

FY2015 - FY2017

AKLNG Project Budget

Department of Revenue

Finance Committees

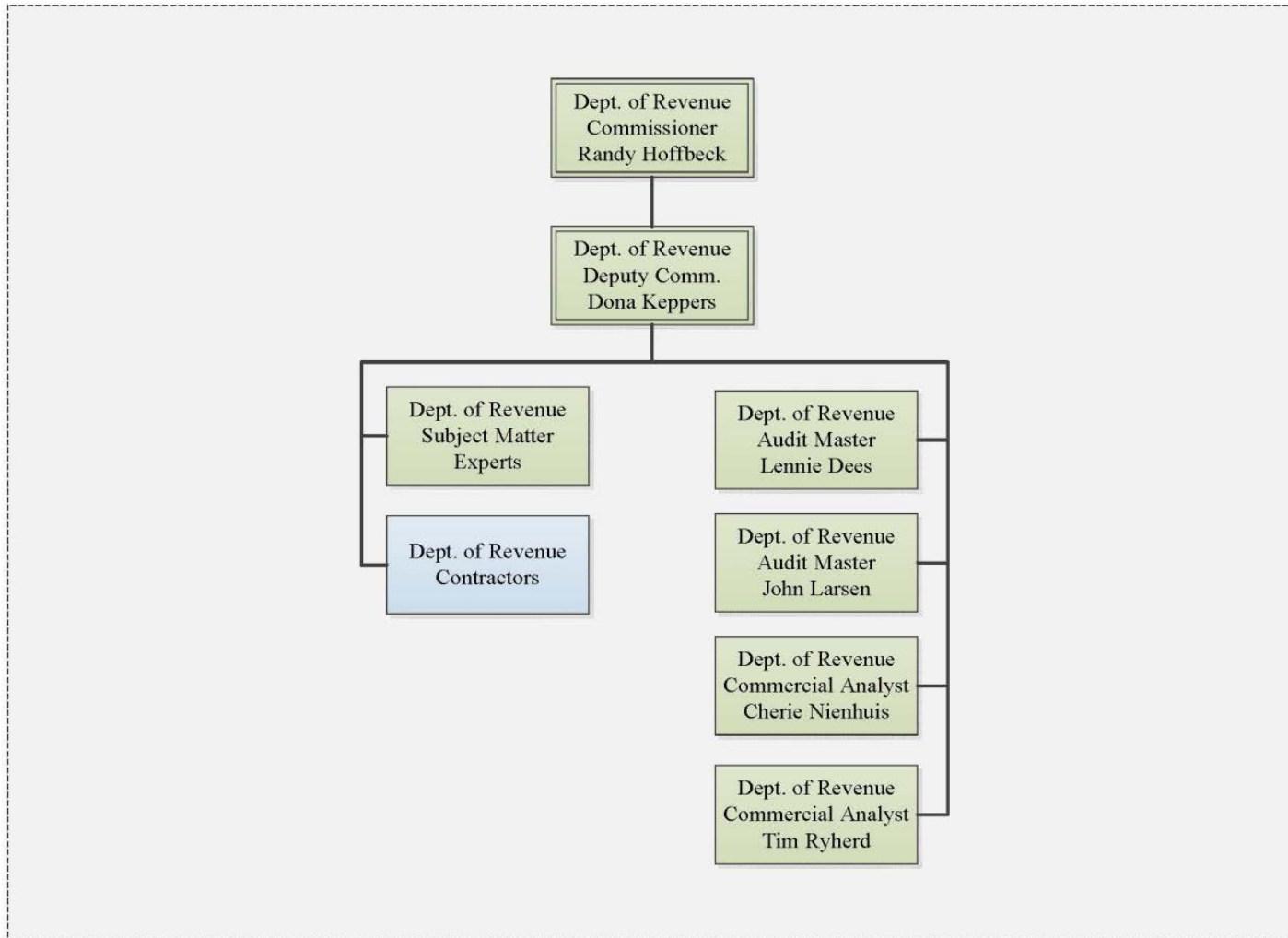
Presented by:

**Dona Keppers, Deputy Commissioner
Alaska Department of Revenue**

February 23, 2016



DOR – AKLNG TEAM



DOR FY2015 AKLNG BUDGET & EXPENDITURES

AK LNG I/A (1236) – RSA with AGDC

	Allocated	Expenses to Date	Projected Spend	Projected Lapse
Personal Services	-	-	-	-
Travel	-	-	-	-
Contractual Services	2,500.0	1,340.7	1,109.3	50.0
Commodities	-	-	-	-
	\$2,500.0	\$1,340.7	\$1,109.3	\$50.0

FY 2015 DOR Contractual Services Detail	Contracted & Encumbered	Invoiced & Paid to Date
Lazard - Analyze and prepare reports on the potential financing alternatives for state participation in the AK LNG project.	\$2,225.0	\$1,225.0
First Southwest - Provides assistance and review of the risks associated with various municipal financing options and effects of each option on the States debt capacity and long term credit rating.	\$225.0	\$115.7
TOTAL	\$2,450.0	\$1,340.7

DOR FY2016 AKLNG BUDGET

FY 2016 Regular and Special Session Funding Overview

AK LNG I/A (1236)

	Allocated	Expenses to Date	Projected Spend	Projected Lapse
Personal Services	-	-	-	-
Travel	-	-	-	-
Contractual Services	150.0	0	150.0	0
Commodities	-	-	-	-
	\$150.0	\$0	\$150.0	\$0

General Fund/LNG (1241)

	Allocated	Expenses to Date	Projected Spend	Projected Lapse
Personal Services	458.5	*245.6	*0	*458.5
Travel	40.0	7.1	15.0	25.0
Contractual Services	500.0	0	500.0	0
Services	47.0	2.4	3.6	43.4
	\$1,045.5	*\$255.1	\$518.6	\$526.9

***The Personal Services actuals are through 1/31/16 but have not yet been charged to fund 1241.** Actuals have been paid out of the Tax Division's FY 16 operating budget, and we will lapse all allocated funds in Personal Services.

DOR FY2016 AKLNG

PERSONAL SERVICES DETAIL

PCN	Position	Status	Budgeted Salary + Benefits	Payroll Actuals (as of 1/31/16)
04-X068	Commercial Analyst	Active on AKLNG (100% of time)	\$187.6 (DNR 1221)	\$109.0 (RSA with DNR)
04-X017	Audit Master	Active on AKLNG (90% of time)	\$192.5 (LNG 1241)	\$103.2 (Tax 1004)
04-X015	Audit Master	Active on AKLNG (75% of time)	\$179.1 (LNG 1241)	\$95.5 (Tax 1004)
04-X040	Commercial Analyst	Active on AKLNG (50% of time)	\$86.9 (LNG 1241)	\$46.9 (Tax 1004)
Total			\$646.1	\$354.6

The first position is allocated to the Commissioner's Office and the other three to the Tax Division. They are on loan to the AKLNG Project for the remainder of the departments involvement during Pre-FEED. The 1241 funding was provided per SB 3001 during special session last October 2015. The Tax Division was unable to temporarily hire for work typically assigned to these three positions and will not be reimbursed from the 1241 Fund.

DOR FY2016 AKLNG

TRAVEL & SERVICES DETAIL

Travel	Budgeted (Fund)	Actuals to Date
Finance and economic modeling travel to Houston; TransCanada development cost audit travel to Calgary.	\$40.0 (1241)	\$7.1
TOTAL	\$40.0	\$7.1

DOR Contractual/Services	Budgeted (Fund)	Actuals to Date
Bankability review of subset of commercial structure, and key commercial agreements.	\$500.0 (1241)	\$0.0
Professional services for tax and finance expertise	\$150.0 (1236)	\$0.0
Telephone, conference, and other service/supplies	\$47.0 (1241)	\$2.4
TOTAL	\$697.0	\$2.4

DOR FY2017 AKLNG BUDGET REQUEST OVERVIEW

General Fund/LNG (1241)	
	Budget Requested
Personal Services	111.7
Travel	50.0
Contractual Services	1,700.0
Services	15.0
TOTAL	\$1,876.7

DOR FY2017 AKLNG PERSONAL SERVICES REQUEST

PCN	Position	Status	Salary + Benefits
04-#047	Program Manager (LTNP)	New position request	\$111.7
TOTAL			\$111.7

Long term non-permanent program manager position. Position will act as administrative and managerial project assistant. Duties include planning, development, and over seeing of major activities; budgetary and administrative responsibilities; development of work plans for assigned projects, including analyzing and formulating project concepts, creating task schedules and cost estimates, identifying critical path issues and other work requirements in collaboration with project teams and financing consultants.

DOR FY2017 AKLNG TRAVEL & SERVICES REQUEST

Travel	Amount
Finance team and economic modeling associated travel	\$50.0
TOTAL	\$50.0

DOR Contractual and Reimbursable Services	Amount
Continued bankability review of commercial structure and key commercial agreements.	\$500.0
Continued First Southwest municipal advisory services in credit rating analysis, coordination of commercial structure with financial markets, and bonding efforts.	\$250.0
Continued Greengate for advice, expertise, analysis and support on financing options and sources of financing, financing structures, finance considerations of commercial negotiations, and property tax support.	\$450.0
RSA to Department of Law for tax and project finance consulting	\$500.0
Other support services (telephone, conference, mail, etc.)	\$15.0
TOTAL	\$1,715.0

THANK YOU

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