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# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SB 93  
 ( ) Publish Date: \_\_\_\_\_

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						
<b>TOTAL OPERATING</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>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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other ARCTIC WINTER GAMES TEAM ALASKA TRUST						
<b>TOTAL</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>

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 this 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 Date/Time 2/19/01 9:50 AM  
 Approved by: Larry Persily, Deputy Commissioner Date Feb. 19, 2001  
 Agency: Department of Revenue



**ALASKA STATE LEGISLATURE**  
**SENATOR RANDY PHILLIPS**  
**SENATE DISTRICT L**

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

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**Senate Bill 93**

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

**Sponsor:**

**Senator Randy Phillips** *REP*

**Sponsor Statement**

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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.

SITE: ~~JUNEAU HIO~~  
 COMMITTEE: HSTA  
 DATE: 2-19-01

SUBJECT OF MEETING:  
 SJ 12  
 UPDATE #:



# PLEASE SIGN IN

PLEASE PRINT:

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
✓ Dan Henderson	(Anchorage)	AK Highlanders	Y-SCR4
✓ Wendell Shickler	(Fbx) ON INTERNATIONAL COMMITTEE	AWGIC	Y
✓ Phyllis Tate	(Fbx)	AWGIC	Y
✗ Dan Sullivan	Anc.	AWG-Team AK.	X SR93
✓ Gary Matthews	Anc.	"	Y SB93
✓ John Rodda	Anc. ON INTERNATIONAL COMMITTEE	"	X SB93
✓ Jim Powell			

# TEAM ALASKA

10/20/00

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Draft Budget for 2002 Games Cycle						
Based upon 2000 Cycle -- guesstimates on airfares and focs are at bottom of page						
Income		FY 2001	FY 2002	Total		
<b>Income-Dues</b>						
	100-Grants	75000.00	145000.00			220000.00
	101-Grant Dues	0.00				0.00
	102-Grant Ops	75000.00	145000.00			220000.00
<b>Income-Operations</b>						
	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			1000.00
	403-Hats		200.00			200.00
	407-Air Fares		10000.00			10000.00
		76250.00	495950.00			572200.00
<b>Expenses</b>		FY99	FY00	Total		
<b>Expenses-Dues</b>						
0900	International Committee	21000.00	0.00			21000.00
	10 International Dues	21000.00	0.00			21000.00
<b>Expenses-Operations</b>						
1000	<b>Materials &amp; Supplies</b>	11200.00	100200.00			111400.00
1100	<b>Office Materials and Supplies</b>					
	1110 Photocopy	800.00	2000.00			2800.00
	1120 Postage and Shipping	800.00	3000.00			3800.00
	1140 Supplies	800.00	1200.00			2000.00
1200	<b>Development/Fundraising</b>					
	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	<b>500-Games Gear</b>					
	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	<b>Contract Labor</b>	28000.00	42000.00			70000.00
2100	<b>Operations</b>					
	2110 Chef de Mission Contract	18000.00	18000.00			36000.00
2200	<b>Development/Fundraising</b>					
	2210 Dev. Director Contract	10000.00	18000.00			28000.00
	2220 Dev. Director Commission	0.00	6000.00			6000.00
3000	<b>Administration</b>	3800.00	3820.00			7620.00
3100	<b>BOD Expenses</b>					
	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
	3180 BOD Meeting Meals & Rental	500.00	500.00			1000.00
4000	<b>Other Expenses</b>					
	4100 Utilities-Carrier Prep Office	11000.00	404500.00			415500.00

10/20/00

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

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	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 Mstf&SportCourd 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 800-Games Travel							
	4410 Chef's Inspection Trp	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		350000.00		350000.00		
	4450 BOD Travel To/From Games	0.00		20000.00		20000.00		
			75000.00		660620.00	625620.00		
			Income	78250.00	Income	495950.00	Income	672200.00
			Expense	75000.00	Expense	550620.00	Expense	625520.00
			Balance	1250.00	Balance	-54670.00	Balance	-53320.00
	Registration Fees	350	700	245000				
		in members	fee	total				
	Air fares	350	1000	350000				

REVISED COPY  
2-20-01



# 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 creates 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.

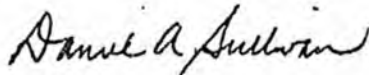
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3400 Sagan Circle • Anchorage, Alaska 99517 • Phone (907) 243-0071 • Fax (907) 243-0998

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

# The 2000 Arctic Winter Games

*Celebrating 30 years of international sports  
competition, social exchange and cultural  
exhibition among the northern nations.*

**1970-2000**



ARCTIC  
WINTER  
GAMES



TEAM  
ALASKA

Contributor Information Package

Presented by

**ARCTIC WINTER GAMES TEAM ALASKA**

*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,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Governor Walter J. Hickel

Honorary Chairman, Team Alaska 2000



# TEAM ALASKA

The 350 athletes and coaches that comprise Team Alaska come from every corner of the state. In fact, over 40 Alaska cities, towns and villages will have athletes participating in the 2000 Arctic Winter Games. Over the thirty year 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 Alaskans. The Arctic Winter Games...truly an All Alaskan event!



## Communities Represented in the 1998 Arctic Winter Games

Anchorage	Ester	Ketchikan	Talkeetna
Barrow	Fairbanks	Kodiak	Tok
Bethel	Fort Wainwright	Nikiski	Toksook Bay
Chugiak	Girdwood	Ninilchik	Trapper Creek
Copper Center	Glennallen	Nome	Valdez
Delta Junction	Healy	North Pole	Wasilla
Dillingham	Homer	Palmer	Willow
Douglas	Juneau	Platinum	Wrangell
Eagle River	Kasigluk	Seward	
Eielson 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

Arctic Winter Games 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

### Interior Region

Randy Pitney, President

Joe Nava, Vice President

Joe Adams, Secretary

Bonnie Williams

Phyllis Tate

### South Central Region

Dixie Waddell, Regional Vice President

Chris Spoerhase

Gary Matthews

Joe Crosson

(1 seat vacant)

### Southeast Region

George Smith, Regional Vice President

Jim Powell

### International Committee

Wendell Shiffler

John Rodda

### Government Representative

Lt. Governor Fran Ulmer

### Staff

John Estle, Chef de Mission

Dan 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 a notch.
- 2000 - Whitehorse, Yukon: Hosting for the tenth time, Whitehorse will stage a great set of Games for the 30th anniversary of this great northern tradition. The last Games of the millenium.

## 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

Subject: SB 93 fiscal note

Date: Mon, 19 Feb 2001 14:11:53 -0900

From: "Larry Persily" <paper@alaska.com>


To: <Kim\_Ross@legis.state.ak.us>

Kim,

Our fiscal note is attached. As I explained, I've already sent the "official" copy to the governor's legislative office for distribution to Leg Finance and Senate State Affairs.

I'm sending this on my personal email account because (for some unknown reason) I'm not able to send attachments on my state email account today. If you have questions, you can email me at [Larry\\_Persily@revenue.state.ak.us](mailto:Larry_Persily@revenue.state.ak.us)

Thanks / Larry

 SB 93.xls	Name: SB 93.xls Type: Microsoft Excel Worksheet (application/vnd.ms-excel) Encoding: base64 Download Status: Not downloaded with message
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Joe -  
Betty Martin, Treasury Comptroller,  
will testify 2-20-01.



**ALASKA STATE LEGISLATURE**  
**SENATOR RANDY PHILLIPS**  
Senate District L

Session (Jan-May)  
State Capitol, Rm 103  
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February 15, 2001

Honorable Gene Therriault  
Senate State Affairs Committee  
State Capitol  
Juneau, AK 99801

Re: SB 93 Arctic Winter Games  
**Request for Hearing**

Dear Chairman Therriault,

As sponsor of SB93, "An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an effective date," I respectfully request a hearing in the Senate State Affairs Committee as soon as possible.

I would also like to request a teleconference to Anchorage and Fairbanks.

Thank you for your assistance.

Sincerely,

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

Senator Randy Phillips