



Office of the Governor of Guam

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Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

Committee on Finance, Taxation and Commerce
Office of Finance and Budget

Date Rcv'd: 6/06/05
Time: 8:40am
Rcv'd by: [Signature]
Print Name: Rose SN.

Senator Edward J.B. Calvo
ACKNOWLEDGEMENT RECEIPT

Rcv'd by: VFC
Print Name & Initial

Time: 8:30A
Date: JUN. 06. 05

03 JUN 2005

The Honorable Edward J.B. Calvo
Senator
Chairman, Committee on Finance, Taxation and Commerce
Office of Finance and Budget
Mina' Bente Ocho Na Liheslaturan Guahan
Twenty Eighth Guam Legislature

Dear Senator Calvo:

Further to my letter to your office of June 2, 2005, with respect to the requested allocation levels for the Department of Education, University of Guam, and Guam Community College, we based the allocation levels on estimated General Fund revenues at \$410 million. As you know, in recent revenue meetings with your committee, we noted there were some adjustments to the base data and would like to work with your office to agree to an amount as the trend reflects an increase beyond the \$410 million. As we present the recommended allocation levels below, we recommend that any increases in projected revenues beyond the \$410 million be allocated to the priorities set by my Administration, which are education, health and public safety.

Table with 4 columns: Agency, General Fund, Special Fund, Total. Rows include Department of Education, University of Guam, Guam Community College, and Total.

Although the aforementioned agencies submit their budgets directly to the Legislature, as required by law, we stand ready to assist your committee and continue to provide whatever information we may have that pertains to their budgets. With the exception of DOE, the allocation levels above were based on the FY 2004 expenditure levels plus an amount required for the full restoration of increments. This same baseline method was applied in deriving the levels for the line agencies as well. However, DOE's total recommended level of \$143 million for FY 2006 is \$8.2 million more than their FY 2004 expenditure level in recognition of their priority amongst the three agencies.

As mentioned in the public hearing on May 27, 2005, we utilized data from DOE, UOG and GCC with regard to their respective increment costs. A copy of our analysis was provided to your office at the conclusion of the public hearing.

As always, let me assure you of our cooperation as we finalize a budget that we both can agree to. Please do not hesitate to contact my office should you have questions.

*Sins eru yan Magåhet,*

A handwritten signature in black ink, appearing to read 'F. Camacho', with a long horizontal flourish extending to the right.

FELIX P. CAMACHO  
*I Maga'lahañ Guåhan*  
Governor of Guam