Department of Revenue Overview

Presented by

Commissioner Designee Sheldon Fisher

Acting Administrative Services Director Michelle Vuille

Department of Revenue

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes

Department Home and Resource Links

http://dor.alaska.gov

FY19 Proposed Department Budget

https://www.omb.alaska.gov/html/budget-report/department-table.html?dept=Rev&fy=19&type=Proposed

Core Programs and Links

Tax Division - **Collect** - http://www.tax.alaska.gov
Performance - **https://www.omb.alaska.gov//html/performance/details.html?p=152**

Treasury Division - **Invest** - http://treasury.dor.alaska.gov
Performance - **https://www.omb.alaska.gov//html/performance/details.html?p=153**

Permanent Fund Dividend Division - **Distribute** - http://pfd.alaska.gov/Division-Info/About-Us
Performance - **https://www.omb.alaska.gov//html/performance/details.html?p=154**

Child Support Services Division – **Collect and Distribute** - http://childsupport.alaska.gov/Overview.aspx
Performance - **https://www.omb.alaska.gov//html/performance/details.html?p=147**

Department of Revenue

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes

Authorities, Corporations, and Boards

- Alaska Housing Finance Corporation (AHFC) – **Invest and Distribute** - https://www.ahfc.us/about-us

  Performance - https://www.omb.alaska.gov//html/performance/details.html?p=143

- Alaska Permanent Fund Corporation (APFC) – **Invest** - https://apfc.org/who-we-are/

  Performance - https://www.omb.alaska.gov//html/performance/details.html?p=150

- Alaska Retirement Management Board (ARMB) – **Invest** - http://treasury.dor.alaska.gov/armb

  Performance - https://www.omb.alaska.gov//html/performance/details.html?p=145

- Alaska Mental Health Trust Authority (AMHTA) – **Distribute** - http://mhtrust.org/about/mission

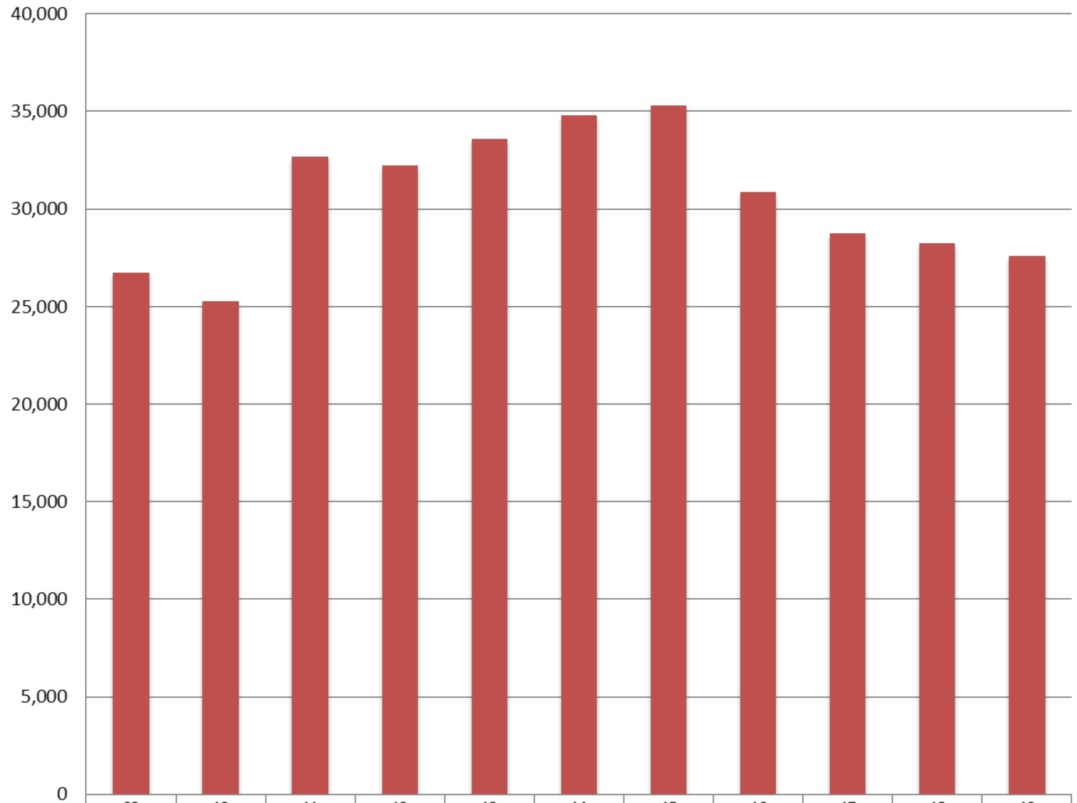
  Performance - https://www.omb.alaska.gov//html/performance/details.html?p=144

- Alaska Municipal Bond Bank Authority (AMBBA) – **Distribute** - http://treasury.dor.alaska.gov/ambba

  Performance - https://www.omb.alaska.gov//html/performance/details.html?p=149

DOR Budget Compared to All Agencies

Department of Revenue Share of Total Agency Operations
(GF Only)
($ Thousands)



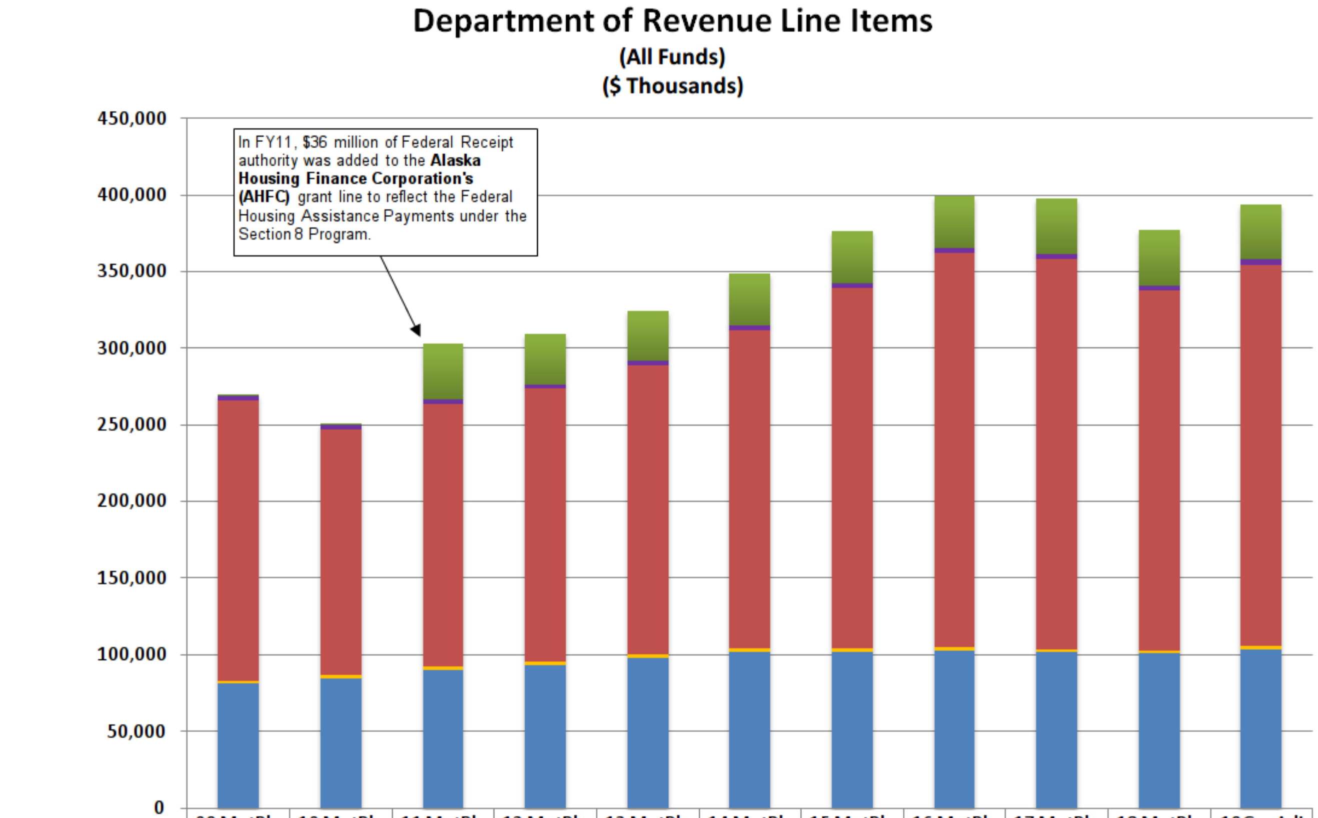
The GF budget grew by $863.6 between FY09 and the FY19 Govenor's Request - an average annual growth rate of 0.3%.

This equates to $83 per resident worker.*

	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 MgtPln	17 MgtPln	18 MgtPln	19 GovAdj
Total Agency Budget (GF Only)	26,716.0	25,255.9	32,657.0	32,228.0	33,594.4	34,820.7	35,282.0	30,866.8	28,723.8	28,222.4	27,579.6
% of Agency Budget to Total Agencies' budgets	0.66%	0.63%	0.75%	0.68%	0.67%	0.69%	0.68%	0.64%	0.61%	0.61%	0.59%

* Per the most recent available workforce data from the Department of Labor, there were 332,583 resident workers in Alaska in 2015.

DOR Budget Line Items – All Funds

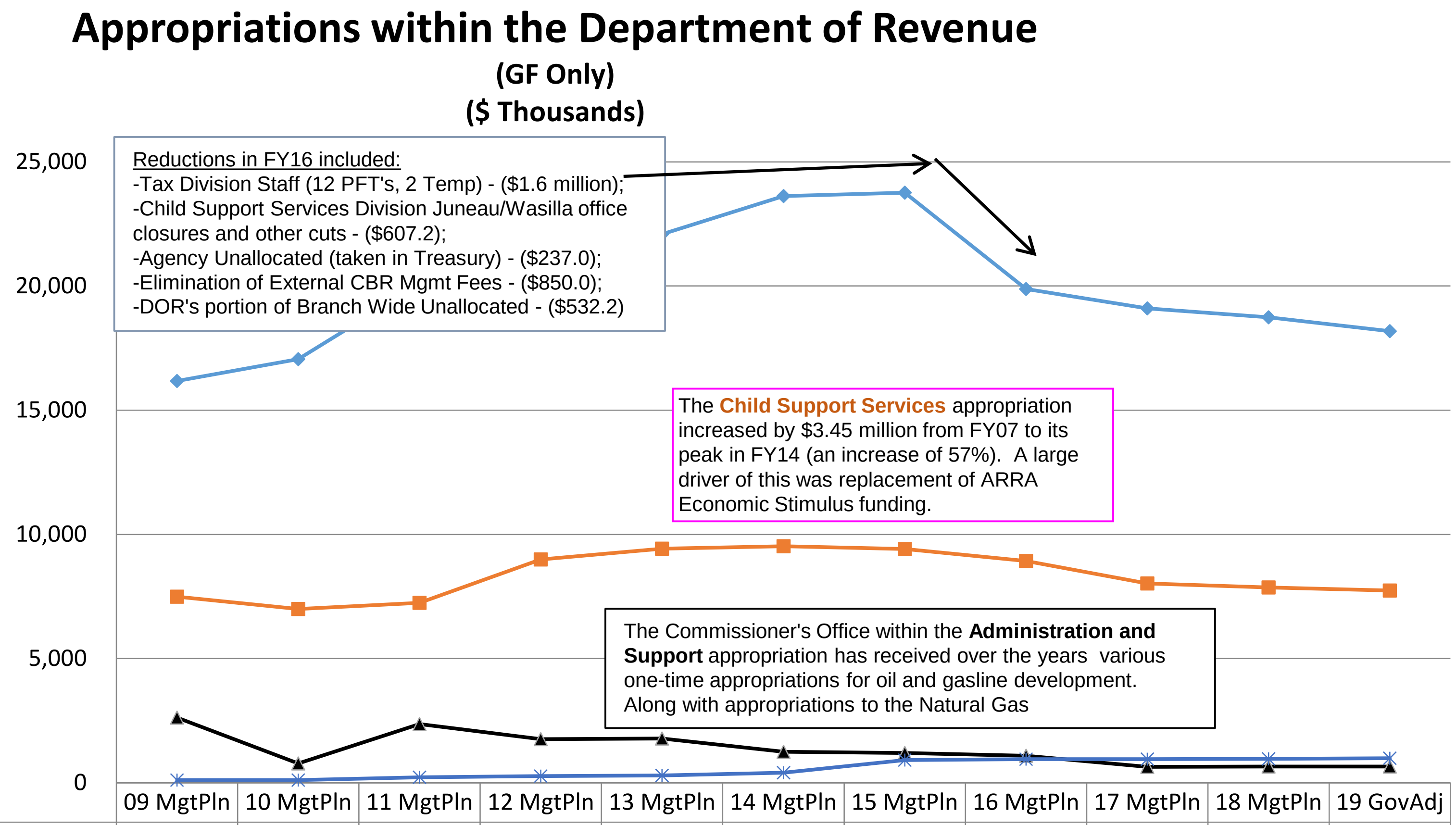


	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 MgtPln	17 MgtPln	18 MgtPln	19GovAdj
Grants, Benefits	930.0	885.0	36,830.0	32,800.0	32,800.0	33,800.0	33,800.0	33,800.0	35,800.0	35,900.0	35,800.0
Capital Outlay	407.4	489.8	579.8	331.0	396.0	455.0	446.0	468.0	540.9	452.9	752.9
Commodities	2,611.5	2,502.0	2,593.7	2,548.5	2,579.9	2,824.7	2,739.5	2,702.5	2,681.2	2,625.8	2,963.5
Services	182,455.3	160,407.4	170,783.1	177,849.1	188,661.9	208,040.9	234,770.2	257,648.4	254,993.6	235,438.1	248,570.7
Travel	1,891.2	2,046.9	2,097.8	2,170.3	2,210.5	2,330.8	2,215.9	2,256.8	1,946.8	1,744.8	2,370.2
Personal Services	81,357.8	84,811.9	90,343.9	93,506.9	97,744.4	101,513.5	102,079.3	102,417.4	101,542.7	100,660.7	103,349.4

DOR Appropriations– GF Only

The **Taxation and Treasury** appropriation increased $7.6 million from FY09 to its peak in FY15 (an increase of 47%). Significant reductions were made in FY16 totaling $3.9 million (see box to right).

Significant increases FY09-15 include:
FY09/10 Audit Masters Positions- $800.0;
FY11 Commercial Analysts Positions- $400.0;
FY11 CBR Mgmt Fees Changed to GF -$2.1 million;
FY12-14 Additional CBR Mgmt Fees $1.1 million;
FY14 Audit Master/O&G Auditor-$279.0;
FY14 Film Office Positions- $198.0;
FY15 SB138 (Gas Pipeline) and HB306 (Indirect Costs Report)-$1.2 million



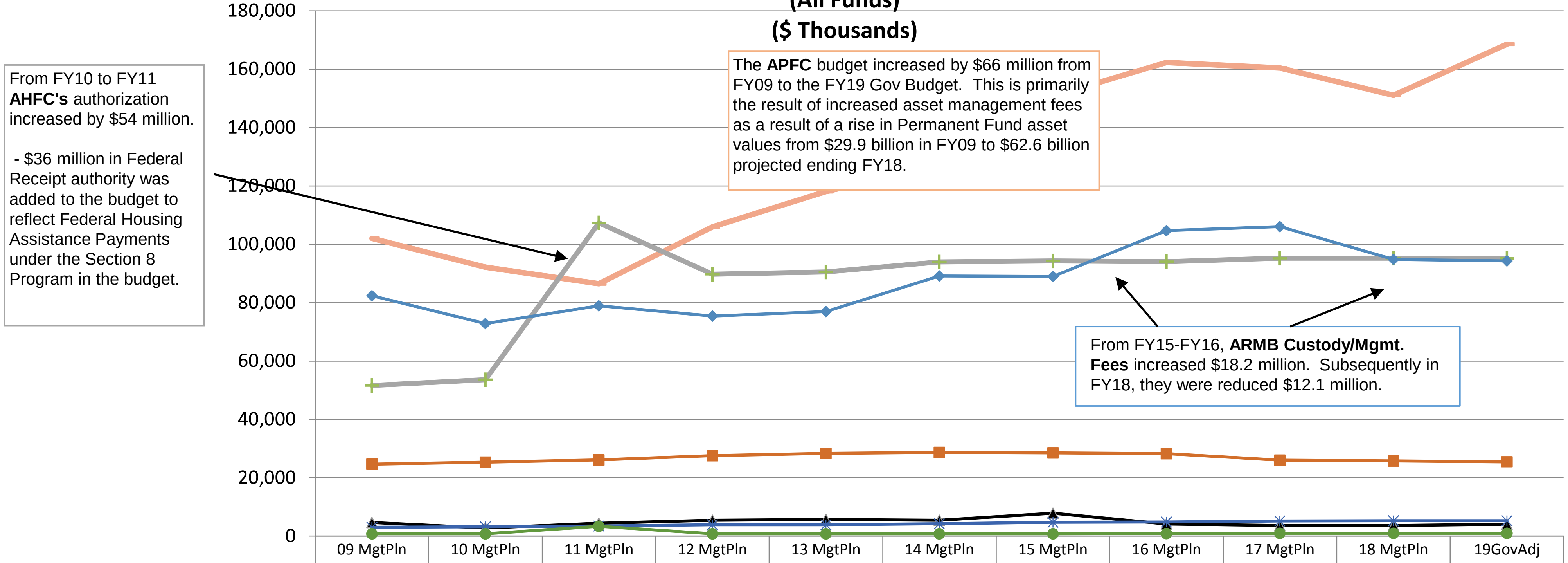
	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 MgtPln	17 MgtPln	18 MgtPln	19 GovAdj
Taxation and Treasury	16,177.1	17,055.4	20,061.6	20,894.1	22,081.8	23,627.6	23,759.6	19,887.6	19,100.6	18,744.2	18,186.2
Child Support Services	7,497.5	7,000.1	7,243.0	8,989.8	9,432.4	9,528.4	9,407.7	8,931.7	8,021.2	7,861.8	7,744.8
Administration and Support	2,629.1	778.2	2,369.6	1,758.3	1,781.4	1,253.8	1,203.2	1,093.3	647.8	653.1	653.8
Mental Health Trust Authority	107.0	110.1	220.9	265.9	298.8	410.9	911.5	954.2	954.2	963.3	994.8

DOR Appropriations– All Funds

Appropriations within the Department of Revenue

(All Funds)

($ Thousands)



	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 MgtPln	17 MgtPln	18 MgtPln	19GovAdj
AK Permanent Fund Corporation	102,063.1	92,122.1	86,482.7	105,939.0	118,086.1	126,995.2	150,806.9	162,254.8	160,359.4	151,023.6	168,573.3
AK Housing Finance Corporation	51,628.5	53,646.2	107,342.4	89,782.3	90,483.8	93,963.5	94,256.3	94,075.7	95,239.9	95,238.9	95,138.9
Taxation and Treasury	82,392.1	72,831.2	78,948.2	75,432.9	76,985.1	89,154.2	88,953.9	104,694.3	106,061.3	94,841.4	94,279.2
Child Support Services	24,700.0	25,370.8	26,092.6	27,574.9	28,361.8	28,711.9	28,542.1	28,321.0	26,063.1	25,773.6	25,428.4
Administration and Support	4,695.1	2,824.3	4,445.0	5,463.8	5,715.0	5,414.7	7,862.4	4,192.8	3,605.3	3,667.7	4,078.0
Mental Health Trust Authority	3,043.1	3,208.2	3,460.5	3,859.0	3,922.4	4,230.2	4,783.5	4,854.8	5,171.4	5,270.8	5,302.3
Municipal Bond Bank Authority	826.0	828.1	3,361.4	834.0	838.5	845.2	845.8	899.7	1,004.8	1,006.3	1,006.6

Department of Revenue – Core Divisions

Allocation and/or Program	Funding (in thousands)	# of Budgeted Positions / Filled	# of Alaskans Served	% Cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness[1]	Constitution Requirement	Federally Required	Required by Statute
Tax Division	**$15,133.5:** $13,310.3 UGF, $773.0 DGF, $1,050.2 other	107/91 PFT	31,000 Tax payers	6%	Critical	Highly effective	No	No	Yes
Treasury Division	**$9,957.9:** $2,855.5 UGF, $359.1 DGF, $6,743.3 other	42/35 PFT 1/1 PPT	All Alaskans		Critical	Exceptional	No	No	Yes
Unclaimed Property	**$515.0:** $515.0 DGF	3/3 PFT	All Alaskans		Important	Effective	No	No	Yes; AS 34.45
Alaska Retirement Management Board (ARMB)	**$10,032.9:** $10,032.9 other		All Alaskans		Critical	Exceptional	No	No	Yes; AS 37.10.210-390
ARMB Custody & Management Fees	**$50,000.0:** $50,000.0 other		All Alaskans		Critical	Exceptional	No	No	Yes; AS 37.10.210-390

Note:
1. Will review in 2018

Department of Revenue – Core Divisions Cont.

Allocation and/or Program	Funding (in thousands)	# of Budgeted Positions / Filled	# of Alaskans Served	% Cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness[1]	Constitution Requirement	Federally Required	Required by Statute
Permanent Fund Dividend Division	**$8,639.9:** $373.3 DGF, $8,266.6 other	69/62 PFT 8/3 PPT	672,242 applied in 2017	5%	Beneficial / Critical	Highly effective	No	No	Yes; AS 37.13 AS 43.23
Child Support Services Division	**$25,428.4:** $7,694.8 UGF, $50.0 DGF, $17,683.6 Fed	196/176 PFT	119,000 (approx)		Critical	Highly effective	No	Yes; Social Security Act	Yes; AS 25.27.010
Office of the Commissioner	**$917.6:** $134.7 UGF, $193.6 other, $589.3 Fed	3/3 PFT	Alaskans not directly served		Critical	Highly effective	No	No	Yes; AS 43.05.010
Administrative Services Division	**$2,753.5:** $519.1 UGF, $1,447.2 other, $787.2 Fed	13/13 PFT	Alaskans not directly served		Important	Effective	No	No	No
Criminal Investigations Unit	**$406.9:** $406.9 other	2/2 PFT	All Alaskans		Important	Highly effective	No	No	No

Note:
1. Will review in 2018

Department of Revenue – Corporations

Allocation and/or Program	Funding (in thousands)	# of Budgeted Positions / Filled	# of Alaskans Served	% Cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
Mental Health Trust Operations	**$4,397.4:** $3,867.4 other, $500.0 DGF	17/15 PFT	Alaskan Trust beneficiaries		Beneficial	Highly Effective	No	No	Yes; AS 47.30
Long Term Care Ombudsman Office (LTCO)	**$904.9:** $410.1 other, $494.8 UGF	6 / 6 PFT	All Alaskan Seniors		Critical	Highly Effective	No		Yes; AS 47.62
Alaska Municipal Bond Bank Authority Operations	**$1,006.6:** $1,006.6 other	1/1 PFT	All Alaskans		Critical	Exceptional	No	No	Yes; AS 44.85
Alaska Housing Finance Corporation Operations	**$94,659.5:** $35,588.5 other, $59,071.0 Fed	314/266 PFT 22/8 PPT 14/14 NP	All Alaskans		Beneficial	Highly Effective	No	Yes	Yes; AS 18.55, AS 18.56
Alaska Corporation for Affordable Housing	**$479.4:** $172.2 other, $307.2 Fed	2 PFT	All low to moderate income Alaskans		Beneficial	Highly Effective	No	Yes	Yes; AS 18.55, AS 18.56
Alaska Permanent Fund Corporation (APFC)	**$168,573.3:** $168,573.3 other	57/42 PFT 2/1 PPT 2/0 NP	All Alaskans		Beneficial	Highly Effective	Yes; Article IX Sec. 15	No	Yes; AS 37.13