

SB

93

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
MAR 14 2001
SENATE FINANCE
COMMITTEE

DATE: 2/21/01

FURTHER:

DATE TURNED IN TO OFFICE: 14 March 01

Finance Committee considered SENATE BILL NO. 93

"An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an effective date."

and recommends:

- be replaced with CS SB 93 (FIN)
- adopt previous CS forthcoming - ()
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Revenue	7/19/01		✓	# 1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>			✓	

MAR 14 2001

SENATE FINANCE COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 93
(S) Publish Date: 2/21/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: An Act relating to the Arctic Winter Games BRU: Revenue Operations
Team Alaska Trust. Component: Treasury
Sponsor: Senator Phillips
Requester: Senate State Affairs 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						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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: The bill includes no appropriations, so at that time there would be no cost to the department to fulfill its duties under AS 37.14.600. The legislation, in AS 37.14.610(a), would allow the department to allocate and collect its costs for administering the new trust fund. The Treasury Division charges each of the funds under its administration a share of the division's overall costs, as well as any incremental costs directly associated with the fund. For example, the Children's Trust has about \$9 million. The division charges the Children's Trust about \$33,400 in allocated costs plus \$1,500 for management fees. Allocated costs include accounting services, data processing support, fixed-income management handled within the division and annual audit expenses. Management fees are 1.5 basis points for domestic equities and 15 basis points for international equity investments. Although the rate for equity management fees for the Arctic Winter Games Trust would be same as for the Children's Trust, the allocated expenses for the Arctic Games Trust probably would be less. The division maintains two accounts for the Children's Trust, while only one account would be needed for the Arctic Games Trust. In addition, the legislation in AS 37.14.600(b)(7) directs the Department of Revenue to "monitor use of trust money by the Arctic Winter Games Team Alaska." Depending whether the Arctic Winter Games Team Alaska has sufficient staff and an annual audit to assist with the work, the Treasury Division may need to contract with a private auditor an annual review to ensure compliance with the law.

Prepared by: Betty Martin, Comptroller Phone 465-2352
Division: Treasury Division Date/Time Feb. 19, 2001, 9:50 a.m.
Approved by: Larry Persily, Deputy Commissioner Date Feb. 19, 2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

adopted

WORK DRAFT

WORK DRAFT

WORK DRAFT

22-LS0566U
Cook
3/13/01

CS FOR SENATE BILL NO. 93()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR PHILLIPS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an
2 effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 37.14 is amended by adding new sections to read:

5 Article 7. Arctic Winter Games Team Alaska Trust.

6 Sec. 37.14.600. Arctic Winter Games Team Alaska trust fund established.

7 (a) The Arctic Winter Games Team Alaska trust fund is established as a separate
8 endowment trust of the state consisting of

- 9 (1) appropriations to the trust;
- 10 (2) donations to the trust; and
- 11 (3) income earned on investments of trust assets.

12 (b) The commissioner of revenue shall manage the trust as an endowment,
13 with the goal of ensuring that the purchasing power of the trust will not diminish over
14 time without regard to additional contributions that may be made to the trust.

1 (c) Nothing in this section creates a dedicated fund.

2 **Sec. 37.14.610. Duties of the commissioner.** The commissioner of revenue
3 has the power and duty to

4 (1) act as official custodian of the cash and investments belonging to
5 the Arctic Winter Games Team Alaska trust by securing adequate and safe custodial
6 facilities;

7 (2) exercise the same powers and duties as those established for the
8 Alaska State Pension Investment Board in AS 14.25.180(b) and (c);

9 (3) invest the assets of the trust in a manner likely to yield at least five
10 percent real rate of return over time;

11 (4) maintain accounting records of the trust in accordance with
12 investment accounting principles;

13 (5) enter into and enforce contracts or agreements considered
14 necessary for the investment purposes of the trust;

15 (6) report to the board of directors of the Arctic Winter Games Team
16 Alaska the condition and performance of the trust;

17 (7) monitor use of trust money by the Arctic Winter Games Team
18 Alaska; and

19 (8) do all acts that the commissioner of revenue considers necessary or
20 proper in administering the assets of the trust.

21 **Sec. 37.14.620. Transfers from the trust fund.** (a) As soon as practicable
22 after July 1 of each year, the commissioner of revenue shall determine the average
23 month-end market value of the Arctic Winter Games Team Alaska trust fund for the
24 immediately preceding three fiscal years. Five percent of that amount shall be
25 identified by the commissioner as available for appropriation to the Department of
26 Revenue for

27 (1) costs to the department of administering the trust; and

28 (2) transfers to Arctic Winter Games Team Alaska, a nonprofit
29 corporation, in amounts requested by the corporation for purposes authorized in
30 AS 37.14.630.

31 (b) As soon as practicable after July 1 of each fiscal year that the Arctic

1 Winter Games are held in the state, the commissioner of revenue shall determine
2 whether more money may be made available to support the state's participation in the
3 games from the Arctic Winter Games Team Alaska trust fund than the amount
4 determined under (a) of this section. The determination of the amount of additional
5 money available shall be based on consideration of AS 37.14.600(b) and any amounts
6 identified during prior fiscal years as available for appropriation under (a) of this
7 section that were never transferred from the trust fund. The additional amount shall be
8 identified by the commissioner and is available for appropriation to the Department of
9 Revenue for transfers to Arctic Winter Games Team Alaska.

10 **Sec. 37.14.630. Use of trust money.** The board of directors of the Arctic
11 Winter Games Team Alaska may use money transferred from the Arctic Winter
12 Games Team Alaska trust fund only for

13 (1) equipment, uniforms, travel, and food and lodging for Arctic
14 Winter Games Team Alaska athletes, coaches, staff, and directors;

15 (2) staging tryouts for Arctic Winter Games Team Alaska in events;

16 (3) costs of athletic skill clinics;

17 (4) grants to youth sports organizations for equipment;

18 (5) providing for cultural performers and exhibitions to accompany the
19 Arctic Winter Games Team Alaska sports delegation;

20 (6) costs incurred by the Arctic Winter Games Host Society for
21 expenses associated with holding the Arctic Winter Games in the state; and

22 (7) administrative expenses related solely to the state's participation in
23 the Arctic Winter Games.

24 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 **TRANSITION.** (a) Notwithstanding AS 37.14.620(a), enacted by sec. 1 of this Act,
27 the commissioner of revenue shall identify five percent of the balance of the Arctic Winter
28 Games Team Alaska trust fund on July 1, 2001, as available for appropriation to support the
29 state's participation in the Arctic Winter Games for fiscal year 2002.

30 (b) Notwithstanding the requirement under AS 37.14.620(a), enacted by sec. 1 of this
31 Act, that the commissioner of revenue make a determination based on the market value of the

1 Arctic Winter Games Team Alaska trust fund for the immediately preceding three years, the
2 commissioner of revenue shall make the determination under AS 37.14.620(a) based on the
3 average ending balance in the fund

4 (1) from July 31, 2001, to June 30, 2002, for fiscal year 2003;

5 (2) from July 31, 2001, to June 30, 2003, for fiscal year 2004;

6 (3) from July 31, 2001, to June 30, 2004, for fiscal year 2005.

7 * Sec. 3. This Act takes effect July 1, 2001.

22-LS0566\C
Cook
2/27/01

CS FOR SENATE BILL NO. 93()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR PHILLIPS

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an
2 effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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8 endowment trust of the state consisting of

- 9 (1) appropriations to the trust;
- 10 (2) donations to the trust; and
- 11 (3) income earned on investments of trust assets.

12 (b) The commissioner of revenue shall manage the trust as an endowment,
13 with the goal of ensuring that the purchasing power of the trust will not diminish over
14 time without regard to additional contributions that may be made to the trust.

1 **Sec. 37.14.610. Duties of the commissioner.** The commissioner of revenue
2 has the power and duty to

3 (1) act as official custodian of the cash and investments belonging to
4 the Arctic Winter Games Team Alaska trust by securing adequate and safe custodial
5 facilities;

6 (2) exercise the same powers and duties as those established for the
7 Alaska State Pension Investment Board in AS 14.25.180(b) and (c);

8 (3) invest the assets of the trust in a manner likely to yield at least five
9 percent real rate of return over time;

10 (4) maintain accounting records of the trust in accordance with
11 investment accounting principles;

12 (5) enter into and enforce contracts or agreements considered
13 necessary for the investment purposes of the trust;

14 (6) report to the board of directors of the Arctic Winter Games Team
15 Alaska the condition and performance of the trust;

16 (7) monitor use of trust money by the Arctic Winter Games Team
17 Alaska; and

18 (8) do all acts that the commissioner of revenue considers necessary or
19 proper in administering the assets of the trust.

20 **Sec. 37.14.620. Transfers from the trust fund.** (a) As soon as practicable
21 after July 1 of each year, the commissioner of revenue shall determine the average
22 month-end market value of the Arctic Winter Games Team Alaska trust fund for the
23 immediately preceding three fiscal years. Five percent of that amount shall be
24 identified by the commissioner as available for appropriation to the Department of
25 Revenue for

26 (1) costs to the department of administering the trust; and

27 (2) transfers to Arctic Winter Games Team Alaska, a nonprofit
28 corporation, in amounts requested by the corporation for purposes authorized in
29 AS 37.14.630.

30 (b) As soon as practicable after July 1 of each year that the Arctic Winter
31 Games are held in the state, the commissioner of revenue shall determine whether

1 more money may be made available to support the state's participation in the games
2 from the Arctic Winter Games Team Alaska trust fund than the amount determined
3 under (a) of this section. The determination of the amount of additional money
4 available shall be based on consideration of AS 37.14.600(b) and any amounts
5 identified during prior fiscal years as available for appropriation under this subsection
6 that were never transferred from the trust fund. The additional amount shall be
7 identified by the commissioner and is available for appropriation to the Department of
8 Revenue for transfers to Arctic Winter Games Team Alaska.

9 Sec. 37.14.630. Use of trust money. The board of directors of the Arctic
10 Winter Games Team Alaska may use money transferred from the Arctic Winter
11 Games Team Alaska trust fund only for

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13 Winter Games Team Alaska athletes, coaches, staff, and directors;

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18 Arctic Winter Games Team Alaska sports delegation;

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20 expenses associated with holding the Arctic Winter Games in the state; and

21 (7) administrative expenses related solely to the state's participation in
22 the Arctic Winter Games.

23 * Sec. 2. The uncoded law of the State of Alaska is amended by adding a new section to
24 read:

25 TRANSITION. (a) Notwithstanding AS 37.14.620(a), enacted by sec. 1 of this Act,
26 the commissioner of revenue shall identify five percent of the balance of the Arctic Winter
27 Games Team Alaska trust fund on July 1, 2001, as available for appropriation to support the
28 state's participation in the Arctic Winter Games for fiscal year 2002.

29 (b) Notwithstanding the requirement under AS 37.14.620(a), enacted by sec. 1 of this
30 Act, that the commissioner of revenue make a determination based on the market value of the
31 Arctic Winter Games Team Alaska trust fund for the immediately preceding three years, the

1 commissioner of revenue shall make the determination under AS 37.14.620(a) based on the
2 average ending balance in the fund ³¹

3 (1) from July ~~30~~³¹, 2001, to June 30, 2002, for fiscal year 2003;

4 (2) from July ~~30~~³¹, 2001, to June 30, 2003, for fiscal year 2004;

5 (3) from July ~~30~~³¹, 2001, to June 30, 2004, for fiscal year 2005.

6 * Sec. 3. This Act takes effect July 1, 2001.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 485-3887 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 27, 2001

SUBJECT: Arctic Winter Games Team Alaska Trust (CSSB 93();
version 22-LS0566\C)

TO: Senator Randy Phillips
Attn: Kim Ross

FROM: Tamara Brandt Cook
Director *TBC*

Here is the comparison you requested between SB 93 and the draft CSSB 93(); 22-LS0566\C. Only differences between the versions are identified and section number headings refer to the draft CS.

Sec. 37.14.600 - Under the CS the trust fund consists of appropriations to the trust, donations to the trust, and income earned on the investment of the trust. Under SB 93, the trust consists only of appropriations. The commissioner of revenue is required to request appropriations of income earned on trust investments to the trust. The CS adds a new requirement that the commissioner of revenue manage the trust as an endowment with the goal of ensuring that the purchasing power of the trust will not diminish over time.

Sec. 37.14.610 - The CS adds as a duty of the commissioner that he exercise the powers and duties as those established for the Alaska State Pension Investment Board.

Sec. 37.14.620 - In the CS the commissioner is required to determine an amount that is available for appropriation based on a formula. In a year that the Arctic Winter Games are held in the state, the commissioner is required to determine whether additional money is available for appropriation. Only amounts appropriated to the Department of Revenue may be transferred to Arctic Winter Games Team Alaska. In SB 93 transfers could be made to the Arctic Winter Games Team Alaska from the trust without an appropriation from the trust for that purpose. The amount available for transfer was different.

Sec. 37.14.630 - Administrative expenses is added to the list of things for which trust money may be spent. What was in SB 93 sec. 37.14.610 relating to administrative expenses has been deleted from the CS. The CS in paragraph (2), deleted the word "sporting" before "events."

Senator Randy Phillips
February 27, 2001
Page 2

Sec. 2 - The transition section has been added in the CS and does not appear in the original bill.

TBC:glc
01-208.glc

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/15/01

FURTHER: Finance

Date of 5-Day Notice: 2/13/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2-21-01

State Affairs Committee considered SENATE BILL NO. 93

"An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

- Senate Bill:**
 same title
 new title
House Bill:
 same title
 technical title
 new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Revenue	2/19		X	1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Rick Halford</i>	✓			✓
<i>Patricia [unclear]</i>	✓			
<i>Aearns</i>			✓	
<i>Bettye [unclear]</i>	50		✓	
CHAIR: <i>Gene Theriault</i>			x	



ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
(907) 465-4949
(907) 465-4979 Fax
Toll Free Anchorage Area
800-478-4950

Interim
P.O. Box 142
Eagle River, AK 99577
(907) 694-4949
(907) 694-4948 Fax

February 21, 2001

Honorable Dave Donley
Honorable Pete Kelly
Senate Finance Committee
State Capitol
Juneau, AK 99801

Re: SB 93 Arctic Winter Games
Sponsor Statement

Dear Senators Donley and Kelly,

The purpose of SB 93, establishing the Arctic Winter Games Team Alaska Trust, is to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

Under the leadership of Governor Walter J. Hickel, the Arctic Winter Games were founded 30 years ago. During this time the state has given support for annual membership dues and for Team Alaska as it participates in the biennial Games. However, the funding has not been maintained at a consistent level and requires ongoing annual appropriations.

The Arctic Winter Games Team Alaska Trust would simplify the current funding mechanism and provide stability to the state's commitment to the Games. This will be particularly important as the Games are held in Nuuk, Greenland in 2002 and Northern Alberta in 2004, requiring a greater financial burden on participants who cover many of the costs themselves or through sponsorship programs.

SB93 passed out of Senate State Affairs Committee yesterday, 2-21-01.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Phillips".

Senator Randy Phillips

LEGAL SERVICES

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State Capitol
Juneau, Alaska 99801-1182
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MEMORANDUM

February 27, 2001

SUBJECT: Arctic Winter Games Team Alaska Trust (SB 93)

TO: Senator Pete Kelly, Co-chair
Senate Finance Committee
Attn: Laura Glaiser

FROM: Tamara Brandt Cook
Director *TBC*

You ask whether the bill establishing the Arctic Winter Games Team Alaska trust violates the constitutional prohibition against dedicated funds or the appropriation requirement. It does not.

The bill establishes a special account that has been called an endowment trust but does not operate as a trust in the legal sense. However, no income stream is dedicated to the trust and all money in the trust is first appropriated to it. (See AS 37.14.600(a)) Even trust income must be appropriated and is not simply retained in the trust. This avoids the constitutional question identified by the Attorney General as to whether retaining income in a "revolving" fund violates the prohibition against dedicated revenues. (See AS 37.14.600(a) and (b)(5); 1982 Op. Att'y Gen., Nov. 30, 1982)

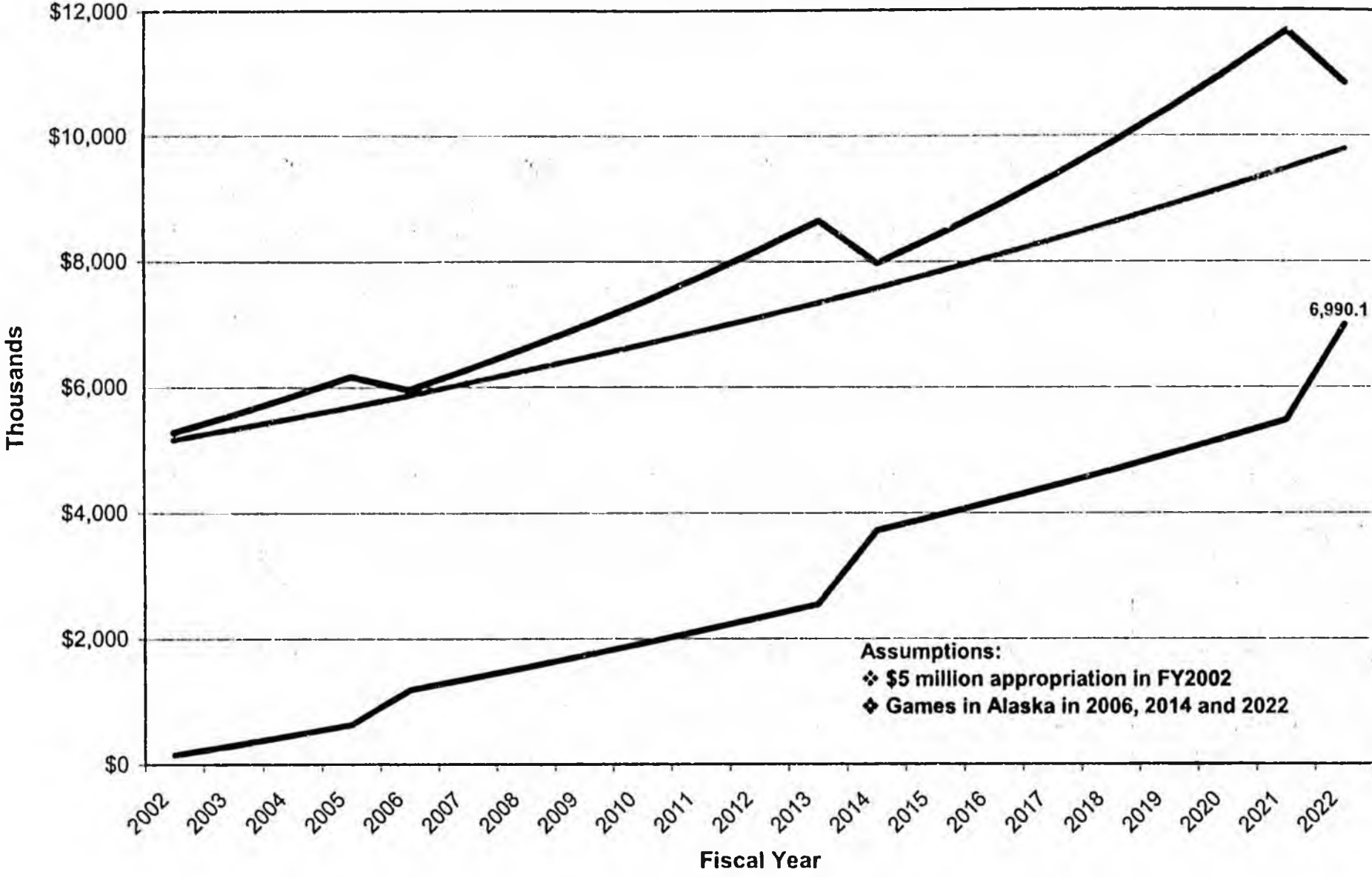
Once money is appropriated to the trust, the money may be transferred out of the trust to the Arctic Winter Games Team Alaska, Inc. without an additional appropriation. Since the money in the trust has already been appropriated for ultimate disposal to the corporation, this does not violate the constitutional appropriation requirement. In fact, because there is no need for a subsequent appropriation from the trust to the corporation, money in the trust is protected from the so-called "sweep" provision of the constitutional budget reserve fund. (Art. IX, sec. 17(d); Hickel v. Cowper, 874 P.2d 922 (Alaska 1994))

Lastly, of course, nothing prevents the legislature from appropriating any unobligated amounts from the trust for any public purpose. While money appropriated to the trust may be used for expenses associated with the Arctic Winter Games, the money is not, as a legal matter, dedicated to those purposes.

Let me know if this prompts additional questions.

TBC:glc
01-202.glc

Arctic Winter Games Team Alaska Trust



Assumptions:
 ❖ \$5 million appropriation in FY2002
 ❖ Games in Alaska in 2006, 2014 and 2022

— Ending MV — Inflation Adjusted Value of \$5 million — Cumulative Support of Games

Arctic Winter Games Team Alaska Trust
Assume 5% Payout Allowed By Statute

CHANGE YELLOW AMOUNTS ONLY

(Years that games are estimated to be In-State are in Blue)

Principal Assets	Warning Condition	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		Beginning Assets		-	5,274.8	5,654.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.8	9,351.5	9,874.4	10,432.9
Original Endowment		5,000.0																				
Reinvesting																						
Total Investment Return		424.8	434.9	458.3	483.2	509.8	491.0	517.2	545.2	575.1	607.0	641.0	677.3	718.1	657.9	693.9	732.2	773.2	818.9	863.6	913.6	967.0
Annual Team Alaska Withdrawal (Bag of Year)		(150.0)	(154.9)	(159.9)	(165.1)	(170.5)	(178.0)	(181.7)	(187.6)	(193.7)	(200.0)	(205.5)	(213.2)	(220.2)	(227.3)	(234.7)	(242.3)	(250.2)	(258.4)	(266.6)	(275.4)	(284.4)
Every 3-5 year Host Committee Withdrawals (Bag of Year)	If red it is a cost of games					(865.2)								(1,174.3)								(1,516.7)
Ending Assets		5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.8	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0	10,833.9
Inflation Adjusted Endowment Value (3.25%)		5,162.5	5,330.3	5,503.5	5,682.4	5,867.1	6,057.7	6,254.6	6,457.9	6,667.8	6,884.5	7,108.2	7,339.2	7,577.8	7,824.0	8,078.3	8,340.9	8,611.9	8,891.8	9,180.8	9,479.2	9,787.3
5% of Average MV (prior 3 year ending)		250.0	263.7	270.7	278.0	293.0	299.7	306.6	313.9	330.7	348.6	367.7	388.0	409.8	413.5	417.1	420.6	443.6	460.1	494.3	522.3	552.2
Estimated Game Costs Each Year (Inflation Adjusted)		800.0	826.0	852.8	880.6	909.2	938.7	969.2	1,000.7	1,033.3	1,066.8	1,101.5	1,137.3	1,174.3	1,212.4	1,251.0	1,292.5	1,334.5	1,377.9	1,422.7	1,468.9	1,516.7
Ending MV Greater (Less) Than Inflation Adj Value	If negative	112.3	224.5	349.7	488.9	88.4	212.7	351.3	505.6	677.1	867.3	1,078.0	1,311.0	394.2	578.5	783.3	1,010.6	1,262.5	1,541.1	1,849.0	2,188.8	1,046.7
Cumulative 5% loss Cumulative Withdrawals	If negative	100.0	208.9	319.7	432.6		123.7	248.5	374.8	511.7	660.2	821.4	996.2	11.5	197.7	380.0	558.3	751.6	961.4	1,189.0	1,435.8	186.9
PRINCIPAL VARIABLES																						
Broad market allocation		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
INCREMENTAL CHANGE (+ or -)																						
Fixed income allocation		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
INCREMENTAL CHANGE (+ or -)																						
International Equity allocation		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
INCREMENTAL CHANGE (+ or -)																						
Broad market return (1)		9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%
INCREMENTAL CHANGE (+ or -)																						
Fixed income return (1)		6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
INCREMENTAL CHANGE (+ or -)																						
International Equity return (1)		9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
INCREMENTAL CHANGE (+ or -)																						
Total Weighted Return		8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%
Inflation Rate (1)		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

(1) Return and inflation assumptions are per Callan Associates, consultant used by Alaska State Pension Board, Treasury and APFC

TEAM ALASKA

10/26/00

Budget2002.xls - 2002 3dgt-DCED - page 1 of 2

1:06 PM

Draft Budget for 2002 Games Cycle				
Based upon 2000 Cycle - guesstimates on airfares and fcs are at bottom of page				
Income		FY 2001	FY 2002	Total
Income-Dues				
	100-Grants	75000.00	145000.00	220000.00
	101-Grant Dues	0.00		0.00
	102-Grant Ops	75000.00	145000.00	220000.00
Income-Operations				
	150-Corporate Sponsorships	0.00	92500.00	92500.00
	161-Dev. Director		90000.00	90000.00
	162-Other BOD Solicited Monies		2500.00	2500.00
	200-Dues	1250.00	1200.00	2500.00
	201-Biennial Individual	250.00	250.00	500.00
	209-Donations	1000.00	1000.00	2000.00
	300-Fees	0.00	245000.00	245000.00
	301-Registration Fees		245000.00	245000.00
	400-Sales	0.00	12200.00	12200.00
	401-Pins		500.00	500.00
	402-Jackets		1000.00	1500.00
	403-Hats		200.00	200.00
	407-Air Fares		10000.00	10000.00
		76260.00	495950.00	672200.00
Expenses				
		FY00	FY00	Total
Expenses-Dues				
0900	International Committee	21000.00	0.00	21000.00
	10 International Dues	21000.00	0.00	21000.00
Expenses-Operations				
1000	Materials & Supplies	11200.00	100200.00	111400.00
1100	Office Materials and Supplies			
	1110 Photocopy	800.00	2000.00	2600.00
	1120 Postage and Shipping	800.00	3000.00	3600.00
	1140 Supplies	800.00	1200.00	2000.00
1200	Development/Fundraising			
	1230 Printing and Photocopy	2000.00	500.00	2500.00
	1240 Corp. Rec (materials & advt)	0.00	1500.00	1500.00
	1250 Corp. Rec advertising	1000.00	3000.00	4000.00
1300	600-Games Gear			
	1310 Pins	0.00	10000.00	10000.00
	1320 Hats	5000.00	0.00	5000.00
	1330 Uniforms	0.00	75000.00	75000.00
	1340 T-shirts	0.00	1000.00	1000.00
	1350 Misc (promo materials)	1200.00	0.00	1200.00
	1360 Spec Risk Ins	0.00	3000.00	3000.00
2000	Contract Labor	28000.00	42000.00	70000.00
2100	Operations			
	2110 Chef de Mission Contract	18000.00	18000.00	36000.00
2200	Development/Fundraising			
	2210 Dev. Director Contract	10000.00	18000.00	28000.00
	2220 Dev. Director Commission	0.00	6000.00	6000.00
3000	Administration	3800.00	3820.00	7620.00
3100	BOD Expenses			
	3110 BOD Meeting Travel	1000.00	1000.00	2000.00
	3120 BOD Retreats	500.00	500.00	1000.00
	3130 BOD Liability Insurance	1300.00	1300.00	2600.00
	3140 BOD Corp Reg. Fees		20.00	20.00
	3150 BOD C of C Dues	500.00	500.00	1000.00
	3160 BOD Meeting Meals & Rental	500.00	500.00	1000.00
4000	Other Expenses			
	4100 Utilities-Campus Prep Office	11000.00	404500.00	415500.00

Greenland Budget FY02

10/20/00

Budget2002.xls -- 2002 BdgI-DCED - page 2 of 2

1:06 PM

	200-Administration							
	4120 Telephone Service & Tolls	3000.00		4000.00		7000.00		
	4140 Heating Oil	2500.00		2500.00		5000.00		
	4160 Misc Office Overhead	1000.00		1000.00		2000.00		
	4180 Mstr & Sport Court Exp	0.00		1000.00		1000.00		
	4200 Utilities-Devp Office							
	4220 Telephone Service & Tolls	500.00		1500.00		2000.00		
	4300 Mission Expenses							
	4310 On-Site Vehicle Rental	0.00		4000.00		4000.00		
	4320 Cell-Phone Rental/Communications	0.00		1500.00		1500.00		
	4400 600-Games Travel							
	4410 Chef's Inspection Trip	4000.00		0.00		4000.00		
	4420 Chef's Travel To Games	0.00		4000.00		4000.00		
	4430 Team Travel Within Alaska	0.00		15000.00		15000.00		
	4440 Team Travel To/From Games	0.00		360000.00		350000.00		
	4460 BOD Travel To/From Games	0.00		20000.00		20000.00		
			76000.00		550520.00	626520.00		
			Income	78250.00	Income	496950.00	Income	672200.00
			Expense	75000.00	Expense	550520.00	Expense	625520.00
			Balance	1250.00	Balance	-54570.00	Balance	-53320.00
	Registration Fees	350	700	245000				
	Air fares	350	1000	360000				

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

2000

Arctic Winter Games

90 years of international sports
social exchange and cultural
interaction among the northern nations.

1970-2000



Contributor Information Package
Presented by
ARCTIC WINTER GAMES TEAM ALASKA

Bumblun in A

*FROM THE DESK OF
GOVERNOR WALTER J. HICKEL*



Dear Friends,

Thirty years ago, I had the honor of working with leaders from the Yukon and Northwest Territories of Canada to create the Arctic Winter Games, an international sporting competition between Alaska and our northern neighbors. From the beginning, however, the Arctic Winter Games have encompassed far more than just sports. Indeed, for thirty years they have served as an outstanding forum for promoting friendship and understanding between countries who call the arctic regions their home.

From humble beginnings, the Arctic Winter Games have become one of the most admired amateur sporting events in the world. There are nearly 2,000 athletes and coaches, eighteen sporting events, and exhibitions and performances that showcase our unique northern culture. Participating contingents now include two regions of Russia, four Canadian provinces and territories, Greenland and Alaska. The Games are held every two years, hosted on a rotating basis among the various regions.

The 2000 Arctic Winter Games will be held March 5-11 in Whitehorse, Yukon Territory. The young athletes of Team Alaska need your help. I ask that you read the enclosed materials and join me in supporting Team Alaska. There are sponsorship opportunities for every budget and I am confident you will find your participation in this great Alaskan tradition to be a truly rewarding experience.

Sincerely yours,

Walter J. Hickel
Governor Walter J. Hickel
Honorary Chairman, Team Alaska 2000



TEAM ALASKA

The athletes and coaches that comprise Team Alaska come from every corner of the state. In fact, over 100 towns and villages will have athletes participating in the 2000 Arctic Winter Games. Over the history of the Games, over 4,000 athletes have been members of Team Alaska, and many thousands more have participated in the tryouts. No other event involves such a diverse cross section of Alaska. The Arctic Winter Games...truly an All Alaskan event!



Communities Represented in the 1998 Arctic Winter Games

Anchorage	Ester	Ketchikan	Talkeetna
Barnes	Fairbanks	Kodiak	Tok
Barrow	Fort Wainwright	Nikiski	Toksook Bay
Chitina	Girdwood	Ninilchik	Trapper Creek
Copper Center	Glennallen	Nome	Valdez
Delta Junction	Healy	North Pole	Wasilla
Dillingham	Homer	Palmer	Willow
Dominion	Juneau	Platinum	Wrangell
East River	Kasigluk	Seward	
Edison AFB	Kenney Lake	Soldotna	

WHERE DO ARCTIC WINTER GAMES ATHLETES COME FROM?

YOUR TOWN!



AMATEUR ATHLETICS AT ITS FINEST

During the twelve months before the 2000 Games, Team Alaska's leader (the Chef de Mission) and his sport coordinators begin selecting athletes from throughout the state to fill roster spots on the eighteen sports teams. Some athletes are chosen through tryouts while others are nominated for participation by coaches in their home towns. The Arctic Winter Games feature as many athletes and events as the Winter Olympics! The Games are unique in that they provide one of the few opportunities in the world of sports for developing athletes to compete at the international level.



THE EIGHTEEN ARCTIC WINTER GAMES SPORTS

- Alpine Skiing
- Snowboarding
- Arctic Sports (Dene)
- Arctic Sports (Inuit)
- Badminton
- Basketball
- Cross Country Skiing
- Curling
- Dog Mushing
- Gymnastics
- Ice Hockey
- Indoor Soccer
- Ski Biathlon
- Snowshoeing
- Snowshoe Biathlon
- Speed Skating
- Volleyball
- Wrestling

Team Alaska and the other participating delegations include a cultural contingent which performs throughout the host community during the week of the Games. The visiting contingents also perform in the "Cultural Gala", one of the highlights of the Games.



TEAM ALASKA BOARD OF DIRECTORS & STAFF

Team Alaska is a 501(c)(3) non-profit corporation, founded in 1970. The Corporation is governed by a twelve member Board of Directors who are selected from various regions around the state. The Corporation's primary mission is to organize and transport the Team Alaska athletes to the host community and to supervise their participation in the Games. Since the Arctic Winter Games are held every two years and at different locations, the organizational process never really stops.

The State of Alaska is one of the charter members of the Arctic Winter Games and the Lt. Governor is the official government representative before the Arctic Winter Games International Committee. The International Committee selects the cities who will host the Games and provides guidance to the host community. Alaska also has two standing board members on the International Committee.

Arctic Winter Games Team Alaska Board of Directors

Inland Region

Ken G. Davis, President
 Joe Nave, Vice President
 Joe Aronson, Secretary
 Bonnie Williams
 Phyllis Lat

South Central Region

Dave Wagner, Regional Vice President
 Chin Spindler
 Gus Johnson
 Joe Cronin
 Lisa Kelly

Southern Region

George Smith, Regional Vice President
 Jim Powell

International Committee

Wendell Shiffert
 John Kocak

Government Representative

Lt. Governor Chris Ulmer

Staff

John Erbe, Chief of Mission
 Alan Sullivan, Development Director



THIRTY YEARS IN REVIEW

- 1970 - Yellowknife, NT: The first Arctic Winter Games are officially opened by Canadian Prime Minister Elliott Trudeau. A great tradition begins!
- 1972 - Whitehorse, Yukon: The second Games feature contingents from Quebec and Greenland, with observers from Russia and Labrador as well.
- 1974 - Anchorage, Alaska: The largest city north of 60 on the North American continent hosts the third games.
- 1976 - Shefferville, Quebec: The host city was tiny Shefferville, a French speaking mining town. The size of all contingents was reduced to suit the available facilities.
- 1978 - Hay River/Pine Point: Held in two locations, the first passenger rail service was implemented in the NT to enable competitors to commute between the two communities.
- 1980 - Whitehorse, Yukon: Hosting for the second time, Whitehorse set a new standard for Games organization. Expanded cultural programs were one of the highlights.
- 1982 - Fairbanks, Alaska: The Games return to Alaska and the organizers put on a great show, with the entire community lending support.
- 1984 - Yellowknife, NT: A new arena in Yellowknife allows for indoor opening and closing ceremonies. Alaska arrives in the first 747 ever to land in Yellowknife.
- 1986 - Whitehorse, Yukon: A small contingent from Northern Alberta joins the Games, as well as a contingent from Northern Quebec. The growth of the Games continues.
- 1988 - Fairbanks, Alaska: Northern Alberta officially joins the International Committee and expands its team. Laser lights and ice sculptures add to the show.
- 1990 - Yellowknife, NT: The Greenland contingent grows to 50 athletes and the Magadan region of Russia sends a cultural delegation.
- 1992 - Whitehorse, Yukon: The Games enjoy national television coverage in Canada. The Greenland and Northern Alberta teams expand and Russia sends its first competitors.
- 1994 - Slave Lake, Alberta: The small town of Slave Lake proved wonderful hosts as more sports and athletes than ever before participate in the Games.
- 1996 - Chugiak-Eagle River, Alaska: A beautiful setting at the base of the Chugiak mountains, outstanding facilities and great weather make for a tremendous success. Athletes from both the Tyumen and Magadan regions of Russia make their mark.
- 1998 - Yellowknife, NT: The Games return to the Northwest Territories for the last time before division creates two new territories. Experience shows as the organization of the Games is top notch.
- 2000 - Whitehorse, Yukon: Hosting for the fifth time, Whitehorse will stage a great set of Games for the 30th anniversary of this great northern tradition. The last Games of the millennium.

FUTURE SITES

- 2002 - Nuuk, Greenland: The Games will travel further east than ever before as Greenland hosts for the first time. Logistics will be a great challenge for the new hosts.
- 2004 - Northern Alberta
- 2006 - Alaska

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Arctic Winter Games

Team Alaska

February 15, 2001

Dear Legislators,

Thirty two years ago, the State of Alaska, in a cooperative effort with the Yukon and Northwest Territories, created the Arctic Winter Games as a means to promote friendly competition and social interaction between northern countries. The first games were held in 1970, and since that time, the Games have been held every two years at various locations throughout the north. With nineteen sports as well as cultural displays and performances from each participating region, the Arctic Winter Games have become the northern world's greatest amateur event.

Arctic Winter Games Team Alaska (AWGTA) is a non-profit corporation that carries out the state's mission by selecting team members, coaches, and support staff from throughout Alaska. AWGTA purchases team uniforms, sports equipment, makes the travel arrangements and ensures the care and well being of the athletes during the competition. All of this is accomplished with just one paid employee (the Chef de Mission) and dozens of volunteers, including the eleven member board of directors, who are selected from the interior, southcentral and southeast regions of Alaska.

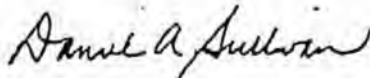
Funding is always a concern for AWGTA. It takes approximately \$400,000 to send our team to the games. Our revenues are a combination of state grants, corporate contributions and athlete's fees. Unlike most events of this size and stature, the athletes actually pay about a third of the team costs out of their own pocket. Rising costs, particularly for the upcoming 2002 Games in Greenland, will soon make the cost per athlete prohibitive, especially for our athletes from rural Alaska. The future of AWGTA is of great concern to all participants.

SB 93 created the Arctic Winter Games Team Alaska Trust as a means to guarantee the future of this thirty year success story. Properly endowed, (estimate \$5,000,000) the Trust will generate sufficient revenues to finance future costs of Team Alaska and also generate sufficient revenues to assist the host cities when it is Alaska's turn to stage the Arctic Winter Games, approximately once every decade. In 1996, for example, the Arctic Winter Games were held in Eagle River and the state contributed \$800,000 to the Host Society. Grants to Team Alaska average approximately \$225,000 for each set of games.

Over the next twenty years, the state of Alaska will receive over \$500,000,000 from the tobacco settlement. This settlement was reached because it was proven that the tobacco companies marketed their product to America's youth. We have a moral obligation to see that some of that settlement money goes back to our youth. There is no better cessation program than youth athletics. There is no more efficient statewide delivery system offering athletic opportunity for our youth than AWGTA.

Please, support SB 93 and when it comes time to fund the trust that it creates, please say yes once again to Alaska's youth. You will not only be removing a recurring expense from the state budget, but you will guarantee the future of an event that has had a positive impact on thousands of young people from every corner of Alaska. Thank you for your consideration.

Sincerely,



Daniel A. Sullivan
Development Director

SENATE FINANCE COMMITTEE

SIGN-IN

SB 93-ARCTIC WINTER GAMES TEAM ALASKA TRUST

Deputy Comm Neil Slotnick
 Lee Livermore, Chief Inv. Officer

NAME: _____ Subject/Bill No: 93
Betty Martins Comptroller
 Arctic Winter Games
 Co./Dept./Title: Department of Revenue, Treasury Phone: 465-2350
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Jimi Powell Subject/Bill No: _____
 Co./Dept./Title: Board Member, AK Arctic Winter Games Phone: 465-5821
Team Alaska
 Address: 10601 Horizon Dr. Zip: 99501

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
 Co./Dept./Title: _____ Phone: _____
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
 Co./Dept./Title: _____ Phone: _____
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SITE: ANCHORAGE LIO

COMMITTEE:

Senate Finance

DATE: 3-13-2001

SUBJECT OF MEETING:

SB 77

UPDATE #:



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y OR N**

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
Mark Myers		DNR-O&G	Y - SB 77
Jim Stouffer		DNR	Y - SB 77
Jennifer Rudinger		AK CLU	Y - SB 102
Deborah Gomez		President Elect - BNP	Y - SB 65
Dan Sullivan		Arctic Winter Games	Y - SB 93