

**State of Alaska**  
**FY2019 Governor's Operating Budget**

**Department of Natural Resources**  
**Agriculture Revolving Loan Program Administration**  
**Component Budget Summary**

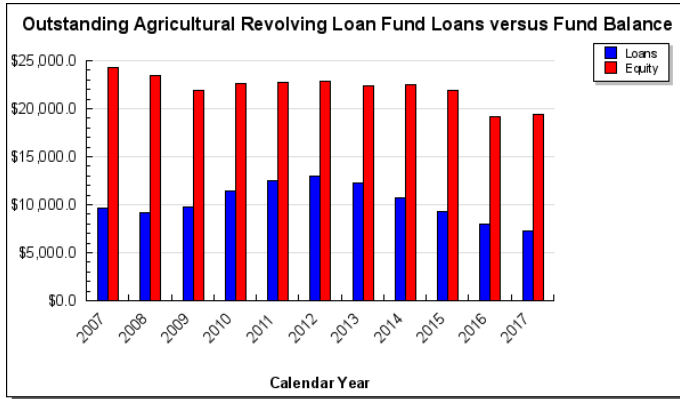
Component: Agriculture Revolving Loan Program Administration

**Contribution to Department's Mission**

Promote and encourage development of an agriculture industry in Alaska.

**Results**

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



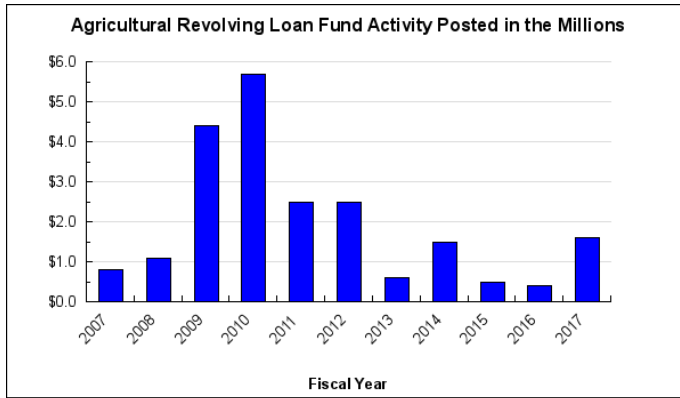
**Core Services**

- Provide moderate interest rate loans for Agricultural Development.

**Measures by Core Service**

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

**1. Provide moderate interest rate loans for Agricultural Development.**



**Major Component Accomplishments in 2017**

- The ARLF program celebrated 64 years of continued service to Alaska agriculture in August.
- Promoted industry growth through competitive loans to borrowers with a viable business plan.
- Contributed to industry stability by providing continued financing for existing agricultural enterprises.
- Completed and closed on the sale of the ARLF asset known as the Matanuska Maid Blow Mold Manufacturing Facility.
- Completed and closed on the sale of the ARLF asset known as the Mt. McKinley Meat and Sausage Processing Facility.

### Key Component Challenges

- Provide moderate interest loans to promote development of a viable agriculture industry.
- Maintain healthy revolving loan fund to meet industry needs.

### Significant Changes in Results to be Delivered in FY2019

- Increase outreach and promotion of the Agricultural Revolving Loan Fund (ARLF).
- Work closely with agricultural lenders within the state to increase referrals to ARLF where ARLF loan programs are better suited for borrower's needs.

### Statutory and Regulatory Authority

AS 03.09, AS 03.10

Contact Information
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**Agriculture Revolving Loan Program Administration  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2018</u> <u>Management</u> <u>Plan</u>	<u>FY2019</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	114,813
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	76,111
			<i>Less 1.79% Vacancy Factor</i>	<i>(3,424)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>2</b>	<b>2</b>	<b>Total Personal Services</b>	<b>187,500</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant I	0	0	0	1	1
Loan/Collection Off I	0	0	0	1	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

**Component Detail All Funds**  
**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)  
**RDU:** Agriculture (603)

Non-Formula Component

	FY2017 Actuals	FY2018 Conference Committee	FY2018 Authorized	FY2018 Management Plan	FY2019 Governor	FY2018 Management Plan vs FY2019 Governor	
71000 Personal Services	496.1	176.1	176.1	186.5	187.5	1.0	0.5%
72000 Travel	0.6	19.1	19.1	8.7	8.7	0.0	0.0%
73000 Services	387.5	293.3	293.3	293.3	218.3	-75.0	-25.6%
74000 Commodities	539.5	7.2	7.2	7.2	7.2	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>1,423.7</b>	<b>495.7</b>	<b>495.7</b>	<b>495.7</b>	<b>421.7</b>	<b>-74.0</b>	<b>-14.9%</b>
<b>Fund Sources:</b>							
1021Agriculture Loan (DGF)	1,423.7	495.7	495.7	495.7	421.7	-74.0	-14.9%
<b>Unrestricted General (UGF)</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>Designated General (DGF)</b>	<b>1,423.7</b>	<b>495.7</b>	<b>495.7</b>	<b>495.7</b>	<b>421.7</b>	<b>-74.0</b>	<b>-14.9%</b>
<b>Other Funds</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>Federal Funds</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>Positions:</b>							
Permanent Full Time	5	2	2	2	2	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2018 Conference Committee To FY2018 Authorized *****												
<b>FY2018 Conference Committee</b>	ConfCom	495.7	176.1	19.1	293.3	7.2	0.0	0.0	0.0	2	0	0
1021 Agric Loan		495.7										
<b>Subtotal</b>		<b>495.7</b>	<b>176.1</b>	<b>19.1</b>	<b>293.3</b>	<b>7.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2018 Authorized To FY2018 Management Plan *****												
<b>Align Authority to Comply with Vacancy Factor Guidelines</b>	LIT	0.0	10.4	-10.4	0.0	0.0	0.0	0.0	0.0	0	0	0
Transfer authorization from travel to personal services to align authority and comply with vacancy factor guidelines. Authority is available due to travel restrictions freeing up funds to transfer.												
<b>Subtotal</b>		<b>495.7</b>	<b>186.5</b>	<b>8.7</b>	<b>293.3</b>	<b>7.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2018 Management Plan To FY2019 Governor *****												
<b>FY2019 Salary and Health Insurance Increases</b>	SalAdj	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1021 Agric Loan		1.0										
Salary and Health Insurance Increases: \$1.0												
Calculate FY2019 increase to GGU Health Insurance from \$1389 to \$1432 per member per month.												
<b>Reduction in Contractual Services to be Used for the State Veterinarian Program</b>	Dec	-75.0	0.0	0.0	-75.0	0.0	0.0	0.0	0.0	0	0	0
1021 Agric Loan		-75.0										
These funds are in surplus due to the sale of the Mt. McKinley Meat & Sausage Plant. Contractual services for utilities and outside contractors are no longer required.												
The funds will be used in the Agricultural Development component to support the State Veterinarian program.												
<b>Totals</b>		<b>421.7</b>	<b>187.5</b>	<b>8.7</b>	<b>218.3</b>	<b>7.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2019 Governor (14641)  
**Component:** Agriculture Revolving Loan Program Administration (2235)  
**RDU:** Agriculture (603)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
10-1727	Loan/Collection Off I	FT	A	GP	Palmer	200	16G	12.0		61,416	0	0	39,504	100,920	0
10-3052	Administrative Assistant I	FT	A	GP	Palmer	99	12M	12.0		53,397	0	0	36,607	90,004	0
													<b>Total Salary Costs:</b>	114,813	
													<b>Total COLA:</b>	0	
													<b>Total Premium Pay::</b>	0	
													<b>Total Benefits:</b>	76,111	
													<b>Total Pre-Vacancy:</b>	190,924	
													<b>Minus Vacancy Adjustment of 1.79%:</b>	(3,424)	
													<b>Total Post-Vacancy:</b>	187,500	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	187,500	
<b>Total Component Months:</b>		24.0													

<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1021 Agricultural Loan Fund	190,924	187,500	100.00%
<b>Total PCN Funding:</b>	<b>190,924</b>	<b>187,500</b>	<b>100.00%</b>

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Travel**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
2000	Travel		0.6	8.7	8.7
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>2000 Travel Detail Totals</b>			<b>0.6</b>	<b>8.7</b>	<b>8.7</b>
2001	In-State Non-Employee Travel		0.6	8.7	8.7



**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000	Services		387.5	293.3	218.3
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>3000 Services Detail Totals</b>			<b>387.5</b>	<b>293.3</b>	<b>218.3</b>
3000	Education Services		0.8	0.8	0.8
3001	Financial Services	Loan service fees, expense management and consulting.	16.5	16.5	16.5
3003	Information Technology	Software licensing	1.9	1.9	1.9
3004	Telecommunications	Teleconference meetings. Reduction for meetings needed FY 2018 and FY 2019 because Mt. McKinley Meat & Sausage sold.	6.1	3.0	3.0
3005	Health Services	Health Services was necessary for when Mt. McKinley Meat & Sausage was owned by the State in FY 2017.	3.8	0.0	0.0
3006	Delivery Services		2.2	2.2	2.2
3007	Advertising and Promotions	Advertise board meetings and promote public outreach regarding the Agricultural Revolving Loan Fund.	1.5	1.5	1.5
3008	Utilities	Utilities to include long distance, cell phones and local equipment charges. In FY 2017 utilities, heating oil, gas, electric, waste disposal, water and sewer were necessary to maintain assets. ARLF has disposed of all assets in FY 2017.	134.7	105.6	45.5
3009	Structure/Infrastructure/Land	Property and facility appraisals to facilitate asset disposals, facility repairs and maintenance.	7.4	5.4	5.4
3010	Equipment/Machinery	Minor repair and maintenance of	5.3	5.3	5.3

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Services**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>3000 Services Detail Totals</b>			<b>387.5</b>	<b>293.3</b>	<b>218.3</b>
		vehicles and equipment.			
3011	Other Services	Professional service contracts and special projects.	11.1	11.1	11.1
3015	Inter-Agency Conservation/Environmental	EnvCon - Department-wide	0.3	0.3	0.3
3016	Inter-Agency Economic Development	Law - Department-wide Legal Services. FY 2017 actual expenditures were high due to the disposal of Mt. McKinley Meat & Sausage.	89.0	30.0	30.0
3016	Inter-Agency Economic Development	NatRes - Administrative Services (424) Accounting support.	73.3	75.0	75.0
3016	Inter-Agency Economic Development	NatRes - Public Information Center (2441) Public Information Center (PIC) support	4.2	4.2	4.2
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	5.3	5.3	5.3
3021	Inter-Agency Mail	Admin - Department-wide	0.1	0.1	0.1
3026	Inter-Agency Insurance	Admin - Department-wide Risk Management and Property Insurance	5.8	5.8	5.8
3027	Inter-Agency Financial	Admin - Department-wide IRIS Financial, Payroll and Alder services	1.1	2.0	1.1
3036	Inter-Agency Safety	EnvCon - Department-wide	0.1	0.1	0.1
3036	Inter-Agency Safety	Trans - Department-wide	0.2	0.2	0.2
3037	State Equipment Fleet	Trans - Department-wide Fuel, equipment fixed costs, maintenance and repair, and equipment replacement.	16.8	17.0	3.0

**Line Item Detail (1676)**  
**Department of Natural Resources**  
**Commodities**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
4000	Commodities		539.5	7.2	7.2
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>4000 Commodities Detail Totals</b>			<b>539.5</b>	<b>7.2</b>	<b>7.2</b>
4000	Business	Office and computer supplies, aerial photos, maps, and data processing.	8.9	7.2	7.2
4002	Household/Institutional	Paint, roofing supplies, and equipment for Mt. McKinley Meat & Sausage Plant	514.5	0.0	0.0
4004	Safety		1.6	0.0	0.0
4005	Building Materials		0.6	0.0	0.0
4009	Guardrails		0.2	0.0	0.0
4011	Electrical		1.3	0.0	0.0
4012	Plumbing		1.3	0.0	0.0
4013	Lube Oils/Grease/Solvents		0.7	0.0	0.0
4014	Bottled Gas		0.3	0.0	0.0
4015	Parts and Supplies		4.5	0.0	0.0
4016	Paint/Preservatives		1.9	0.0	0.0
4019	Small Tools/Minor Equipment		3.7	0.0	0.0

**Revenue Detail (1681)**  
**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>6021 Agric Loan (1021 Agric Loan)</b>			<b>1,082.7</b>	<b>0.0</b>	<b>0.0</b>
6353 Agricultural Revolving Loan Fund - Chrgs for Svcs Misc			19.2	0.0	0.0
6354 Agricultural Rvlvng Loan Fnd-Chrgs for Svcs Svc Rndrd Rcpts			306.0	0.0	0.0
6355 Agricultural Rvlvng Loan Fund-Chrgs for Svcs Sale of Prdcts			757.5	0.0	0.0
<b>FUND Fund Only (9999 No specif.)</b>			<b>404.2</b>	<b>0.0</b>	<b>0.0</b>
6097 Fund Only Natural Resources - Fines and Forfeitures			2.5	0.0	0.0
6098 Fund Only Natural Resources - Rents and Royalties			3.9	0.0	0.0
6111 Fund Only General Government-Charges for Svcs Loan Fees			-6.4	0.0	0.0
6114 Fund Only - Interest on Loans			404.2	0.0	0.0

**Inter-Agency Services (1682)**  
**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)

			FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
<b>Component Totals</b>			<b>196.2</b>	<b>140.0</b>	<b>125.1</b>
		With Department of Environmental Conservation	0.4	0.4	0.4
		With Department of Law	89.0	30.0	30.0
		With Department of Natural Resources	77.5	79.2	79.2
		With Department of Administration	12.3	13.2	12.3
		With Department of Transportation/Public Facilities	17.0	17.2	3.2
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2017 Actuals</b>	<b>FY2018 Management Plan</b>	<b>FY2019 Governor</b>
3015	Inter-Agency Conservation/Environmental	EnvCon - Department-wide	0.3	0.3	0.3
3016	Inter-Agency Economic Development	Law - Department-wide Legal Services. FY 2017 actual expenditures were high due to the disposal of Mt. McKinley Meat & Sausage.	89.0	30.0	30.0
3016	Inter-Agency Economic Development	NatRes - Administrative Services (424) Accounting support.	73.3	75.0	75.0
3016	Inter-Agency Economic Development	NatRes - Public Information Center (2441) Public Information Center (PIC) support	4.2	4.2	4.2
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	5.3	5.3	5.3
3021	Inter-Agency Mail	Admin - Department-wide	0.1	0.1	0.1
3026	Inter-Agency Insurance	Admin - Department-wide Risk Management and Property Insurance	5.8	5.8	5.8
3027	Inter-Agency Financial	Admin - Department-wide IRIS Financial, Payroll and Alder services	1.1	2.0	1.1
3036	Inter-Agency Safety	EnvCon - Department-wide	0.1	0.1	0.1
3036	Inter-Agency Safety	Trans - Department-wide	0.2	0.2	0.2
3037	State Equipment Fleet	Trans - Department-wide Fuel, equipment fixed costs, maintenance and repair, and	16.8	17.0	3.0

**Inter-Agency Services (1682)**  
**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)

Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
		equipment replacement.			