jobs annually in the Alaska commercial fishing industry. <u>Measure #1:</u> The number of direct jobs created or maintained annually as a result of financial services provided under the Commercial Fishing Revolving Loan Fund.</p> <p><u>Target #2:</u> Create or maintain 50 rural jobs annually statewide. <u>Measure #2:</u> The number of rural jobs created or maintained annually as a result of Rural Development Initiative Fund (RDIF) Loans and Small Business Economic Development (SBED) Loans.</p> <p><u>Target #3:</u> Provide financing to Alaskan private aquaculture corporations to produce \$40 million in hatchery-reared salmon to Alaskan commercial fisheries annually. <u>Measure #3:</u> Total annual value of hatchery-reared salmon</p>	<p>A1: Increase financial services provided to Alaskan commercial fishing harvesters.</p> <p><u>Target #1:</u> Provide financial services to 750 commercial fishing harvesters annually. <u>Measure #1:</u> The number of harvesters provided with financial services annually through new loans, loan restructurings, workouts, refinancing and other lending activities under the Commercial Fishing Revolving Loan Fund.</p> <p>A2: Promote development of predominately resident fisheries by increasing or maintaining the percentage of limited entry permits held by Alaska residents.</p> <p><u>Target #1:</u> Maintain the number of permits held by Alaskans at 78% or greater. <u>Measure #1:</u> The percentage of limited entry permits held by Alaska residents.</p> <p>A3: Utilize the Rural Development Initiative Fund (RDIF) and the Small Business Economic Development (SBED) loan fund to increase the number of jobs created or maintained in rural</p>

<p>to various commercial fisheries.</p>	<p>communities.</p> <p><u>Target #1:</u> Generate sixteen new loans annually. <u>Measure #1:</u> The number of new Rural Development Initiative Fund Loans and Small Business Economic Development Loans originated and serviced annually for the Alaska Industrial Development and Export Authority.</p> <p>A4: Promote enhancement of the state's fisheries by decreasing response time to loan applications from private non-profit aquaculture associations.</p> <p><u>Target #1:</u> Process Fisheries Enhancement loan applications in 30 days or less. <u>Measure #1:</u> The number of days to process Fisheries Enhancement loan applications.</p>
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End Results	Strategies to Achieve Results
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<p>B: Provide interagency and interdepartmental servicing of loan portfolios.</p> <p><u>Target #1:</u> Generate \$1.0 million or more annually in new loans. <u>Measure #1:</u> The annual dollar amount of loans generated from loan portfolios serviced for other agencies.</p>	<p>B1: Provide prudent financial management of loan funds serviced for other agencies.</p> <p><u>Target #1:</u> Maintain the delinquency rate of revolving loan portfolios serviced for other agencies at 11% or less. <u>Measure #1:</u> The average annual delinquency rate of all loans serviced for other agencies.</p>
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End Results	Strategies to Achieve Results
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<p>C: Generate capital excess to loan demand and operational needs to help fund government operations.</p> <p><u>Target #1:</u> Generate \$3 million in excess earnings annually that may be utilized to fund government operations. <u>Measure #1:</u> The amount of excess earnings generated annually from the operation of loan funds.</p>	<p>C1: Generate capital excess to loan demand and operational needs to help fund government operations.</p> <p><u>Target #1:</u> Maintain the delinquency rate of all loan portfolios at 11% or less. <u>Measure #1:</u> Average annual delinquency rate of all loan funds. <u>Target #2:</u> Maintain the delinquency rate of the CFRLF at 15% or less. <u>Measure #2:</u> Average annual delinquency rate of the CFRLF.</p>
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Major Activities to Advance Strategies
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<ul style="list-style-type: none"> • Promote Program Awareness through Marketing/Outreach Efforts • Loan Origination • Loan Servicing • Promote Awareness of ADI Loan Servicing Capabilities • Loan Refinancing • Loan Modifications & Workouts • Loan Collections • Originate Loans in Rural Areas that Focus on Job Creation 	<ul style="list-style-type: none"> • Pursue Additional Funding Opportunities when Appropriate • Fisheries Business Assistance Contract • Outreach Efforts to Rural Alaska • Volunteer Tax and Loan Program • Fisheries Business Assistance Contract • Participate in Hatchery Corporation Board Meetings • Administer Salmon Enhancement Tax Distribution • Community Quota Entity Program
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FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$3,895,900	Personnel:	
	Full time	44
	Part time	0
	Total	44

Performance Measure Detail

A: Result - Promote economic development through direct state lending in those industries and in those areas that are not adequately serviced by the private sector.

Target #1: Create or maintain 500 jobs annually in the Alaska commercial fishing industry.

Measure #1: The number of direct jobs created or maintained annually as a result of financial services provided under the Commercial Fishing Revolving Loan Fund.

Analysis of results and challenges: Maintaining local ownership of fishery resources and the jobs associated with this ownership is critically important to Alaska's economy. Lending activity results in the creation of new jobs and the maintenance of existing jobs for Alaska residents, in addition to providing a necessary source of capital to the commercial fishing industry. Maintaining employment levels is critical to Alaska's economy, particularly in rural areas of the state. The CFRLF plays a significant role in the rural economy, as commercial fishing is often the only viable economic activity. The Alaska Division of Investments (ADI) will seek to maximize the ability of the CFRLF to facilitate job creation while the industry recovers from recent economic challenges. This is a new measurement standard.

Target #2: Create or maintain 50 rural jobs annually statewide.

Measure #2: The number of rural jobs created or maintained annually as a result of Rural Development Initiative Fund (RDIF) Loans and Small Business Economic Development (SBED) Loans.

Number of Jobs Created or Maintained Through RDIF and SBED Loans

Year	YTD
2003	38
2004	31

Analysis of results and challenges: The creation of jobs is a keystone of economic development efforts. The primary goal of the RDIF and SBED programs is economic development through job creation in rural areas. During FY04, a total of 31 jobs were created or maintained as a result of loans made under the RDIF and SBED programs. ADI will intensify efforts to locate and finance viable projects through the RDIF and SBED programs.

Target #3: Provide financing to Alaskan private aquaculture corporations to produce \$40 million in hatchery-reared salmon to Alaskan commercial fisheries annually.

Measure #3: Total annual value of hatchery-reared salmon to various commercial fisheries.

Total Value of Hatchery-Reared Salmon to Statewide Commercial Fisheries

Year	YTD
1998	41.7
1999	46.8
2000	57.0
2001	44.3
2002	29.1
2003	39.9

Analysis of results and challenges: Salmon hatcheries provide a significant contribution to numerous coastal economies. ADI provides the salmon aquaculture industry in Alaska with a source of low-cost capital through the Fisheries Enhancement Revolving Loan Fund (FERLF). This capital is specifically tailored by statute to meet the needs of this unique industry and is not available in the private sector. Measuring the amount of money generated annually as a result of salmon raised by FERLF participants is a good indicator of the program's effectiveness. The most recent information available from ADF&G (CY03) indicates a total market value of hatchery-reared salmon of \$39.9 million.

A1: Strategy - Increase financial services provided to Alaskan commercial fishing harvesters.

Target #1: Provide financial services to 750 commercial fishing harvesters annually.

Measure #1: The number of harvesters provided with financial services annually through new loans, loan restructurings, workouts, refinancing and other lending activities under the Commercial Fishing Revolving Loan Fund.

Harvesters Provided with Financial Services Under the Commercial Fishing Revolving Loan Fund

Year	YTD
2004	841

Analysis of results and challenges: One of the primary benefits of the lending activity and financial services provided under the CFRLF is the creation and maintenance of jobs. There is a direct link between new loans and job creation as resident borrowers hire licensed crew to operate their small business enterprises. They also have a positive impact on Alaska's economy through the purchase of goods and services. Like any small business, these fishing operations are small economic development engines, often located in rural areas where they provide one of the few practical economic development means available. In addition, ADI's efforts in restructuring troubled loans as a result of recent industry difficulties serves as an economic buffer to the significant potential loss of jobs that would result without such efforts. Another significant benefit to the services provided by ADI is the ability to provide financial management and small business management skills to individuals as a result of the application process. This is a new measurement standard.

A2: Strategy - Promote development of predominately resident fisheries by increasing or maintaining the percentage of limited entry permits held by Alaska residents.

Target #1: Maintain the number of permits held by Alaskans at 78% or greater.

Measure #1: The percentage of limited entry permits held by Alaska residents.

The Percentage of Limited Entry Permits Held by Alaskan Residents

Year	YTD
1998	77%
1999	78%
2000	78%
2001	78%
2002	78%
2003	78%

Analysis of results and challenges: A statutory mission of the CFRLF is to provide long term, low interest loans to commercial fishing harvesters to promote resident fisheries. The overall resident ownership of limited entry permits is one of the ways to measure program success. Resident ownership is particularly important in rural areas where economic opportunities are limited. For CY03, Commercial Fisheries Entry Commission data indicates residents held 78% of active permits.

A3: Strategy - Utilize the Rural Development Initiative Fund (RDIF) and the Small Business Economic Development (SBED) loan fund to increase the number of jobs created or maintained in rural communities.

Target #1: Generate sixteen new loans annually.

Measure #1: The number of new Rural Development Initiative Fund Loans and Small Business Economic Development Loans originated and serviced annually for the Alaska Industrial Development and Export Authority.

The Number of New RDIF and SBED Loans Originated and Serviced for AIDEA

Year	YTD
2003	5
2004	9

Analysis of results and challenges: The SBED and RDIF loan programs were designed specifically for creating and maintaining jobs in rural areas of the state. Loans under these programs are analyzed in terms of their ability to do so. At the end of FY04, ADI undertook a no-cost marketing program to increase awareness of the programs to the banking community throughout the state. These efforts have been extremely successful. During the first quarter of FY05, a total of 14 loans were committed, creating or saving a total of 118 rural jobs. ADI intends to build on this success by continuing to market the program and will strive to create as many jobs as possible by fully utilizing available funding.

A4: Strategy - Promote enhancement of the state's fisheries by decreasing response time to loan applications from private non-profit aquaculture associations.

Target #1: Process Fisheries Enhancement loan applications in 30 days or less.

Measure #1: The number of days to process Fisheries Enhancement loan applications.

Fisheries Enhancement Loan Application Response Time

Year	YTD
2004	24

Analysis of results and challenges: Efficient processing of applications benefits the aquaculture industry during periods of economic stress such as we are currently experiencing. Projects funded through loans are not as likely to be jeopardized by delays and cost overruns when applications are processed timely. This is a new measurement standard.

B: Result - Provide interagency and interdepartmental servicing of loan portfolios.

Target #1: Generate \$1.0 million or more annually in new loans.

Measure #1: The annual dollar amount of loans generated from loan portfolios serviced for other agencies.

New Loans Generated From Loan Portfolios Serviced for Other Agencies

Year	YTD
2003	1,374.6
2004	1,031.4

Analysis of results and challenges: Full utilization of the loan funds serviced for other agencies leads to job creation and overall economic development. The majority of the loans serviced are made in areas of the state facing economic difficulties. ADI has recently taken steps to increase public awareness of these programs that has led to a dramatic increase in loan volume and a higher level of utilization of the funds. ADI's goal is to maintain the highest level of fund utilization resulting in job creation, while maintaining prudent lending practices.

B1: Strategy - Provide prudent financial management of loan funds serviced for other agencies.

Target #1: Maintain the delinquency rate of revolving loan portfolios serviced for other agencies at 11% or less.

Measure #1: The average annual delinquency rate of all loans serviced for other agencies.

Average Annual Delinquency Rate of Portfolios Serviced for Other Agencies

Year	YTD
2003	11.0%
2004	10.2%

Analysis of results and challenges: The consolidation of lending functions across various agencies to ADI results in more efficient government. Maintaining low delinquency rates on the loan funds administered by ADI results in greater operational efficiencies and a higher rate of return to the loan funds. The majority of loans serviced for other agencies are small business loans aimed at rural areas. Commercial lending in rural Alaska requires experience and knowledge in rural economic conditions to stimulate economic development while maintaining prudent lending practices. ADI accomplishes this by utilizing an experienced and knowledgeable collections staff.

C: Result - Generate capital excess to loan demand and operational needs to help fund government operations.

Target #1: Generate \$3 million in excess earnings annually that may be utilized to fund government operations.

Measure #1: The amount of excess earnings generated annually from the operation of loan funds.

Excess Earnings Utilized for Government Operations

Year	YTD
2000	1,508.6
2001	3,115.5
2002	2,040.2
2003	4,530.1
2004	2,875.3

Analysis of results and challenges: Proper financial management of ADI loan portfolios creates earnings that can be made available for the operations of state government. Excess interest earnings from continuing operations of the loan funds, combined with interest earned by the Treasury from cash in the loan funds, can be utilized without sacrificing program goals when managed carefully.

C1: Strategy - Generate capital excess to loan demand and operational needs to help fund government operations.

Target #1: Maintain the delinquency rate of all loan portfolios at 11% or less.

Measure #1: Average annual delinquency rate of all loan funds.

Average Annual Delinquency Rate of All Loan Funds

Year	YTD
2000	6.9%
2001	10.4%
2002	15.1%
2003	15.6%
2004	10.7%

Analysis of results and challenges: Maintaining an appropriately low delinquency rate on loan funds under ADI administration increases cash flow into the funds, making more funds available to lend and generating more interest income. Delinquency management is an integral part of the financial management of loan funds. ADI accomplishes this by utilizing an experienced and knowledgeable collections staff.

Target #2: Maintain the delinquency rate of the CFRLF at 15% or less.

Measure #2: Average annual delinquency rate of the CFRLF.

Average Annual Delinquency Rate of the CFRLF

Year	YTD
2000	25.0%
2001	17.0%
2002	20.4%
2003	21.5%
2004	13.5%

Analysis of results and challenges: The commercial fishing industry in Alaska has experienced dramatic and stressful changes over the past several years, primarily as a result of the impact of farmed salmon on world markets. Prices have dropped to record lows in some areas and many fisheries have encountered catastrophic run failures as well. This has had a significant impact on the CFRLF. Delinquency management has been very challenging and will likely continue to be so in the near future. ADI has utilized many creative solutions to help meet the needs of the industry and accomplish program goals while at the same time protecting the integrity of the Fund. ADI will continue to effectively manage delinquencies by utilizing an experienced and knowledgeable collections staff.

Key Component Challenges***Rural Economic Development***

ADI will play an important role in the Department's efforts to promote economic development in rural Alaska by providing access to capital. These efforts will utilize several programs administered by ADI including the Rural Development Initiative Fund, Small Business Economic Development Fund, Commercial Fishing Revolving Loan Fund, the Volunteer Tax and Loan Program, and the Community Quota Entity Program. ADI will increase the financial services it provides through outreach efforts, and will spend additional time marketing these programs. The goal is to increase economic activity and employment opportunities in rural areas of the state.

Salmon Industry

The commercial fishing industry continues to experience difficulties as world markets adapt to the changing supply of fish from fish farms. The salmon markets have been significantly affected, and as a result they have been extremely volatile for the past several years. It is vitally important that Alaska maintains its place in the worldwide salmon market during these challenging times. Both the Commercial Fishing Revolving Loan Fund and the Fisheries Enhancement Revolving Loan Fund play an extremely important role in the fishing industry. Reduced prices and lack of fish returns in some fisheries has resulted in significant difficulties for many of our borrowers. Fortunately, the statutes provide the flexibility needed to craft solutions to payment problems and ADI has dedicated significant resources in the past few years to these efforts. It is anticipated that similar efforts will continue in FY06.

Loan Servicing Software Replacement

The software package currently being used by ADI was purchased in the early 1980's and is out of date. ADI purchased a replacement system that will be delivered in FY05. The new system will provide loan origination functions such as application tracking, document creation and management. It will also provide accurate and timely information to management, the legislature and the public. Installation, customization and implementation of the new system is expected to be completed in FY06.

Community Quota Entity (CQE) Program

This new program within the Commercial Fishing Revolving Loan Fund was created to provide Gulf of Alaska communities with a tool they can utilize to help generate economic activity. ADI is conducting outreach efforts to help these communities participate in the program and expects significant loan activity in FY06.

Significant Changes in Results to be Delivered in FY2006

No significant changes.

Major Component Accomplishments in 2004

Commercial Fishing Revolving Loan Fund Program (CFRLF). This program promotes the development of a predominantly resident fishery by providing loans to Alaskan commercial fishing harvesters. Market conditions in the commercial fishing industry have dramatically changed in recent years creating tremendous challenges for commercial fishing harvesters that utilize the CFRLF. The Alaska Division of Investments (ADI) has worked extensively with harvesters to ensure that the CFRLF continues to fulfill its mission. In fiscal year 2004, the Division approved 114 new loans totaling a little over \$6.5 million, and processed 171 loan extension requests.

AS 16.10.310(a)(10) allows commercial fishing borrowers to refinance existing CFRLF loans to take advantage of reduced interest rates when they occur. ADI has developed a streamlined application process to assist borrowers in their refinancing efforts. During FY04, interest rates continued to decline, and as a result ADI processed over 900 refinancing applications.

Fisheries Enhancement Revolving Loan Fund Program (FERLF). This program promotes the enhancement of the state's fisheries by making loans to qualified nonprofit corporations to build and operate salmon hatcheries and to engage in other fisheries related enhancement activities. During FY04, ADI made ten loans totaling \$7.7 million.

AS 16.10.510(10) allows fisheries enhancement borrowers to refinance existing FERLF loans to take advantage of reduced interest rates when they occur. The Division has developed a streamlined application process to assist borrowers in their refinancing efforts. During FY04, ADI processed 210 refinancing applications.

Small Business Economic Development (SBED) Loan Program. This program provides loans to small businesses located in areas of the state that have experienced economic difficulties. The purpose of the program is to create jobs and stimulate economic activity in these communities. During FY04 ADI approved one SBED loan for \$245,000. This loan resulted in the creation/retention of two jobs.

Rural Development Initiative Fund (RDIF). This program provides loans to businesses located in communities of 5,000 or less. During FY04, ADI approved eight loans totaling \$785,917. These loans have resulted in the creation/retention of 29 jobs.

Volunteer Tax and Loan Program (VTLP). ADI supported the Volunteer Tax and Loan Program (VTLP) through a fisheries business development contract with the Alaska Business Development Center, Inc. (ABDC). This program has been operating successfully since 1996. The focus of the VTLP continues to be rural harvesting communities targeted by the IRS as having tax compliance issues. In 2004, trips were made to 75 communities in eight regions of the state during the months of February and March. Teams, comprised of advanced accounting students and tax supervisors, as well as ABDC consultants, traveled to each community to provide tax preparation and loan application services as well as financial counseling. Overall, ABDC's VTLP assisted 5,824 individuals and prepared 3,091 tax returns. These returns resulted in \$3,195,332 in refunds that went back into the communities visited.

The VTLP has received national recognition on three occasions. In September of 2004, the program was selected by the International Economic Development Council to receive a partnership award. In August of 2001, the program was selected by the National Association of Development Organizations (NADO) to receive a 2001 Innovation award. In 1999, the program received an award for Innovative Approach to Non-Profit Management from the Peter F. Drucker Foundation located in New York.

Legislation. ADI spearheaded legislation sponsored by Governor Murkowski to allow Gulf of Alaska Communities to utilize the CFRLF to foster economic development through local ownership of fishing privileges. SB 387, which created the CQE program, passed the legislature and was signed into law on June 3, 2004.

Salmon Enhancement Tax Distribution. This self-imposed tax is paid by commercial fishing harvesters on the sale of salmon in areas that have formed regional aquaculture associations. The tax is collected by the Department of Revenue and distributed to the associations by ADI. A total of \$2.4 million was disbursed in FY04 to six associations: Prince William Sound, Northern Southeast, Southern Southeast, Chignik, Cook Inlet, and Kodiak.

State Bond Committee Participation (Bond Committee). The Bond Committee met three times during FY04. They allocated a total of \$228.6 million in private activity cap, \$133.6 million to the Alaska Housing Finance Corporation and \$95 million to the Alaska Student Loan Corporation.

Alaska Municipal Bond Bank Authority Participation (Bond Bank). The Bond Bank met six times during FY04 and approved over \$132 million in financing to cities and boroughs around the state to pay for a multitude of public projects including hospitals, harbors and schools. By utilizing the Bond Bank these communities saved approximately \$5.4 million in bond issuance costs.

Student Loan Corporation Participation (Board). The Board met three times during FY04. They approved a \$5.6 million dividend to be paid back to the state and \$84 million in Capital Project Revenue Bonds. The Board also approved the issuance of up to \$120 million in Education Revenue Bonds.

Statutory and Regulatory Authority

AS 45.88.010-.050,.500	Alternative Energy Revolving Loan Fund
AS 44.33.240-.275	Child Care Facility Revolving Loan Fund
AS 16.10.300-.370	Commercial Fishing Loan Act
AS 16.10.500-.620	Fisheries Enhancement Revolving Loan Fund
AS 45.98.010-.070	Historical District Revolving Loan Fund
AS 27.09.010-.060	Mining Loan Fund
AS 45.89.010-.070,.500	Residential Energy Conservation Fund
AS 45.95.010-.080	Small Business Revolving Loan Fund
AS 26.15.010-.170	WWII Veterans Revolving Fund
AS 44.88.400-.430	Small Business Economic Development Revolving Loan Fund
AS 44.47.800-.820	Rural Development Initiative Fund
AS 44.33.020	Department of Commerce, Community, and Economic Development
3 AAC 41.010-.900	Veterans Loan Assumptions
3 AAC 77.010-.900	Repossessed Property
3 AAC 78.010-.900	Alternative Energy Loans
3 AAC 79.010-.900	Residential Energy Conservation
3 AAC 80.010-.900	Commercial Fishing Loans
3 AAC 81.010-.900	Fisheries Enhancement Loans & Grants
3 AAC 82.010-.900	Child Care Facility Loans
3 AAC 83.010-.900	Historical District Loans
3 AAC 86.010-.900	Small Business Loan Assumptions
3 AAC 87.010-.900	Mining Loans
3 AAC 89.010-.900	Fisheries Enhancement Tax Appropriation
3 AAC 99.800-.820	Small Business Economic Development Loans
3 AAC 170.010-.900	Rural Development Initiative Fund

Contact Information

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Investments Component Financial Summary

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,489.5	2,696.3	2,857.9
72000 Travel	46.0	31.2	31.2
73000 Services	767.5	1,003.1	964.1
74000 Commodities	51.5	37.9	37.9
75000 Capital Outlay	59.0	4.8	4.8
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,413.5	3,773.3	3,895.9
Funding Sources:			
1007 Inter-Agency Receipts	7.0	7.3	3.5
1035 Veterans Revolving Loan Fund	22.8	0.0	0.0
1036 Commercial Fishing Loan Fund	2,900.0	3,176.8	3,288.4
1057 Small Business Loan Fund	3.5	0.0	0.0
1067 Mining Revolving Loan Fund	5.2	0.0	0.0
1068 Child Care Revolving Loan Fund	6.4	0.0	0.0
1069 Historical District Revolving Loan Fund	2.5	0.0	0.0
1070 Fisheries Enhancement Revolving Loan Fund	347.3	501.1	513.0
1071 Alternative Energy Revolving Loan Fund	61.9	0.0	0.0
1164 Rural Development Initiative Fund	15.0	44.7	46.2
1170 Small Business Economic Development Revolving Loan Fund	41.9	43.4	44.8
Funding Totals	3,413.5	3,773.3	3,895.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	8.3	0.0	0.0
Unrestricted Total		8.3	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	7.0	7.3	3.5
Veterans Revolving Loan Fund	51095	22.8	0.0	0.0
Commercial Fishing Loan Fund	51100	2,900.0	3,176.8	3,288.4
Small Business Loan Fund	51180	3.5	0.0	0.0
Mining Revolving Loan Fund	51230	5.2	0.0	0.0
Child Care Revolving Loan Fund	51235	6.4	0.0	0.0

Estimated Revenue Collections				
Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Historical District Revolving Loan Fund	51240	2.5	0.0	0.0
Fisheries Enhance. Revolving Loan Fund	51245	347.3	501.1	513.0
Alternative Energy Revolving Loan Fund	51250	61.9	0.0	0.0
Rural Development Initiative Fund (2000)	51435	15.0	44.7	46.2
Small Business Dev Revolving Loan Fund	51467	41.9	43.4	44.8
Restricted Total		3,413.5	3,773.3	3,895.9
Total Estimated Revenues		3,421.8	3,773.3	3,895.9

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	0.0	0.0	3,773.3	3,773.3
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	22.5	22.5
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	78.4	78.4
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	25.7	25.7
Proposed budget decreases:				
-Underground Storage Tank Program Reduction	0.0	0.0	-4.0	-4.0
FY2006 Governor	0.0	0.0	3,895.9	3,895.9

**Investments
Personal Services Information**

Authorized Positions		Personal Services Costs		
	FY2005	FY2006		
	Management	Governor	Governor	
	Plan			
Full-time	44	44	Annual Salaries	2,061,133
Part-time	0	0	COLA	27,459
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	1,052,630
			<i>Less 5.87% Vacancy Factor</i>	(184,422)
			Lump Sum Premium Pay	0
Totals	44	44	Total Personal Services	2,956,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant IV	0	0	1	0	1
Accounting Spvr I	0	0	1	0	1
Accounting Spvr II	0	0	1	0	1
Accounting Tech I	0	0	4	0	4
Accounting Tech II	0	0	3	0	3
Accounting Tech III	0	0	2	0	2
Administrative Clerk II	0	0	2	0	2
Administrative Clerk III	1	0	1	0	2
Administrative Manager I	0	0	1	0	1
Analyst/Programmer II	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Analyst/Programmer V	0	0	1	0	1
Division Director	0	0	1	0	1
Loan Closer/Processor II	1	0	5	0	6
Loan Closer/Processor III	0	0	1	0	1
Loan/Collection Manager	0	0	1	0	1
Loan/Collection Off I	2	0	4	0	6
Loan/Collection Off II	0	0	3	0	3
Loan/Collection Officer III	1	0	2	0	3
Publications Tech II	0	0	1	0	1
Secretary	0	0	1	0	1
Totals	5	0	39	0	44