

# **State of Alaska FY2004 Governor's Operating Budget**

## **Department of Natural Resources Mental Health Trust Lands Administration Component Budget Summary**

## **Component: Mental Health Trust Lands Administration**

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### **Component Mission**

The Trust Land Office (TLO), supported by funds derived from Trust Income, manages and develops Alaska Mental Health Trust lands on behalf of the Alaska Mental Health Trust Authority to help improve the lives and circumstances of Trust beneficiaries. Annual income earned is available for distribution by the Trust Authority in the following year; principal earned contributes to income distributed in subsequent years.

### **Component Services Provided**

- Administer existing transactions on Trust lands (e.g., contracts, leases, permits, rights-of-way and other encumbrances affecting Trust lands).
- Initiate new and diverse revenue-generating activities on Trust land.
- Fully account for Trust Land Office revenues, costs, and actions.

### **Component Goals and Strategies**

- Maximize revenue generated from Trust lands over time through prudent administration of existing transactions, and generating new activity on Trust lands. The revenue objective for FY04 is \$6.8 million.
- Protect and enhance the long-term productivity of the Trust land portfolio. The FY04 objectives include ongoing administration of existing transactions on Trust lands (e.g. contracts, leases, permits, rights-of-way and other encumbrances), initiating new and diverse revenue-generating activities, general land management actions (e.g. inspection, trespass abatement); and full accounting of TLO revenues, costs and actions.
- Ensure the maximum revenue is available for Trust Authority allocation by maintaining cost-effective Trust Land Office operations. The FY04 objective is that Trust Land Office operating costs will not exceed 25% of gross revenues.
- Maintain full accountability and a positive reputation for Trust Land Office operations. The FY04 objectives include: completion of one annual report, timely delivery of monthly reports, case-specific consultation on items that require or merit Trust Authority consultation and continued public relations efforts with special emphasis on local governments and TLO customers.

### **Key Component Issues for FY2003 – 2004**

- Increased diversity of land and resource transactions.
- Conversion of community and environmentally sensitive Trust lands to cash or other less sensitive assets.
- Volatile resource values over time.

### **Major Component Accomplishments in 2002**

- Exceeded \$4.9 million dollar revenue goal by about 63%, with FY02 gross revenues of about \$7.8 million.
- Maintained core operating costs at about 11% of gross revenues (goal was less than 25%).
- Completed monthly, quarterly and annual reports to the Trust Authority.
- Consulted regularly with the Trust Authority on significant issues affecting Trust lands.

## Statutory and Regulatory Authority

AS 37.13.300

**Mental Health Trust Lands Administration**  
**Component Financial Summary**

*All dollars in thousands*

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	605.9	658.5	740.5
72000 Travel	28.9	30.0	35.0
73000 Contractual	260.9	268.7	307.1
74000 Supplies	11.5	11.0	11.0
75000 Equipment	6.9	15.0	15.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>914.1</b>	<b>983.2</b>	<b>1,108.6</b>
<b>Funding Sources:</b>			
1007 Inter-Agency Receipts	16.2	0.0	0.0
1092 Mental Health Trust Authority Authorized Receipts	897.9	983.2	1,108.6
<b>Funding Totals</b>	<b>914.1</b>	<b>983.2</b>	<b>1,108.6</b>

**Mental Health Trust Lands Administration  
Proposed Changes in Levels of Service for FY2004**

No change in service anticipated.

**Summary of Component Budget Changes  
From FY2003 Authorized to FY2004 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2003 Authorized</b>	<b>0.0</b>	<b>0.0</b>	<b>983.2</b>	<b>983.2</b>
<b>Adjustments which will continue current level of service:</b>				
- \$75 per Month Health Insurance Increase for Non-covered Staff	0.0	0.0	8.6	8.6
<b>Proposed budget increases:</b>				
- Budget increase to provide services as included in Trustee's budget	0.0	0.0	116.8	116.8
<b>FY2004 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>1,108.6</b>	<b>1,108.6</b>

**Mental Health Trust Lands Administration**

**Personal Services Information**

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	9	9	Annual Salaries	567,528
Part-time	0	0	Premium Pay	0
Nonpermanent	3	3	Annual Benefits	191,536
			<i>Less 2.45% Vacancy Factor</i>	(18,564)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>12</b>	<b>12</b>	<b>Total Personal Services</b>	<b>740,500</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Exec Dir AK Mh Lands Trust Off	1	0	0	0	1
Natural Resource Mgr I	1	0	0	0	1
Natural Resource Tech II	1	0	0	0	1
Student Intern I	1	0	0	0	1
Trust Resource Manager	6	0	0	0	6
Trust Resource Technician	2	0	0	0	2
<b>Totals</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>