

# **State of Alaska FY2006 Governor's Operating Budget**

## **Department of Health and Social Services Energy Assistance Program Component Budget Summary**

## Component: Energy Assistance Program

### Contribution to Department's Mission

To reduce the disproportionate burden of home heating costs on the poor and minimize the economic impact of customer bad debt on Alaska home energy suppliers.

### Core Services

The Heating Assistance Program (HAP) is 100% federally funded through the Low Income Home Energy Assistance Program (LIHEAP) Block Grant. The program aids low-income households with their home heating expenses. Eligibility for heating assistance and benefit amounts are based on a point system which considers household size and income, fuel costs in the area and type of housing. Applicant households apply once a year to receive a single heating assistance grant. Assistance is normally provided in the form of credit with the client's home energy vendor.

### FY2006 Resources Allocated to Achieve Results

<b>FY2006 Component Budget: \$9,661,500</b>	<b>Personnel:</b>	
	Full time	3
	Part time	9
	<b>Total</b>	<b>12</b>

### Key Component Challenges

The uncertainty of LIHEAP block grant funding causes difficulty in planning and administering the program. The funding allocation is frequently determined after the beginning of the federal fiscal year. This means the State must set heating benefit levels, hire eligibility staff, and issue requests for proposals for low-income weatherization in the absence of a funding allocation. FY2005 federal funding is still uncertain; thus FY2006 funding is projected at the FY2004 level.

The significant increase in the cost of fuel (average 35% based on selected spot market rates in October 2004) is creating even greater difficulties for low income Alaskans where their household heating assistance grants do not adequately cover the increased costs.

### Significant Changes in Results to be Delivered in FY2006

No major change in service is anticipated.

### Major Component Accomplishments in 2004

The program provided low-income households with seasonal help for home heating costs. Tribal organizations also receive federal LIHEAP block grant funds and administer their own heating assistance programs in several areas of Alaska. In FY2004, around \$6.6 million was provided to approximately 8,650 households under the Department of Health and Social Services' HAP.

Approximately 29% of HAP households contain one or more children under 6 years of age, 27% have at least one disabled member, and 22% contain at least one member over the age of 60. The primary sources of income for Alaska HAP households are Adult Public Assistance (27%) and Alaska Temporary Assistance Program (14%). The remaining 59% of the HAP caseload relies on non-public assistance sources of income (e.g., wages, Social Security, retirement, Unemployment Insurance Benefits, and self-employment).

## Statutory and Regulatory Authority

PL 97-35

L.I.H.E.A.P. Act of 1981

7 AAC 44Heating Assistance Program

Contact Information
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**Energy Assistance Program  
Component Financial Summary**

*All dollars shown in thousands*

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	404.0	455.2	475.8
72000 Travel	3.7	12.5	12.5
73000 Services	118.6	140.0	140.0
74000 Commodities	7.8	26.0	26.0
75000 Capital Outlay	3.5	0.0	0.0
77000 Grants, Benefits	7,720.6	9,007.2	9,007.2
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>8,258.2</b>	<b>9,640.9</b>	<b>9,661.5</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	8,258.2	9,640.9	9,661.5
<b>Funding Totals</b>	<b>8,258.2</b>	<b>9,640.9</b>	<b>9,661.5</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2004 Actuals	FY2005 Managem ent Plan	FY2006 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	8,258.2	9,640.9	9,677.3
<b>Restricted Total</b>		<b>8,258.2</b>	<b>9,640.9</b>	<b>9,677.3</b>
<b>Total Estimated Revenues</b>		<b>8,258.2</b>	<b>9,640.9</b>	<b>9,677.3</b>

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

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2005 Management Plan</b>	<b>0.0</b>	<b>9,640.9</b>	<b>0.0</b>	<b>9,640.9</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	4.3	0.0	4.3
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	15.6	0.0	15.6
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.7	0.0	0.7
<b>FY2006 Governor</b>	<b>0.0</b>	<b>9,661.5</b>	<b>0.0</b>	<b>9,661.5</b>

**Energy Assistance Program  
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	317,013
Part-time	9	9	COLA	4,308
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	181,799
			<i>Less 2.29% Vacancy Factor</i>	(11,520)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>12</b>	<b>12</b>	<b>Total Personal Services</b>	<b>491,600</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	0	8	0	8
Administrative Supervisor	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Project Asst	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>12</b>