

# FISCAL NOTE

**STATE OF ALASKA  
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: CSHB 76(FIN)  
 (S) Publish Date: 4/28/01

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title: New Facilities for API BRU: Revenue Operations  
 Component: Treasury Division  
 Sponsor: Representative Rokeberg  
 Requester: Finance Committee Component Number: 121

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel	10.0					
Contractual	10.0	10.0	10.0	10.0	10.0	10.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Debt Service		1,635.9	1,639.9	1,636.4	1,635.7	1,636.0
<b>TOTAL OPERATING</b>	<b>20.0</b>	<b>1,645.9</b>	<b>1,649.9</b>	<b>1,646.4</b>	<b>1,645.7</b>	<b>1,646.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20.0	1,645.9	1,649.9	1,646.4	1,645.7	1,646.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>20.0</b>	<b>1,645.9</b>	<b>1,649.9</b>	<b>1,646.4</b>	<b>1,645.7</b>	<b>1,646.0</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation identifies \$41,744,000 in funding for a new Alaska Psychiatric Institute facility comprised of the following:  
 1) \$19.2 million in prior appropriations; 2) \$3 million from the Alaska Mental Health Trust Authority; 3) \$16 million in proceeds from the sale of Certificates of Participation (COPs); and 4) \$3,544,000 in investment earnings on existing appropriations and COP proceeds.

Annual debt service on the \$16 million in COPs is estimated at \$1.64 million using the assumptions of 15-year term and a true interest cost of 5.67% (about 0.5% above April 2001 market rates for a competitive bond sale). Debt service will begin in fiscal year 2003, with total repayment estimated at just under \$24.6 million. The interest cost estimate is necessary due to the volatility in interest rates and the difficulty in accurately forecasting what market rates will be in the future.

Prepared by: Deven Mitchell, Debt Manager Phone 465-3750  
 Division: Treasury Division Date/Time 4/23/01 10:00 AM  
 Approved by: Larry Persily, Deputy Commissioner Date 04/23/2001  
 Agency: Department of Revenue

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