

## Change Record Detail With Description

### Department of Administration

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Retirement and Benefits (64)

**RDU:** Centralized Administrative Services (13)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**FY2007 PERS/TRS Fund allocation correction**

	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire		88.0										
1034 Teach Ret		-88.0										

The appropriation of \$400.0 made in Section 24(a) and 24(b), Ch 82, SLA 2006, for investigation into the work of a former actuary was funded equally from PERS and TRS. The allocation of funding sources needs to be changed to reflect our cost allocation plan split of 72% PERS and 28% TRS. PERS will now contribute \$288.0 and the TRS share is \$112.0.

**Net Zero Fund Source Allocation Adjustment per Cost Allocation Plan**

	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1017 Ben Sys		160.3										
1023 FICA Acct		-44.2										
1029 P/E Retire		-153.3										
1034 Teach Ret		-133.7										
1042 Jud Retire		85.5										
1045 Nat Guard		85.4										

This request is for the purpose of reallocating our fund authorization allocations based on the current Retirement and Benefits cost allocation plan. This is in compliance with the recommendation of the federal cost allocation plan consultant.

**Change Record Detail With Description**

**Department of Administration**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Retirement and Benefits (64)

**RDU:** Centralized Administrative Services (13)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>FY07 SB 141 Fiscal Note increment for Tax Consultant</b>												
	Suppl	80.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	80.0											
Retirement and Benefits contracted with a tax consultant to assist with obtaining Internal Revenue Service code qualified status for the defined contribution plan. The cost of this work was not included in the original fiscal note for SB 141. This request for a GF increase will be offset with a \$80.0 GF reduction from the Elected Public Officers Retirement System (EPORS) and the Unlicensed Vessel Participant Annuity Retirement Plan (UVPARP) appropriation.												
<b>Totals</b>		<b>80.0</b>	<b>0.0</b>	<b>0.0</b>	<b>80.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Administration**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Unlicensed Vessel Participant Annuity Retirement Plan (2557)

**RDU:** Special Systems (299)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>UVPARP authorization reduction</b>												
	Suppl	-30.0	0.0	0.0	0.0	0.0	0.0	-30.0	0.0	0	0	0
1004 Gen Fund	-30.0											
UVPARP authorization is reduced to more accurately reflect projected FY2007 costs.												
<b>Totals</b>		<b>-30.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-30.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Administration**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Elected Public Officers Retirement System Benefits (964)

**RDU:** Special Systems (299)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>FY07 EPORS authorization reduction</b>												
	Suppl	-50.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0	0	0
1004 Gen Fund		-50.0										
EPORS authorization is reduced to more accurately reflect projected FY2007 costs.												
<b>Totals</b>		<b>-50.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-50.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Department of Administration

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Office of Public Advocacy (43)

**RDU:** Legal and Advocacy Services (11)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Caseload Costs**

	Suppl	200.0	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig	200.0												

Additional funding is needed for projected case load levels for the remainder of FY2007. Actual expenditures and current expenditure projections are higher by \$200.0 than the amount of expenditure authorization. Caseload projections, based on data collected from the court system for Fiscal Years 2003, 2004, 2005, and 2006, indicate that for FY2007 statewide felonies will increase 13% and Anchorage felonies 29%.

It is important to note that OPA has also had a number of extraordinarily expensive cases going to trial this year, including a seven co-defendant murder case and a four co-defendant murder case, with most defendants going to trial separately. There have also been a number of multi-party children's' cases with extensive litigation.

There are excess guardianship fees receipts in FY2007 to pay for these increased expenditures.

<b>Totals</b>		<b>200.0</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**

**Department of Administration**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Public Defender Agency (1631)

**RDU:** Legal and Advocacy Services (11)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Caseload Costs</b>												
	Suppl	240.0	120.0	0.0	120.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	240.0											
Additional funding is needed for projected caseload levels for the remainder of FY2007. Actual expenditures and current expenditure projections are higher by \$240.0 than the amount of expenditure authorization. Caseload projections, based on data collected from the court system for Fiscal Years 2003, 2004, 2005, and 2006, indicate that for FY2007 statewide felonies will increase 13% and Anchorage felonies 29%.												
<b>Totals</b>		<b>240.0</b>	<b>120.0</b>	<b>0.0</b>	<b>120.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Dept of Commerce,Community,& Economic Development

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Alaska Seafood Marketing Institute (393)

**RDU:** Alaska Seafood Marketing Institute (126)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>National Consumer Campaign</b>												
	Suppl	2,000.0	0.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs	2,000.0											
<p>The Alaska Seafood Marketing Institute (ASMI) received \$2,000,000 more than anticipated from its industry assessment (Alaska Seafood Marketing Assessment) in April 2006. Of that amount, \$1,400,000 was recovered from the Department of Revenue after an audit revealed the under allocation of fisheries taxes that determine the amount of the Alaska Seafood Marketing Assessment. The remaining \$600,000 increase resulted from a higher than anticipated industry assessment.</p> <p>Since the \$2,000,000 additional revenue was not received until April 2006, the increase is not reflected in ASMI's fiscal year 2007 budget. The intent is to spend the additional monies expanding ASMI's National Consumer Campaign promoting Alaska seafood by increasing cable television and print media advertising. ASMI's Board of Directors sanctioned this plan at its October 2006 board meeting.</p> <p>Approval of this increase is necessary in order for the fishing industry to be able to spend its assessment on fishing related activities as intended.</p>												
<b>Totals</b>		<b>2,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Dept of Commerce,Community,& Economic Development**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Regulatory Commission of Alaska (2417)

**RDU:** Regulatory Commission of Alaska (399)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Legal Costs</b>												
	Suppl	750.0	0.0	0.0	750.0	0.0	0.0	0.0	0.0	0	0	0
1141 RCA Rcpts	750.0											
Unanticipated legal costs resulting from 1) a petition to the Federal Energy Regulatory Commission (FERC) by the Trans-Alaska Pipeline System (TAPS) carriers challenging the jurisdiction of the Regulatory Commission of Alaska (RCA) and its authority to regulate oil tariffs; and 2) RCA TAPS related litigation in the Supreme Court of Alaska.												
RCA anticipates total litigation costs for FY07 could exceed \$1 million, thus the need for this supplemental.												
<b>Totals</b>		<b>750.0</b>	<b>0.0</b>	<b>0.0</b>	<b>750.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Change Record Detail With Description**

**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Out-of-State Contractual (704)

**RDU:** Administration and Support (223)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Arizona Contract Increase from 900 to 1,250 Beds</b>												
	Suppl	1,338.5	0.0	0.0	1,338.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	1,338.5											
<p>The department is requesting additional funding in order to increase the number of beds from 900 to 1,250 in the Arizona contract facility to assist management in dealing with growing prisoner population.</p> <p>The FY 2007 bed rate of \$59.34 per prisoner per day does not change with an anticipated prisoner population of 1,250.</p> <p>The out-of-state prisoner population at the end of October 2006 was in excess of 920 and in-state population exceeded 110% of the institutional emergency capacity. With increased law enforcement by local and state agencies, the department has no expectation of any decline in the offender population and anticipates placing additional prisoners in the Arizona contract facility.</p>												
<b>Totals</b>		<b>1,338.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1,338.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Inmate Health Care (705)

**RDU:** Inmate Health Care (520)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increased Inmate Health Care Costs and Nurses Market-Based Pay 2nd Range**

	Suppl	3,903.4	439.0	0.0	3,464.4	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	3,903.4											

Increased health care costs:

The department is requesting a supplemental of \$3,464.4 for increased inmate health care costs. The funding is needed to meet the department's obligations of medical care for the aging and increased population of offenders and for the sharp increase in the number and the cost for inmates needing dialysis, cancer treatment and the growing number of life-threatening cases.

A deficit is projected in the in-state medical fee for services, as well as, in the non-contract medical fee for services for inmates located at the Arizona contract facility. Approximately 40% of the inmates housed at the Arizona contract facility are geriatric offenders. The department is required by law to provide and pay health care services for all offenders. Nonpayment could create a lapse of medical services for inmates and ultimately increase the severity of health related issues.

The department is expected to run out of funds available in the Inmate Health Care RDU to pay contract and medical providers as early as March 2007. It is imperative that the department be able to pay vendors for services provided in a timely manner in order to promote good relations, avoid potential lapses of services, abide by contractual agreements and avoid incurring interest charges.

2nd Range for Market-Based Pay increase for Nurses:

A market-based pay study was completed by the Department of Administration, Division of Personnel on the Nursing job classifications. As the result of this study eighty-three positions received a two-range increase in the Department of Corrections. The department received funding for the anticipated one-range increase in the FY 2007 budget. The department is now requesting \$439.0 additional funding to provide for the second range increase.

The job classifications used for this calculation include: Nurse I, II, III, IV; Nurse (Psych) II, III, IV; Licensed Practical Nurse, and Quality Assurance and Utilization Review Nurse.

<b>Totals</b>		<b>3,903.4</b>	<b>439.0</b>	<b>0.0</b>	<b>3,464.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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## Change Record Detail With Description

### Department of Corrections

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Institution Director's Office (1381)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Meet funding shortfalls due to offender population increase**

	Suppl	4,396.5	2,096.5	0.0	1,122.1	1,177.9	0.0	0.0	0.0	0	0	0
1004 Gen Fund	4,396.5											

**Facility Electrical \$300.0:**

The department is facing extreme energy cost challenges due to the increased price of electricity needed to maintain many of the 24/7 correctional centers statewide.

Over the last several years efforts resulted in accommodating these price increases to the extent existing funding levels allowed. However, no flexibility in the institutions' authorization remains to cover these rising costs for FY 2007.

The financial strain of these escalating prices and subsequent impacts result in this request for consideration of an energy relief increase for institutional facilities. This request is not part of the fuel increase request.

**Facilities Overcrowding \$2,000.0:**

The department is requesting a supplemental for FY 2007 to meet higher operating costs in correctional centers directly resulting from prisoner overcrowding and the elevated cost of goods and services. The increases reside in the services and commodities expenditure lines and is also attributable to setting up specific Crisis Overflow beds in facilities.

**Correctional Officer Overtime Due to Population Increases & Position Vacancies \$2,096.5:**

The growth in offender population, as well as, security staff vacancies has driven the increase in correctional officer overtime. When offender population exceeds facility emergency capacity it is necessary to call in additional security staff to augment public protection. The number of vacant correctional officer positions has also had an impact on the use of over-time.

**Increase for FY2006 Unpaid Invoices**

	Suppl	63.1	0.0	0.0	63.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	63.1											

The department was unable to pay invoices in the amount of \$18.0 from FY 2006 to vendors due to funding shortfall. Also, the department was unable to pay May and June FY 2006 State Equipment Fleet charges of \$42.6 to the Department of Transportation and training fee charges of \$2.5 to the Department of Administration.

**Change Record Detail With Description**  
**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Institution Director's Office (1381)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Transfer Funding from Statewide Probation &amp; Parole to Institutions Director's Office</b>												
	Suppl	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	100.0											
Funding to help offset cost increases is available to transfer to the Institutional Facilities RDU from the Probation and Parole RDU due to lag time in creating and filling new probation officer positions requested for FY 2007.												
<b>Totals</b>		<b>4,559.6</b>	<b>2,096.5</b>	<b>0.0</b>	<b>1,285.2</b>	<b>1,177.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Inmate Transportation (1015)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increased Transport Costs Due to Increase from 900 to 1,250 beds at the Arizona Contract Facility</b>												
	Suppl	90.0	0.0	90.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	90.0											
Additional funding is being requested in order to meet increased travel costs for transferring inmates to and from the Arizona Contract Facility. The department is requesting to increase the number of contract beds from 900 to 1,250 at the Arizona contract facility which will consequently require additional transports.												
<b>Totals</b>		<b>90.0</b>	<b>0.0</b>	<b>90.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Department of Corrections

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Anchorage Correctional Complex (2713)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increase for One Correctional Officer Post in the Anchorage Correctional Complex</b>												
	Suppl	1,082.7	1,082.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	1,082.7											
<p>The Anchorage Correctional Complex is housing 50 additional offenders in a crisis overflow dorm set up in the facilities gym. This configuration required overtime for an additional security post which requires five correctional officers that are stationed continuously around the clock.</p>												
<b>Increase for Federal Revenue Shortfall</b>												
	Suppl	1,000.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	1,000.0											
<p>The department continues to experience a steady upward incline in the number of incarcerated prisoners. While the total overall number of offenders has dramatically increased, the number of federal prisoners housed by the department has been declining. The reduction in the number of federal prisoners, as well as a drop in the number of days these federal prisoners are incarcerated has ascribed to the decrease in the amount of realizable federal receipts.</p> <p>Given this disproportional rate of increase between state and federal inmates residing in our institutions, the department is projecting a shortfall in the amount of federal revenue and therefore requests funds necessary to continue operations directly related to housing incarcerated inmates.</p>												
<b>Totals</b>		<b>2,082.7</b>	<b>2,082.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Combined Hiland Mountain Correctional Center (714)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Combined Hiland Mountain Correctional Center Water System Annual Operating Cost</b>												
	Suppl	84.1	0.0	0.0	84.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	84.1											
Funding is requested to pay annual operating costs for the new water system at the Combined Hiland Mountain Correctional Center. The correctional center's well water system was decommissioned and demolished related to standards of the Federal Environmental Protection Agency and Alaska Department of Environmental Conservation. The new water system was connected to the Anchorage Water and Wastewater Utility system in January 2007 and is expected to cost approximately \$14,000 per month.												
<b>Totals</b>		<b>84.1</b>	<b>0.0</b>	<b>0.0</b>	<b>84.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Department of Corrections

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Fairbanks Correctional Center (707)

**RDU:** Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Personal Services Funding for 19 New Positions at Fairbanks Correctional Center</b>												
	Suppl	729.9	729.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	729.9											
<p>The department is requesting funding for the 19 new permanent full-time positions that were established in the FY 2007 Management Plan. A 50% increase in prisoner population created the need for the Department to expand staffing at this facility to maintain public safety.</p> <p>Thus far, FY 2007 prisoner counts at FCC show an average of 47.51% above emergency capacity. FY 2006 prisoner counts averaged 34.56% above emergency capacity. With increased law enforcement by local and state agencies, the department has no expectation of any decline in the offender population for FY 2008, causing the need for the following positions at the FCC:</p> <ul style="list-style-type: none"> <li>12 - Correctional Officer I/II's</li> <li>1 - Assistant Superintendent</li> <li>1 - Correctional Officer IV</li> <li>1 - Administrative Clerk III</li> <li>1 - Criminal Justice Tech I/II</li> <li>1 - Maintenance General Journey I</li> <li>1 - Maintenance Electrician</li> <li>1 - Food Service Lead</li> </ul>												
<b>Increase for FY2006 Unpaid Water and Sewer Bills</b>												
	Suppl	18.7	0.0	0.0	18.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	18.7											
<p>The department was unable to pay invoices from FY 2006 to the Golden Heart Utility Company due to funding shortfalls.</p>												
<b>Totals</b>		<b>748.6</b>	<b>729.9</b>	<b>0.0</b>	<b>18.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Change Record Detail With Description**

**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Existing Community Residential Centers (2244)

**RDU:** Existing Community Residential Centers (274)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Community Residential Center Contract Increases</b>												
	Suppl	553.5	0.0	0.0	553.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	553.5											
<p>Funding is requested to fully pay contractors for housing offenders at Community Residential Centers (CRCs) for the remainder of FY 2007. The Department of Corrections (DOC) has professional services contracts with CRC providers to help meet the security and residential needs of adult offenders in the State of Alaska.</p> <p>Increased contract amounts are in part attributable to an added percentage based on the Consumer Price Index (CPI); a measure of the average change in the prices DOC is charged for these services. The department re-negotiated contracts with Tundra and Glacier CRC's as of December 1, 2006. This increased the regular bed rate for Tundra CRC from \$85.17 to \$108.60 per day and the per diem rate from \$10.00 to \$26.00. The increase for Glacier CRC was from \$81.13 to \$85.00 per day for the regular bed rate and from \$5.00 to \$13.00 per day for the per diem rate.</p>												
<b>Totals</b>		<b>553.5</b>	<b>0.0</b>	<b>0.0</b>	<b>553.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Corrections**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Statewide Probation and Parole (2826)

**RDU:** Probation and Parole (497)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Transfer Funding from Statewide Probation &amp; Parole to Institutions Director's Office</b>												
	Suppl	-100.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	-100.0											
Funding is available to transfer to the Institutional Facilities RDU from the Probation and Parole RDU due to lag time in creating and filling new probation officer positions requested for FY 2007.												
<b>Totals</b>		<b>-100.0</b>	<b>-100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Education and Early Development**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** School Finance & Facilities (2737)

**RDU:** Education Support Services (400)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Lawsuit - Moore vs. State</b>												
	Suppl	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	100.0											
Supplemental funding of \$100.0 general fund receipts is requested to cover legal and expert services due to the Moore vs. State lawsuit. The lawsuit pertains to adequate funding levels for school districts, and these costs are related to services already provided for trial work.												
<b>Totals</b>		<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Education and Early Development**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Mt. Edgecumbe Boarding School (1060)

**RDU:** Mt. Edgecumbe Boarding School (64)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Teachers Education Association of Mt. Edgecumbe Arbitration Award</b>												
	Suppl	107.9	107.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	107.9											
<p>This is a one-time payment for an arbitration award issued on March 4, 2005. The arbitrator interpreted the Teachers Education Association of Mt. Edgecumbe (TEAME) bargaining unit agreement in a manner that was neither anticipated nor consistent with the monetary terms previously reported to the legislature. With the issue resolved, Mt. Edgecumbe currently is paying the correct amount. However, these monies are owed to those who were on payroll at the time of the complaint.</p>												
<b>Totals</b>		<b>107.9</b>	<b>107.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Environmental Conservation**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Water Quality (2062)

**RDU:** Water (210)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Implementation of Passenger Vessel Ballot Initiative**

	Suppl	811.3	41.2	4.0	680.9	85.2	0.0	0.0	0.0	2	0	0
1166 Vessel Cor	811.3											

A cruise ship ballot initiative (Ballot Measure 2) revising state statutes regulating commercial passenger vessels became effective in December, 2006. The measure requires implementation of a new permit and establishment of "Ocean Rangers" on cruise ships to assure compliance with state and federal environmental protection regulations and statutes.

The Department needs to develop permits and the Ocean Rangers program immediately. Lead time is necessary for contracting out services and beginning to put logistics in place to have ocean rangers on board vessels this cruise season. Cruise vessels coming to Alaska for the 2007 season register before March 1, 2007. The first vessels arrive in Alaska ports by mid-May 2007. There must be a viable permit and Ocean Rangers program in place before the end of FY2007 to be responsive to the new statute passed by Alaskan voters.

The cost of implementation of the ocean ranger program for FY2007 is high. No funding is available in the FY2007 budget to pay these costs. The measure established a new fee (\$4/berth) for implementation of the program (to be deposited to the Commercial Passenger Vessel Environmental Compliance Fund) and revenue from that fee is expected within the current fiscal year. A supplemental appropriation from estimated FY2007 revenue is necessary to fund the implementation costs of the program.

<b>Totals</b>		<b>811.3</b>	<b>41.2</b>	<b>4.0</b>	<b>680.9</b>	<b>85.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
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## Change Record Detail With Description

### Department of Fish and Game

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Wildlife Conservation Special Projects (474)

**RDU:** Wildlife Conservation (147)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Fund switch from SDPR to EVOS for Harlequin Duck Research Project</b>												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1018 EVOSS	30.0											
1108 Stat Desig	-30.0											
<p>The Division of Wildlife Conservation was awarded funding from the EVOS Trustee Council in the fall of 2006 for use during FY07. This \$86.7 Harlequin Duck Population Dynamics project in the Prince William Sound, will measure recovery from the Exxon Valdez oil spill.</p> <p>When the division built its budget in November 2005 for FY07, \$50.0 for EVOS projects was maintained based upon prior activity. This project funded in 2006, was not prepared until the 2006 RFP process. This request will make it possible for field staff to complete research during FY07 by adding \$30.0 of EVOS authority to the division.</p> <p>The division does not require \$30.0 of Statutory Designated Program Receipts (SDPR) spending authority for projects during the remainder of FY07.</p>												
<b>Totals</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Pioneer Homes (2671)

**RDU:** Alaska Pioneer Homes (503)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increase in RSS collections for Nursing Salary; uncollectible federal receipts; and sanitation and supply needs**

	Suppl	800.0	317.9	0.0	0.0	482.1	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs	800.0											

The department is requesting additional Receipt Supported Services authorization for the Pioneer Homes component. Alaska Pioneer Homes is currently projecting approximately \$800.0 in receipt supported services collections above their budget authorization for FY07. The division requests additional authorization to spend these receipts for the purposes below. Funds are available from payments by Pioneers to live in the homes. The Legislature has consistently appropriated these funds back to the Pioneer Home system so that revenues collected can be used for the benefit of the Pioneers.

**Nursing Salary Increase: \$86,900 Receipt Supported Services**

In FY07 the Legislature approved additional general funds for nursing salaries. The nursing salary increase also impacted non general funding sources. However the division does not have enough existing authorization to use the collections for this purpose. This request of \$86.9 in Receipt Supported Services will provide the authorization for these receipts to be used towards the increased nursing salary costs. An increment for this purpose was added in the FY08 Governor's budget for the same purpose as this is for on-going costs.

**Offset Uncollectible Federal Receipts: \$231,000 Receipt Support Services**

The Palmer Pioneer and Veterans' Home is still awaiting federal approval. Until approval has been obtained, the Pioneer Home is unable to collect the budgeted federal receipts. The federal receipt authorization will be restricted.

**Safety and Sanitation Costs for Homes: \$482,100 Receipt Supported Services**

During the summer of 2006 the department reviewed and compiled a comprehensive list of all necessary repairs to State-owned facilities. In addition to capital repair needs, the Pioneer Homes have a wide range of safety and sanitation issues that need to be addressed. Homes contain furnishings that are damaged or broken that pose a risk of injury to a resident, such as broken corners on night tables, unstable legs on chairs, etc. In many areas the draperies are beyond repair or cleaning and need to be replaced so they don't pose a health hazard with germs or mold. As the resident population requires a higher level of care, accommodating equipment, bed and/or mattress replacement becomes an issue as well. This funding will allow the resident receipts to be used towards these various on-going needs that cannot be met with the existing supply line budget.

<b>Totals</b>		<b>800.0</b>	<b>317.9</b>	<b>0.0</b>	<b>0.0</b>	<b>482.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Behavioral Health Medicaid Services (2660)

**RDU:** Behavioral Health (483)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increase SDPR Authorization for Overpay Recoveries**

	Suppl	600.0	0.0	0.0	0.0	0.0	0.0	600.0	0.0	0	0	0
1108 Stat Desig	600.0											

The Department is requesting \$600,000 additional Statutory Designated Program Receipt authority to comply with provisions of AS 47.05.200(c) related to audits. This provision was established under Chapter 66, SLA 2003 (SB 41 Establishing independent audits) and requires the recovered overpayments from audits to be collected in this manner.

Medicaid is an entitlement program created by the federal government, but administered by the state to provide payment for medical services to low income citizens. People qualify for Medicaid by meeting federal income and asset standards and by meeting specified eligibility categories. Once it has been determined that a client qualifies for Medicaid, payment will be made to the provider for medical expenses. Through the audit process, it may be discovered that there was a claiming discrepancy or an incorrect eligibility determination. Once this finding has been made, the State will bill the agency to collect the overpayment. This payment is received as statutory designated program receipts in the Medicaid component.

The additional statutory designated program receipt authorization will allow the Behavioral Health Medicaid program to collect and expend these revenues above the current authorization.

In calendar year 2006, the department collected \$579.8 for the total Medicaid program as follows:

\$ 16.9 January through March  
 \$125.7 April through June  
 \$163.1 July through September  
 \$274.1 October through December

<b>Totals</b>		<b>600.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>600.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Children's Medicaid Services (2661)

**RDU:** Children's Services (486)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increase SDPR Authorization for Overpay Recoveries**

	Suppl	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0	0	0
1108 Stat Desig	100.0											

The Department is requesting \$100,000 additional Statutory Designated Program Receipt authority to comply with provisions of AS 47.05.200(c) related to audits. This provision was established under Chapter 66, SLA 2003 (SB 41 Establishing independent audits) and requires the recovered overpayments from audits to be collected in this manner.

Medicaid is an entitlement program created by the federal government, but administered by the state to provide payment for medical services to low income citizens. People qualify for Medicaid by meeting federal income and asset standards and by meeting specified eligibility categories. Once it has been determined that a client qualifies for Medicaid, payment will be made to the provider for medical expenses. Through the audit process, it may be discovered that there was a claiming discrepancy or an incorrect eligibility determination. Once this finding has been made, the State will bill the agency to collect the overpayment. This payment is received as statutory designated program receipts in the Medicaid component.

The additional statutory designated program receipt authorization will allow the Children's Services Medicaid program to collect and expend these revenues above the current authorization.

In calendar year 2006, the department collected \$579.8 for the total Medicaid program as follows:

\$ 16.9 January through March  
 \$125.7 April through June  
 \$163.1 July through September  
 \$274.1 October through December

<b>Totals</b>		<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>100.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Medicaid Services (2077)

**RDU:** Health Care Services (485)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Medicaid Rate Settlement with Alaska Regional</b>												
	Suppl	8,000.0	0.0	0.0	0.0	0.0	0.0	8,000.0	0.0	0	0	0
1002 Fed Rcpts	4,606.4											
1003 G/F Match	3,393.6											

The Department is requesting \$8,000,000 (\$4,606,400 federal authorization and \$3,393,600 general funds) to settle a Medicaid rate dispute between the State of Alaska and Alaska Regional Hospital.

The department and Alaska Regional Hospital have negotiated a settlement on a disputed rate for Medicaid services. The rates under appeal include Medicaid payment rates for the years 1991 through 2000. The department has been seriously addressing these issues in the legal environment since 1992. However, the complexity of the appeals and the realities of navigating the legal system from the department appeal processes through the court system have prevented timely resolution of the issues. The hospital is asking for \$8,000,000 to settle 10 years of claims (1991-2000). The settlement would resolve all rate issues through 2000. In 2001 our rate setting was changed and since then we have had very few appeals from Alaska Regional. The settlement is eligible for reimbursement through Medicaid at the regular FMAP of 53.22% for SFY 2007.

The Department of Law is recommending settlement of this long standing rate dispute. The settlement agreement is attached.

**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Medicaid Services (2077)

**RDU:** Health Care Services (485)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increase SDPR Authorization for Overpay Recoveries and School Based Services**

	Suppl	1,000.0	0.0	0.0	0.0	0.0	0.0	1,000.0	0.0	0	0	0
1108 Stat Desig	1,000.0											

The department is requesting \$1,000,000 additional Statutory Designated Program Receipt authority to comply with provisions of AS 47.05.200(c) related to audits. This provision was established under Chapter 66, SLA 2003 (SB 41 Establishing independent audits) and requires the recovered overpayments from audits to be collected in this manner.

Medicaid is an entitlement program created by the federal government, but administered by the state to provide payment for medical services to low income citizens. People qualify for Medicaid by meeting federal income and asset standards and by meeting specified eligibility categories. Once it has been determined that a client qualifies for Medicaid, payment will be made to the provider for medical expenses. Through the audit process, it may be discovered that there was a claiming discrepancy or an incorrect eligibility determination. Once this finding has been made, the State will bill the agency to collect the overpayment. The department is requesting \$700,000 statutory designated program receipt authority to allow for overpay recoveries.

The department is requesting \$300,000 for School Based Services. These services allow schools to bill and receive Medicaid reimbursement for health services provided in the school situation. For example, a teacher who provides referrals to a student for physical, occupational or speech therapy provided by the school would document time spent and bill Medicaid. Once the billing is received, Medicaid will make full payment. The school is responsible to pay the match portion of this, which is received as statutory designated program receipts.

The additional statutory designated program receipt authorization will allow the Medicaid program to collect and expend these revenues above the current authorization.

The following chart demonstrates the collections this year for the total Medicaid program across the department:

<b>Totals</b>	<b>9,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9,000.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Probation Services (2134)

**RDU:** Juvenile Justice (319)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Court Ordered Costs**

	Suppl	206.5	0.0	0.0	0.0	0.0	0.0	206.5	0.0	0	0	0
1004 Gen Fund	206.5											

The Department of Health and Social Services, Division of Juvenile Justice, is requesting supplemental funding of \$206,500 in general funds to pay for court-ordered costs. Per legislation direction these costs are not budgeted, but are part of the annual supplemental process.

These costs are incurred for guard hires for escorts, travel for juveniles that is not Medicaid eligible, psychiatric evaluations that are not Medicaid eligible, and other miscellaneous court ordered costs. Recipients of the funds are youths either in division custody or under court order to receive specified services.

The division does not specifically budget for these court ordered costs and in previous years these costs have been provided through supplemental funding.

Attached to this request is a more detailed spreadsheet of the court ordered costs incurred to-date totaling \$86,011.91. We then assume that 5.5 months worth of invoices have been paid. Using a straight-line projection and adding 10%, the total request for FY07 is \$206,428.59.

Currently, the funds are being expended from the Probation Services component within the Juvenile Justice RDU. We do not anticipate the lapse of any funds in FY07, either with respect to these funds or anywhere else within the RDU. If this supplemental request is not approved, the division would have to cut other programs (e.g., probation services, community programs, or youth courts) to fund these costs.

This is not an unanticipated need. The direction from the legislature has been to request these funds each year in the supplemental bill similar to the Department of Law's Judgments and Claims process.

<b>Totals</b>		<b>206.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>206.5</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Adult Public Assistance (222)

**RDU:** Public Assistance (73)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Reduction in Adult Public Assistance Caseload/Costs**

	Suppl	-750.0	0.0	0.0	0.0	0.0	0.0	-750.0	0.0	0	0	0
1004 Gen Fund	-750.0											

The Department of Health and Social Services, Division of Public Assistance is offering up a reduction of \$750,000 in general funds from a projected surplus in the Adult Public Assistance formula program due to lower caseload and costs.

The Adult Public Assistance Program (APA) provides access to financial assistance and medical care to elderly and disabled Alaskans. The program was created to supplement Social Security benefits and provides the recipient with the income support needed to remain as independent as possible in the community. To be eligible for APA, a low-income individual must be over 64 years of age, or at least 18 years of age and blind, or diagnosed by a physician as permanently disabled, chronically ill, or terminally ill.

APA program changes helped reduce the rate of APA caseload and expenditure growth in FY04, FY05 and FY06. The rate of caseload increase declined due to a new medical screening process implemented in September 2003, and stricter Supplemental Security Income application criteria that resulted in a reduction in Interim Assistance approvals and expenditures.

Lower than expected formula APA caseloads in FY06 and FY07, together with APA policy changes implemented in July 2004 to implement cost containment measures, will generate APA savings that exceed initially planned levels in FY07.

The attachment gives a caseload summary and a table showing the calculation of the surplus funds.

<b>Totals</b>		<b>-750.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-750.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Senior Care (2760)

**RDU:** Public Assistance (73)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Senior Care Pharmacy Assistance Caseload/Cost Reduction</b>												
	Suppl	-1,500.0	0.0	0.0	0.0	0.0	0.0	-1,500.0	0.0	0	0	0
1004 Gen Fund	-1,500.0											
The Department of Health and Social Services, Division of Public Assistance is offering up a reduction of \$1,500,000 in general funds from the SeniorCare program.												
SeniorCare helps low-income elderly Alaskans by providing a cash or prescription drug benefit. The prescription drug component of the SeniorCare program has been used at a lower rate than originally estimated. Survey information indicates that many seniors have other insurance coverage available that reduces their need for the SeniorCare prescription drug benefit.												
<b>Totals</b>		<b>-1,500.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1,500.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Senior and Disabilities Medicaid Services (2662)

**RDU:** Senior and Disabilities Services (487)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increase SDPR Authorization for Overpay Recoveries**

	Suppl	800.0	0.0	0.0	0.0	0.0	0.0	800.0	0.0	0	0	0
1108 Stat Desig	800.0											

The Department is requesting \$600,000 additional Statutory Designated Program Receipt authority to comply with provisions of AS 47.05.200(c) related to audits. This provision was established under Chapter 66, SLA 2003 (SB 41 Establishing independent audits) and requires the recovered overpayments from audits to be collected in this manner.

Medicaid is an entitlement program created by the federal government, but administered by the state to provide payment for medical services to low income citizens. People qualify for Medicaid by meeting federal income and asset standards and by meeting specified eligibility categories. Once it has been determined that a client qualifies for Medicaid, payment will be made to the provider for medical expenses. Through the audit process, it may be discovered that there was a claiming discrepancy or an incorrect eligibility determination. Once this finding has been made, the State will bill the agency to collect the overpayment. This payment is received as statutory designated program receipts in the Medicaid component.

The additional statutory designated program receipt authorization will allow the Senior and Disabilities Services Medicaid program to collect and expend revenues above the current authorization.

In calendar year 2006, the department collected \$579.8 for the total Medicaid program as follows:

- \$ 16.9 January through March
- \$125.7 April through June
- \$163.1 July through September
- \$274.1 October through December

**Change Record Detail With Description**  
**Department of Health and Social Services**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Senior and Disabilities Medicaid Services (2662)

**RDU:** Senior and Disabilities Services (487)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**SDS Medicaid Slower Growth Rate/Realized Cost Containment Savings**

	Suppl	-5,000.0	0.0	0.0	0.0	0.0	0.0	-5,000.0	0.0	0	0	0
1003 G/F Match	-5,000.0											

The Department of Health and Social Services, Division of Senior and Disability Services (SDS) is offering up a reduction of \$5,000,000 general fund match as a result of a slower rate of growth than originally projected in the Medicaid component.

Recent projections of SDS Medicaid expenditures indicate a slower rate of growth than originally projected for SFY07. Expenditure growth is the result of an increase in caseload which has been mitigated by a decrease in utilization of services. This is mostly due to regulatory changes to the Personal Care Attendant program which resulted in lower utilization of services.

The revised projection of an increase in average monthly number of persons receiving benefits through SDS Medicaid in SFY07 is 9%, down from earlier projections of 15% growth. Under the new Personal Care Attendant program regulations, assessments of need are done using a standardized tool. As a result of these assessments, approximately 11% of clients were determined to be ineligible to receive personal care services.

In SFY07, the average annual expenditure per person is projected to decrease by 6% from \$52,500 to \$49,250. The personal care assessments have resulted in an 11% net weighted average reduction in hours authorized.

The attached chart shows claim payments and beneficiaries from SFY02 through SFY07.

<b>Totals</b>		<b>-4,200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-4,200.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**

**Department of Law**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Deputy Attorney General's Office (2205)

**RDU:** Civil Division (35)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Judgments and Claims</b>												
	Suppl	92.6	0.0	0.0	92.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	92.6											
The actual amount of the FY2007 Judgments and Claims that are finalized as of February 1, 2007 is \$92,509.85.												
<b>Totals</b>		<b>92.6</b>	<b>0.0</b>	<b>0.0</b>	<b>92.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Law**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Administrative Services (2164)

**RDU:** Administration and Support (280)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>FY2006 Miscellaneous Claims</b>												
	Suppl	6.3	0.0	1.7	4.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	6.3											
Funds needed to pay prior year bills not received in time for payment. Total amount of unpaid bills in hand as of February 8, 2007 is \$6,254.47.												
Employee moving expenses - \$1,581.05; Employee mileage reimbursement - \$47.89; Unpaid consulting contracts - \$4,200.00; Unpaid hotel rooms for employee travel - \$349.28; Unpaid copier maintenance - \$76.25.												
<b>Totals</b>		<b>6.3</b>	<b>0.0</b>	<b>1.7</b>	<b>4.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Natural Resources**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Claims, Permits & Leases (2460)

**RDU:** Resource Development (136)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Geologist Class Study Implementation</b>												
	Suppl	79.4	79.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	79.4											
<p>The Geologist class study was completed in June 2006 and resulted in position upgrades or a raise in salary range for ten positions in the division, all within the Claims, Permits and Leases component. These increased costs were not known when the FY07 budget was requested.</p> <p>The division is unable to absorb these increases since we are also trying to absorb the one-time funding reduction in the Director's Office component that the legislature took for the Boundary Fire overexpenditures. In addition, the division is also trying to cover a shortfall of Receipt Supported Services (RSS) in the Water Development component.</p> <p>If this supplemental is approved, the division will be able to retain all existing staff and will not experience any negative program impacts.</p> <p>If the supplemental is not approved, the Division will have to reduce at least one permanent fulltime position, causing a reduction on the Division's ability to authorize use and development of state land. If notice is not received early enough that a supplemental will not be approved, the Division may have to lay off more than one position to make up the shortfall in a shorter period of time.</p>												
<b>Totals</b>		<b>79.4</b>	<b>79.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Natural Resources**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Geological Development (1031)

**RDU:** Resource Development (136)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Geologist Class Study Implementation</b>												
	Suppl	114.8	114.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	114.8											
<p>The Geologist class study was completed in June 2006 and resulted in position upgrades or a raise in salary range for all the Georlogists in the division. The division is unable to absorb these increases within the current FY 07 authorization. The increased cost breakdowns would normally be charged as follows: \$70.9 GF, \$12.9 I/A and \$31.0 CIP receipts (federally funded capital projects). Due to the timing of the classification results we were unable to modify the federal grants and interagency receipt agreements for FY07 and therefore will have a shortfall of \$114.8.</p>												
<b>Totals</b>		<b>114.8</b>	<b>114.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Department of Revenue

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Tax Division (2476)

**RDU:** Taxation and Treasury (510)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Implement Cruise Ship Tax Initiative</b>												
	Suppl	210.5	45.8	11.6	153.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	210.5											
<p>A cruise ship tax initiative was passed by voters in 2006 which imposes an excise tax on commercial vessel passengers and taxes the income of gaming or gambling activities on ships in Alaskan waters. In order to begin the process of implementing the new taxes, the Tax Division is requesting \$210.5 GF supplemental funding for FY2007.</p> <p>This funding will be used to hire two tax auditors and one tax technician for 2-3 months, and cover travel and contractual costs related to hearings for public notice, legal advice on regulations, advertising, training, and development of an online data filing system.</p> <p>Ongoing funding in the amount of \$626.0 GF is being requested in the FY2008 Governor's Budget to cover a total of six new positions that will become part of the division's Excise Audit group, located in Anchorage.</p>												
<b>Corporate Income Tax Litigation</b>												
	Suppl	45.0	0.0	0.0	45.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	45.0											
<p>The Tax Division requests \$45.0 GF to cover the cost of unanticipated legal expenses related to the preparation of a corporate income tax case. The funds will be paid to the Department of Law.</p>												
<b>Totals</b>		<b>255.5</b>	<b>45.8</b>	<b>11.6</b>	<b>198.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Change Record Detail With Description

### Department of Revenue

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Permanent Fund Dividend Division (981)

**RDU:** Taxation and Treasury (510)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**myAlaska Online PFD Application Support Costs**

	Suppl	70.0	0.0	0.0	70.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1050 PFD Fund	70.0												

A web service called "myAlaska" is used by PFD Division to validate online applicants and to provide the electronic signature function necessary for receiving online PFD applications. This service is provided by Department of Administration, Enterprise Technology Services (ETS). For the first few years of myAlaska operation, DOA did not charge user agencies for support costs. Beginning in FY2007, myAlaska support costs are being charged back to the agencies that use the service. The estimated cost of myAlaska for FY2007 is \$70.0.

**Hearing Officer Chargeback Cost Increases**

	Suppl	60.0	0.0	0.0	60.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1050 PFD Fund	60.0												

The PFD Division requests supplemental funding to pay for Department of Administration 's Office of Administrative Hearing (OAH) hearing officers to hear PFD appeals, a service that was provided in-house until FY2006.

PFD Division was appropriated \$119.8 to pay the annual OAH chargeback. The FY2006 cost was \$170.5 and the division received a supplemental appropriation of \$49.9 to help cover the cost.

PFD Division records indicate that the appeal workload will meet or exceed that of FY2006. Based on case hours for FY2006 billed at FY2007 rates, the division projects the need for an additional \$60.0 to cover these chargeback costs for FY2007.

**Change Record Detail With Description**

**Department of Revenue**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Permanent Fund Dividend Division (981)

**RDU:** Taxation and Treasury (510)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>PFD Data Loss and Recovery</b>												
	Suppl	220.7	128.4	0.0	71.8	0.0	20.5	0.0	0.0	0	0	0
1050 PFD Fund	220.7											
<p>In early July 2006, over 700,000 images of paper documents in PFD's imaging database were deleted in error and could not be recovered. Those images were needed to complete the eligibility processing of 2006 PFD applications. PFD employees were redirected to work on the data recovery operation; the division was able to re-image and re-link the paper documents and recovery was essentially complete mid August. All units' eligibility employees then focused on working the thousands of delayed eligibility reviews, striving to meet the 2006 dividend's posted mass payment dates in October (by direct deposit) and November (by warrant). The division was able to pay 99.6% of eligible applicants on time, however a significant backlog of informal appeals remains. Although resource allocation and prioritization were utilized, significant overtime and seasonal employee extension costs were incurred as a result of the data loss and recovery effort.</p> <p>Personal services costs for overtime and call-back of seasonal employees for recovery efforts are estimated at \$128.4. Contractual costs, including Microsoft's fee for its services and efforts to prevent a reoccurrence, are estimated at \$71.8. In order to process and safely store the uploaded images in a reasonable amount of time, the division purchased two Dell servers, tape drives, tapes, additional image recognition licenses, scanner supplies and maintenance at a cost of \$20.5. In total, the division requests supplemental funding of \$220.7 to cover the unanticipated costs due to the loss of PFD data and subsequent recovery efforts.</p>												
<b>Totals</b>		<b>350.7</b>	<b>128.4</b>	<b>0.0</b>	<b>201.8</b>	<b>0.0</b>	<b>20.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**

**Department of Revenue**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Child Support Services Division (111)

**RDU:** Child Support Services (41)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Additional Federal Incentive Receipts Available</b>												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1016 Fed Incent	181.7											
1156 Rcpt Svcs	-181.7											
<p>The Child Support Services Division (CSSD) earned additional federal incentive dollars by meeting the established federal performance incentives during a prior federal fiscal year. Due to the complexity of the federal incentive system and the amount of time required by the federal government to audit, validate and compute the incentives, the amount of incentive money the state will receive is not known until a year or more after the incentive statistics have been submitted to the federal government.</p> <p>This request will enable the division to use the available federal incentive receipts in place of a like amount of state Receipt Supported Services. During FY2007, federal incentive receipts can also be used by CSSD as match to federal receipts under the Child Support Enforcement program; the current state match requirement is 34%.</p>												
<b>Totals</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Change Record Detail With Description**

**Department of Revenue**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Long Term Care Ombudsman Office (2749)

**RDU:** Alaska Mental Health Trust Authority (47)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Replace Unrealizable Fund Source</b>												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	38.3											
1007 I/A Rcpts	-38.3											
<p>The Long Term Care Ombudsman (LTCO) program is funded by an RSA with the Department of Health and Social Services (DH&amp;SS), Division of Senior and Disability Services. DH&amp;SS was provided with federal receipt authority and general fund match in order to support the program from their Title III and Title VII federal funding.</p> <p>The ability of DH&amp;SS to support the LTCO has not kept pace with the increases in the personal services costs of running this program. This request would replace the unrealizable portion of inter-agency receipts with general fund and enable the program to operate through the end of FY2007 at the current level of service.</p>												
<b>Totals</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Measurement Standards & Commercial Vehicle Enforcement (2332)

**RDU:** Measurement Standards & Comm Vehicle Enforcement (335)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increased operating costs</b>												
	Suppl	70.0	0.0	0.0	70.0	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs	70.0											
<p>Funding is needed to increase receipt supported services for annual membership in the North American Preclearance and Safety System (NORPASS). NORPASS partners work together to deploy mainline screening systems at weigh stations, thus allowing safe and legal trucks to proceed unimpeded while enforcement resources are focused on high-risk motor carriers. (\$15.0)</p> <p>Funding is also needed for annual fees for maintenance of the Commercial Vehicle Information Exchange Window (CVIEW) server and QUERY windows software updates. CVIEW is the application and data repository used with the Commercial Vehicle Identification System and Networks (CVISN). This system provides credentials administration, systems for roadside safety information and electronic screening. CVIEW allows a user interface to display credential information to enforcement officers regarding commercial vehicles in real-time. (\$55.0)</p>												
<b>Totals</b>		<b>70.0</b>	<b>0.0</b>	<b>0.0</b>	<b>70.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Southeast Region Facilities (604)

**RDU:** Statewide Facility Maintenance and Operations (186)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increased operating costs</b>												
	Suppl	80.5	0.0	5.0	56.5	19.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	80.5											

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Southeast Region Facilities (604)

**RDU:** Statewide Facility Maintenance and Operations (186)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

JANITORIAL SERVICES - \$36.8

Three facilities in Southeast are currently under contract for janitorial services. They are Juneau 7-Mile Complex, AMHS Reservations Building and the Ketchikan Court and Office Building. In June 2006, the three year contracts for both 7-Mile Complex and the AMHS Reservations Building were scheduled to expire. In May 2006 Invitations to Bid were advertised for new three year contracts. The low bid for this combined contract came in higher than the total of the previous contracts. This low bid combined contract reflects minimal service of five days a week to provide for a safe and healthy work environment. It is expected that costs will increase further when the janitorial contract for the Ketchikan Court and Office Building expires in June 2007.

FY	Budget	Expenditures
2007	52.0	88.8 (projected cost under contract)

No additional funding was requested in FY07, as this cost was not known at that time. Without this supplemental funding, the existing contracts will need to be renegotiated to reduce services to stay within budget. This could lead to two or three day a week janitorial service of trash pickup and vacuuming work areas, creating an unsafe and unhealthy work environment. Industry standards require daily restroom cleaning and disinfecting.

REPAIRS/MAINTENANCE - \$38.7 (\$19.7 contractual, \$19.0 supplies)

The forty-one facilities in Southeast are experiencing various levels of deterioration. Repairs to those facilities, four of which are office buildings, can not be accomplished within the existing operating budget. The following building maintenance items are necessary to keep them safe and slow their deterioration:

- Juneau Office Complex - replace manual controls of air ventilation system
- Gustavus Shop - replace water softener and furnace burner
- Haines Shop - seal and repair siding of building
- Skagway Shop - replace oil/water separator and install fire alarm panel
- Yakutat Shop - replace furnace burner and repair roof
- Petersburg Shop - repair roof
- Sitka Court and Office Building - increased contract costs for maintenance/utilities (contract performed by City of Sitka)
- Klawock Shop - repair gutter

TRAVEL - \$5.0

With the ever increasing costs associated with travel (e.g., higher airfare, higher per diem, State Travel Office fees), it is impossible to provide necessary service under the current budget. The Building Manager must make annual site visits to the numerous locations in

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Southeast Region Facilities (604)

**RDU:** Statewide Facility Maintenance and Operations (186)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

provide necessary services under the current budget. The Building manager must make annual site visits to the numerous locations in Southeast Alaska, on a rotating basis, to assess facility conditions and provide instruction on worksite safety for state employees. Attendance at annual conferences on employee and worksite safety to provide for the responsibilities of the Regional Safety Officer as outlined in the Department's Safety Manual.

FY	Budget	Expenditures
2007	2.6	7.6 (projected)

Without this funding, the ability to properly assess facility needs and perform duties as Regional Safety Officer will be severely curtailed and lead to systems failures and increased Workers Compensation claims.

<b>Totals</b>	<b>80.5</b>	<b>0.0</b>	<b>5.0</b>	<b>56.5</b>	<b>19.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Central Region Highways and Aviation (564)

**RDU:** Highways and Aviation (408)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increased operating costs</b>												
	Suppl	1,111.5	158.7	0.0	926.8	0.0	26.0	0.0	0.0	0	0	0
1004 Gen Fund	1,111.5											

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Central Region Highways and Aviation (564)

**RDU:** Highways and Aviation (408)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

ANCHORAGE BOWL SNOW HAUL - \$503.0 (\$158.7 personal services, \$344.3 contractual)

Snowfall in the Anchorage area this year has returned to the amount that used to be considered normal for the area, and is significantly above the low levels of the past few winters. Including the heavy snowstorms over the holidays, snow accumulation has reached the levels that require snow hauling to remove excess snow plowed from the roads onto the shoulders and sidewalk areas.

There is \$250.0 budgeted for snow haul for the entire year. The first snow haul used the entire year's budget. To complete the current (second) snow haul for the existing accumulation of snow, and to allow for one additional snow haul for the remainder of the winter, supplemental funding in the amount of \$503.0 is needed.

ANCHORAGE STREET SWEEPING - \$274.0

The Region has a contract agreement with the Municipality of Anchorage (MOA) to provide street sweeping maintenance services for state owned roads within their communities. This is done in April to remove winter sand buildup on the roads and to meet the requirements for air quality. The MOA conducts this sweeping along with that done on their roads. The municipality can more cost effectively provide the service with the combining of all routes than we could by doing our routes separately. Costs include use of sweepers and water trucks; personal services for operators, equipment technicians and their supervisor; and magnesium chloride and disposal of dirt and particulates.

As a result of budget tightening exercises, the MOA has reviewed their costs associated with the State's routes within the Anchorage bowl area (street sweeping of Eagle River and Hillside is provided by a private contractor). They have determined that the Department has not been covering the full costs associated with state routes. The full cost is well over \$780,000 and the MOA will continue to cover almost \$200,000 of that cost. They require that the state cover the remaining \$599,000 for FY07. The current budget for this agreement is \$325,000. If we cannot maintain this agreement, the services will have to be provided by our in-house or private contract forces less efficiently, which will result in a reduction of services and the possibility of not meeting air quality requirements. Some Federal Highways funding is tied to the achievement of air quality.

AVALANCHE ARTILLERY - \$26.0

The Department had an opportunity through our membership in the Avalanche Artillery Users of North America Committee (AAUNAC) to procure some refurbished Howitzer 105mm Artillery from the Army at a much reduced price. These artillery pieces are in short supply and no new pieces are being manufactured. Having two surplus artillery pieces would serve to preserve our existing Avalanche Control Program into the future, as they can serve as additional parts for our existing artillery. There is no current manufacturer or supply of replacement parts anywhere.

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Central Region Highways and Aviation (564)

**RDU:** Highways and Aviation (408)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

LAW ENFORCEMENT AT KODIAK AIRPORT - \$20.0

The local law enforcement in the communities of Cordova and Kodiak are no longer able to respond to airport security problems within the 15 minute time frame mandated by the Transportation Security Administration (TSA). The local police departments have all identified that they cannot provide officers to meet this need without additional staff and remuneration. We have also talked with Alaska State Troopers and they also do not have staff to meet these demands. Without adequate and timely law enforcement response TSA may restrict large passenger aircraft into these communities.

We have worked this issue with the TSA since the announcement of this new requirement. TSA has informed us that this issue is non-negotiable and we must provide Law Enforcement Officers (LEO's).

The communities require a commitment from the department before they will hire the additional staff to fulfill this federal mandate. This funding will cover the hiring costs and overtime for existing personnel until new officers are hired.

STATE EQUIPMENT FLEET COST INCREASES - \$288.5

The State Equipment Fleet (SEF) has calculated that equipment costs to be billed to Central Region Highways and Aviation will be \$288.5 higher in FY07 than in FY06. Due to the continued high cost of commodities and overruns in other areas of the budget, we do not have the flexibility to reallocate funding from elsewhere to pay for the increased SEF costs.

<b>Totals</b>		<b>1,111.5</b>	<b>158.7</b>	<b>0.0</b>	<b>926.8</b>	<b>0.0</b>	<b>26.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Northern Region Highways and Aviation (2068)

**RDU:** Highways and Aviation (408)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Increased operating costs</b>												
	Suppl	20.0	0.0	0.0	20.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	20.0											
LAW ENFORCEMENT AT CORDOVA AIRPORT - \$20.0												
<p>The local law enforcement in the communities of Cordova and Kodiak are no longer able to respond to airport security problems within the 15 minute time frame mandated by the Transportation Security Administration (TSA). The local police departments have all identified that they cannot provide officers to meet this need without additional staff and remuneration. We have also talked with Alaska State Troopers and they also do not have staff to meet these demands. Without adequate and timely law enforcement response TSA may restrict large passenger aircraft into these communities.</p> <p>We have worked this issue with the TSA since the announcement of this new requirement. TSA has informed us that this issue is non-negotiable and we must provide Law Enforcement Officers (LEO's).</p> <p>The communities require a commitment from the department before they will hire the additional staff to fulfill this federal mandate. This funding will cover the hiring costs and overtime for existing personnel until new officers are hired.</p>												
<b>Totals</b>		<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Southeast Region Highways and Aviation (603)

**RDU:** Highways and Aviation (408)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

**FY2007 Supplemental - Governor**

**Increased operating costs**

	Suppl	233.0	208.5	0.0	0.0	24.5	0.0	0.0	0.0	0	0	0
1004 Gen Fund	233.0											

**OVERTIME DUE TO EXTREME WINTER WEATHER - \$208.5**

Southeast Alaska is experiencing abnormal and extreme winter weather conditions. In the Juneau area alone, snowfall accumulation through early January is already more than double the normal annual amount of 56 inches. This has led to increases of overtime usage to plow roadways and apply sand and chemicals. We are currently projecting overtime costs in FY07 (\$470.5) to exceed FY06 costs (\$261.0) by \$208.5.

If supplemental funding is not received, spring/summer maintenance activities such as highway brushing and asphalt repair will need to be curtailed, resulting in diminished public safety and roadway degradation. Winter maintenance activities must be conducted to ensure the safety of the traveling public.

**PAINT - \$24.5**

Striping requirements are not consistent from year to year, as Federal Aviation Administration funding is used to paint airport runways and Federal Highway Administration funding is used to paint roadways, when both undergo construction. This activity is included in the contract. All other roadways are on a rotating schedule by location. Some locations have more lane miles than others. Locations requiring paint application this year include Haines, Juneau, Ketchikan, Petersburg, Sitka, Skagway, Wrangell and Yakutat.

FY	Budget	Expenditures
2007	172.0	196.5 (projected)

An increment of \$180.0 was requested in the FY07 budget for various items, including paint. This request was only approved for \$45.0 in Conference Committee, which was allocated to the paint budget. This increased the overall paint budget from \$127.0 to \$172.0. Based on quantities needed for this year's painting program, it is estimated that costs will be \$196.5, which exceeds the budget by \$24.5.

If supplemental funding is not received, roadways will not receive adequate striping. This will affect the safety of the traveling public. Airport runways must be striped as necessary and this will be a priority.

<b>Totals</b>		<b>233.0</b>	<b>208.5</b>	<b>0.0</b>	<b>0.0</b>	<b>24.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Marine Vessel Operations (2604)

**RDU:** Marine Highway System (334)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>AMHS FY07 operating shortfall</b>												
	Suppl	10,100.0	4,749.0	68.2	39.9	1,642.9	0.0	0.0	3,600.0	0	0	0
1004 Gen Fund	10,100.0											

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Marine Vessel Operations (2604)

**RDU:** Marine Highway System (334)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

M/V Fairweather winter service: The original AMHS FY07 business plan called for the M/V Fairweather to be out of service from December 2006 through April of 2007. It was subsequently determined that minimum service levels to Southeast communities could not be met without continuing operation of the M/V Fairweather through the winter months.

The estimated costs of the additional winter service by line item are as follows;

Personal Services	754.0
Travel	8.2
Services	32.9
Commodities	1,504.9
Total	2,300.0

M/V Chenega training: U.S. Coast Guard (USCG) training requirements for fast ferries are more rigorous than for standard vessels. As a result of the combination of winter lay-up and warranty overhaul of the vessel a number of the M/V Chenega's trained crew transferred to other vessels in the fleet. AMHS' original FY07 business plan did not include funding for the unanticipated cost of training a replacement crew for the M/V Chenega. Providing the USCG required training for new members of the M/V Chenega crew is a prerequisite of returning the M/V Chenega to service. The estimated costs of training the crew of the M/V Chenega by line item are;

Personal Services	95.0
Travel	60.0
Services	7.0
Commodities	138.0
Total	300.0

Under projected personal service costs: The financial results produced by the cost model used by AMHS for development of their FY07 business plan and subsequent cost projections made using the model were compared to actual cost experienced for the first six months of FY07. This analysis revealed that the cost model was under projecting leave costs and certain overtime costs for three vessels. The cost model has been adjusted accordingly and the updated FY07 cost projections reflect the need for an additional \$2.5 million to cover leave costs and a total of \$1.4 million for under projected overtime and unanticipated labor costs associated with the extended overhaul period for the M/V Columbia.

Personal Services	3,900.0
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Under collection of unrestricted receipts: The FY07 budget enacted by the legislature authorized total expenditures of \$54,650.8 from the AMHS Fund. The most recent AMHS projections of total unrestricted revenues indicate that actual FY07 unrestricted revenues will be approximately \$51,000.0. AMHS will need an additional \$3.6 million in general funds in order to operate the vessels in accordance with the schedule to avoid generating a negative cash balance in the AMHS fund for FY07.

**Change Record Detail With Description**  
**Department of Transportation/Public Facilities**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Marine Vessel Operations (2604)

**RDU:** Marine Highway System (334)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Unpaid FY06 obligations</b>												
	Suppl	532.8	0.0	0.0	449.9	82.9	0.0	0.0	0.0	0	0	0
1004 Gen Fund	532.8											
<p>The AMHS requests \$532,786.91 in general funds to satisfy its remaining FY06 obligations. The Marine Vessel Operations component did not have sufficient FY06 expenditure authority to satisfy all of its financial obligations and the absence of a FY06 lapse balance also prevented AMHS from paying for these obligations with FY07 funds. Services were received during FY06 from state agencies including the State Equipment Fleet, Department of Law, Division of Retirement and Benefits, Department of Labor, Department of Commerce, Community, and Economic Development, Department of Corrections, and the University of Alaska. Total costs of \$414,377.95 have not yet been paid.</p> <p>In addition, obligations to private vendors that provided goods and services to AMHS during FY06 totaling \$118,408.96 (to date) remain to be paid.</p>												
<b>Totals</b>		<b>10,632.8</b>	<b>4,749.0</b>	<b>68.2</b>	<b>489.8</b>	<b>1,725.8</b>	<b>0.0</b>	<b>0.0</b>	<b>3,600.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Debt Service and Special Appropriations**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Debt Retirement Fund (2155)

**RDU:** Debt Service (251)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Reduce GF capitalization of the DRF for reduced School Debt Reimbursement</b>												
	Suppl	-5,565.6	0.0	0.0	0.0	0.0	0.0	0.0	-5,565.6	0	0	0
1004 Gen Fund	-5,565.6											
Reduce the GF capitalization necessary to fund School Debt Reimbursement due to additional School Fund receipts (cigarette tax) available of \$709.7, and a decrease of the amount needed for FY2007 School Debt Reimbursement of \$4,855.9, from \$93,935.0 to \$89,079.1, per DEED reconciliation dated January 5, 2007.												
<b>Totals</b>		<b>-5,565.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-5,565.6</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Debt Service and Special Appropriations**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** School Debt Reimbursement (153)

**RDU:** Debt Service (251)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Reduce amount necessary to pay School Debt Reimbursement obligations in FY2007</b>												
	Suppl	-4,855.9	0.0	0.0	0.0	0.0	0.0	-4,855.9	0.0	0	0	0
1030 School Fnc	709.7											
1044 Debt Ret	-5,565.6											
Reduce total School Debt Reimbursement per Department of Education and Early Development January 5, 2007 adjusted projection for school debt reimbursement requests, and for increased amount available from the School Fund (cigarette tax) in FY 2007. The School Debt Reimbursement request for FY2007 is reduced from \$93,935.0 to \$89,079.1, and an additional \$709.7 is available in the School Fund to supplant the appropriation from the Debt Retirement Fund.												
<b>Totals</b>		<b>-4,855.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-4,855.9</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Change Record Detail With Description**  
**Fund Capitalization**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Disaster Relief Fund (2497)

**RDU:** Fund Capitalizations (255)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>Capitalization of Fund for Declared Disasters</b>												
	Suppl	17,659.5	0.0	0.0	0.0	0.0	0.0	0.0	17,659.5	0	0	0
1004 Gen Fund	17,659.5											
The following disasters make up the requested supplemental:												
2006 Hooper Bay Fire; \$4,844.1												
State disaster declared August 6, 2006												
Federal disaster declared October 27, 2006												
2006 Southcentral Flood \$6,118.4												
State disaster declared August 19, 2006												
Federal disaster declared October 16, 2006												
2006 October Southern Storm \$6,463.2												
State disaster declared October 14, 2006												
Federal disaster declared December 8, 2006												
2006 Kivalina Sea Wall \$233.8												
Administrative Order 231 issued November 29, 2006												
<b>Totals</b>		<b>17,659.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>17,659.5</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Change Record Detail With Description**  
**Fund Capitalization**

**Scenario:** FY2007 Supplemental - Governor (5770)

**Component:** Marine Highway Stabilization (1225)

**RDU:** Fund Capitalizations (255)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
<b>FY2007 Supplemental - Governor</b>												
<b>AMHS Fund negative balance</b>												
	Suppl	10,732.3	0.0	0.0	0.0	0.0	0.0	0.0	10,732.3	0	0	0
1004 Gen Fund	10,732.3											
<p>AMHS requests \$10,732.3 in general funds to offset the negative balance in the AMHS Fund.            The FY06 annual financial report on the AMHS Fund reflected an ending balance of (\$10,732.3) in the fund, an increase of \$3,916.3 in the negative FY05 year end fund balance of (\$6,816.0).            The negative fund balance is indicative of undercollection of unrestricted revenues to support the amounts appropriated from the fund for operation of the system.</p>												
<b>Totals</b>		<b>10,732.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>10,732.3</b>	<b>0</b>	<b>0</b>	<b>0</b>