

**State of Alaska
FY2016 Governor Amended Operating
Budget**

**Department of Commerce, Community, and Economic
Development
Community and Regional Affairs
Results Delivery Unit Budget Summary**

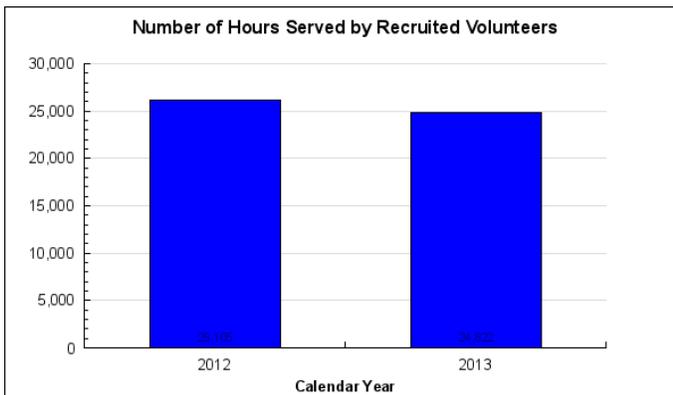
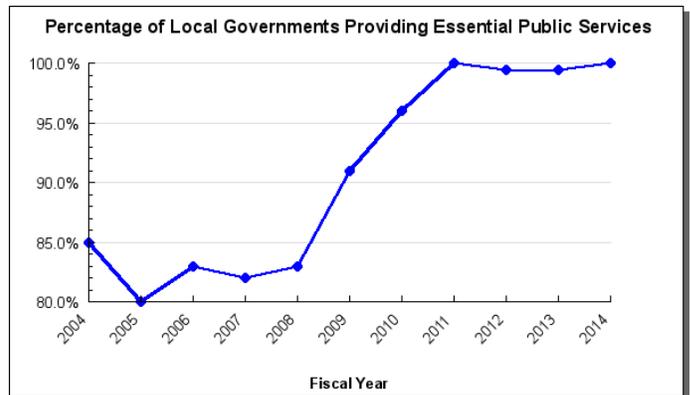
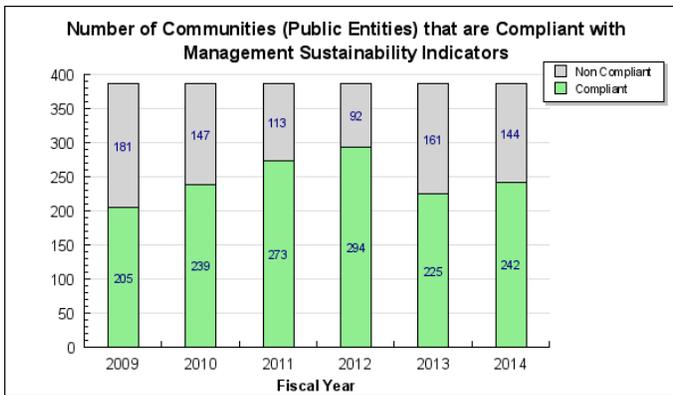
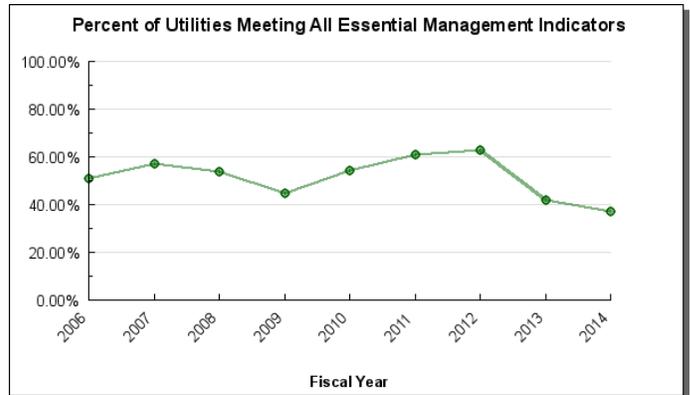
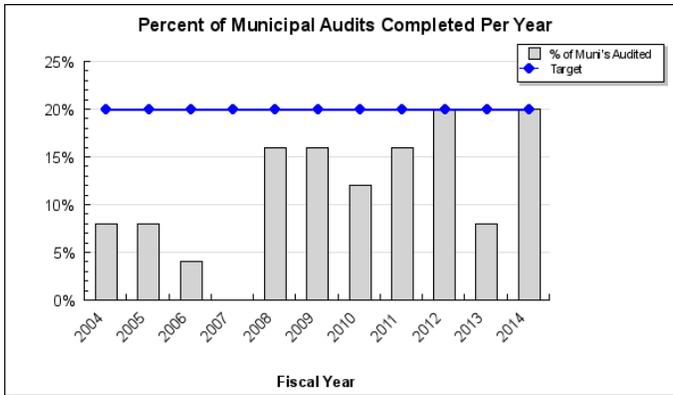
Community and Regional Affairs Results Delivery Unit

Contribution to Department's Mission

Promote strong communities and healthy economies.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



Core Services

- Local Government Assistance - Training and technical assistance to develop and maintain local capacities for administering essential government services
- Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and

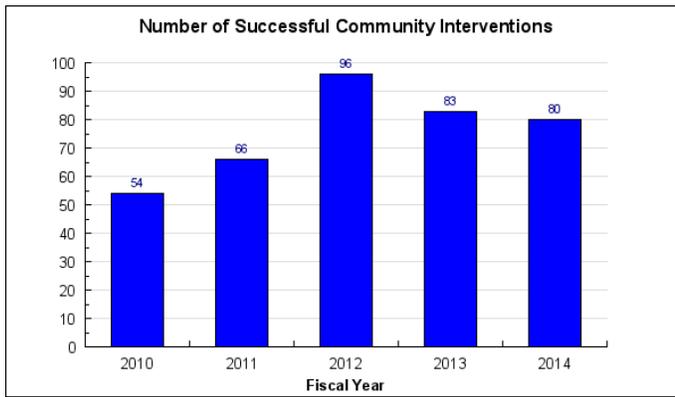
wastewater utilities

- Land Management Assistance - Assist communities on regional and local basis to address and resolve land and planning issues
- Financial Assistance - Administer multiple grant and funding distribution programs
- Information Resources - Collect, analyze and publish local government and economic development information
- Local Boundary Commission staff - Prepare and distribute information and reports on incorporation, dissolution, annexation, or consolidation
- State Assessor - Technical assistance to municipal assessors on property value assessments to promote equity in the distribution of education funding and other shared revenue programs
- Provide National Service and volunteerism opportunities within Alaska

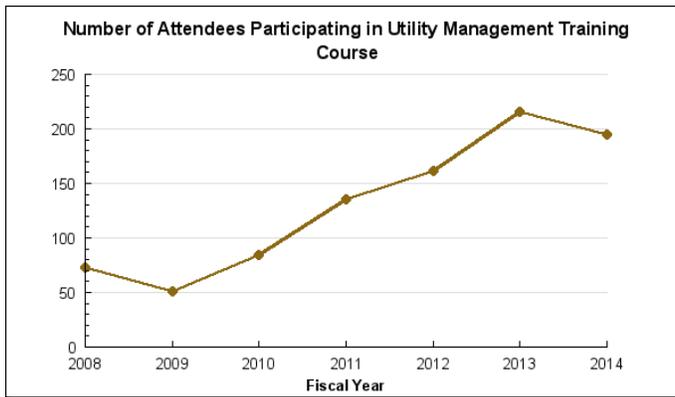
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

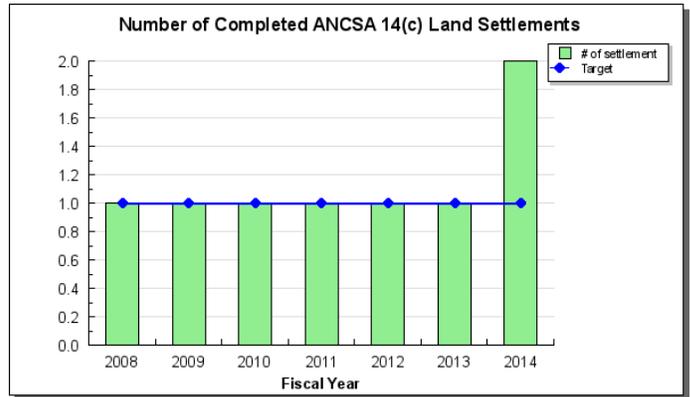
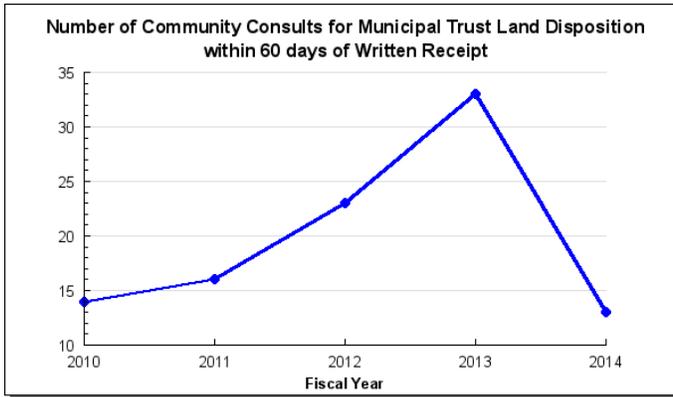
1. Local Government Assistance - Training and technical assistance to develop and maintain local capacities for administering essential government services



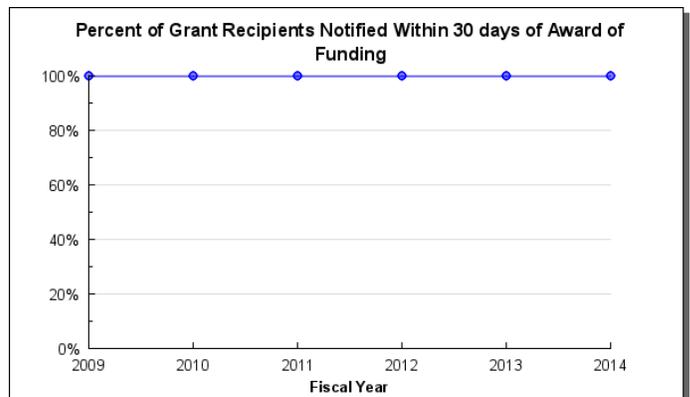
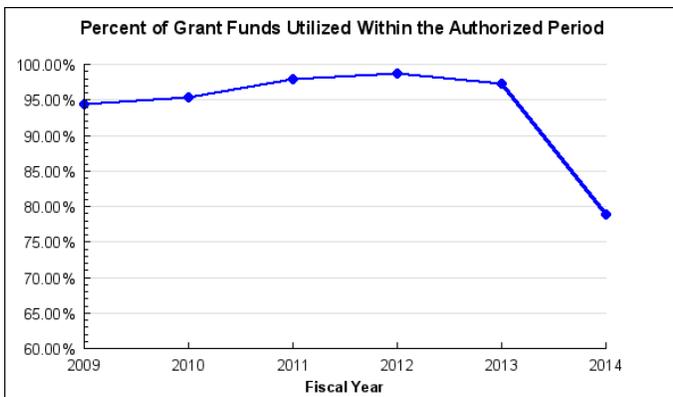
2. Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and wastewater utilities



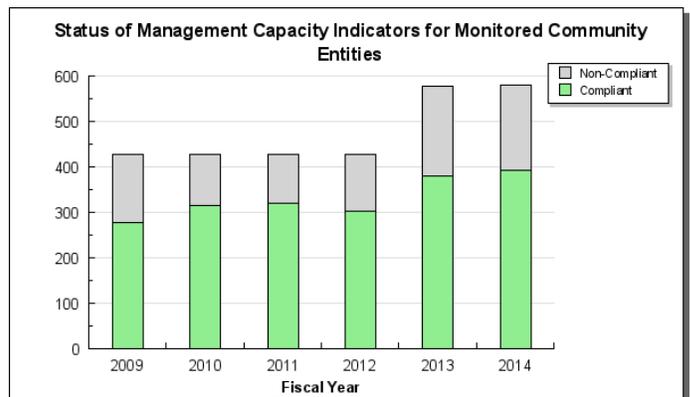
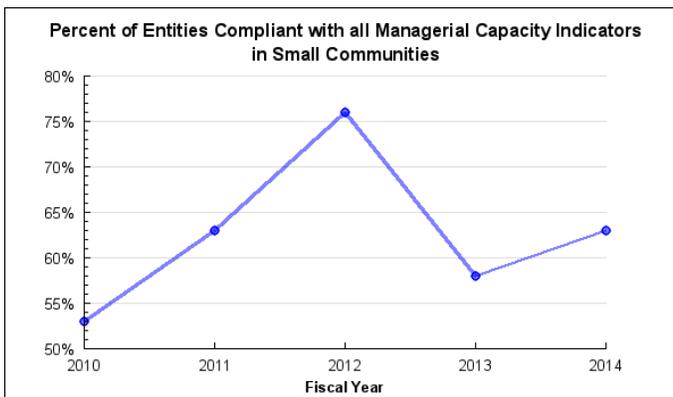
3. Land Management Assistance - Assist communities on regional and local basis to address and resolve land and planning issues



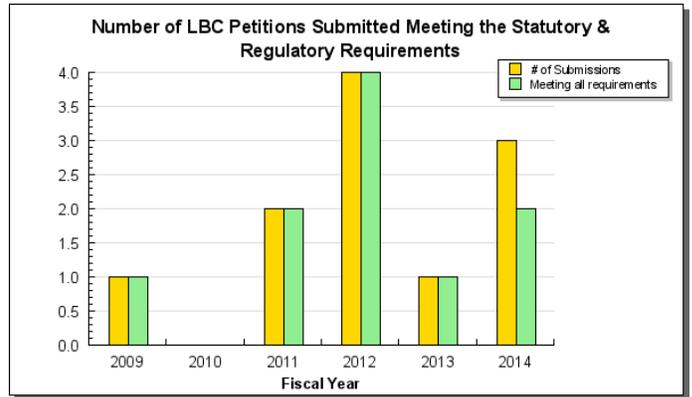
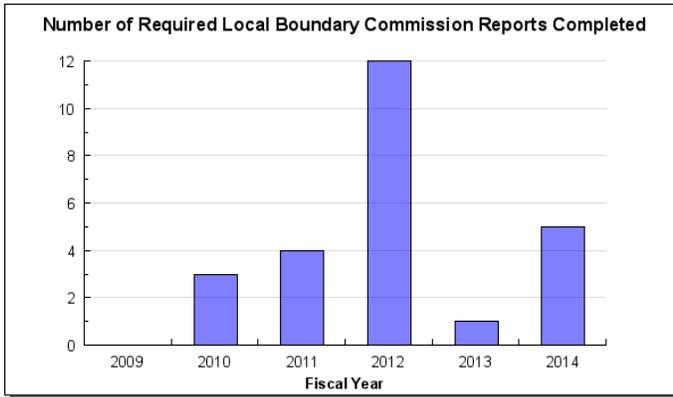
4. Financial Assistance - Administer multiple grant and funding distribution programs



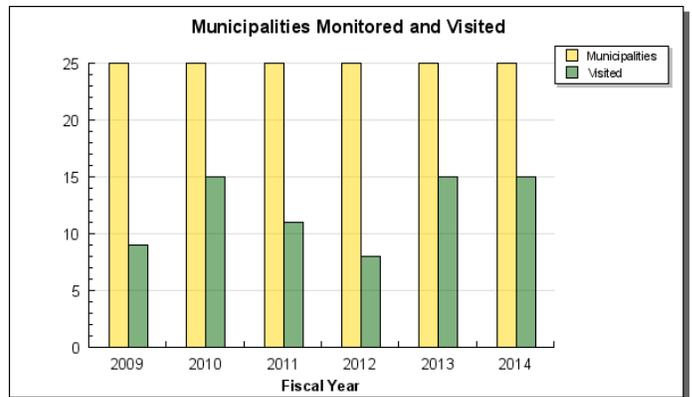
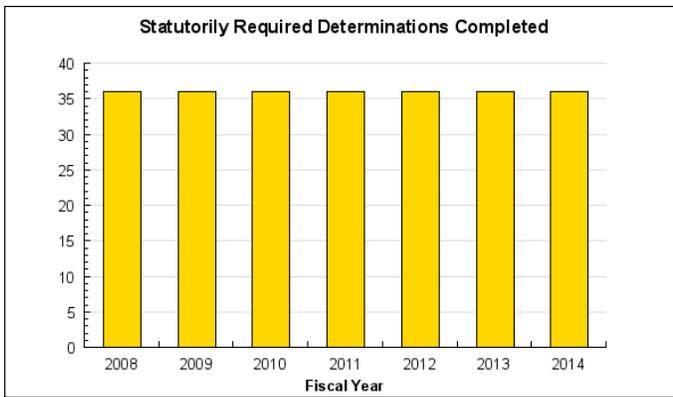
5. Information Resources - Collect, analyze and publish local government and economic development information



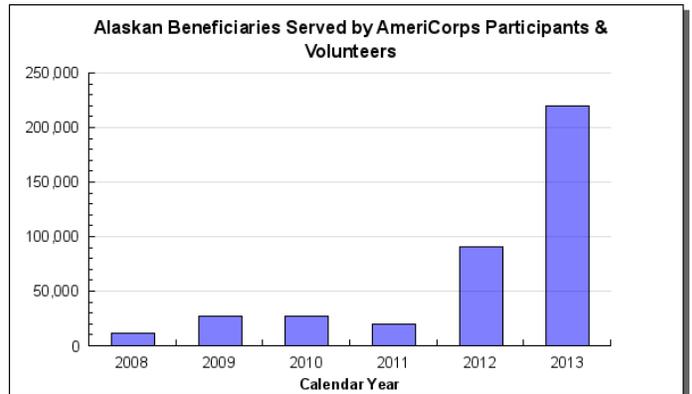
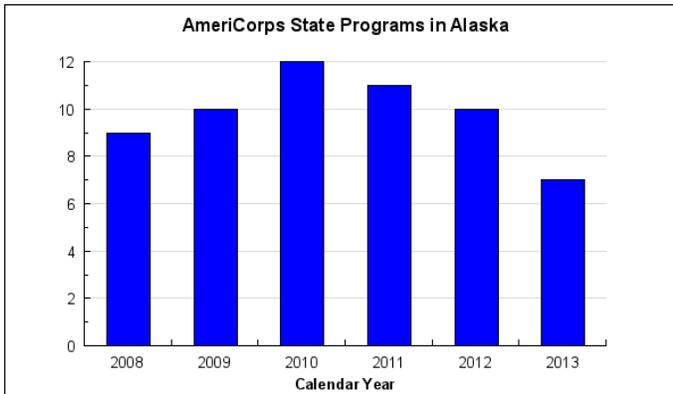
6. Local Boundary Commission staff - Prepare and distribute information and reports on incorporation, dissolution, annexation, or consolidation

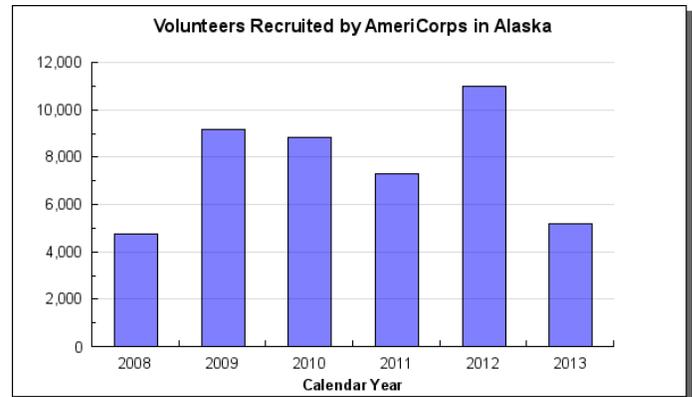
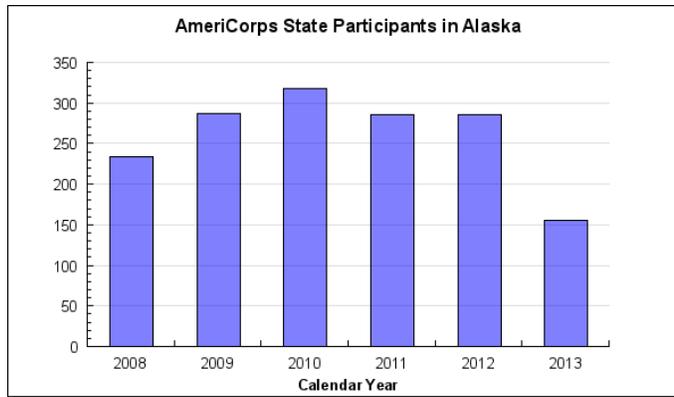


7. State Assessor - Technical assistance to municipal assessors on property value assessments to promote equity in the distribution of education funding and other shared revenue programs



8. Provide National Service and volunteerism opportunities within Alaska





Major RDU Accomplishments in 2014

Local Government Assistance

- Assistance was provided to 203 communities. There were 80 interventions which prevented disruption to essential public services. These interventions included: providing fuel loans to communities ineligible for bank loans and coordination of fuel deliveries to avoid critical shortages; Power Cost Equalization (PCE) on-site training and assistance to communities to file and receive payments that would have expired; assistance with filing for Community Revenue Sharing before the application deadline; assistance with critical financial issues involving the Internal Revenue Service; reinstatement of insurance coverage and a suspended gaming license; and assistance with transfer of utility management to avoid loss of essential service to the public.
- Under the *Fuel Watch* initiative, staff in FY2014 made 607 calls to 290 different entities to verify that there were adequate financial resources and fuel supplies in place for winter.

Rural Utility Business Advisor (RUBA)

- Assisted 147 communities, including 215 on-site trips to 96 different communities.
- RUBA staff presented fifteen 32-hour courses on utility management in six different regional hubs. A total of 195 rural utility managers attended these courses, an increase of 55 over the previous year. These courses are approved by the University of Alaska for credit and are presented in conjunction with regional health corporations and other regional entities.

Local Boundary Commission

- On October 3, 2013, the Local Boundary Commission (LBC) approved a petition from the City of Wasilla to annex approximately 76.6 unpopulated acres by unanimous consent of the property owners.
- On June 6, 2014, the Local Boundary Commission (LBC) approved the Edna Bay incorporation petition.

Land Management

- The Municipal Land Trustee (MLT) conducted site visits of Municipal Trust lands in Kokhanok, Pitka's Point, Koliganek, Iliamna and Igiugig to meet with local village councils to address land use and site control issues.
- Thirteen communities requested site control for Municipal Land Trust (MLT) land, such as leases for landfill and playgrounds.
- Conducted regional and statewide ANCSA 14(c) and site control training sessions in Bethel, Anchorage and St. Mary's.
- Partnered with the North Slope and Northwest Arctic Boroughs to prepare digital community profile maps for the 19 communities within the boroughs.
- The Floodplain Management/National Flood Insurance program and collaborators provided assistance with review and amendments to local flood reduction ordinances.
- Completed Community Assistance Visits (CAV's) to the Municipality of Anchorage, City of Bethel, and the City of Koyukuk which included providing an interactive implementation of the communities flood risk reduction ordinance.
- Provided post-disaster assistance including recovery support, mitigation options, mitigation grant application consultation, outreach and education to Fort Yukon, Galena, Koyukuk, Emmonak, Kenai Peninsula Borough, and Matanuska-Susitna Borough.

- Received \$32,000 in a special allocation from the Federal Emergency Management Agency (FEMA) to support the travel expenses of seven National Flood Insurance Program (NFIP) communities to attend the floodplain management training conference.
- Completed the FEMA Risk Mapping, Assessment, and Planning (Risk MAP) discovery process for nine communities.
- Facilitated the implementation of grants under the Alaska Climate Change Impact Mitigation Program (ACCIMP) in Kivalina, Kipnuk and Amautluak.
- Provided technical assistance on climate change impact mitigation planning to Atmoutluak and Kipnuk.
- Provided technical assistance to grantees in the development of 57 projects funded through the Community Coastal Impact Assistance Program (CCIAP).
- Continued work on two federal grants received through the Coastal Impact Assistance Program (CIAP) to assist the communities of Kivalina, Shishmaref, Shaktoolik, and Newtok to assess, mitigate, and adapt to impacts of natural hazards in their communities.

Financial Assistance

- The Bulk Fuel Loan program issued 63 loans totaling \$19.7 million to 50 Alaska communities.
- The Grant Section, consisting of nine Grants Administrators administered 1,656 grants, with an approximate value of \$2 billion. Of the 1,656 grants, 526 were new grants totaling \$354 million.
- AmeriCorps in Alaska, through the 4,371 volunteers, served 33 communities and performed more than 174,000 hours of service. Services areas include health, education, civic, and social service.
- Over \$85 million was distributed to 307 different communities under the Community Revenue Sharing (CRS), Payment in Lieu of Taxes (PILT), National Forest Receipts (NFR), Shared Fisheries Business Tax (SFBT), and the Fisheries Resource Landing Tax (FRLT) programs.
- Distributed over \$1.5 million in direct payments under the Southeast Alaska Chinook Salmon Mitigation program.

Information Resources

- Published the bi-annual report on fuel prices across Alaska in January 2014 and July 2014 report.
- Published bi-monthly Lien Watch reports that documents liens filed against community entities.
- Updated information on web-based products including the Community Database, the Financial Document Delivery system, Community Photo Library, and Municipal Officials Directory.
- Reviewed a population adjustment request made by North Slope Borough under the Community Revenue Sharing program.
- Responded to over 50 information requests received from legislative staff, private and public agency officials, and public.

Office of the State Assessor

- Completed seven trips to communities to provide on-site technical assistance or training.
- Completed assessment audits of procedure and compliance in five municipalities.
- Conducted Board of Equalization training in eleven communities.
- Completed full value determinations for 36 municipal governments (18 boroughs and 18 cities in the unorganized borough).
- Prepared and published the 2013 Alaska Taxable, a document that presents a wide range of assessment and taxation information for Alaskan municipalities.

Alaska Native Language Preservation & Advisory Council

- The Alaska Native Language Preservation and Advisory Council submitted its first report to Governor Sean Parnell, the Alaska Legislature, Lieutenant Governor Mead Treadwell and others on July 1, 2014.

Key RDU Challenges

The Local Boundary Commission staff consists of two positions which must respond to petitions as they are submitted. The number of petitions submitted to form new cities/boroughs and to annex land to existing municipalities has increased over the past two years. Many of these petitions are controversial. In 2009 there were no petitions received; since then 15 petitions have been submitted, with five in the past 18 months. Three of the petitions (two in 2010 and one in 2012) were significantly opposed, took several years to process, and the final decision was appealed to the courts. One of these (Petersburg Borough) is still under appeal to the State Supreme court. The petition process takes between 12 and 18 months to complete. When several petitions are received during the same time

period, staff resources, as well as funding for travel of staff and commissioners to hold public hearings and decisional meetings can be stressed.

The division has offices in seven locations throughout the state. Four of the seven offices will be relocating or will undergo significant reconfigurations in FY2015 and FY2016. Above and beyond the challenges of relocation and reducing office space, DCRA will need to finance a significant portion of the furniture to comply with the new space standards. Future loan repayments will need to be absorbed by the division.

Significant Changes in Results to be Delivered in FY2016

No changes in results delivered.

Contact Information
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**Community and Regional Affairs
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2014 Actuals				FY2015 Management Plan				FY2016 Governor Amended			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures Community & Regional Affairs	8,068.7	751.3	1,573.4	10,393.4	7,831.9	1,194.7	1,982.3	11,008.9	8,185.9	1,677.4	2,005.6	11,868.9
Serve Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	217.0	20.0	1,892.8	2,129.8
Totals	8,068.7	751.3	1,573.4	10,393.4	7,831.9	1,194.7	1,982.3	11,008.9	8,402.9	1,697.4	3,898.4	13,998.7

Community and Regional Affairs
Summary of RDU Budget Changes by Component
From FY2015 Management Plan to FY2016 Governor Amended

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2015 Management Plan	7,821.9	10.0	1,194.7	1,982.3	11,008.9
One-time items:					
-Community & Regional Affairs	-687.5	0.0	-196.9	0.0	-884.4
Adjustments which continue current level of service:					
-Community & Regional Affairs	791.5	0.0	209.4	23.3	1,024.2
-Serve Alaska	2.6	0.0	0.0	2.2	4.8
Proposed budget increases:					
-Community & Regional Affairs	250.0	0.0	600.0	0.0	850.0
Proposed budget decreases:					
-Community & Regional Affairs	0.0	0.0	-129.8	0.0	-129.8
-Serve Alaska	0.0	0.0	0.0	-1,300.0	-1,300.0
FY2016 Governor Amended	8,392.9	10.0	1,697.4	3,898.4	13,998.7