# REVENUE SOURCES
(INCLUDING THE LATEST FORECAST)

## SPRING 1989

# ALASKA
# DEPARTMENT OF REVENUE

# MEMORANDUM

# State of Alaska
DEPARTMENT OF REVENUE

The Honorable Steve Cowper
Governor

March 31, 1989

Hugh Malone
Commissioner

SPRING 1989 STATE REVENUE FORECAST

The Spring 1989 State Revenue Forecast may be well above the forecast last October, but it provides no basis for business as usual.

The rise is due, first, to much higher oil prices, primarily the result of a new loyalty to production quotas by OPEC members, the first signs of cooperation between OPEC and the independent producers and, too, growth in consumption on the part of many economies in the Far East. Secondly, with larger balances to invest, Treasury income from that source will improve sharply. Finally, increased prices make it possible to bring on more production, for example, Milne Point.

I have to add the same old cautions about these numbers because these cautions are still in order. The high and low scenarios for next year vary by nearly $1 billion. And there is nothing to keep parts of different scenarios from being true at different times. OPEC has a history of disunity and cheating on quotas, as well as supplies being impacted by terrorism and war. More importantly, Alaskan production is expected to fall to about half its present levels by the later 90's. ANWR may be a decade or more away and is not widely expected to be as large as Prudhoe Bay.

Therefore, only a combination of budget cuts, more efficient programs, and new revenues will allow the State to move into the 90's without significant disruptions in public services.

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# INTRODUCTION

The Spring 1989 State Revenue Forecast is dramatically above the forecast of October 1988.

This is due to a much improved oil price situation which not only increases the value of Alaskan oil production but also makes it possible to develop some new production like that of Milne Point.

Further, the increased oil receipts mean the State Treasury can earn more from investments.

The new OPEC production agreement that was signed last November and went into effect on January 1 has changed both the psychology and the fundamentals of the oil markets. Cheating on quotas has fallen by 2.5 million bbls/day. In addition, there continues to be growth in consumption, driven notably by the strength of many Far East economies. Further, key non-OPEC producers have offered for the first time to make small if undetermined cuts in output, further boosting market psychology.

Alaska (ANS) oil sold for just over $10.00/bbl before the OPEC agreement. This oil is now selling at roughly $17.00/bbl (for delivery on the U.S. Gulf coast).

The State's revenue outlook has improved under all three of the Department's scenarios. The following table shows actual collections for FY 1988, then summarizes the scenarios for unrestricted revenues for FY 1989 through FY 1991. (A description of the elements of each scenario begins on page 12.)

**General Fund Unrestricted Revenue**
**(Millions of Dollars)**

| | Low Scenario | Mid Scenario | High Scenario |
|---|---|---|---|
| FY 88 | 2305.8 | 2305.8 | 2305.8 |
| FY 89 | 1891.4 | 2018.6 | 2105.5 |
| FY 90 | 1510.3 | 1995.8 | 2489.4 |
| FY 91 | 1332.8 | 1930.5 | 2604.7 |

The reader is cautioned that the scenarios are not mutually exclusive and may overlap during the course of the fiscal year. The low scenario could be correct for two quarters, while the high scenario might be a more accurate description of the petroleum market the following quarter. For this reason it cannot be stressed enough that the farther into the future that revenues are projected, the greater the likelihood that this kind of scenario overlap will occur.

The State receives three major classes of income: Unrestricted, Restricted, and Special Fund Revenues.

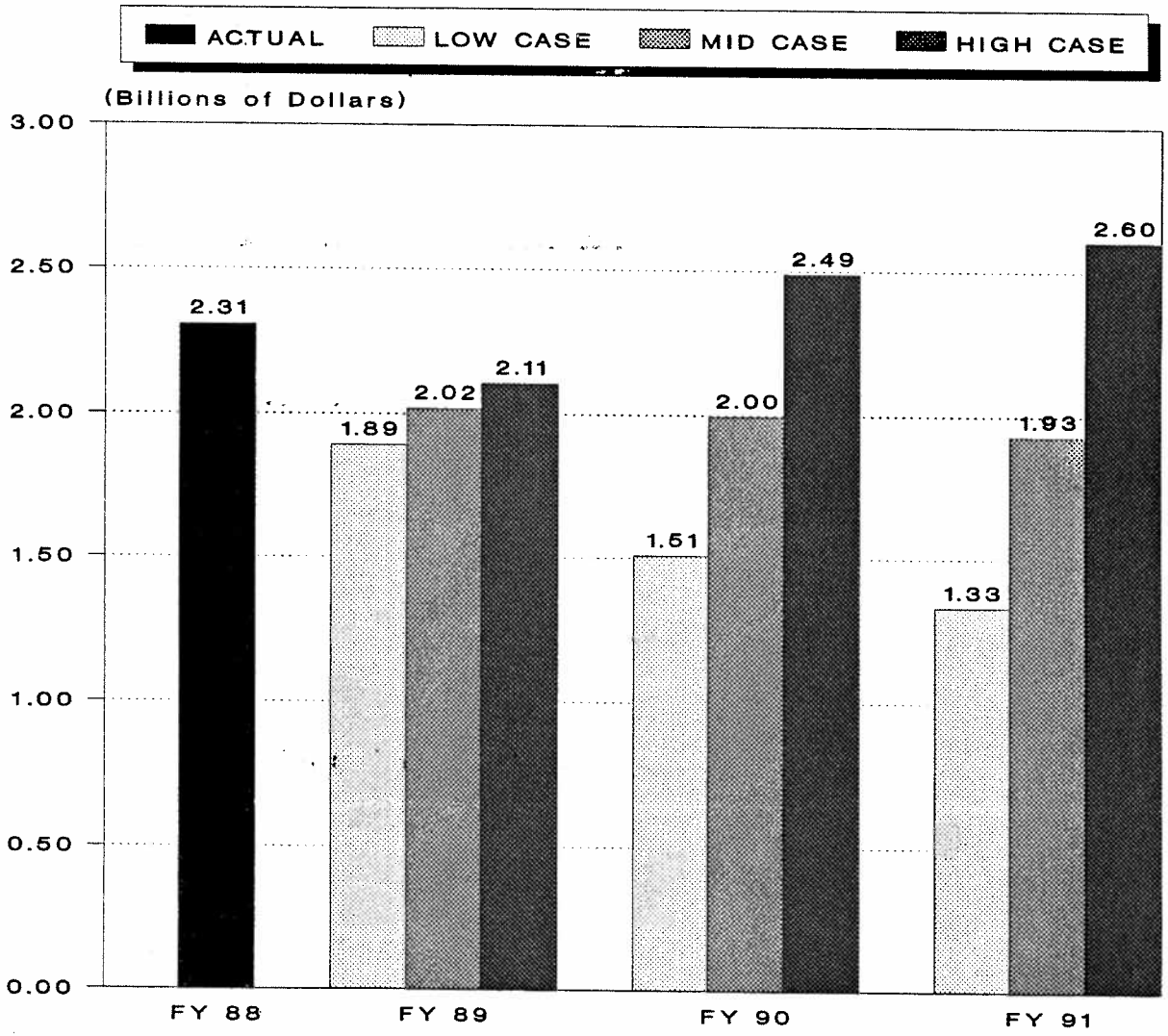
1. Unrestricted Revenues are paid into the General Fund and may be appropriated for any purpose. These receipts are listed in the Source Book by type; i.e., Taxes, License and Permits, etc.

2. Restricted Revenues are those received for specific purposes, primarily from the Federal Government. Only budget category totals are given.

3. Special Fund Revenues are those received into statutorily established funds, such as the International Airports Revenue Fund.

# GENERAL FUND UNRESTRICTED REVENUES

**(Comparison of Projections vs. FY 88 Actuals)**



# GENERAL FUND UNRESTRICTED REVENUES

(Millions of Dollars)

| TAXES | FY 1988 Actuals | FY 1989 ESTIMATES Low | FY 1989 ESTIMATES Mid | FY 1989 ESTIMATES High | FY 1990 ESTIMATES Low | FY 1990 ESTIMATES Mid | FY 1990 ESTIMATES High | FY 1991 ESTIMATES Low | FY 1991 ESTIMATES Mid | FY 1991 ESTIMATES High |
|---|---|---|---|---|---|---|---|---|---|---|
| **Income** | | | | | | | | | | |
| Corporate General | 23.4 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| Corporate - Petroleum (1) | 158.0 | 103.0 | 108.0 | 112.0 | 117.0 | 128.0 | 139.0 | 118.0 | 133.0 | 145.0 |
| Income from Prior Years (2) | 0.0 | 232.0 | 232.0 | 232.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total (3) | 181.4 | 360.0 | 365.0 | 369.0 | 142.0 | 153.0 | 164.0 | 143.0 | 158.0 | 170.0 |
| **Gross Receipts** | | | | | | | | | | |
| Alaska Business License (4) | 1.4 | 2.5 | 2.5 | 2.5 | 1.5 | 1.5 | 1.5 | 1.1 | 1.1 | 1.1 |
| Fish - Canned/Shorebased (5) | 13.8 | 13.2 | 13.2 | 13.2 | 12.0 | 12.0 | 12.0 | 14.0 | 14.0 | 14.0 |
| Fish - Floating | 8.7 | 11.3 | 11.3 | 11.3 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| Salmon Enhancement (6) | 5.8 | 9.2 | 9.2 | 9.2 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Seafood Marketing (7) | 2.7 | 3.3 | 3.3 | 3.3 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Insurance Companies | 23.7 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 |
| Electric & Telephone Coops (8) | 2.0 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 |
| Mining License Tax | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Total | 58.5 | 63.8 | 63.8 | 63.8 | 56.3 | 56.3 | 56.3 | 57.9 | 57.9 | 57.9 |
| **Severance** | | | | | | | | | | |
| Oil & Gas Production | 816.4 | 584.3 | 646.9 | 690.8 | 531.7 | 757.4 | 1001.5 | 450.2 | 725.4 | 1038.3 |
| Oil & Gas Conservation | 2.3 | 2.5 | 2.5 | 2.6 | 2.4 | 2.5 | 2.6 | 2.3 | 2.4 | 2.6 |
| Income from Prior Years (9) | 2.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 820.8 | 586.8 | 649.4 | 693.4 | 534.1 | 759.9 | 1004.1 | 452.5 | 727.8 | 1040.9 |
| **Property** | | | | | | | | | | |
| Oil & Gas | 96.2 | 90.0 | 90.0 | 90.0 | 84.6 | 84.6 | 84.6 | 79.7 | 79.7 | 79.7 |
| **Sale/Use** | | | | | | | | | | |
| Alcoholic Beverages | 12.1 | 11.6 | 11.6 | 11.6 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |
| Fuel Taxes - Aviation (10) | 9.0 | 9.0 | 9.0 | 9.0 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 |
| Fuel Taxes - Highway | 19.3 | 20.5 | 20.5 | 20.5 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 | 21.0 |
| Fuel Taxes - Marine | 5.3 | 6.9 | 6.9 | 6.9 | 7.2 | 7.2 | 7.2 | 7.2 | 7.2 | 7.2 |
| Tobacco Products | 6.1 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.3 | 6.3 | 6.3 |
| Total | 51.8 | 54.4 | 54.4 | 54.4 | 55.2 | 55.2 | 55.2 | 55.1 | 55.1 | 55.1 |
| **Other** | | | | | | | | | | |
| Estate | 0.3 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| TOTAL TAXES | 1209.0 | 1155.7 | 1223.3 | 1271.3 | 872.9 | 1109.7 | 1364.9 | 788.9 | 1079.2 | 1404.3 |

| | Actuals | Low | Mid | High | Low | Mid | High | Low | Mid | High |
|---|---|---|---|---|---|---|---|---|---|---|
| **LICENSES & PERMITS** | | | | | | | | | | |
| Business (11)(12) | 8.6 | 7.8 | 7.8 | 7.8 | 7.5 | 7.5 | 7.5 | 7.0 | 7.0 | 7.0 |
| Non-Business | 19.7 | 19.5 | 19.5 | 19.5 | 19.8 | 19.8 | 19.8 | 20.3 | 20.3 | 20.3 |
| Total | 28.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 |
| **INTERGOVERNMENTAL RECEIPTS** | | | | | | | | | | |
| Federal Shared Revenues (13) | 6.9 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.0 | 6.0 | 6.0 |
| Section 8(g) Funds (13)(14) | 161.8 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total | 168.7 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.0 | 8.0 | 8.0 |
| **STATE RESOURCE REVENUE** | | | | | | | | | | |
| **Sale/Use** | | | | | | | | | | |
| Bonus Sales (13)(15)(16) | 5.6 | 11.4 | 11.4 | 11.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rents (13)(15)(16) | 6.0 | 6.3 | 6.3 | 6.3 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 |
| Royalties (13) | 694.8 | 506.2 | 564.8 | 603.6 | 480.9 | 700.6 | 923.9 | 416.4 | 695.0 | 982.4 |
| Sale of State Property (11) | 3.8 | 3.7 | 3.7 | 3.7 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Gravel, Timber, etc. | 1.1 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Total | 711.3 | 529.1 | 587.7 | 626.5 | 492.9 | 712.6 | 935.9 | 428.4 | 707.0 | 994.4 |
| **Investment Earnings** (17) | 132.6 | 108.8 | 109.8 | 109.9 | 44.6 | 73.6 | 88.7 | 14.5 | 43.3 | 105.0 |
| **Facilities Related Charges** | | | | | | | | | | |
| Airports | 1.8 | 1.8 | 1.8 | 1.8 | 1.9 | 1.9 | 1.9 | 2.0 | 2.0 | 2.0 |
| Ferry System—SE | 26.0 | 30.6 | 30.6 | 30.6 | 32.3 | 32.3 | 32.3 | 33.6 | 33.6 | 33.6 |
| Ferry System—SW | 3.8 | 4.3 | 4.3 | 4.3 | 4.5 | 4.5 | 4.5 | 4.6 | 4.6 | 4.6 |
| Other (11) | 0.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |
| Total | 32.3 | 38.4 | 38.4 | 38.4 | 40.4 | 40.4 | 40.4 | 41.9 | 41.9 | 41.9 |
| **Services Related Charges** | | | | | | | | | | |
| Court System | 5.5 | 5.8 | 5.8 | 5.8 | 5.9 | 5.9 | 5.9 | 6.0 | 6.0 | 6.0 |
| Other (11) | 2.0 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 |
| Total | 7.5 | 8.6 | 8.6 | 8.6 | 8.7 | 8.7 | 8.7 | 8.8 | 8.8 | 8.8 |
| TOTAL RESOURCE REVENUE | 883.7 | 684.9 | 744.5 | 783.4 | 586.6 | 835.3 | 1073.7 | 493.6 | 801.0 | 1150.1 |
| **MISCELLANEOUS REVENUE** | 16.1 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| **TOTAL UNRESTRICTED REVENUE** (18) | **2305.8** | **1891.4** | **2018.6** | **2105.5** | **1510.3** | **1995.8** | **2489.4** | **1332.8** | **1930.5** | **2604.7** |
| **MENTAL HEALTH TRUST INCOME ACCOUNT** (19) | 0.0 | 94.6 | 100.9 | 105.3 | 75.5 | 99.8 | 124.5 | 66.6 | 96.5 | 130.2 |

* Footnotes on the following page.

# FOOTNOTES

(1) Corporate Petroleum taxes have trended downward over the last few years with the exception of FY 88. The upward tick in FY 88 was due to increasing profit margins from refinery and petrochemical operations and to the corporations overestimating their quarterly tax payments. The projection for FY 89 is down due to the overestimated tax payments in FY 88 being applied to future year tax payments and also the carry forward of net operating losses.

(2) The major portion of the FY 89 figure reflects the ARCO settlement ($172.3 million) which resolved disputed State income tax liabilities from prior years.

(3) Figures include that portion ($56.1 million in FY 88) annually shared through the municipal assistance program (AS 43.20.016).

(4) Two factors cause the variablility in business license tax figures. First, the FY 89 figures include substantial amounts for prior year tax settlements. Second, the Department of Commerce in January, 1989 switched to a two year cycle for business license applications.

(5) Figures reflect the enactment of a shorebased fisheries business tax credit which is limited to 50 percent of the business' total tax liability with any unused portion of the credit carried forward (Ch. 79, SLA 1986, effective July 1, 1986). For example, the total FY 88 fisheries business tax liability was $29.1 million against which $6.6 million credits were applied thus yielding a total net fisheries business tax of $22.5 million. This State share is further reduced annually ($8.1 million in FY 88) by municipal revenue sharing (AS 43.75.130). The canned fisheries business tax has been combined into a single category with the shorebased since the tax credits are applied against the aggregate return and cannot be allocated by specific processing type.

(6) Provides annual funding based on collections for qualified regional aquaculture associations (AS 43.76.025). FY 89, FY 90, and FY 91 figures include the recently qualified Kodiak Regional Aquaculture Association, effective June 9, 1988.

(7) Provides annual funding based on collections for the Alaska Seafood Marketing Institute (AS 16.51.160). Figures reflect the recently approved assessment increase from 0.2% to 0.3% of value, effective retroactively to January 1, 1987.

(8) Figures include that portion ($1.9 million for FY 88) annually refunded to local taxing authorities (AS 10.25.570).

(9) The FY 88 figure reflects the $2.1 million misallocation of TAPS receipts due the General Fund.

(10) Includes that portion annually shared to qualified municipalities (AS 43.40.010).

(11) Figures reflect the trend of shifting fees by various agencies from General Fund Unrestricted revenues to Restricted Program Receipts.

(12) Figures include that portion of amusement and gaming licenses (AS 43.35.050) and liquor licenses (AS 04.10.460) annually shared to municipalities.

(13) Net of Permanent Fund and Public School Fund contributions.

(14) Reflects the OCS "8(g)" revenue sharing settlements of $322.9 million and $4.0 million in FY 88, and $4.0 million in FY 89, FY 90, and FY 91. The General Fund share represents 49.5 percent of the aforementioned totals, whereas the Permanent Fund receives 50.0 percent. The remaining 0.5 percent is distributed to the Public School Fund.

(15) Reflects state lease sales of $6.6 million held June 30, 1987 (Sale 50 - Camden Bay), $4.7 million held January 26, 1988 (Sale 54 - Kuparuk Uplands), $14.7 million held September 28, 1988 (Sale 55 - Demarcation Point), $6.1 million held September 28, 1988 (Sale 69A - Kuparuk Uplands), and $2.2 million held January 24, 1989 (Sale 52 - Beaufort Sea and Sale 72A - Oliktok Point). Due to the timing of collections, receipts from the June 1987 lease sale are shown as FY 88 revenue. The bonus figures represent the General Fund's 49.5 percent share.

(16) The Department of Natural Resources projects the following FY 89, FY 90, and FY 91 state lease sales: FY 89 (Sale 67A - Cook Inlet:Exempt); FY 90 (Sale 70A - Kuparuk Uplands:Exempt, Sale 59 - Cook Inlet, Sale 57 - North Slope Foothills, Sale 73A - North Slope:Exempt); and FY 91 (Sale 64 - Kavik, Sale 56 - Alaska Peninsula, Sale 65 - Beaufort Sea). However, bonus bids are impossible to anticipate prior to sales; therefore, no estimates are provided.

(17) With regard to the projections shown in this current revenue forecast, it should be noted that, all currently held and projected investment assets in the General Investment Fund are projected to be liquidated by the beginning of FY 1991, under the Low revenue scenario presented. In the High Case and the Mid Case scenarios, there are still assets in the Fund at the end of FY 1991. A wide variety of policy actions could be taken to either increase General Fund cash inflows or reduce General Fund cash outflows. However, no such actions are assumed here. Even with total liquidation of the General Investment Fund, interest from mortgage and loan programs is assumed to accrue to the General Fund. This is the reason why investment earnings do not fall to zero in the FY 1991 Low Case scenario.

(18) The State, per AS 38.05.180, will be granting incentive credits against royalties, severance taxes, and rentals to the oil companies for drilling exploratory wells. The deduction is approximately $1.8 million which has not been subtracted from the aforementioned FY 89 figures. Additional credits are anticipated in subsequent years.

(19) Chapter 48 SLA 1987, allocates 5% of General Fund unrestricted revenues to the Mental Health Trust Income Account until such time as the original Mental Health Trust Lands are valued (at which point 8% of such value will be allocated annually to the Mental Health Trust Income Account). The necessary expenses of Alaska's Mental Health Program must be met before funds in the Mental Health Trust Income Account may be expended for any other public purpose (AS 37.14.021). The amounts shown are included in the aforementioned Total Unrestricted Revenue figures.

# GENERAL FUND RESTRICTED REVENUES

(Millions of Dollars)

| | FY 1988 | FY 1989 ESTIMATES | | | FY 1990 ESTIMATES | | | FY 1991 ESTIMATES | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actuals | Low | Mid | High | Low | Mid | High | Low | Mid | High |
| **Federal Grants-in-Aid** | | | | | | | | | | |
| Education | 54.2 | 64.3 | 64.3 | 64.3 | 66.0 | 66.0 | 66.0 | 66.0 | 66.0 | 66.0 |
| Social Services | 154.2 | 170.2 | 170.2 | 170.2 | 191.4 | 191.4 | 191.4 | 191.7 | 191.7 | 191.7 |
| Health | 3.4 | 5.5 | 5.5 | 5.5 | 5.0 | 5.0 | 5.0 | 4.8 | 4.8 | 4.8 |
| Natural Resources | 28.4 | 29.0 | 29.0 | 29.0 | 27.8 | 27.8 | 27.8 | 27.8 | 27.8 | 27.8 |
| Pub. Prot./Admin. of Justice | 10.3 | 12.2 | 12.2 | 12.2 | 12.8 | 12.8 | 12.8 | 12.7 | 12.7 | 12.7 |
| Development/General Govt. | 7.6 | 5.2 | 5.2 | 5.2 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Transportation | 185.3 | 183.0 | 183.0 | 183.0 | 183.0 | 183.0 | 183.0 | 183.0 | 183.0 | 183.0 |
| Total Federal Grants-in-Aid | 443.4 | 469.4 | 469.4 | 469.4 | 488.0 | 488.0 | 488.0 | 488.0 | 488.0 | 488.0 |
| **Other Grants-in-Aid/Program Receipts** | | | | | | | | | | |
| Education | 2.0 | 2.0 | 2.0 | 2.0 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 |
| Health/Social Services | 9.1 | 8.2 | 8.2 | 8.2 | 8.4 | 8.4 | 8.4 | 8.2 | 8.2 | 8.2 |
| Natural Resources | 6.0 | 5.3 | 5.3 | 5.3 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 |
| Pub. Prot./Admin. of Justice | 5.1 | 5.6 | 5.6 | 5.6 | 6.4 | 6.4 | 6.4 | 6.2 | 6.2 | 6.2 |
| Development/General Govt. | 5.2 | 4.4 | 4.4 | 4.4 | 5.9 | 5.9 | 5.8 | 5.9 | 5.9 | 5.9 |
| Transportation | 0.7 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| Total Other Grants-in-Aid | 28.1 | 26.4 | 26.4 | 26.4 | 29.5 | 29.5 | 29.5 | 29.1 | 29.1 | 29.1 |
| **Miscellaneous Restricted Revenue-All Categories** | 3.7 | 17.3 | 17.3 | 17.3 | 16.4 | 16.4 | 16.4 | 17.0 | 17.0 | 17.0 |
| **RESTRICTED REVENUE *** | **475.2** | **513.1** | **513.1** | **513.1** | **533.9** | **533.9** | **533.9** | **534.1** | **534.1** | **534.1** |
| **UNRESTRICTED REVENUE** | **2305.8** | **1670.9** | **1814.0** | **2016.8** | **1006.5** | **1387.4** | **1936.3** | **1332.8** | **1930.5** | **2604.7** |
| **TOTAL GENERAL FUND** | **2781.0** | **2404.5** | **2531.7** | **2618.6** | **2044.2** | **2529.7** | **3023.3** | **1866.9** | **2464.6** | **3138.8** |

* Restricted Revenue figures may not agree with those shown in the Governor's budget due to categorical differences between the budget and accounting system.

## What Has Changed Since the Fall 1988 Forecast?

The OPEC agreement of last November set an overall production quota of 18.5 million bbl/day. Actual OPEC production has averaged approximately 19.5 million bbls/day since the agreement took effect on January 1. Before the agreement, actual OPEC production was nearly 22 million barrels per day, meaning that cheating was 3.5 million barrels per day.

At the same time, oil consumption has continued to exceed published estimates by a significant margin. The consumption rise has mostly been in the strongest economies of the Far East, but also in Europe. Consumption in the last two quarters has been sufficient not only to absorb the 1 million bbls/day that OPEC is over quota, but also to keep inventories well within the normal range for this time of year.

The other factor currently bolstering oil prices is the announced intention of key non-OPEC producers to voluntarily cut production by 5% to support the current OPEC agreement. Although this effort is largely symbolic, since it is not clear how many barrels are involved, this announced committment to market supply management is an important psychological factor influencing the oil market.

The key question facing the oil market today is what to assume about consumption for 1989 and beyond. OPEC production policy and the question of raising the quota at the June meeting will hinge on this assumption. Perhaps more importantly, the ability of the cartel to sell 19.5 million bbl/day over the next 3 to 6 months will be called into question since consumption traditionally turns down in the Spring and Summer months. The oil price scenarios we have developed are designed to examine plausible consumption trends.

The production outlook for Alaska's North Slope still remains uncertain, although it is still felt that Prudhoe Bay production will be lower this year than last. Much of the uncertainty in 1989 depends on the ability of Kuparuk and Endicott to make up any decline from Prudhoe Bay. Milne Pt., which has been in warm shutdown since February 1987, is assumed to startup again in April. Starting with this forecast, the oil production forecast produced by the Alaska Department of Natural Resources is used as the base input assumption. The production estimates developed by DNR are evaluated further in Revenue's forecasting model in the light of oil price assumptions and the economics of oil field development.

The following tables contrast March 1989 and October 1988 oil price and oil production assumptions:

## ANS Average Lower 48 Price ($/bbl)

| | LOW | | MID | | HIGH | |
|---|---|---|---|---|---|---|
| | March | Change From October | March | Change From October | March | Change From October |
| **FY 1988** (Actual) | 16.00 | | 16.00 | | 16.00 | |
| **1989** | 12.76 | +1.33 | 13.55 | +1.10 | 13.97 | +0.02 |
| **1990** | 12.67 | +4.05 | 15.66 | +3.56 | 18.21 | +2.09 |
| **1991** | 12.22 | +2.80 | 16.19 | +3.50 | 19.35 | +1.80 |

## Total Alaska Production—ANS and Cook Inlet (Million bbl/day)

| | LOW | | MID | | HIGH | |
|---|---|---|---|---|---|---|
| | March | Change From October | March | Change From October | March | Change From October |
| **FY 1988** (Actual) | 2.00 | | 2.00 | | 2.00 | |
| **1989** | 1.96 | +.04 | 1.98 | +.01 | 2.01 | +.04 |
| **1990** | 1.87 | +.05 | 1.95 | +.09 | 2.06 | +.18 |
| **1991** | 1.76 | +.05 | 1.85 | +.09 | 2.02 | +.21 |

## SHORT TERM OIL PRICE SCENARIOS

Starting with the Fall 1988 forecast, we are using Saudi Light crude oil as the marker crude instead of Saudi medium. That is, we develop our scenarios to describe the future price for Saudi Light crude oil. This change has been made to allow easier comparisons with forecasts made by others, and because Saudi Light is a more widely traded crude oil than Saudi Medium.

Each scenario contains assumptions affecting specific market fundamentals. The strategy was to first develop a theoretical "call on OPEC", that is, how much oil OPEC would need to produce to balance the market, then to evaluate how OPEC would respond to this projected market share. The size of the theoretical call compared to the market share desired by all members of the cartel should suggest price direction.

The following tables summarize the conceptual framework used to develop the scenarios.

### World Economic Growth

1. World debt impacts
2. Fiscal policy
3. Trade policy
4. Recession expectations
5. Real effects of financial markets
6. Liberalization of centrally planned economies (CPE)
7. Weather and environment

### World Oil Consumption

1. Rise in personal income
2. Vehicle miles (transportation fuel)
3. Third world development
4. Industrial growth
5. Consumption taxes
6. Environmental regulation
7. Technology

Non-OPEC Oil Production

1. Technology
2. Discoverable reserves
3. Sunk costs
4. Relations with OPEC

Iran/Iraq Production

1. Peace or war
2. Cooperation
3. Quotas

OPEC Behavior

1. Quotas
2. Downstream interests
3. Seasonal demand
4. Technical Issues
5. Non-OPEC cooperation

Three scenarios for Alaska oil, and the world developments at their root, are described briefly in the following section.

The reader is cautioned that the scenarios are not mutually exclusive and may overlap during the course of a fiscal year.

# LOW SCENARIO

*Summary: The Low Scenario assumes roughly the same rate of growth in the global economy, oil consumption, and non-OPEC production as the low scenario developed last October. The low case is above that in the last forecast because the output of Iran and Iraq is 1.2 million bbl/day less in 1989 and 1990 than was assumed.*

| | General Fund Unrestricted Revenues | Average Lower 48 ANS Price |
|---|---|---|
| FY 1989 | 1891.4 million | 12.76/bbl |
| FY 1990 | 1510.3 million | 12.67/bbl |
| FY 1991 | 1332.8 million | 12.22/bbl |

**The Low Price Scenario is based on the following assumptions:**

1) The often predicted world economic slowdown begins in 1989 with growth slowing to 1.5% this year and 0.5% in 1990.

2) World oil consumption growth slows, increasing 0.3 million bbl/day in 1989 and 0.1 million bbl/day in 1990 as slower economic growth dampens energy consumption.

3) Non-OPEC production continues to grow, more than offsetting production declines in the U.S., as the result of investments made in the past. An additional 0.45 million bbl/day is assumed in both 1989 and 1990.

4) Iran produces at its quota of 2.6 million bbl/day and Iraq produces at 3.2 million bbl/day in both 1989 and 1990.

5) No new federal taxes on energy consumption.

6) The implied call on OPEC under this scenario is 18.4 million bbl/day in 1989 and 18.0 million bbl/day in 1990.

7) Saudi Arabia, Kuwait, and the UAE produce in excess of quota to discipline OPEC cheaters and dry up non-OPEC production.

# MID SCENARIO

*Summary: The Mid Scenario assumes the same growth rate in the world economy as the mid scenario developed last October. Although the rate of growth in oil consumption is lower and the increase in non-OPEC production is slightly higher than assumed last October, the net effect on 1989 and 1990 assumed consumption is higher owing to the previously mentioned dramatic upward revision in 1988 consumption estimates. This underscores again the impact that the increase in 1988 consumption has had on the oil market so far this year. The other significant change in the mid scenario from October is that it assumes that the net increase in the call on OPEC of 0.4 million bbl/day permits the cartel to manage the market to stabilize price.*

| | General Fund Unrestricted Revenues | Average Lower 48 ANS Price |
|---|---|---|
| FY 1989 | 2018.6 million | 13.55/bbl |
| FY 1990 | 1995.8 million | 15.66/bbl |
| FY 1991 | 1930.5 million | 16.19/bbl |

**The Mid Price Scenario is based on the following assumptions:**

1) World economic growth continues at 2.5% in 1989 and slows to 2.0% in 1990.

2) World oil consumption increases by 0.5 million bbl/day in 1989 and 0.5 million bbl/day in 1990. This results in an overall level of consumption of oil in the free world of over 51.0 million bbl/day in 1989, the highest level since 1978 and over 0.4 million bbl/day higher than assumed in the mid scenario in last October's forecast. By comparison, the extraordinary growth in consumption in 1988 was 0.525 million bbl/day.

3) Non-OPEC production grows by 0.1 million bbl/day in 1989 and 1990 in response to past investments and in anticipation of higher oil prices in the 1990's.

4) Iran and Iraq both produce at their quotas of 2.6 million bbl/day in 1989. Iraq produces 3.0 million bbl/day in 1990.

5) No new federal taxes on energy consumption.

6) The implied call on OPEC under this scenario is 19.0 million bbl/day in 1989 and 19.4 million bbl/day in 1990.

7) OPEC raises the official quota by 0.5 million bbl/day to 19.0 million bbl/day for 1989 and 19.5 for 1990. OPEC production is generally in line with these new quotas.

# HIGH SCENARIO

*Summary: The High Scenario assumes a vigorous global economy with rates of growth in both income and oil consumption slightly lower than assumed last October. The assumption about non-OPEC production is unchanged and Iran and Iraq production is assumed to grow a bit higher. The two key changes in assumption from October are that OPEC abides by a quota of well over 20.0 million bbl/day in both 1989 and 1990, a quota made possible due to the higher net consumption assumption in both these years.*

| | General Fund Unrestricted Revenues | Average Lower 48 ANS Price |
|---|---|---|
| FY 1989 | 2105.5 million | 13.97/bbl |
| FY 1990 | 2489.4 million | 18.21/bbl |
| FY 1991 | 2604.7 million | 19.35/bbl |

**The High Price Scenario is based on the following assumptions:**

1) The world economy is assumed to continue to grow vigorously at a rate of 3.0% in both 1989 and 1990.

2) World consumption of oil is assumed to grow at 1.2 million bbl/day in 1989 and 1990 in response to continued low (in inflation-adjusted terms) prices, unusually hot summers and unusually cold winters, and rapid economic growth.

3) Non-OPEC production is assumed to decline by 0.2 million bbl/day in both 1989 and 1990 as a combined result of reduced investment in exploration and development due to low prices over the last two years and the depletion of existing reserves as exemplfied by the beginning of decline in Alaska and the UK North Sea.

4) Iran and Iraq both produce at their quotas of 2.6 million bbl/day in 1989 and 1990.

5) No new federal taxes on energy consumption.

6) The implied call on OPEC under this scenario is 20.1 million bbl/day in 1989 and 21.5 million bbl/day in 1990.

7) OPEC production averages 18.5 million bbl/day in 1989 and 19.5 million bbl/day in 1990. This production policy keeps continued upward pressure on price.

# KEY ASSUMPTIONS FOR SPRING 1989 PETROLEUM REVENUE PROJECTIONS

(FY 1989 - FY 1991)

## ANS West Coast Crude Oil Price ($/bbl at Los Angeles, Calif.)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 12.42 | 13.21 | 13.63 |
| FY 90 | 12.33 | 15.31 | 17.84 |
| FY 91 | 11.90 | 15.85 | 18.98 |

## ANS Gulf Coast Crude Oil Price ($/bbl at Houston, Texas)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 13.49 | 14.29 | 14.71 |
| FY 90 | 13.42 | 16.41 | 18.96 |
| FY 91 | 12.97 | 16.95 | 20.11 |

## Weighted Average ANS Crude Oil Price ($/bbl)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 12.76 | 13.55 | 13.97 |
| FY 90 | 12.67 | 15.66 | 18.21 |
| FY 91 | 12.22 | 16.19 | 19.35 |

## Percent of ANS to Gulf Coast

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 32 | 32 | 33 |
| FY 90 | 32 | 33 | 35 |
| FY 91 | 30 | 31 | 34 |

## TAPS Tariff ($/bbl)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 3.11 | 3.11 | 3.11 |
| FY 90 | 3.11 | 3.07 | 3.02 |
| FY 91 | 3.24 | 3.17 | 3.04 |

## Wellhead Value ($/bbl)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 7.93 | 8.70 | 9.10 |
| FY 90 | 7.85 | 10.73 | 13.21 |
| FY 91 | 7.24 | 11.12 | 14.24 |

## Total Alaska Production Volume (mmbbs/day)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 1.92 | 1.94 | 1.97 |
| FY 90 | 1.83 | 1.91 | 2.02 |
| FY 91 | 1.73 | 1.82 | 1.99 |

## Inflation (%)

| | Low | Mid | High |
|---|---|---|---|
| FY 89 | 4.35 | 4.69 | 4.95 |
| FY 90 | 4.33 | 4.85 | 5.42 |
| FY 91 | 4.46 | 5.04 | 5.85 |

(Utilized to generate nominal dollar value of the revenue projections.)

# OIL PRICE/STATE TOTAL REVENUE SENSITIVITY MATRIX

## Spring 1989 Forecast

The following table shows the relationship between the average price of ANS for the lower 48 (Mid Scenario) and the State's total unrestricted General Fund revenue.

| Average ANS Lower 48 Price[2] | Unrestricted General Fund Revenue (Millions $)[1] FY 1989[3] | FY 1990 |
|---|---|---|
| $10/Bbl | 1852 | 1243 |
| 11 | 1884 | 1355 |
| 12 | 1919 | 1493 |
| 13 | 1955 | 1630 |
| 14 | 1990 | 1768 |
| **15** | **2025** | **1906** |
| 16 | 2060 | 2044 |
| 17 | 2096 | 2181 |
| 18 | 2131 | 2319 |
| 19 | 2166 | 2457 |
| 20 | 2201 | 2595 |

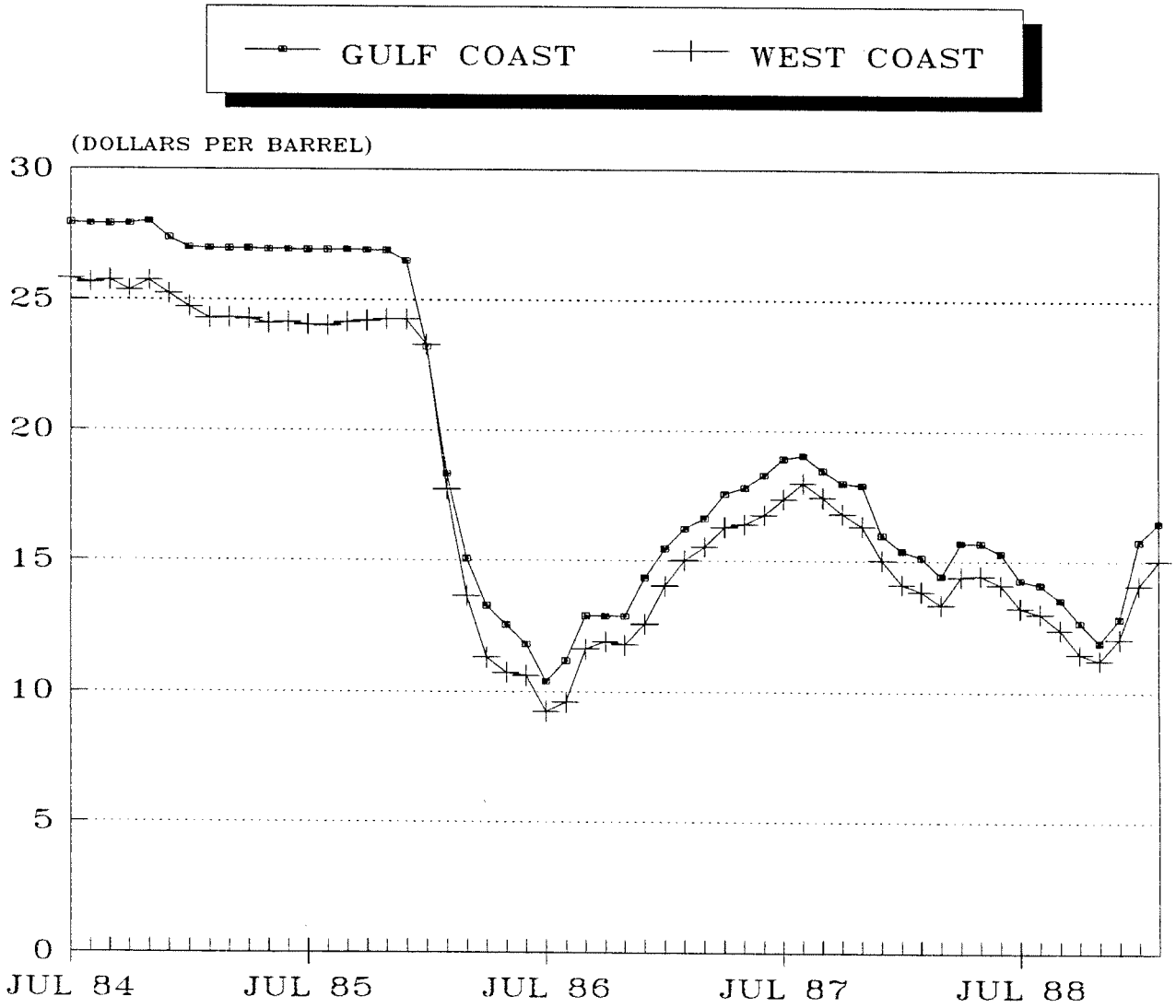
1 Assumptions other than price are based on the mid scenario of the Department of Revenue Spring 1989 Forecast, updated with actual marketing and production data through January 1989. For each year these assumptions remain constant over the entire matrix range.

2 The average ANS price for all Lower 48 sales is approximately $0.75/bbl less than the U.S. Gulf price.

3 FY 1989 revenues are based on actual prices through January 1989 and the indicated matrix price for the remainder of the year. (Actual average Lower 48 ANS price averaged $13.30/bbl for the first 8 months of FY 1989.)

# HISTORICAL ANS CRUDE PRICES

**(July 1984 - February 1989)**



# PETROLEUM VS. NON-PETROLEUM REVENUE

(Millions of Dollars)

## PETROLEUM REVENUES

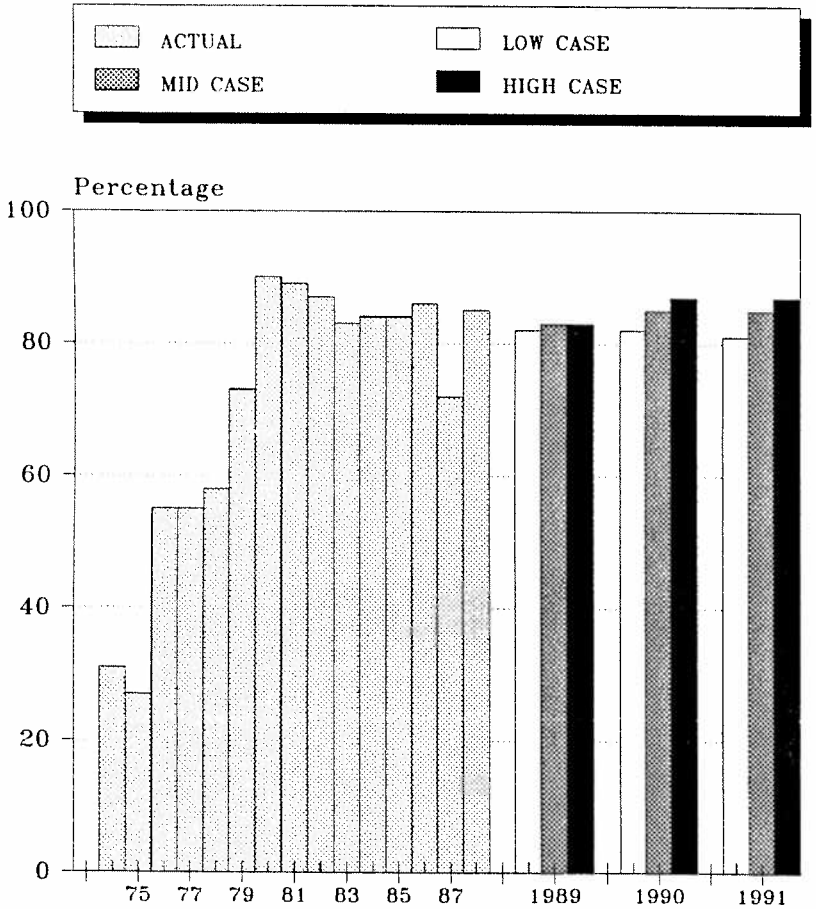
| | FY 1988 | FY 1989 ESTIMATES | | | FY 1990 ESTIMATES | | | FY 1991 ESTIMATES | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | Low | Mid | High | Low | Mid | High | Low | Mid | High |
| Corporate Petroleum | 158.0 | 103.0 | 108.0 | 112.0 | 117.0 | 128.0 | 139.0 | 118.0 | 133.0 | 145.0 |
| Severance Tax | 818.7 | 586.8 | 649.4 | 693.4 | 534.1 | 759.9 | 1004.1 | 452.5 | 727.8 | 1040.9 |
| Royalties | 694.8 | 506.2 | 564.8 | 603.6 | 480.9 | 700.6 | 923.9 | 416.4 | 695.0 | 982.4 |
| Property Tax | 96.2 | 90.0 | 90.0 | 90.0 | 84.6 | 84.6 | 84.6 | 79.7 | 79.7 | 79.7 |
| Bonus Sale | 5.6 | 11.4 | 11.4 | 11.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rents | 5.7 | 6.0 | 6.0 | 6.0 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 | 6.2 |
| Intergovernmental | 6.7 | 6.3 | 6.3 | 8.3 | 6.3 | 6.3 | 6.3 | 5.8 | 5.8 | 5.8 |
| Special Settlements | 163.9 | 234.0 | 234.0 | 234.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Sub-Total | 1949.6 | 1543.7 | 1669.9 | 1756.7 | 1231.1 | 1687.6 | 2166.1 | 1080.6 | 1649.5 | 2262.0 |

## NON-PETROLEUM REVENUES

| | FY 1988 | FY 1989 ESTIMATES | | | FY 1990 ESTIMATES | | | FY 1991 ESTIMATES | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | Low | Mid | High | Low | Mid | High | Low | Mid | High |
| Taxes | 134.0 | 143.9 | 143.9 | 143.9 | 137.2 | 137.2 | 137.2 | 138.7 | 138.7 | 138.7 |
| Licenses & Permits | 28.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 |
| Intergovernmental | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Investment Earnings | 132.6 | 108.8 | 109.8 | 109.9 | 44.6 | 73.6 | 88.7 | 14.5 | 43.3 | 105.0 |
| State Resources | 45.0 | 52.5 | 52.5 | 52.5 | 54.9 | 54.9 | 54.9 | 56.5 | 56.5 | 56.5 |
| Miscellaneous | 16.1 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| Sub-Total | 356.2 | 347.7 | 348.7 | 348.8 | 279.2 | 308.2 | 323.3 | 252.2 | 281.0 | 342.7 |
| Total General Fund Unrestricted Revenue | 2305.8 | 1891.4 | 2018.6 | 2105.5 | 1510.3 | 1995.8 | 2489.4 | 1332.8 | 1930.5 | 2604.7 |

# PETROLEUM REVENUES

**Historical Comparison of General Fund Unrestricted Petroleum Revenues Versus Total General Fund Unrestricted Revenues**




**Petroleum Revenues**
(Millions of Dollars)

| | Total G. F. Unrestricted Revenues | Total G. F. Unrestricted Pet. Revenues | Percent |
|---|---|---|---|
| FY 88 Actual | 2305.8 | 1949.6 | 85 |
| FY 89 Estimates | | | |
| Low Case | 1891.4 | 1543.7 | 82 |
| Mid Case | 2018.6 | 1669.9 | 83 |
| High Case | 2105.5 | 1756.7 | 83 |
| FY 90 Estimates | | | |
| Low Case | 1510.3 | 1231.1 | 82 |
| Mid Case | 1995.8 | 1687.6 | 85 |
| High Case | 2489.4 | 2166.1 | 87 |
| FY 91 Estimates | | | |
| Low Case | 1332.8 | 1080.6 | 81 |
| Mid Case | 1930.5 | 1649.5 | 85 |
| High Case | 2604.7 | 2262.0 | 87 |

# SPECIAL FUNDS

(Millions of Dollars)

| | FY 1988 Actual | FY 1989 Estimate | FY 1990 Estimate | FY 1991 Estimate |
|---|---|---|---|---|
| **Enterprise Funds** | | | | |
| Agriculture Loan Fund | 0.7 | 1.5 | 1.5 | 1.5 |
| Alaska Clean Water Fund | 0.1 | 0.1 | 0.1 | 0.1 |
| Alternative Tech. and Energy Loan Fund | 0.6 | 0.4 | 0.4 | 0.4 |
| Bulk Fuel Loan Fund | -0- | -0- | -0- | -0- |
| Child Care Facility Loan Fund | 0.1 | 0.1 | -0- | -0- |
| Commercial Fish Loan Fund | 7.4 | 6.3 | 6.0 | 5.7 |
| Fisheries Enhancement Loan Fund | 0.3 | 0.6 | 1.1 | 1.9 |
| Historical District Loan Fund | 0.1 | -0- | -0- | -0- |
| Housing Assistance Loan Fund | 12.2 | 15.0 | 15.5 | 15.5 |
| International Airport Revenue Fund | 57.8 | 48.0 | 63.7 | 64.7 |
| Medical Malpractice Loan Fund | -0- | -0- | -0- | -0- |
| Mining Loan Fund | 0.4 | 0.2 | 0.2 | 0.2 |
| Power Development Loan Fund | 6.6 | 6.8 | 7.6 | 8.9 |
| Residential Energy Cons. Loan Fund | 0.2 | 0.1 | 0.1 | 0.1 |
| Rural Electrification Loan Fund | -0- | -0- | -0- | -0- |
| Scholarship Loan Fund | 1.2 | 4.9 | 5.0 | 5.0 |
| Small Business Loan Fund | 0.2 | 0.1 | -0- | -0- |
| Tourism Loan Fund | 0.1 | 0.1 | 0.1 | 0.1 |
| World War II Veterans Loan Fund | 0.6 | 0.4 | 0.3 | 0.3 |
| Total Enterprise Funds | 88.6 | 84.6 | 101.8 | 104.4 |
| **Alaska Permanent Fund** (1) (2) (3) | 720.8 | | | |
| (Contributed Equity) | | | | |
| Low Case | | 556.5 | 585.0 | 590.6 |
| Mid Case | | 577.7 | 703.1 | 753.1 |
| High Case | | 591.8 | 823.8 | 937.0 |
| **Public School Fund** (1) (2) (3) | 12.7 | | | |
| Low Case | | 9.7 | 9.4 | 8.9 |
| Mid Case | | 10.1 | 10.8 | 10.8 |
| High Case | | 10.4 | 12.4 | 12.8 |

| | FY 1988 Actual | FY 1989 Estimate | FY 1990 Estimate | FY 1991 Estimate |
|---|---|---|---|---|
| **Other Funds** | | | | |
| NPR-A Special Revenue Fund | 1.0 | 1.0 | 1.0 | 1.0 |
| Fish and Game Fund | 9.2 | 8.6 | 8.7 | 8.7 |
| Disaster Relief Fund | 0.6 | -0- | -0- | -0- |
| Fire Suppression Fund | -0- | -0- | -0- | -0- |
| School Fund | 2.8 | 2.7 | 2.7 | 2.6 |
| Training & Building Fund | 0.7 | 0.4 | 0.4 | 0.4 |
| Total Other Funds | 14.3 | 12.7 | 12.8 | 12.7 |
| **TOTAL SPECIAL FUNDS** | 836.4 | | | |
| Low Case | | 663.5 | 709.0 | 716.6 |
| Mid Case | | 685.1 | 828.5 | 881.0 |
| High Case | | 699.5 | 950.8 | 1066.9 |

(1) The scenario approach is shown for both the Permanent Fund and the Public School Fund since both receive a significant portion of revenues from petroleum-based sources.

(2) The FY 88 figures reflect the $2.1 million misallocation of TAPS receipts due the General Fund.

(3) Includes the OCS "8(g)" revenue sharing settlement payments to the Permanent Fund ($145.7 million and $2.0 million) and the Public School Fund ($1.6 million) in FY 88, and to the Permanent Fund ($2.0 million) and the Public School Fund ($20,000) in FY 89, FY 90, and FY 91.

**Table 1**
**HISTORICAL GENERAL FUND UNRESTRICTED REVENUES**
**- TAX PORTION -**

| ($ millions) | FY 76 | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Corporate - General | 31.1 | 35.8 | 33.5 | 24.8 | 17.9 | 34.8 | 34.8 | 30.3 | 39.5 | 36.0 | 11.2 | 20.5 | 23.4 |
| Corporate - Petroleum | | | | 232.6 | 547.5 | 860.1 | 668.9 | 236.0 | 265.1 | 168.6 | 133.9 | 120.4 | 158.0 |
| Fiduciary | .1 | .1 | .1 | .1 | .1 | | | | | | | | |
| Individual | 146.2 | 210.4 | 145.7 | 117.2 | 100.5 | | | | | | | | |
| Total Income | 177.4 | 246.3 | 179.3 | 374.7 | 666.0 | 894.9 | 703.7 | 266.3 | 304.6 | 204.6 | 145.1 | 140.9 | 181.4 |
| Alaska Business License | 19.1 | 23.2 | 21.7 | 28.2 | 4.2 | 5.4 | 5.5 | 6.9 | 19.9 | 38.8 | 2.1 | 1.5 | 1.4 |
| Fish - Canned Salmon | 1.8 | 3.8 | 5.5 | 6.7 | 4.3 | 5.9 | 8.6 | 4.3 | 5.5 | 5.6 | 3.5 | | |
| Fish - Shore Based | .8 | 1.9 | 2.3 | 3.3 | 7.6 | 11.0 | 8.7 | 11.5 | 7.1 | 8.3 | 10.1 | 17.5 | 13.8 |
| Fish - Floating | .5 | .5 | .5 | 1.9 | 2.7 | 3.8 | 5.5 | 4.7 | 6.4 | 4.8 | 7.5 | 9.0 | 8.7 |
| Salmon Enhancement | | | | | | | 2.4 | 2.6 | 2.2 | 2.6 | 4.3 | 4.4 | 5.8 |
| Seafood Marketing | | | | | | | | .9 | 1.1 | 1.0 | 1.1 | 1.4 | 2.7 |
| Insurance Companies | 6.1 | 8.1 | 10.0 | 10.8 | 10.4 | 10.6 | 12.5 | 13.8 | 16.2 | 17.5 | 21.1 | 23.7 | 23.7 |
| Other | 1.0 | 1.3 | 1.6 | 1.9 | 2.1 | 1.2 | 1.4 | 1.6 | 2.0 | 2.1 | 2.2 | 2.3 | 2.4 |
| Total Gross Receipts | 29.3 | 38.8 | 41.6 | 52.8 | 31.3 | 37.9 | 44.6 | 46.3 | 60.4 | 80.7 | 51.9 | 59.8 | 58.5 |
| Gravel, Timber, Etc. | 1.8 | 1.0 | .8 | 1.7 | 1.6 | 2.7 | | | | | | | |
| Oil & Gas Production | 27.9 | 23.7 | 107.6 | 173.6 | 506.2 | 1169.9 | 1581.1 | 1493.0 | 1392.4 | 1388.7 | 1107.4 | 647.3 | 816.4 |
| Oil & Gas Conservation | .1 | .1 | .1 | .2 | .3 | .3 | .6 | .7 | .7 | .7 | .5 | 1.2 | 2.3 |
| Total Severance | 29.8 | 24.8 | 108.5 | 175.5 | 508.1 | 1172.9 | 1581.7 | 1493.7 | 1393.1 | 1389.4 | 1107.9 | 648.5 | 818.7 |
| Oil & Gas | 83.4 | 139.1 | 173.0 | 163.4 | 168.9 | 143.0 | 142.7 | 152.6 | 131.0 | 128.4 | 113.5 | 102.5 | 96.2 |
| Oil & Gas Reserves | 223.1 | 270.6 | | | | | | | | | | | |
| Vehicle Registration | | | .2 | .2 | .1 | .2 | | | | | | | |
| Total Property | 306.5 | 409.7 | 173.2 | 163.6 | 169.0 | 143.2 | 142.7 | 152.6 | 131.0 | 128.4 | 113.5 | 102.5 | 96.2 |
| Alcoholic Beverages | 7.8 | 8.0 | 7.6 | 7.4 | 7.4 | 8.3 | 9.0 | 10.4 | 13.0 | 13.9 | 13.3 | 12.6 | 12.1 |
| Fuel Taxes - Aviation | 3.0 | 2.5 | 3.3 | 3.4 | 4.0 | 4.1 | 6.3 | 8.7 | 8.1 | 8.0 | 8.1 | 8.5 | 9.0 |
| Fuel Taxes - Highway | 20.2 | 16.7 | 17.9 | 16.3 | 18.9 | 15.6 | 20.3 | 23.7 | 20.2 | 23.7 | 22.7 | 18.3 | 19.3 |
| Fuel Taxes - Marine | 1.2 | 1.3 | 2.1 | 2.6 | 3.2 | 3.5 | 3.7 | 4.3 | 3.9 | 4.3 | 5.3 | 5.4 | 5.3 |
| Tobacco Products | 1.7 | 1.8 | 1.7 | 1.7 | 1.6 | 1.7 | 1.9 | 2.0 | 2.0 | 2.0 | 4.9 | 6.6 | 6.1 |
| Total Sale/Use | 33.9 | 30.3 | 32.6 | 31.4 | 35.1 | 33.2 | 41.2 | 49.1 | 47.2 | 51.9 | 54.3 | 51.4 | 51.8 |
| Estate | .2 | .2 | .2 | .1 | .2 | .5 | .3 | .7 | .7 | .5 | .7 | 1.1 | .3 |
| School | 2.6 | 2.6 | 2.4 | 2.5 | 2.6 | | | | | | | | |
| Total Other | 2.8 | 2.8 | 2.6 | 2.6 | 2.8 | .5 | .3 | .7 | .7 | .5 | .7 | 1.1 | .3 |
| **Total Taxes** | **579.7** | **752.7** | **537.8** | **800.6** | **1412.3** | **2282.6** | **2514.2** | **2008.7** | **1937.0** | **1855.5** | **1473.4** | **1004.2** | **1206.9** |

## - NON-TAX PORTION -

| ($ millions) | FY 76 | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Business | 5.1 | 5.5 | 6.8 | 7.5 | 8.1 | 9.1 | 10.8 | 10.8 | 10.8 | 11.9 | 11.3 | 10.0 | 8.6 |
| Non-Business | 11.3 | 10.6 | 12.3 | 12.3 | 10.7 | 12.2 | 13.0 | 14.9 | 15.9 | 17.0 | 18.0 | 19.2 | 19.7 |
| Total Licenses & Permits | 16.4 | 16.1 | 19.1 | 19.8 | 18.8 | 21.3 | 23.8 | 25.7 | 26.7 | 28.9 | 29.3 | 29.2 | 28.3 |
| Intergovernmental Receipts | | | | | | | | | | | | | |
| Federal Shared Revenues | 6.4 | 2.5 | 3.6 | 4.1 | 4.8 | 8.5 | 21.7 | 33.3 | 14.0 | 10.5 | 14.5 | 9.7 | 6.9 |
| State Resource Revenue | | | | | | | | | | | | | |
| Bonus Sales | | | | | 342.4 | 7.6 | 5.0 | 36.2 | 10.1 | 11.5 | 34.7 | .5 | 5.6 |
| Investment Earnings | 31.7 | 34.8 | 44.2 | 59.2 | 119.9 | 227.8 | 324.7 | 375.8 | 282.7 | 233.5 | 195.2 | 161.9 | 132.6 |
| Rents | 4.1 | 3.4 | 2.3 | 2.1 | 3.0 | 5.4 | 3.5 | 4.3 | 6.0 | 5.1 | 6.2 | 6.0 | 6.0 |
| Royalties | 43.3 | 34.3 | 149.6 | 249.2 | 688.2 | 1118.5 | 1157.3 | 1078.4 | 1047.5 | 1034.0 | 830.7 | 439.3 | 694.8 |
| Sale of State Property | 1.9 | 1.8 | 1.9 | 8.4 | 5.7 | 4.8 | 5.2 | 6.3 | 7.0 | 8.5 | 8.7 | 7.0 | 3.8 |
| Gravel, Timber, etc. | | | | | | | 1.2 | 4.0 | 2.9 | 3.1 | 2.9 | 7.2 | 1.1 |
| Total Sale/Use | 81.0 | 74.3 | 198.0 | 318.9 | 1159.2 | 1364.1 | 1496.9 | 1505.0 | 1356.2 | 1295.7 | 1078.4 | 621.9 | 843.9 |
| Airports | .6 | .7 | .8 | .9 | .8 | 1.1 | 1.6 | 1.4 | 1.5 | 1.6 | 1.5 | 1.5 | 1.8 |
| Ferry System—SE | 13.9 | 15.4 | 14.0 | 17.1 | 18.7 | 21.0 | 25.2 | 26.4 | 28.5 | 29.6 | 28.5 | 27.5 | 26.0 |
| Ferry System—SW | 1.3 | 1.5 | 1.6 | 1.8 | 2.4 | 3.4 | 4.0 | 4.0 | 3.5 | 3.8 | 3.8 | 3.8 | 3.8 |
| Other | 2.2 | 2.7 | 4.0 | 3.1 | 4.1 | 3.7 | 3.6 | 5.5 | 4.3 | 7.9 | 5.2 | 4.1 | .7 |
| Total Facilities Charges | 18.0 | 20.3 | 20.4 | 22.9 | 26.0 | 29.2 | 34.4 | 37.3 | 37.8 | 42.9 | 39.0 | 36.9 | 32.3 |
| Court System | 3.7 | 3.6 | 2.8 | 2.8 | 2.8 | 2.9 | 3.5 | 4.2 | 4.1 | 4.5 | 5.1 | 5.3 | 5.5 |
| Other | .7 | .9 | 1.7 | 2.3 | 2.0 | 4.1 | 6.1 | 5.9 | 4.8 | 5.2 | 4.1 | 4.8 | 2.0 |
| Total Services Charges | 4.4 | 4.5 | 4.5 | 5.1 | 4.8 | 7.0 | 9.6 | 10.1 | 8.9 | 9.7 | 9.2 | 10.1 | 7.5 |
| Total State Resource Revenue | 103.4 | 99.1 | 222.9 | 346.9 | 1190.0 | 1400.3 | 1540.9 | 1552.4 | 1402.9 | 1348.3 | 1126.6 | 668.9 | 883.7 |
| Miscellaneous Revenue | 3.9 | 3.9 | 3.9 | 7.2 | 6.7 | 5.5 | 7.8 | 10.9 | 9.5 | 16.8 | 13.0 | 16.9 | 16.1 |
| Sub-Total Non-Tax Revenue | 130.1 | 121.6 | 249.5 | 378.0 | 1220.3 | 1435.6 | 1594.2 | 1622.3 | 1453.1 | 1404.5 | 1183.4 | 724.7 | 935.0 |
| Less: Native Claims | | | 22.4 | 45.6 | 131.4 | | | | | | | | |
| Plus: Settlements | | | | | | | | | | | 418.7 | 70.5 | 163.9 |
| **Total Non-Tax Revenue** | **130.1** | **121.6** | **227.1** | **332.4** | **1088.9** | **1435.6** | **1594.2** | **1622.3** | **1453.1** | **1404.5** | **1602.1** | **795.2** | **1098.9** |
| **Total Tax Revenue** | **579.7** | **752.7** | **537.8** | **800.6** | **1412.3** | **2282.6** | **2514.2** | **2008.7** | **1937.0** | **1855.5** | **1473.4** | **1004.2** | **1206.9** |
| **Total General Fund Unrestricted Revenue** | **709.8** | **874.3** | **764.9** | **1133.0** | **2501.2** | **3718.2** | **4108.4** | **3631.0** | **3390.1** | **3260.0** | **3075.5** | **1799.4** | **2305.8** |

**Table 2**
**HISTORICAL RESTRICTED REVENUES**
**AND TOTAL GENERAL FUND REVENUES**

| ($ millions) | FY 76 | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Federal Grants-In-Aid | | | | | | | | | | | | | |
| Education | 35.6 | 26.7 | 27.3 | 27.8 | 30.7 | 33.0 | 25.7 | 33.8 | 44.8 | 76.2 | 42.0 | 78.0 | 54.2 |
| Social Services | 45.4 | 48.9 | 57.7 | 57.8 | 60.0 | 68.7 | 60.4 | 80.7 | 91.2 | 100.7 | 125.2 | 156.4 | 154.2 |
| Health | 5.0 | 3.0 | 15.6 | 15.4 | 21.4 | 26.5 | 27.1 | 11.9 | 10.0 | 12.5 | 3.2 | 3.6 | 3.4 |
| Natural Resources | 3.7 | 5.4 | 7.9 | 10.1 | 6.5 | 8.3 | 12.4 | 15.0 | 14.2 | 18.1 | 17.9 | 27.8 | 28.4 |
| Public Protection/Admin. of Justice | 7.0 | 5.7 | 7.1 | 8.4 | 7.4 | 7.1 | 5.5 | 5.7 | 6.6 | 7.5 | 7.7 | 15.0 | 10.3 |
| Development/Gen. Government | .7 | 2.7 | 1.4 | 2.3 | 2.8 | 7.9 | 4.9 | 8.6 | 8.1 | 6.6 | 9.3 | 5.0 | 7.6 |
| Transportation | 123.3 | 119.1 | 121.6 | 84.6 | 69.5 | 39.9 | 22.5 | 11.0 | 67.7 | 110.9 | 88.5 | 169.8 | 185.3 |
| Total | 220.7 | 211.5 | 238.6 | 206.4 | 198.3 | 191.4 | 158.5 | 166.7 | 242.6 | 332.5 | 293.8 | 455.6 | 443.4 |
| Other Grants-In-Aid | | | | | | | | | | | | | |
| Education | .4 | .8 | .3 | .5 | 1.6 | .8 | .9 | 1.0 | 1.1 | 1.3 | 1.4 | 1.3 | 2.0 |
| Health/Social Services | 1.9 | 1.5 | 2.6 | 1.2 | .5 | .2 | .3 | .4 | .4 | 3.8 | 4.3 | 8.5 | 9.1 |
| Natural Resources | 1.9 | 2.1 | 1.4 | 1.2 | .6 | 2.4 | 1.4 | 1.0 | .9 | .9 | 1.4 | 2.3 | 6.0 |
| Public Protection/Admin. of Justice | .4 | .4 | 1.7 | 1.9 | 1.8 | 1.9 | 1.9 | 2.4 | 3.1 | .9 | 2.0 | 5.7 | 5.1 |
| Development/Gen. Government | 3.0 | .9 | 1.3 | 1.6 | 4.1 | 2.6 | 3.3 | 5.3 | 15.6 | 6.5 | 3.6 | 3.8 | 5.2 |
| Transportation | 2.5 | 1.8 | 1.0 | 1.1 | 1.0 | 1.6 | 2.5 | .9 | 1.2 | 3.5 | .8 | 1.1 | .7 |
| Total | 10.1 | 7.5 | 8.3 | 7.5 | 9.6 | 9.5 | 10.3 | 11.0 | 22.3 | 16.9 | 13.5 | 22.7 | 28.1 |
| Miscellaneous Restricted Revenue | 4.5 | 3.1 | .9 | 3.2 | 5.7 | 8.1 | 7.0 | 15.7 | 9.8 | 16.9 | 16.4 | 15.8 | 3.7 |
| **Total Restricted Revenue** | **235.3** | **222.1** | **247.8** | **217.1** | **213.6** | **209.0** | **175.8** | **193.4** | **274.7** | **366.3** | **323.7** | **494.1** | **475.2** |
| **Total Unrestricted Revenue** | **709.8** | **874.3** | **764.9** | **1133.0** | **2501.2** | **3718.2** | **4108.4** | **3631.0** | **3390.1** | **3260.0** | **3075.5** | **1799.4** | **2305.8** |
| **Total General Fund Revenue** | **945.1** | **1096.4** | **1012.7** | **1350.1** | **2714.8** | **3927.2** | **4284.2** | **3824.4** | **3664.8** | **3626.3** | **3399.2** | **2293.5** | **2781.0** |

Source: Department of Revenue, Revenue Sources FY 1976 - FY 1988. Updated October 1988.

## Table 3
## HISTORICAL PETROLEUM REVENUES
(Millions of Dollars)

| FY | Corporate Non-Petroleum | Corporate Petroleum | Oil/Gas Severance Tax | Property Tax | Reserve Tax | Fed. Min. Rents & Royalties (1) | Bonus Sales | Rents (1) | Royalties (1) | Oil/Gas Special Settlements | Total Petroleum Revenues | Total G.F. Unrestricted Revenues | % of Total Unrestricted Revenues |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 59 | 1.4 | | | | | 3.1 | | | | | 3.1 | 25.4 | 12 |
| 60 | 1.7 | | | | | 5.8 | 4.0 | .1 | | | 9.9 | 48.0 | 21 |
| 61 | 1.4 | | | | | 2.4 | 1.6 | .2 | | | 4.2 | 40.5 | 10 |
| 62 | 1.8 | | .2 | | | 4.5 | 20.3 | 1.0 | | | 26.0 | 68.9 | 38 |
| 63 | 2.2 | | .3 | | | 8.6 | 17.9 | 1.0 | | | 27.8 | 71.6 | 39 |
| 64 | 1.8 | | .3 | | | 8.7 | 4.7 | 1.2 | | | 14.9 | 67.0 | 22 |
| 65 | 1.9 | | .3 | | | 8.3 | 5.9 | 1.9 | .1 | | 16.5 | 83.0 | 20 |
| 66 | 4.1 | | .3 | | | 7.7 | 10.8 | 2.5 | .3 | | 21.6 | 86.5 | 25 |
| 67 | 3.5 | | .5 | | | 7.7 | 8.6 | 2.8 | 1.9 | | 21.5 | 86.6 | 25 |
| 68 | 3.8 | .1 | 1.2 | | | 7.5 | 21.8 | 2.9 | 9.5 | | 43.0 | 112.7 | 38 |
| 69 | 4.2 | .1 | 5.6 | | | 7.8 | .8 | 3.3 | 16.9 | | 34.5 | 112.4 | 31 |
| 70 | 4.9 | .4 | 7.9 | | | 8.2 | 900.0 | 3.1 | 19.3 | | 938.9 | 1067.3 | 88 |
| 71 | 5.2 | .9 | 10.5 | | | 8.6 | .2 | 2.9 | 23.9 | | 47.0 | 220.4 | 21 |
| 72 | 5.3 | 1.2 | 11.4 | | | 7.9 | .3 | 3.0 | 24.6 | | 48.4 | 219.2 | 22 |
| 73 | 5.9 | .9 | 12.0 | | | 6.7 | 3.8 | 3.4 | 23.5 | | 50.3 | 208.2 | 24 |
| 74 | 7.0 | 1.2 | 14.8 | | | 7.1 | 24.8 | 3.6 | 28.7 | | 80.2 | 254.9 | 31 |
| 75 | 14.8 | 2.5 | 26.6 | 6.6 | | 9.8 | 1.0 | 3.9 | 40.0 | | 90.4 | 333.4 | 27 |
| 76 | 26.2 | 4.9 | 28.0 | 83.4 | 223.1 | 5.1 | | 3.7 | 43.3 | | 391.5 | 709.8 | 55 |
| 77 | 30.8 | 5.0 | 23.8 | 139.1 | 270.6 | 2.0* | | 2.8* | 34.3* | | 477.6* | 874.3 | 55 |
| 78 | 25.1 | 8.4 | 107.7 | 173.0 | | 1.0* | | 1.8* | 149.6* | | 441.5* | 764.9 | 58 |
| 79 | 24.8 | 232.6 | 173.8 | 163.4 | | 1.0* | | 1.6* | 249.2* | | 821.6* | 1133.0 | 73 |
| 80 | 17.9 | 547.5 | 506.5 | 168.9 | | 1.2* | 342.4* | 1.8* | 688.2* | | 2256.5* | 2501.2 | 90 |
| 81 | 34.8 | 860.1 | 1170.2 | 143.0 | | 1.2* | 7.6* | 3.7* | 1118.5* | | 3304.3* | 3718.2 | 89 |
| 82 | 34.8 | 668.9 | 1581.7 | 142.7 | | 17.1* | 5.0* | 2.1* | 1157.3* | | 3574.8* | 4108.4 | 87 |
| 83 | 30.1 | 236.0 | 1493.7 | 152.6 | | 27.2* | 36.2* | 2.5* | 1078.4* | | 3026.6* | 3631.0 | 83 |
| 84 | 39.5 | 265.1 | 1393.1 | 131.0 | | 11.0* | 10.1* | 3.8* | 1047.5* | | 2861.6* | 3390.1 | 84 |
| 85 | 36.0 | 168.6 | 1389.4 | 128.4 | | 8.2* | 11.5* | 3.4* | 1034.0* | | 2743.5* | 3260.0 | 84 |
| 86 | 11.2 | 133.9 | 1107.9 | 113.5 | | 14.3* | 34.7* | 4.2* | 830.7* | 418.7* | 2657.9* | 3075.5 | 86 |
| 87 | 20.5 | 120.4 | 648.5 | 102.5 | | 9.0* | .5* | 3.8* | 439.3* | 70.5* | 1394.5* | 1799.4 | 77 |
| 88 | 23.4 | 158.0 | 818.7 | 96.2 | | 6.7* | 5.6* | 5.7* | 694.8* | 163.9* | 1949.6* | 2305.8 | 85 |

* Net of Permanent Fund contribution.

(1) These categories are primarily composed of oil/gas revenues; however, includes some additional revenues from other minerals (mostly coal).

# LONG RANGE REVENUE AND PERMANENT FUND PROJECTIONS

Low Case Scenario

Mid Case Scenario

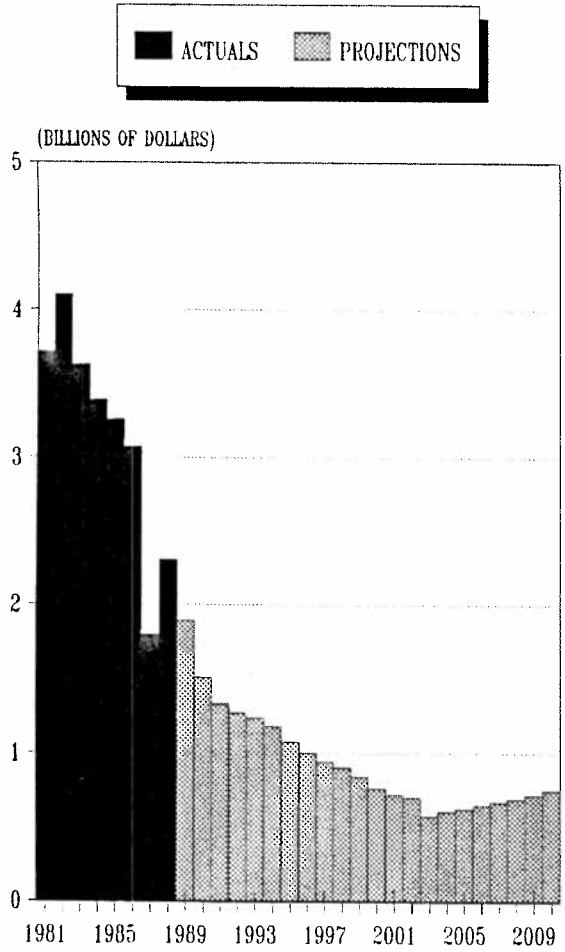
High Case Scenario

Alaska Department of Revenue
Spring 1989

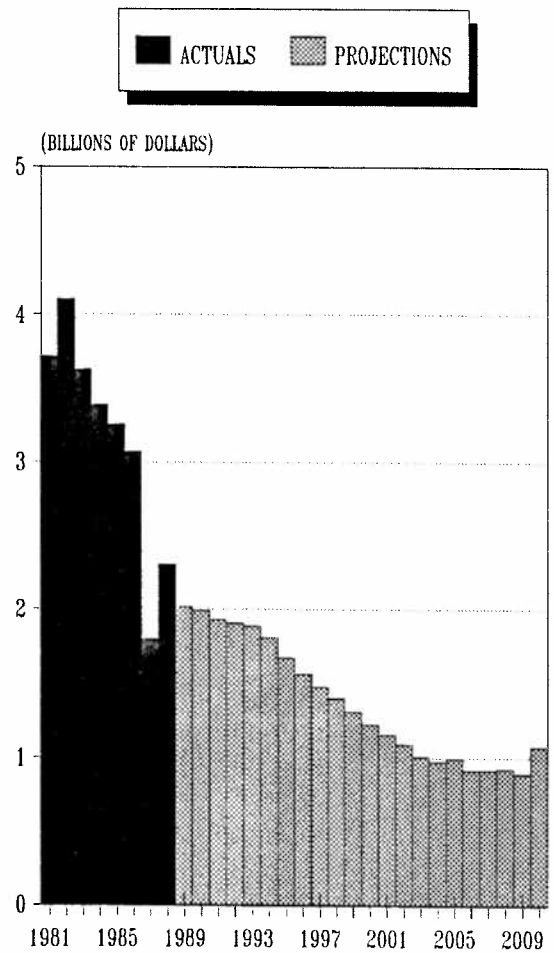
# GENERAL FUND UNRESTRICTED REVENUE PROJECTIONS

**(FY 1981 - FY 2010)**

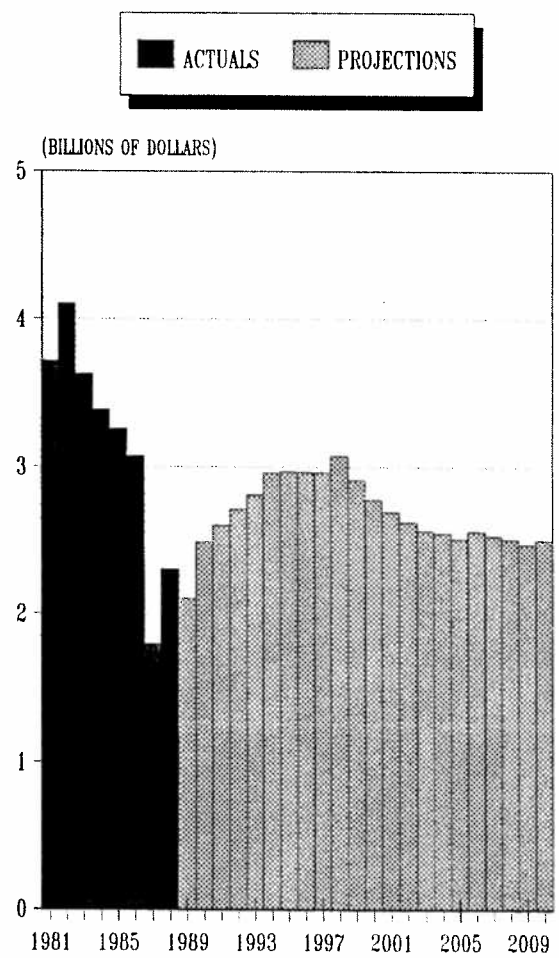
## LOW CASE SCENARIO




## MID CASE SCENARIO




## HIGH CASE SCENARIO



# LOW CASE SCENARIO

(Millions of Dollars)

| (1) FY | (2) SEVERANCE TAX | (3) PROPERTY TAX | (4) OIL&GAS INC TAX | (5) ROYALTIES | (6) MINERAL RENTS | (7) BONUS SALES | (8) SPECIAL PETRO SETTLEMENTS | (9) PETROLEUM REVENUES | (10) NON-PETR NON-INTR REVENUES | (11) GEN FUND INTEREST REVENUES | (12) TOTAL REVS INCL PERM FUND |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 81 | 1170.20 | 143.00 | 860.10 | 1501.60 | 7.90 | 14.10 | 0.00 | 3696.90 | 186.10 | 227.80 | 4110.80 |
| 82 | 1581.70 | 142.70 | 668.90 | 1553.20 | 26.40 | 10.30 | 0.00 | 3983.20 | 209.00 | 324.70 | 4516.90 |
| 83 | 1493.70 | 152.60 | 236.00 | 1447.40 | 54.20 | 73.10 | 0.00 | 3457.00 | 228.60 | 375.80 | 4061.40 |
| 84 | 1393.10 | 131.00 | 265.10 | 1409.00 | 21.90 | 16.70 | 0.00 | 3236.80 | 245.80 | 282.70 | 3765.30 |
| 85 | 1389.40 | 128.40 | 168.60 | 1390.30 | 23.70 | 23.60 | 0.00 | 3124.00 | 283.00 | 233.50 | 3640.50 |
| 86 | 1107.90 | 113.50 | 133.90 | 1098.20 | 44.50 | 70.10 | 460.70 | 3028.80 | 222.40 | 195.20 | 3446.40 |
| 87 | 648.50 | 102.50 | 120.40 | 591.60 | 29.10 | 1.00 | 85.20 | 1578.30 | 243.00 | 161.90 | 1983.20 |
| 88 | 818.70 | 96.20 | 158.00 | 953.50 | 24.20 | 11.30 | 329.00 | 2390.90 | 223.60 | 132.60 | 2747.10 |
| 89 | 586.78 | 90.00 | 103.00 | 684.17 | 23.60 | 23.00 | 236.00 | 1746.55 | 238.90 | 108.80 | 2094.25 |
| 90 | 534.11 | 84.60 | 117.00 | 650.18 | 23.90 | 0.00 | 4.00 | 1413.79 | 234.60 | 44.60 | 1692.99 |
| 91 | 452.49 | 79.70 | 118.00 | 563.05 | 22.90 | 0.00 | 4.00 | 1240.14 | 237.70 | 14.50 | 1492.34 |
| 92 | 407.39 | 75.20 | 119.64 | 529.72 | 21.76 | 0.00 | 4.00 | 1157.70 | 248.23 | 15.14 | 1421.08 |
| 93 | 371.25 | 70.40 | 115.35 | 505.71 | 20.67 | 0.00 | 9.40 | 1092.78 | 259.23 | 27.49 | 1379.50 |
| 94 | 344.05 | 64.30 | 96.92 | 484.10 | 19.63 | 0.00 | 9.40 | 1018.40 | 270.72 | 28.95 | 1318.06 |
| 95 | 288.43 | 56.70 | 83.56 | 430.39 | 18.65 | 0.00 | 9.40 | 887.14 | 282.71 | 30.33 | 1200.17 |
| 96 | 245.91 | 51.40 | 69.88 | 392.19 | 17.72 | 0.00 | 9.40 | 786.50 | 296.00 | 32.35 | 1114.85 |
| 97 | 211.60 | 46.60 | 57.46 | 365.94 | 16.83 | 0.00 | 9.40 | 707.83 | 309.91 | 34.07 | 1051.81 |
| 98 | 175.67 | 41.90 | 48.27 | 354.41 | 15.99 | 0.00 | 13.40 | 649.64 | 324.47 | 35.89 | 1010.00 |
| 99 | 140.52 | 37.30 | 40.42 | 317.15 | 15.19 | 0.00 | 13.40 | 563.99 | 339.72 | 37.79 | 941.50 |
| 00 | 104.08 | 33.00 | 33.00 | 249.03 | 14.43 | 0.00 | 13.40 | 446.94 | 355.69 | 39.78 | 842.41 |
| 01 | 77.71 | 29.00 | 26.65 | 209.07 | 13.71 | 0.00 | 13.40 | 369.55 | 373.55 | 42.74 | 785.83 |
| 02 | 60.83 | 25.30 | 22.73 | 191.55 | 13.03 | 0.00 | 13.40 | 326.84 | 392.30 | 45.11 | 764.24 |
| 03 | 10.47 | 21.40 | 35.93 | 56.03 | 12.37 | 0.00 | 0.00 | 136.20 | 411.99 | 47.60 | 595.80 |
| 04 | 10.99 | 19.40 | 44.68 | 57.82 | 11.76 | 0.00 | 0.00 | 144.65 | 432.67 | 50.22 | 627.54 |
| 05 | 11.53 | 17.70 | 39.84 | 59.73 | 11.17 | 0.00 | 0.00 | 139.97 | 454.39 | 52.97 | 647.33 |
| 06 | 12.10 | 16.20 | 36.68 | 61.73 | 10.61 | 0.00 | 0.00 | 137.32 | 477.20 | 55.85 | 670.38 |
| 07 | 12.70 | 14.70 | 32.07 | 63.85 | 10.08 | 0.00 | 0.00 | 133.40 | 501.16 | 58.78 | 693.34 |
| 08 | 13.33 | 13.00 | 28.21 | 66.09 | 9.57 | 0.00 | 0.00 | 130.20 | 526.32 | 61.84 | 718.36 |
| 09 | 13.99 | 11.10 | 24.79 | 68.45 | 9.10 | 0.00 | 0.00 | 127.43 | 552.74 | 65.06 | 745.23 |
| 10 | 14.68 | 9.20 | 21.88 | 70.94 | 8.64 | 0.00 | 0.00 | 125.34 | 580.49 | 68.44 | 774.27 |

| (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL REVS INCL | PUB SCH | NPR-A | OTHER | PERM FUND | GEN FUND UNRESTRD | -ROYALTIES SUBJ TO- -PERM FUND CONTRIB- | | ROYALTY PF |
| FY | PERM FUND | FUND | FUND | FUNDS | CONTRI | REVENUES | @25 PCT | @50 PCT | CONTRIB |
| 81 | 4110.80 | 7.50 | 0.00 | 74.30 | 385.10 | 3718.20 | 1501.60 | 0.00 | 358.30 |
| 82 | 4516.90 | 8.00 | 0.00 | 0.00 | 400.50 | 4108.40 | 1553.20 | 0.00 | 388.30 |
| 83 | 4061.40 | 9.40 | 0.00 | 0.00 | 421.00 | 3631.00 | 1447.40 | 0.00 | 361.80 |
| 84 | 3765.30 | 9.00 | 0.00 | 0.00 | 366.20 | 3390.10 | 1409.00 | 0.00 | 354.60 |
| 85 | 3640.50 | 7.10 | 5.40 | 0.00 | 368.00 | 3260.00 | 1390.30 | 0.00 | 349.50 |
| 86 | 3446.40 | 6.50 | 41.00 | 0.00 | 323.40 | 3075.50 | 1114.20 | 51.40 | 304.30 |
| 87 | 1983.20 | 3.30 | 9.90 | 0.00 | 170.60 | 1799.40 | 562.00 | 42.30 | 161.70 |
| 88 | 2747.10 | 6.60 | 1.00 | 15.80 | 417.90 | 2305.80 | 898.00 | 55.50 | 252.30 |
| 89 | 2094.25 | 3.62 | 1.00 | 0.00 | 198.10 | 1891.53 | 670.21 | 13.96 | 174.53 |
| 90 | 1692.99 | 3.35 | 1.00 | 0.00 | 178.30 | 1510.34 | 636.40 | 13.78 | 165.99 |
| 91 | 1492.34 | 2.92 | 1.00 | 0.00 | 155.70 | 1332.72 | 550.66 | 12.39 | 143.86 |
| 92 | 1421.08 | 2.75 | 1.00 | 0.00 | 143.74 | 1273.59 | 518.07 | 11.65 | 135.34 |
| 93 | 1379.50 | 2.63 | 1.00 | 0.00 | 139.67 | 1236.20 | 495.80 | 9.91 | 128.91 |
| 94 | 1318.06 | 2.52 | 0.50 | 0.00 | 133.87 | 1181.17 | 475.00 | 9.10 | 123.30 |
| 95 | 1200.17 | 2.25 | 0.00 | 0.00 | 120.19 | 1077.73 | 421.61 | 8.78 | 109.79 |
| 96 | 1114.85 | 2.06 | 0.00 | 0.00 | 110.31 | 1002.48 | 383.56 | 8.63 | 100.20 |
| 97 | 1051.81 | 1.93 | 0.00 | 0.00 | 103.48 | 946.40 | 357.30 | 8.64 | 93.64 |
| 98 | 1010.00 | 1.87 | 0.00 | 0.00 | 102.34 | 905.78 | 345.76 | 8.65 | 90.76 |
| 99 | 941.50 | 1.69 | 0.00 | 0.00 | 92.62 | 847.19 | 309.16 | 7.99 | 81.29 |
| 00 | 842.41 | 1.35 | 0.00 | 0.00 | 75.10 | 765.97 | 242.06 | 6.97 | 64.00 |
| 01 | 785.83 | 1.15 | 0.00 | 0.00 | 63.14 | 721.55 | 209.07 | -0.00 | 52.27 |
| 02 | 764.24 | 1.06 | 0.00 | 0.00 | 58.55 | 704.63 | 191.55 | 0.00 | 47.89 |
| 03 | 595.80 | 0.38 | 0.00 | 0.00 | 17.77 | 577.64 | 56.03 | -0.00 | 14.01 |
| 04 | 627.54 | 0.39 | 0.00 | 0.00 | 18.03 | 609.12 | 57.82 | -0.00 | 14.46 |
| 05 | 647.33 | 0.40 | 0.00 | 0.00 | 18.33 | 628.60 | 59.73 | -0.00 | 14.93 |
| 06 | 670.38 | 0.41 | 0.00 | 0.00 | 18.66 | 651.32 | 61.73 | -0.00 | 15.43 |
| 07 | 693.34 | 0.42 | 0.00 | 0.00 | 19.02 | 673.89 | 63.85 | -0.00 | 15.96 |
| 08 | 718.36 | 0.43 | 0.00 | 0.00 | 19.43 | 698.50 | 66.09 | 0.00 | 16.52 |
| 09 | 745.23 | 0.44 | 0.00 | 0.00 | 19.87 | 724.91 | 68.45 | 0.00 | 17.11 |
| 10 | 774.27 | 0.45 | 0.00 | 0.00 | 20.35 | 753.46 | 70.94 | 0.00 | 17.74 |

# MID CASE SCENARIO
## (Millions of Dollars)

| (1) FY | (2) SEVERANCE TAX | (3) PROPERTY TAX | (4) OIL&GAS INC TAX | (5) ROYALTIES | (6) MINERAL RENTS | (7) BONUS SALES | (8) SPECIAL PETRO SETTLEMENTS | (9) PETROLEUM REVENUES | (10) NON-PETR NON-INTR REVENUES | (11) GEN FUND INTEREST REVENUES | (12) TOTAL REVS INCL PERM FUND |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 81 | 1170.20 | 143.00 | 860.10 | 1501.60 | 7.90 | 14.10 | 0.00 | 3696.90 | 186.10 | 227.80 | 4110.80 |
| 82 | 1581.70 | 142.70 | 668.90 | 1553.20 | 26.40 | 10.30 | 0.00 | 3983.20 | 209.00 | 324.70 | 4516.90 |
| 83 | 1493.70 | 152.60 | 236.00 | 1447.40 | 54.20 | 73.10 | 0.00 | 3457.00 | 228.60 | 375.80 | 4061.40 |
| 84 | 1393.10 | 131.00 | 265.10 | 1409.00 | 21.90 | 16.70 | 0.00 | 3236.80 | 245.80 | 282.70 | 3765.30 |
| 85 | 1389.40 | 128.40 | 168.60 | 1390.30 | 23.70 | 23.60 | 0.00 | 3124.00 | 283.00 | 233.50 | 3640.50 |
| 86 | 1107.90 | 113.50 | 133.90 | 1098.20 | 44.50 | 70.10 | 460.70 | 3028.80 | 222.40 | 195.20 | 3446.40 |
| 87 | 648.50 | 102.50 | 120.40 | 591.60 | 29.10 | 1.00 | 85.20 | 1578.30 | 243.00 | 161.90 | 1983.20 |
| 88 | 818.70 | 96.20 | 158.00 | 953.50 | 24.20 | 11.30 | 329.00 | 2390.90 | 223.60 | 132.60 | 2747.10 |
| 89 | 649.44 | 90.00 | 108.00 | 763.49 | 23.60 | 23.00 | 236.00 | 1893.53 | 238.90 | 109.80 | 2242.23 |
| 90 | 759.89 | 84.60 | 128.00 | 947.71 | 23.90 | 0.00 | 4.00 | 1948.10 | 234.60 | 73.60 | 2256.30 |
| 91 | 727.83 | 79.70 | 133.00 | 940.31 | 22.90 | 0.00 | 4.00 | 1907.74 | 237.70 | 43.30 | 2188.74 |
| 92 | 703.49 | 75.20 | 139.47 | 939.25 | 21.76 | 0.00 | 4.00 | 1883.16 | 249.92 | 33.57 | 2166.65 |
| 93 | 666.94 | 70.40 | 142.29 | 946.60 | 20.67 | 0.00 | 9.40 | 1856.30 | 262.76 | 29.41 | 2148.48 |
| 94 | 615.89 | 64.30 | 130.15 | 913.56 | 19.63 | 0.00 | 9.40 | 1752.94 | 276.27 | 31.35 | 2060.56 |
| 95 | 536.87 | 56.70 | 119.09 | 844.24 | 18.65 | 0.00 | 9.40 | 1584.95 | 290.47 | 33.22 | 1908.64 |
| 96 | 465.78 | 51.40 | 108.33 | 795.15 | 17.72 | 0.00 | 9.40 | 1447.78 | 305.63 | 35.38 | 1788.79 |
| 97 | 404.23 | 46.60 | 98.54 | 758.33 | 16.83 | 0.00 | 9.40 | 1333.93 | 321.59 | 37.53 | 1693.05 |
| 98 | 343.11 | 41.90 | 89.68 | 728.44 | 15.99 | 0.00 | 13.40 | 1232.52 | 338.37 | 39.78 | 1610.68 |
| 99 | 292.42 | 37.30 | 80.94 | 668.76 | 15.19 | 0.00 | 13.40 | 1108.02 | 356.04 | 42.15 | 1506.20 |
| 00 | 239.18 | 33.00 | 73.01 | 611.89 | 14.43 | 0.00 | 13.40 | 984.92 | 374.62 | 44.63 | 1404.17 |
| 01 | 192.70 | 29.00 | 66.63 | 564.27 | 13.71 | 0.00 | 13.40 | 879.71 | 394.63 | 47.60 | 1321.94 |
| 02 | 146.66 | 25.30 | 60.68 | 509.10 | 13.03 | 0.00 | 13.40 | 768.16 | 415.70 | 50.42 | 1234.29 |
| 03 | 109.04 | 21.40 | 54.29 | 448.54 | 12.37 | 0.00 | 0.00 | 645.64 | 437.90 | 53.39 | 1136.93 |
| 04 | 82.31 | 19.40 | 48.84 | 406.93 | 11.76 | 0.00 | 0.00 | 569.24 | 461.28 | 56.51 | 1087.03 |
| 05 | 63.90 | 17.70 | 44.13 | 434.05 | 11.17 | 0.00 | 0.00 | 570.94 | 485.91 | 59.79 | 1116.65 |
| 06 | 47.85 | 16.20 | 40.02 | 317.66 | 10.61 | 0.00 | 0.00 | 432.34 | 511.86 | 63.23 | 1007.44 |
| 07 | 35.63 | 14.70 | 36.94 | 297.81 | 10.08 | 0.00 | 0.00 | 395.16 | 539.20 | 66.81 | 1001.17 |
| 08 | 27.80 | 13.00 | 34.67 | 281.12 | 9.57 | 0.00 | 0.00 | 366.16 | 567.99 | 70.57 | 1004.72 |
| 09 | 48.58 | 11.10 | 33.92 | 174.45 | 9.10 | 0.00 | 0.00 | 277.15 | 598.32 | 74.52 | 949.99 |
| 10 | 107.94 | 9.20 | 44.19 | 300.02 | 8.64 | 0.00 | 0.00 | 469.99 | 630.27 | 78.67 | 1178.93 |

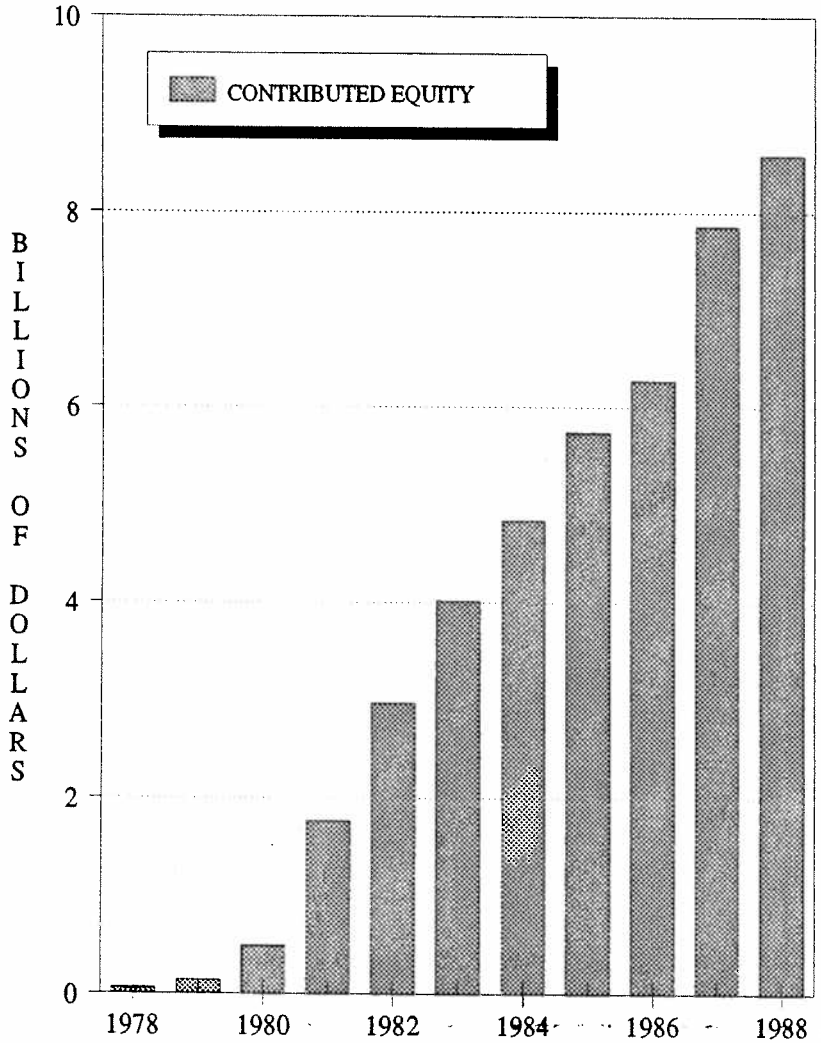
| (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL REVS INCL | PUB SCH | NPR-A | OTHER | PERM FUND | GEN FUND UNRESTRD | -ROYALTIES SUBJ TO- -PERM FUND CONTRIB- | | ROYALTY PF |
| FY | PERM FUND | FUND | FUND | FUNDS | CONTRI | REVENUES | @25 PCT | @50 PCT | CONTRIB |
| 81 | 4110.80 | 7.50 | 0.00 | 74.30 | 385.10 | 3718.20 | 1501.60 | 0.00 | 358.30 |
| 82 | 4516.90 | 8.00 | 0.00 | 0.00 | 400.50 | 4108.40 | 1553.20 | 0.00 | 388.30 |
| 83 | 4061.40 | 9.40 | 0.00 | 0.00 | 421.00 | 3631.00 | 1447.40 | 0.00 | 361.80 |
| 84 | 3765.30 | 9.00 | 0.00 | 0.00 | 366.20 | 3390.10 | 1409.00 | 0.00 | 354.60 |
| 85 | 3640.50 | 7.10 | 5.40 | 0.00 | 368.00 | 3260.00 | 1390.30 | 0.00 | 349.50 |
| 86 | 3446.40 | 6.50 | 41.00 | 0.00 | 323.40 | 3075.50 | 1114.20 | 51.40 | 304.30 |
| 87 | 1983.20 | 3.30 | 9.90 | 0.00 | 170.60 | 1799.40 | 562.00 | 42.30 | 161.70 |
| 88 | 2747.10 | 6.60 | 1.00 | 15.80 | 417.90 | 2305.80 | 898.00 | 55.50 | 252.30 |
| 89 | 2242.23 | 4.02 | 1.00 | 0.00 | 218.40 | 2018.82 | 747.61 | 15.88 | 194.84 |
| 90 | 2256.30 | 4.84 | 1.00 | 0.00 | 254.60 | 1995.86 | 926.10 | 21.61 | 242.33 |
| 91 | 2188.74 | 4.80 | 1.00 | 0.00 | 252.40 | 1930.54 | 918.12 | 22.19 | 240.63 |
| 92 | 2166.65 | 4.80 | 1.00 | 0.00 | 252.49 | 1908.37 | 912.95 | 26.30 | 241.39 |
| 93 | 2148.48 | 4.83 | 1.00 | 0.00 | 254.89 | 1887.75 | 916.69 | 29.91 | 244.13 |
| 94 | 2060.56 | 4.67 | 0.50 | 0.00 | 246.18 | 1809.21 | 884.69 | 28.87 | 235.61 |
| 95 | 1908.64 | 4.32 | 0.00 | 0.00 | 228.71 | 1675.60 | 815.20 | 29.04 | 218.32 |
| 96 | 1788.79 | 4.08 | 0.00 | 0.00 | 217.48 | 1567.23 | 760.80 | 34.35 | 207.38 |
| 97 | 1693.05 | 3.89 | 0.00 | 0.00 | 211.73 | 1477.42 | 717.08 | 41.25 | 199.90 |
| 98 | 1610.68 | 3.74 | 0.00 | 0.00 | 203.96 | 1402.98 | 687.36 | 41.08 | 192.38 |
| 99 | 1506.20 | 3.44 | 0.00 | 0.00 | 188.69 | 1314.07 | 628.10 | 40.66 | 177.36 |
| 00 | 1404.17 | 3.16 | 0.00 | 0.00 | 173.37 | 1227.64 | 574.69 | 37.20 | 162.27 |
| 01 | 1321.94 | 2.92 | 0.00 | 0.00 | 160.63 | 1158.39 | 529.51 | 34.76 | 149.76 |
| 02 | 1234.29 | 2.65 | 0.00 | 0.00 | 139.13 | 1092.51 | 477.54 | 31.56 | 135.17 |
| 03 | 1136.93 | 2.34 | 0.00 | 0.00 | 122.85 | 1011.74 | 420.73 | 27.81 | 119.09 |
| 04 | 1087.03 | 2.13 | 0.00 | 0.00 | 110.19 | 974.71 | 387.40 | 19.53 | 106.62 |
| 05 | 1116.65 | 2.27 | 0.00 | 0.00 | 117.46 | 996.91 | 411.83 | 22.22 | 114.07 |
| 06 | 1007.44 | 1.69 | 0.00 | 0.00 | 86.51 | 919.24 | 302.16 | 15.50 | 83.29 |
| 07 | 1001.17 | 1.59 | 0.00 | 0.00 | 80.85 | 918.73 | 284.47 | 13.34 | 77.79 |
| 08 | 1004.72 | 1.51 | 0.00 | 0.00 | 76.00 | 927.22 | 269.88 | 11.24 | 73.09 |
| 09 | 949.99 | 0.97 | 0.00 | 0.00 | 53.42 | 895.60 | 146.26 | 28.19 | 50.66 |
| 10 | 1178.93 | 1.60 | 0.00 | 0.00 | 99.76 | 1077.57 | 211.45 | 88.57 | 97.15 |

# HIGH CASE SCENARIO
## (Millions of Dollars)

| (1) FY | (2) SEVERANCE TAX | (3) PROPERTY TAX | (4) OIL&GAS INC TAX | (5) ROYALTIES | (6) MINERAL RENTS | (7) BONUS SALES | (8) SPECIAL PETRO SETTLEMENTS | (9) PETROLEUM REVENUES | (10) NON-PETR NON-INTR REVENUES | (11) GEN FUND INTEREST REVENUES | (12) TOTAL REVS INCL PERM FUND |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 81 | 1170.20 | 143.00 | 860.10 | 1501.60 | 7.90 | 14.10 | 0.00 | 3696.90 | 186.10 | 227.80 | 4110.80 |
| 82 | 1581.70 | 142.70 | 668.90 | 1553.20 | 26.40 | 10.30 | 0.00 | 3983.20 | 209.00 | 324.70 | 4516.90 |
| 83 | 1493.70 | 152.60 | 236.00 | 1447.40 | 54.20 | 73.10 | 0.00 | 3457.00 | 228.60 | 375.80 | 4061.40 |
| 84 | 1393.10 | 131.00 | 265.10 | 1409.00 | 21.90 | 16.70 | 0.00 | 3236.80 | 245.80 | 282.70 | 3765.30 |
| 85 | 1389.40 | 128.40 | 168.60 | 1390.30 | 23.70 | 23.60 | 0.00 | 3124.00 | 283.00 | 233.50 | 3640.50 |
| 86 | 1107.90 | 113.50 | 133.90 | 1098.20 | 44.50 | 70.10 | 460.70 | 3028.80 | 222.40 | 195.20 | 3446.40 |
| 87 | 648.50 | 102.50 | 120.40 | 591.60 | 29.10 | 1.00 | 85.20 | 1578.30 | 243.00 | 161.90 | 1983.20 |
| 88 | 818.70 | 96.20 | 158.00 | 953.50 | 24.20 | 11.30 | 329.00 | 2390.90 | 223.60 | 132.60 | 2747.10 |
| 89 | 693.41 | 90.00 | 112.00 | 816.06 | 23.60 | 23.00 | 236.00 | 1994.07 | 238.90 | 109.90 | 2342.87 |
| 90 | 1004.13 | 84.60 | 139.00 | 1250.73 | 23.90 | 0.00 | 4.00 | 2506.36 | 234.60 | 88.70 | 2829.66 |
| 91 | 1040.93 | 79.70 | 145.00 | 1330.28 | 22.90 | 0.00 | 4.00 | 2622.81 | 237.70 | 105.00 | 2965.51 |
| 92 | 1042.46 | 75.20 | 152.11 | 1386.05 | 21.76 | 0.00 | 4.00 | 2681.58 | 252.06 | 157.73 | 3091.37 |
| 93 | 1030.18 | 70.40 | 163.23 | 1490.23 | 20.67 | 0.00 | 9.40 | 2784.11 | 267.28 | 173.55 | 3224.95 |
| 94 | 1095.80 | 64.30 | 165.73 | 1573.36 | 19.63 | 0.00 | 9.40 | 2928.23 | 283.43 | 189.06 | 3400.71 |
| 95 | 1079.79 | 56.70 | 168.90 | 1577.97 | 18.65 | 0.00 | 9.40 | 2911.41 | 300.54 | 197.05 | 3409.01 |
| 96 | 1059.67 | 51.40 | 170.62 | 1594.80 | 17.72 | 0.00 | 9.40 | 2903.61 | 318.43 | 188.88 | 3410.93 |
| 97 | 1052.56 | 46.60 | 172.58 | 1615.05 | 16.83 | 0.00 | 9.40 | 2913.02 | 337.37 | 167.38 | 3417.77 |
| 98 | 1083.69 | 41.90 | 180.73 | 1741.51 | 15.99 | 0.00 | 13.40 | 3077.22 | 357.45 | 134.63 | 3569.29 |
| 99 | 998.72 | 37.30 | 188.94 | 1685.00 | 15.19 | 0.00 | 13.40 | 2938.55 | 378.72 | 83.53 | 3400.80 |
| 00 | 892.47 | 33.00 | 194.32 | 1662.62 | 14.43 | 0.00 | 13.40 | 2810.24 | 401.25 | 52.29 | 3263.78 |
| 01 | 815.77 | 29.00 | 199.44 | 1614.91 | 13.71 | 0.00 | 13.40 | 2686.23 | 425.44 | 56.21 | 3167.89 |
| 02 | 719.49 | 25.30 | 203.31 | 1612.76 | 13.03 | 0.00 | 13.40 | 2587.28 | 451.10 | 60.18 | 3098.56 |
| 03 | 669.32 | 21.40 | 207.88 | 1570.08 | 12.37 | 0.00 | 0.00 | 2481.06 | 478.30 | 64.40 | 3023.76 |
| 04 | 610.54 | 19.40 | 213.04 | 1580.03 | 11.76 | 0.00 | 0.00 | 2434.76 | 507.14 | 68.88 | 3010.78 |
| 05 | 554.89 | 17.70 | 218.73 | 1550.83 | 11.17 | 0.00 | 0.00 | 2353.32 | 537.72 | 73.63 | 2964.67 |
| 06 | 501.90 | 16.20 | 225.14 | 1634.99 | 10.61 | 0.00 | 0.00 | 2388.84 | 570.15 | 78.66 | 3037.65 |
| 07 | 445.61 | 14.70 | 231.68 | 1609.93 | 10.08 | 0.00 | 0.00 | 2312.00 | 604.53 | 83.96 | 3000.49 |
| 08 | 392.72 | 13.00 | 236.09 | 1591.00 | 9.57 | 0.00 | 0.00 | 2242.38 | 640.98 | 89.58 | 2972.94 |
| 09 | 327.11 | 11.10 | 236.93 | 1564.66 | 9.10 | 0.00 | 0.00 | 2148.90 | 679.63 | 95.54 | 2924.07 |
| 10 | 265.11 | 9.20 | 238.86 | 1616.91 | 8.64 | 0.00 | 0.00 | 2138.72 | 720.61 | 101.86 | 2961.19 |

| (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL REVS INCL | PUB SCH | NPR-A | OTHER | PERM FUND | GEN FUND UNRESTRD | -ROYALTIES SUBJ TO- -PERM FUND CONTRIB- | | ROYALTY PF |
| FY | PERM FUND | FUND | FUND | FUNDS | CONTRI | REVENUES | @25 PCT | @50 PCT | CONTRIB |
| 81 | 4110.80 | 7.50 | 0.00 | 74.30 | 385.10 | 3718.20 | 1501.60 | 0.00 | 358.30 |
| 82 | 4516.90 | 8.00 | 0.00 | 0.00 | 400.50 | 4108.40 | 1553.20 | 0.00 | 388.30 |
| 83 | 4061.40 | 9.40 | 0.00 | 0.00 | 421.00 | 3631.00 | 1447.40 | 0.00 | 361.80 |
| 84 | 3765.30 | 9.00 | 0.00 | 0.00 | 366.20 | 3390.10 | 1409.00 | 0.00 | 354.60 |
| 85 | 3640.50 | 7.10 | 5.40 | 0.00 | 368.00 | 3260.00 | 1390.30 | 0.00 | 349.50 |
| 86 | 3446.40 | 6.50 | 41.00 | 0.00 | 323.40 | 3075.50 | 1114.20 | 51.40 | 304.30 |
| 87 | 1983.20 | 3.30 | 9.90 | 0.00 | 170.60 | 1799.40 | 562.00 | 42.30 | 161.70 |
| 88 | 2747.10 | 6.60 | 1.00 | 15.80 | 417.90 | 2305.80 | 898.00 | 55.50 | 252.30 |
| 89 | 2342.87 | 4.38 | 1.00 | 0.00 | 232.00 | 2105.49 | 798.43 | 17.63 | 208.42 |
| 90 | 2829.66 | 6.35 | 1.00 | 0.00 | 332.90 | 2489.41 | 1219.21 | 31.52 | 320.56 |
| 91 | 2965.51 | 6.75 | 1.00 | 0.00 | 353.00 | 2604.76 | 1295.69 | 34.59 | 341.22 |
| 92 | 3091.37 | 7.03 | 1.00 | 0.00 | 367.61 | 2715.73 | 1335.04 | 51.01 | 359.26 |
| 93 | 3224.95 | 7.55 | 1.00 | 0.00 | 403.69 | 2812.71 | 1408.57 | 81.66 | 392.97 |
| 94 | 3400.71 | 7.97 | 0.50 | 0.00 | 427.78 | 2964.47 | 1477.70 | 95.66 | 417.26 |
| 95 | 3409.01 | 7.99 | 0.00 | 0.00 | 430.24 | 2970.77 | 1476.35 | 101.62 | 419.90 |
| 96 | 3410.93 | 8.07 | 0.00 | 0.00 | 436.35 | 2966.50 | 1484.44 | 110.36 | 426.29 |
| 97 | 3417.77 | 8.18 | 0.00 | 0.00 | 443.10 | 2966.49 | 1496.83 | 118.22 | 433.32 |
| 98 | 3569.29 | 8.81 | 0.00 | 0.00 | 485.74 | 3074.75 | 1586.17 | 155.34 | 474.21 |
| 99 | 3400.80 | 8.53 | 0.00 | 0.00 | 477.86 | 2914.41 | 1503.69 | 181.31 | 466.58 |
| 00 | 3263.78 | 8.41 | 0.00 | 0.00 | 475.25 | 2780.12 | 1468.43 | 194.19 | 464.20 |
| 01 | 3167.89 | 8.17 | 0.00 | 0.00 | 463.97 | 2695.74 | 1417.25 | 197.66 | 453.14 |
| 02 | 3098.56 | 8.16 | 0.00 | 0.00 | 464.45 | 2625.95 | 1410.20 | 202.56 | 453.83 |
| 03 | 3023.76 | 7.95 | 0.00 | 0.00 | 446.95 | 2568.86 | 1367.23 | 202.85 | 443.23 |
| 04 | 3010.78 | 8.00 | 0.00 | 0.00 | 449.57 | 2553.22 | 1375.89 | 204.14 | 446.04 |
| 05 | 2964.67 | 7.85 | 0.00 | 0.00 | 442.38 | 2514.43 | 1345.50 | 205.33 | 439.04 |
| 06 | 3037.65 | 8.27 | 0.00 | 0.00 | 463.91 | 2565.46 | 1427.02 | 207.97 | 460.74 |
| 07 | 3000.49 | 8.15 | 0.00 | 0.00 | 456.69 | 2535.65 | 1405.15 | 204.78 | 453.68 |
| 08 | 2972.94 | 8.06 | 0.00 | 0.00 | 450.40 | 2514.49 | 1391.81 | 199.19 | 447.55 |
| 09 | 2924.07 | 7.92 | 0.00 | 0.00 | 439.87 | 2476.27 | 1380.66 | 184.00 | 437.17 |
| 10 | 2961.19 | 8.18 | 0.00 | 0.00 | 449.32 | 2503.68 | 1446.81 | 170.10 | 446.75 |

# ALASKA PERMANENT FUND




## Historical Overview

The Alaska Permanent Fund was established by a constitutional amendment effective February 21, 1977. The amendment stated that contributions to the Fund must consist of at least 25 percent of mineral lease rentals, royalties, royalty sale proceeds, Federal mineral revenue sharing payments and bonuses received by the State. Enacted legislation (Ch. 18 SLA 1980) has modified this contribution rate so that State revenues derived from future mineral leases issued after a specific date will be subject to a 50% contribution rate to the Permanent Fund. During FY 1981, a special appropriation (Ch. 35 SLA 1980) appropriated $900 million from the General Fund to the Permanent Fund. Similarly, an additional $1.8 billion was appropriated (Ch. 61 SLA 1981) for FY 1982 with payments beginning July 1, 1981; however, this appropriation was legislatively amended (Ch. 101 SLA 1982) thus permitting deposit of only $800 million in FY 82 and an additional deposit of $400 million in FY 83. An additional $100 million of this appropriation was deposited in the Permanent Fund during August, 1983, as well as, another $100 million each during December, 1983, April, 1984, October, 1984 and a final $200 million in December, 1984 thus fully satisfying the $1.8 billion appropriation in 1981. Recently Ch. 25, SLA 1986 appropriated $1,264.4 million from the undistributed income account to the principal of the Permanent Fund, effective July 1, 1986.

# ALASKA PERMANENT FUND

( Millions of Dollars )

| | PRINCIPAL | | | | | INCOME | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | CONTRIBUTED EQUITY | | | | | DISTRIBUTIONS | | | | RESERVES | | |
| FY | Begin Balance | Appro-priations | Dedicated Revenues | Inflation Proofing | End Balance | Net Income | Dividends | Per Capita Dividends($) | Inflation Proofing | General Fund | Add (Delete) | End Balance | FY |
| 78 | | | 54 | | 54 | 2 | | | | 1 | | | 78 |
| 79 | 54 | | 84 | | 139 | 8 | | | | 7 | | | 79 |
| 80 | 139 | | 344 | | 483 | 32 | 12 | | | 12 | | | 80 |
| 81 | 483 | 900 | 385 | | 1,769 | 150 | 28 | | | 28 | 59 | 59 | 81 |
| 82 | 1,769 | 800 | 401 | | 2,969 | 368 | 71 | $1,000.00 | | 71 | 185 | 244 | 82 |
| 83 | 2,969 | 400 | 421 | 231 | 4,021 | 471 | 108 | $386.15 | 231 | 110 | 110 | 354 | 83 |
| 84 | 4,021 | 300 | 366 | 151 | 4,838 | 530 | 175 | $331.29 | 151 | | 203 | 557 | 84 |
| 85 | 4,838 | 300 | 368 | 235 | 5,741 | 658 | 217 | $404.00 | 235 | | 206 | 763 | 85 |
| 86 | 5,741 | | 323 | 216 | 6,281 | 1,021 | 303 | $556.26 | 216 | | 501 | 1,264 | 86 |
| 87 | 6,281 | 1,264 | 171 | 148 | 7,864 | 1,069 | 391 | $708.19 | 148 | | 529 | 529 | 87 |
| 88 | 7,864 | | 418 | 303 | 8,585 | 789 | 424 | $826.93 | 303 | | 62 | 591 | 88 |

Source: Alaska Permanent Fund Corporation

# ALASKA PERMANENT FUND PROJECTIONS

## - LOW CASE SCENARIO -

( Millions of Dollars )

| | PRINCIPAL | | | | | | INCOME | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | CONTRIBUTED EQUITY | | | | | | DISTRIBUTIONS | | | RESERVES | | |
| FY | Begin Balance | Appro-priations | Dedicated Revenues | Inflation Proofing | End Balance | Inflation Proofing Shortfall | Net Income | Dividends | Per Capita Dividends($) | Inflation Proofing | Add (Delete) | End Balance | FY |
| 89 | 8,585 | | 192 | 358 | 9,135 | | 838 | 459 | $840.00 | 358 | 20 | 611 | 89 |
| 90 | 9,135 | | 172 | 465 | 9,772 | | 819 | 477 | $817.00 | 465 | (123) | 489 | 90 |
| 91 | 9,772 | | 149 | 595 | 10,516 | | 974 | 473 | $794.00 | 595 | (94) | 395 | 91 |
| 92 | 10,516 | | 141 | 639 | 11,296 | | 1,035 | 470 | $774.00 | 639 | (75) | 320 | 92 |
| 93 | 10,296 | | 134 | 686 | 12,116 | | 1,101 | 501 | $809.00 | 686 | (85) | 235 | 93 |
| 94 | 11,116 | | 128 | 735 | 12,979 | | 1,170 | 535 | $850.00 | 735 | (100) | 135 | 94 |
| 95 | 12,979 | | 114 | 786 | 13,878 | | 1,241 | 580 | $904.00 | 786 | (124) | 11 | 95 |
| 96 | 13,878 | | 104 | 709 | 14,692 | 130 | 1,314 | 615 | $942.00 | 709 | (11) | | 96 |
| 97 | 14,692 | | 98 | 737 | 15,526 | 151 | 1,389 | 653 | $981.00 | 737 | | | 97 |
| 98 | 15,526 | | 95 | 777 | 16,397 | 161 | 1,468 | 691 | $1,019.00 | 777 | | | 98 |
| 99 | 16,397 | | 85 | 818 | 17,300 | 171 | 1,549 | 731 | $1,058.00 | 818 | | | 99 |
| 00 | 17,300 | | 67 | 862 | 18,229 | 181 | 1,634 | 772 | $1,097.00 | 862 | | | 00 |
| 01 | 18,229 | | 56 | 906 | 19,190 | 191 | 1,721 | 815 | $1,136.00 | 906 | | | 01 |
| 02 | 19,190 | | 51 | 952 | 20,193 | 203 | 1,811 | 859 | $1,176.00 | 952 | | | 02 |
| 03 | 20,193 | | 17 | 999 | 21,209 | 214 | 1,904 | 905 | $1,215.00 | 999 | | | 03 |
| 04 | 21,209 | | 17 | 1,047 | 22,274 | 226 | 2,000 | 952 | $1,255.00 | 1,047 | | | 04 |
| 05 | 22,274 | | 18 | 1,099 | 23,390 | 239 | 2,100 | 1,001 | $1,294.00 | 1,099 | | | 05 |

Source: Alaska Permanent Fund Corporation

Assumptions: Inflation Rate 5.00% (FY 90) 6.00% (FY 91-05)
Rate of Return 8.00% (FY 90) 9.00% (FY 91-05)

In accordance with 37.07.060(b)(4), Revenue Sources is compiled annually to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature. Since fiscal year (FY) 1975, responsibility for compiling and publishing this summary of State Revenues has come under the Department of Revenue's jurisdiction. Within the publication are shown prior year actuals, revised current year estimates, and upcoming year projections.

Anticipated State income is projected through the use of a number of data sources: 1) econometric models developed by the Department of Revenue's Research Section to forecast unrestricted non-petroleum revenues, 2) a petroleum revenue model created by the Department's Oil and Gas Audit Division, and 3) estimates from individual State agencies.

The Department of Revenue thanks the various State agencies for their cooperation in computing anticipated revenues for publication in this document.