

Governor Knowles' Proposed FY2002 Capital Budget Overview

This summary highlights several major program areas addressed in the Governor's FY2002 capital budget proposal and their funding sources. The full list of capital projects proposed by the governor, a listing of projects by election district and the capital budget bill are all available on the OMB web site: <http://www.gov.state.ak.us/omb/2002Site/Budget/2002budgethome.html>

SCHOOL CONSTRUCTION AND MAJOR MAINTENANCE

The governor is strongly committed to eliminating the backlog of rural and urban K-12 major maintenance and construction projects. His plan for funding the entire program will be released in February.

TRANSPORTATION FUNDING

Alaska is fortunate to receive extensive federal funding for highways, ferries, airports and other transportation infrastructure — more than \$592 million in FY2002. Federal highway spending for FY2002 is \$322 million, up \$17 million from last year while airport spending increased from \$67 million to \$111 million.

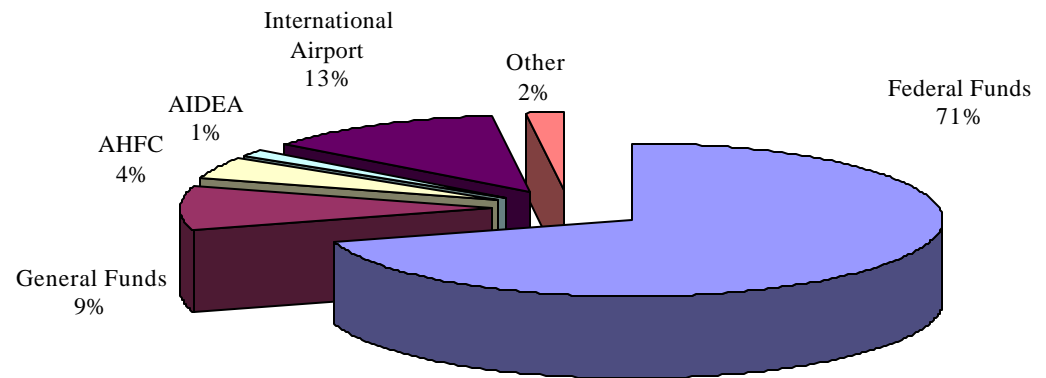
WATER/SEWER PROJECTS AND COMMUNITY CAPITAL MATCHING GRANTS

Complete lists of all community projects to be funded through these two programs are in the capital budget bill and election district reports. Both of these are on the OMB web site at the address shown above.

FUNDING SOURCES

The largest funding source for the governor's \$1.2 billion capital plan for FY2001 is \$827 million in federal funds. General funds are \$101 million, of which \$52 million is a match requirement for securing federal funds. General fund capital spending is \$28 million more than the current year. AHFC's share of the budget remains at \$52 million; AIDEA's FY2002 dividend is \$17.5 million and the Postsecondary Education Commission dividend is \$4 million.

Governor Knowles' Proposed FY2002 Capital Budget Project Funding Summary



Federal - \$827.4 million
General Funds - \$101 million
International Airport - \$146.4 million
Other - \$22.5 million

AIDEA - \$17.5 million
AHFC - \$52 million
Total \$1.167 billion