

SB

76

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/17/99

FURTHER: 5/14/99

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 14 May 1999

Finance Committee considered

SENATE BILL NO. 76

"An Act authorizing an advisory vote on whether appropriations of income from the permanent fund should be restricted; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 76 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

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

| SIGNING DO PASS | DP | OTHER RECOMMENDATIONS | NR | DNP | AM |
|------------------------------|----|----------------------------|----|-----|----|
| <u>Cony Kelly</u> | → | <u>Do Pass, If Amended</u> | | | ✓ |
| | | <u>Do Pass</u> | ✓ | | |
| | | <u>Do Pass</u> | ✓ | | |
| | | <u>Do Pass</u> | X | | |
| | | <u>Do Pass</u> | | | ✓ |
| | | <u>Do Pass</u> | | | ✓ |
| Co-Chair: _____ | | Co-Chair: <u>Johnson</u> | | | ✓ |
| Co-Chair: <u>Paul Powell</u> | | Co-Chair: _____ | | | |

NEW FISCAL NOTE(S):

| Department | Date | Zero | Fiscal |
|------------------|----------------|------|--------------|
| <u>Elections</u> | <u>7/26/99</u> | | <u>839.0</u> |
| | | | |
| | | | |
| | | | |
| | | | |

PREVIOUS FISCAL NOTE(S):*

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

5/14/99
BILL NO. SB76

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

| | |
|--|--|
| Revision Date/ <u>2/26/99</u> | Dept. Affected <u>Office of the Governor</u> |
| Title <u>Advisory Vote on appropriation of income from</u> | <u>BRU</u> <u>Elective Operations</u> |
| <u>the permanent fund</u> | Component <u>Elections</u> |
| Sponsor <u>Senator Tim Kelly</u> | |
| Requester <u>Senate Finance Committee</u> | Component Serial No. <u>21</u> |

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 |
|------------------------|--------------|------------|------------|------------|------------|------------|
| Personal Services | 150.0 | | | | | |
| Travel | | | | | | |
| Contractual | 660.0 | | | | | |
| Supplies | 29.0 | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 839.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|----------------------|--|--|--|--|--|--|

| | | | | | | |
|------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 839.0 | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type) | | | | | | |
| TOTAL | 839.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY99) cost: _____

POSITIONS

| | | | | | | |
|-----------|----|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | 25 | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes the election will be conducted in person. Contractual services includes: ballot printing (94.0); election boards (334.0) advertising (22.0) shipping and postage (131.0); polling place rental and set-up (21.0); forms (55.0) and microfilming (3.0).

| | |
|---|-----------------------------------|
| Prepared by <u>Gail Fenumiai</u> | Phone <u>465-3935</u> |
| Division <u>Division of Elections</u> | Date/Time <u>2/26/99 10:04 AM</u> |
| Approved by <u>C. Lt. Governor Fran Ulmer</u> | Date <u>2/26/99</u> |
| Agency <u>Office of the Lieutenant Governor</u> | |

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SENATE FINANCE
COMMITTEE

Amendment Number: 1
Bill Number: CS SB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

A M E N D M E N T

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by Senator Adams

Page 2, line 15, after "account." add a new sentence:

Permanent fund dividends in 2001 will be approximately \$1250, a reduction which will yield approximately \$254 million in additional revenue available for government operations.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number | SB 76 |
| Amendment | #1 |
| Motion | adopt |
| <u>Motion by</u> | Adams |
| <u>Objection</u> | |
| <u>Objection by</u> | Phillips |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| | |
| <u>Tally</u> | |
| Yea | 0 1 |
| Nay | 0 8 |
| Absent | 0 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE
COMMITTEE

Amendment Number: 2
Bill Number: CSSB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

AMENDMENT

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by: Senator Adams

Page 2, line 22,

(5) New Revenues: Use at least \$100,000,000 in new revenues or taxes.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #2 |
| Motion: | adopt |
| <u>Motion by</u> | Adams |
| <u>Objection</u> | |
| <u>Objection by</u> | Parnell |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| | |
| <u>Tally</u> | |
| Yea | 0 1 |
| Nay | 0 8 |
| Absent | 0 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE
COMMITTEE
Amendment Number: 3
Bill Number: CS SB 76 (FIN)
Sponsor: Adams Date: 5/13/99
Logged In By: Mindy

A M E N D M E N T

OFFERED IN SENATE FINANCE

TO: CSSB 76 (FIN)

by: Senator Adams

Page 3, after line 10, insert:

"Plan C" Description

Summary of Plan: Plan C expands the authorized uses of the permanent fund earnings reserve to include funding for education, in addition to paying permanent fund dividends and inflation proofing the principal of the permanent fund. No income taxes or budget reductions are required. In more detail, the plan provides:

- (1) Inflation proofing: The permanent fund earnings reserve shall be used to inflation-proof the principal of the permanent fund.
- (2) Dividends: The permanent fund earnings reserve shall be used to pay dividends to Alaskans under the current method used to calculate dividends.
- (3) Education: The permanent fund earnings reserve will provide approximately \$900 for the purpose of funding primary and secondary grades and the University of Alaska.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #3 |
| Motion: | adopt |
| <u>Motion by</u> | Adams |
| <u>Objection</u> | |
| <u>Objection by</u> | Torgerson |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Randy Phillips | N |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| <u>Tally</u> | |
| Yea | 0 1 |
| Nay | 0 8 |
| Absent | 0 |
| <u>MOTION</u> | |
| FAIL | |

SENATE FINANCE
COMMITTEE
Amendment Number: 4
Bill Number: SB 76
Sponsor: Phillips Date: 5/13/99
Logged In By: Mindy

PULLED

1-LS0490\M
BWC
5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

Page 1, line 8 through page 4, delete all material and replace with:

QUESTION

Preamble: Alaska's declining oil production and erratic world oil prices constitutes an unsustainable state budget system. The legislature and governor seek the public's input in choosing a long-term budget plan. Please select the plan you believe Alaska should implement for a balanced budget.

Plan A

Summary of Plan A: Plan A will have further spending reductions. Dividends will be a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions**

Continue state general fund budget reductions of at least \$100 million over the next three fiscal years including 33 ½ million in FY'01, 33 1/2 million in FY'02, and 33 1/2 million in FY'03.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principle of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then spends remaining funds in the Alaska Permanent Fund Earnings Reserve Account for public services by state government.

(5) **New Revenues**

Use at least \$100 million in new revenues from resource development (NPRA, ANWR). No new broad-based taxes.

Plan B

Summary of Plan B: Plan B will have no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principle of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation. Projected to be XXXX in 2001 and XXXX in 2010.

(4) **Permanent Fund Earnings Reserve**

Transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund. Spend the Constitutional Budget Reserve Fund earnings for public services by state government.

(5) **Income Tax**

Implement a personal income tax to all wage earners equal to 31% of the federal income tax, collecting \$350 million.

Please select one: Plan A Plan B

SENATE FINANCE
COMMITTEE

Amendment Number: 5
Bill Number: CS SB 76(FIN)
Sponsor: Phillips Date: 5/14/99
Logged In By: Mindy

1-LS0490\M
BWC
5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 1, line 8, delete preamble and replace with:

QUESTION

Preamble: Alaska's declining oil production and erratic world oil prices produce an unstable state budget system. The legislature and governor seek the public's input in ^{Plan} choosing a long-term budget plan. Please select the plan you believe Alaska should implement for a balanced budget.

Retain page 1 line 12 - please mark yes or no

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number | SB 76 |
| Amendment | #5 |
| Motion | AMEND |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Al Adams | |
| Senator Gary Wilken | |
| Senator Pete Kelly | |
| Senator Lyda Green | |
| Senator Randy Phillips | |
| Senator Dave Donley | |
| Senator Loren Lemar | |
| Co-Chair Sean Parnell | |
| Co-Chair John Torgerson | |
| | |
| <u>Tally</u> | |
| Yea | 0 |
| Nay | 0 |
| Absent | 0 |
| | |
| <u>MOTION</u> | W/with drawn |

W/drawn

& not re-offered

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|----------------------------|-------------------------------|
| Bill Number | SB 76 |
| Amendment | # 5 |
| Motion | adopt |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Loren Leman | |
| Senator Al Adams | |
| Senator Gary Wilken | |
| Senator Pete Kelly | |
| Senator Lyda Green | |
| Senator Randy Phillips | |
| Senator Dave Donley | |
| Co-Chair Sean Parnell | |
| Co-Chair John Torgerson | |
| | |
| <u>Tally</u> | |
| Yea | 0 |
| Nay | 0 |
| Absent | 0 |
| | |
| <u>MOTION</u> | Withdrawn & not re-offered |

w/ drawn

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions/Spending Limits**

Continue state general fund budget reductions of at least \$100 million over the next three fiscal years.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation.

(5) **New Revenues**

Use at least \$100 million in new revenues. No new broad-based taxes.

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE
COMMITTEE

Amendment Number: 6
Bill Number: CS SB 76(FIN) LS0490M
Sponsor: Phillips Date: 5/14/99 BWC
Logged In By: Mindy 5/13/1999

Amendment Showing all proposed amendments
By: Senator Phillips (13)

Offered in Senate Finance Committee

To: CS SB 76(FIN)

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A (1) & (3) Withdrawn same as (5)

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(9)

- (5) (1) **Spending Reductions/Spending Limits** to (6)
Continue state general fund budget reductions of at least \$100 million over the next two (6) three-fiscal years. and enact a spending limit (2)
- (2) **Permanent Fund** that is placed before the voters as an effective constitutional spending limit (4)
Guarantee the Alaska Permanent Fund is inflation-protected to protect the value of the principal of the fund for all Alaskans, including future generations.
- (3) **Permanent Fund Dividends**
Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010. (10)
- (4) **Permanent Fund Earnings Reserve**
Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation. state government services (11)
- (5) **New Revenues**
(7) (8) NO INCOME TAX
Use at least \$100 million in new revenues, No new broad-based taxes. instead of implementing (7)

(12) conceptual

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #6 |
| Motion: | adpt as amended |
| <u>Motion by</u> | Kelly |
| <u>Objection</u> | |
| <u>Objection by</u> | |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Loren Leman | Y |
| Senator Al Adams | Y |
| Senator Gary Wilken | Y |
| Senator Pete Kelly | Y |
| Senator Lyda Green | Y |
| Senator Randy Phillips | Y |
| Senator Dave Donley | Y |
| Co-Chair Sean Parnell | Y |
| Co-Chair John Torgerson | Y |
| | |
| <u>Tally</u> | |
| Yea | 0 5 |
| Nay | 0 4 |
| Absent | 0 |
| | |
| <u>MOTION</u> | Pass |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | | |
|----------------------------|-------------|---|
| Bill Number | SB 76 | |
| Amendment | #6 (2) | |
| Motion | amend | |
| <u>Motion by</u> | Phillips | |
| <u>Objection</u> | | |
| <u>Objection by</u> | Kelly | |
| <u>Removed</u> | J | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | <u>Vote</u> | |
| Senator Lyda Green | N | |
| Senator Randy Phillips | N | |
| Senator Dave Donley | N | |
| Senator Loren Leman | N | |
| Senator Al Adams | N | |
| Senator Gary Wilken | N | |
| Senator Pete Kelly | N | |
| Co-Chair Sean Parnell | N | |
| Co-Chair John Torgerson | N | |
| | | |
| <u>Tally</u> | | |
| Yea | 0 | 1 |
| Nay | 0 | 8 |
| Absent | 0 | |
| | | |
| <u>MOTION</u> | fail | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | | |
|----------------------------|------------|-------------|
| Bill Number: | SB 76 | |
| Amendment: | #6 | |
| Motion: | amend (4) | |
| <u>Motion by</u> | @ Phillips | |
| <u>Objection</u> | | |
| <u>Objection by</u> | Kelly | |
| <u>Removed</u> | J | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | | <u>Vote</u> |
| Senator Al Adams | N | |
| Senator Gary Wilken | N | |
| Senator Pete Kelly | N | |
| Senator Lyda Green | N | |
| Senator Randy Phillips | Y | |
| Senator Dave Donley | Y | |
| Senator Loren Leman | N | |
| Co-Chair Sean Parnell | Y | |
| Co-Chair John Torgerson | Y | |
| | | |
| <u>Tally</u> | | |
| Yea | | 0 4 |
| Nay | | 0 5 |
| Absent | | 0 |
| | | |
| <u>MOTION</u> | FAIL | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | | |
|----------------------------|-----------|-------------|
| Bill Number | SB 76 | |
| Amendment | * 6 | |
| Motion | amend (5) | |
| <u>Motion by</u> | Phillips | |
| <u>Objection</u> | | |
| <u>Objection by</u> | Kelly | |
| <u>Removed</u> | J | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | | <u>Vote</u> |
| Senator Gary Wilken | | |
| Senator Pete Kelly | N | |
| Senator Lyda Green | N | |
| Senator Randy Phillips | N | |
| Senator Dave Donley | Y | |
| Senator Loren Leman | N | |
| Senator Al Adams | N | |
| Co-Chair Sean Parnell | N | |
| Co-Chair John Torgerson | N | |
| | | |
| <u>Tally</u> | | |
| Yea | | 0 3 |
| Nay | | 0 6 |
| Absent | | 0 |
| | | |
| <u>MOTION</u> | FAIL | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|----------------------------|-------------|
| Bill Number | SB76 |
| Amendment | #6 |
| Motion | amend (b) |
| <u>Motion by</u> | Wilken |
| <u>Objection</u> | |
| <u>Objection by</u> | Donley |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Pete Kelly | Y |
| Senator Lyda Green | Y |
| Senator Randy Phillips | Y |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Senator Gary Wilken | Y |
| Co-Chair Sean Parnell | Y |
| Co-Chair John Torgerson | Y |
| <u>Tally</u> | |
| Yea | 0 6 |
| Nay | 0 3 |
| Absent | 0 |
| <u>MOTION</u> | Adopt |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | | |
|-----------------------------------|-----------|--------------------|
| Bill Number: | SB 76 | |
| Amendment: | #6 | |
| Motion: | Amend (7) | |
| <u>Motion by</u> | Kelley | |
| <u>Objection</u> | | |
| <u>Objection by</u> | Donley | |
| <u>Removed</u> | | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | | <u>Vote</u> |
| Senator Al Adams | N | |
| Senator Gary Wilken | N | |
| Senator Pete Kelly | N | |
| Senator Lyda Green | N | |
| Senator Randy Phillips | N | |
| Senator Dave Donley | N | |
| Senator Loren Leman | N | |
| Co-Chair Sean Parnell | N | |
| Co-Chair John Torgerson | N | |
| | | |
| <u>Tally</u> | | |
| Yea | 0 | 5 |
| Nay | 0 | 4 |
| Absent | 0 | |
| | | |
| <u>MOTION</u> | adopt | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #6 |
| Motion: | amend (8) |
| <u>Motion by</u> | PH |
| <u>Objection</u> | |
| <u>Objection by</u> | |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| | |
| <u>Tally</u> | |
| Yea | 0 2 |
| Nay | 0 7 |
| Absent | 0 1 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|--------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #6 |
| Motion: | amend (9) |
| Motion by: | Kelly |
| Objection: | () |
| Objection by: | Phillips |
| Removed: | |
| Second Objection by | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Senator Dave Donley | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| <u>Tally</u> | |
| Yea | 0 4 |
| Nay | 0 5 |
| Absent | 0 |
| <u>MOTION</u> | |
| FAIL | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | | |
|----------------------------|--------|-------------|
| Bill Number | SB 76 | |
| Amendment | #6 | |
| Motion | amend | (10) |
| <u>Motion by</u> | Wilken | |
| <u>Objection</u> | | |
| <u>Objection by</u> | Donley | |
| <u>Removed</u> | J | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | | <u>Vote</u> |
| Senator Randy Phillips | | N |
| Senator Dave Donley | | N |
| Senator Loren Leman | | N |
| Senator Al Adams | | N |
| Senator Gary Wilken | | N |
| Senator Pete Kelly | | N |
| Senator Lyda Green | | N |
| Co-Chair Sean Parnell | | N |
| Co-Chair John Torgerson | | Y |
| | | |
| <u>Tally</u> | | |
| Yea | 0 | 5 |
| Nay | 0 | 4 |
| Absent | 0 | |
| | | |
| <u>MOTION</u> | Pass | |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number: | SB 76 |
| Amendment: | #6 |
| Motion: | amend (11) |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | Parnell |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Gary Wilken | N |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Senator Dave Donley | N |
| Senator Loren Leman | N |
| Senator Al Adams | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| | |
| <u>Tally</u> | |
| Yea | 0 4 |
| Nay | 0 5 |
| Absent | 0 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|--------------------|
| Bill Number | SB 76 |
| Amendment | #6 |
| Motion | Amend (12) |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | Parnell |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Pete Kelly | N |
| Senator Lyda Green | N |
| Senator Randy Phillips | N |
| Senator Dave Donley | N |
| Senator Loren Lemar | N |
| Senator Al Adams | N |
| Senator Gary Wilken | N |
| Co-Chair Sean Parnell | N |
| Co-Chair John Torgerson | N |
| | |
| <u>Tally</u> | |
| Yea | 0 3 |
| Nay | 0 6 |
| Absent | 0 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|-----------------------------------|----------------------------|
| Bill Number | SB 70 |
| Amendment | #6 |
| Motion | remove name from amendment |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | Adams |
| <u>Removed</u> | X |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Lyda Green | |
| Senator Randy Phillips | |
| Senator Dave Donley | |
| Senator Loren Leman | |
| Senator Al Adams | |
| Senator Gary Wilken | |
| Senator Pete Kelly | |
| Co-Chair Sean Parnell | |
| Co-Chair John Torgerson | |
| | |
| <u>Tally</u> | |
| Yea | 0 |
| Nay | 0 |
| Absent | 0 |
| | |
| <u>MOTION</u> | no obj |

(1) 13

SENATE FINANCE
COMMITTEE

Amendment Number: 6 AS amended
Bill Number: CS SB 76(FIN) LS0490\M
Sponsor: Phillips Date: 5/14/99 BWC
Logged In By: Mindy 5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Page 2 and 3, delete Plan A and Plan B and replace with:

Plan A

Summary of Plan A: Plan A has further spending reductions. Dividends are a percentage of the value of the Alaska Permanent Fund. This plan has no personal income tax.

(1) **Spending Reductions/Spending Limits**

Continue state general fund budget reductions of at least \$100-million over the next ^{two} ~~three~~ fiscal years. 70

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Guarantee a dividend is paid to qualified Alaska residents at a minimum of \$1,700 in 1999 and \$1,700 in 2000. Thereafter, the annual dividend is based on a rate of 2.75 percent of the market value of the Alaska Permanent Fund, including the Alaska Permanent Fund Earnings Reserve Account. ~~These dividends are projected to be \$1,250 in 2001 to \$1,430 in 2010.~~

(4) **Permanent Fund Earnings Reserve**

Guarantees inflation-proofing the Alaska Permanent Fund and pays Permanent Fund Dividends, then prioritizes remaining funds in the Alaska Permanent Fund Earnings Reserve Account for education, public safety, and transportation.

(5) ~~New Revenues~~ **NO INCOME TAX**

Use at least \$100 million in new revenues, ~~No~~ [↑] new broad-based taxes.

instead of implementing

Plan B

Summary of Plan B: Plan B has no further state spending reductions. Dividends from the Alaska Permanent Fund are calculated under the current method. This plan includes a personal income tax.

(1) **Spending Reductions**

No further reductions to state spending.

(2) **Permanent Fund**

Guarantee the Alaska Permanent Fund is inflation-proofed to protect the value of the principal of the fund for all Alaskans, including future generations.

(3) **Permanent Fund Dividends**

Dividend will not be changed from the current formula and method of calculation.

(4) **Permanent Fund Earnings Reserve**

Immediately transfer \$4 billion from the permanent fund earnings to the Constitutional Budget Reserve Fund with an additional \$4 billion dollars in 2011, and \$4 billion dollars in 2020. Spend the Constitutional Budget Reserve Fund earnings for state government services.

(5) **Income Tax**

Impose a personal income tax on all wage earners projected to be 31% of a person's federal income tax, collecting \$350 million.

SENATE FINANCE
COMMITTEE

Amendment Number: 7

Bill Number: CS SB 76 (FIN)

Sponsor: Phillips Date: 5/14/99

Logged In By: Mindy

1-LS0490M

BWC

5/13/1999

Amendment

Offered in Senate Finance Committee

To: CS SB 76(FIN)

By: Senator Phillips

Please select one:

Plan A

Plan B

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|----------------------------|-------------|
| Bill Number | SB 76 |
| Amendment | #7 |
| Motion | adopt |
| <u>Motion by</u> | Phillips |
| <u>Objection</u> | |
| <u>Objection by</u> | Kelly |
| <u>Removed</u> | U |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Lyda Green | 20 |
| Senator Randy Phillips | 20 |
| Senator Dave Donley | 20 |
| Senator Loren Leman | 20 |
| Senator Al Adams | 20 |
| Senator Gary Wilken | 20 |
| Senator Pete Kelly | 20 |
| Co-Chair Sean Parnell | 22 |
| Co-Chair John Torgerson | 22 |
| | |
| <u>Tally</u> | |
| Yea | 0 4 |
| Nay | 0 5 |
| Absent | 0 |
| | |
| <u>MOTION</u> | FAIL |

SENATE FINANCE
COMMITTEE

Leman

Amendment Number: 8

Bill Number: SB 76

1-LS0490\M

Sponsor: Leman Date: 5/14/99

Logged In By: Mindy

Amendment:

Delete all & replace with the following:

CS FOR SENATE BILL NO. 76(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS TIM KELLY, Mackie

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing an advisory vote on balanced budget plans; and providing
2 for an effective date."

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

4 * Section 1. At a special election to be held on September 14, 1999 in substantial
5 compliance with the election laws of the state, including absentee voting, the lieutenant
6 governor shall place before the qualified voters of the state a question advisory to the
7 legislature and the governor. The question shall appear on the ballot in the following form:

8 Q U E S T I O N

9 Preamble: The state treasury's reliance upon declining Alaska oil production
10 and volatile oil prices constitutes an unsustainable state budget system. The
11 legislature and governor seek the ^{Alaskans'} public's input in ^{selective} choosing a long-term ^{balanced} budget
12 plan. Please mark "yes" or "no" beside ^{the} one or both plans that you believe the
13 legislature and governor should proceed to implement ^{as a} balanced budget
14 plan.

1 "Plan A" Description

2 Summary of Plan A: This plan ^{proposes} ~~assumes~~ further spending reductions and
3 ^{that} ~~assumes~~ dividends will be guaranteed at a particular rate. This plan also
4 ^{proposes} ~~assumes~~ ^{personal} no income tax. In more detail, the plan would provide as follows:

5 (1) Spending Reductions/Spending Limit: Continue making state general
6 fund spending reductions of at least \$^{70,000,000}~~100,000,000~~ over the next ^{two} three
7 years and enact a ^{constitutional} spending limit.

8 (2) Permanent Fund: Ensure the Alaska permanent fund is inflation
9 proofed to protect the value of ^{its principal} ~~the corpus~~ for all Alaskans, including
10 future generations.

11 (3) Permanent Fund Dividends: Guarantee a dividend is paid to qualified
12 Alaska residents of at least \$1,700 in 1999 and \$1,700 in 2000, and
13 thereafter at a rate of 2.75 percent of the market value of the Alaska
14 permanent fund, including the Alaska permanent fund earnings reserve
15 account.

16 (4) Permanent Fund Earnings Reserve: After inflation proofing the Alaska
17 permanent fund and paying permanent fund dividends, use additional
18 funds in the Alaska permanent fund earnings reserve account to fund
19 ~~education, public safety, and transportation functions of~~ state
20 government. The constitutional budget reserve fund will be transferred
21 to the Alaska permanent fund earnings reserve account.

22 (5) New Revenues: ^{Collect} Use at least \$100,000,000 in new revenues. ^{As}
23 ^{personal} income tax would not be enacted.

24 Plan A Yes []

Plan A No []

25 "Plan B" Description

26 Summary of Plan: Plan B ^{proposes} ~~assumes~~ no further state spending reductions, ^{Further} ~~it~~ ^{proposes}
27 implementation of a personal income tax, and calculation of permanent fund
28 dividends under the current statutory method. In more detail, the plan would
29 provide as follows:

30 ^{New Revenues:} (4) ~~Income Tax:~~ Implement a personal income tax to collect \$350,000,000
31 in new revenues.

(1) Spending Reductions/Spending Limits
Make no further ² state general fund spending reductions no
New Text Underlined [DELETED TEXT BRACKETED]
enact a ^{constitutional} spending limit

1
2
3
4
5
6
7
8
9
10
11

(2) Permanent Fund: Ensure the Alaska permanent fund is inflation proofed to protect the value of ^{its principal} the corpus for all Alaskans, including future generations.



(3)
4 Permanent Fund Earnings Reserve: Transfer \$4,000,000,000 from permanent fund earnings to the constitutional budget reserve fund, ^{in 2000, 2010 and 2020.} Use constitutional budget reserve fund earnings to fund government operations.

(4) Permanent Fund Dividends: The formula for calculating the dividend would not be changed from the current method of calculation.

Plan B Yes []

Plan B No

* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

SENATE FINANCE COMMITTEE
1999 COMMITTEE ACTION

| | |
|----------------------------|-------------|
| Bill Number | SB 70 |
| Amendment | #8 |
| Motion | adopt |
| <u>Motion by</u> | Leman |
| <u>Objection</u> | |
| <u>Objection by</u> | |
| <u>Removed</u> | |
| <u>Second Objection by</u> | |
| <u>Committee Member</u> | <u>Vote</u> |
| Senator Randy Phillips | |
| Senator Dave Donley | |
| Senator Loren Leman | |
| Senator Al Adams | |
| Senator Gary Wilken | |
| Senator Pete Kelly | |
| Senator Lyda Green | |
| Co-Chair Sean Parnell | |
| Co-Chair John Torgerson | |
| | |
| <u>Tally</u> | |
| Yea | 0 |
| Nay | 0 |
| Absent | 0 |
| | |
| <u>MOTION</u> | withdrawn |

Senate Finance Committee

May 13, 1999

Senate Finance

1

Senate Majority's Guiding Principles

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees a Healthy Dividend
- Produces a Balanced Budget
 - ◆ Limits Government Spending
 - ◆ Prioritizes Essential Services
- No Income Tax
- Alaskans Decide.....Vote of the People



Today's Presentation

- “Do Nothing” Plan

- ◆ Assumptions

- ◆ Graphs

- “Balanced Budget” Plan

- ◆ Assumptions

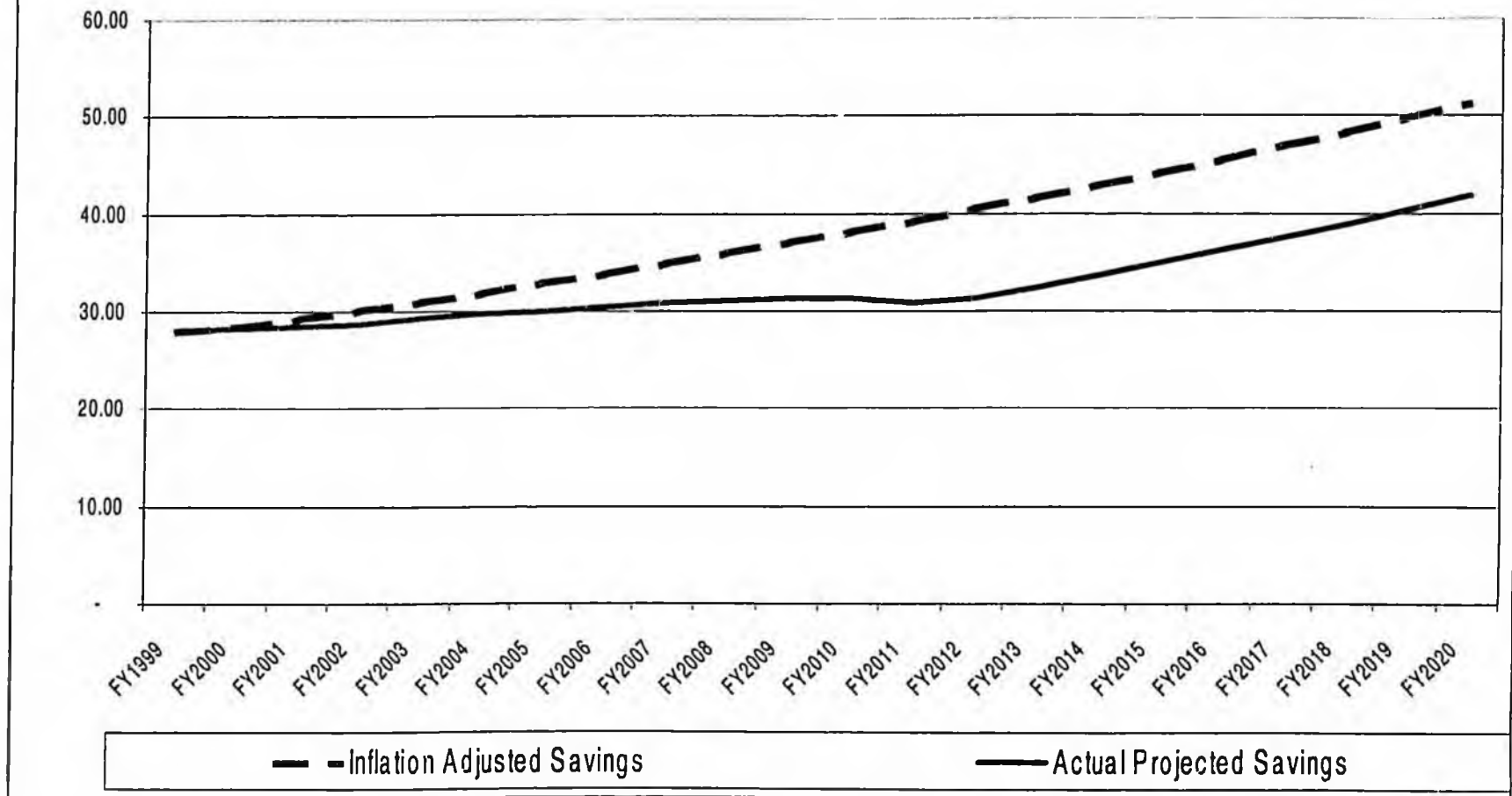
- ◆ Graphs

- Summary

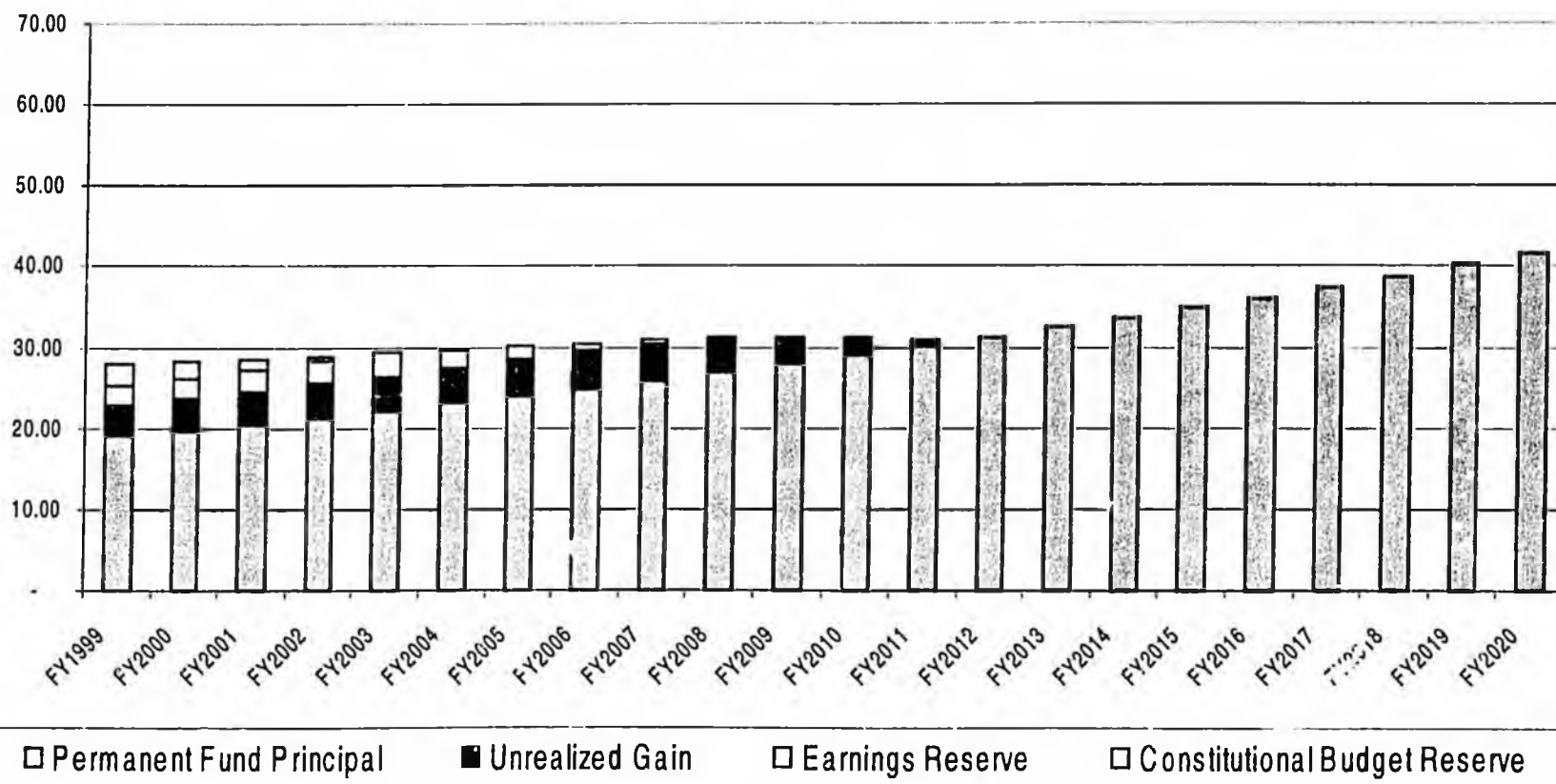
“Do Nothing” - Assumptions

- Dept of Revenue Spring 1999 Forecast
- DOR 5/12/99 Oil Revenue Forecast
- Permanent Fund earns 7.75% Total Return
- No Government Spending Reductions beyond FY2000
- 1.45% Growth for Education only
- Population Growth for Dividend of 1.1%

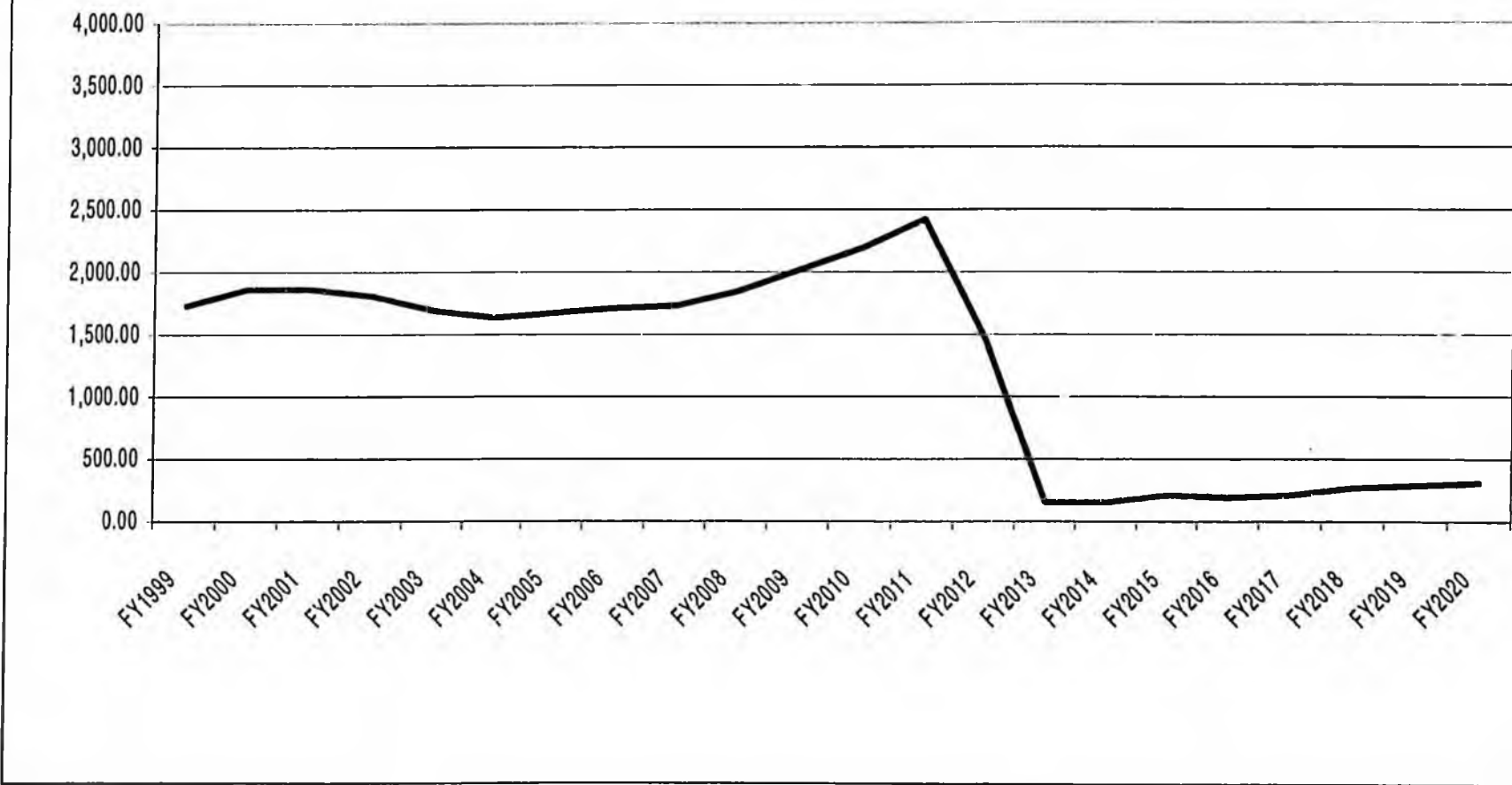
Do Nothing Plan
Projected Savings Account Balance vs Inflation Adjusted Balance



**Do Nothing Plan
Alaska's Savings Accounts**



**Do Nothing Plan
Permanent Fund Dividend per Capita**





“Balanced Budget” Plan

May 13, 1999

Senate Finance

8

“Balanced Budget” Plan Assumptions

- Dept of Revenue Spring 1999 Forecast
- DOR 5/12/99 New Oil Development
- Permanent Fund Earns 8.25% Total Return
- Protect Permanent Fund by Inflation Proofing at 3%
- Population Growth for Dividend of 1.1%



Balanced Budget Plan Assumptions

■ General Fund Sustainable Spending Reductions

- ◆ FY2000 \$40 million
- ◆ FY2001 \$30 million
- ◆ FY2002-2010 \$10 million

■ One Time Spending Reductions

- ◆ FY2000 \$35 million

Balanced Budget Plan Assumptions

■ Limits Government Spending

- ◆ While Allowing for 1.45% growth of Education, University, Public Safety, and Transportation Maintenance

■ \$35 million New Revenue in FY2000

■ \$100 million New Revenue in FY2001

■ \$100 million New Revenue in FY2010

■ An additional \$50 million for capital projects

Balanced Budget Plan

Assumptions

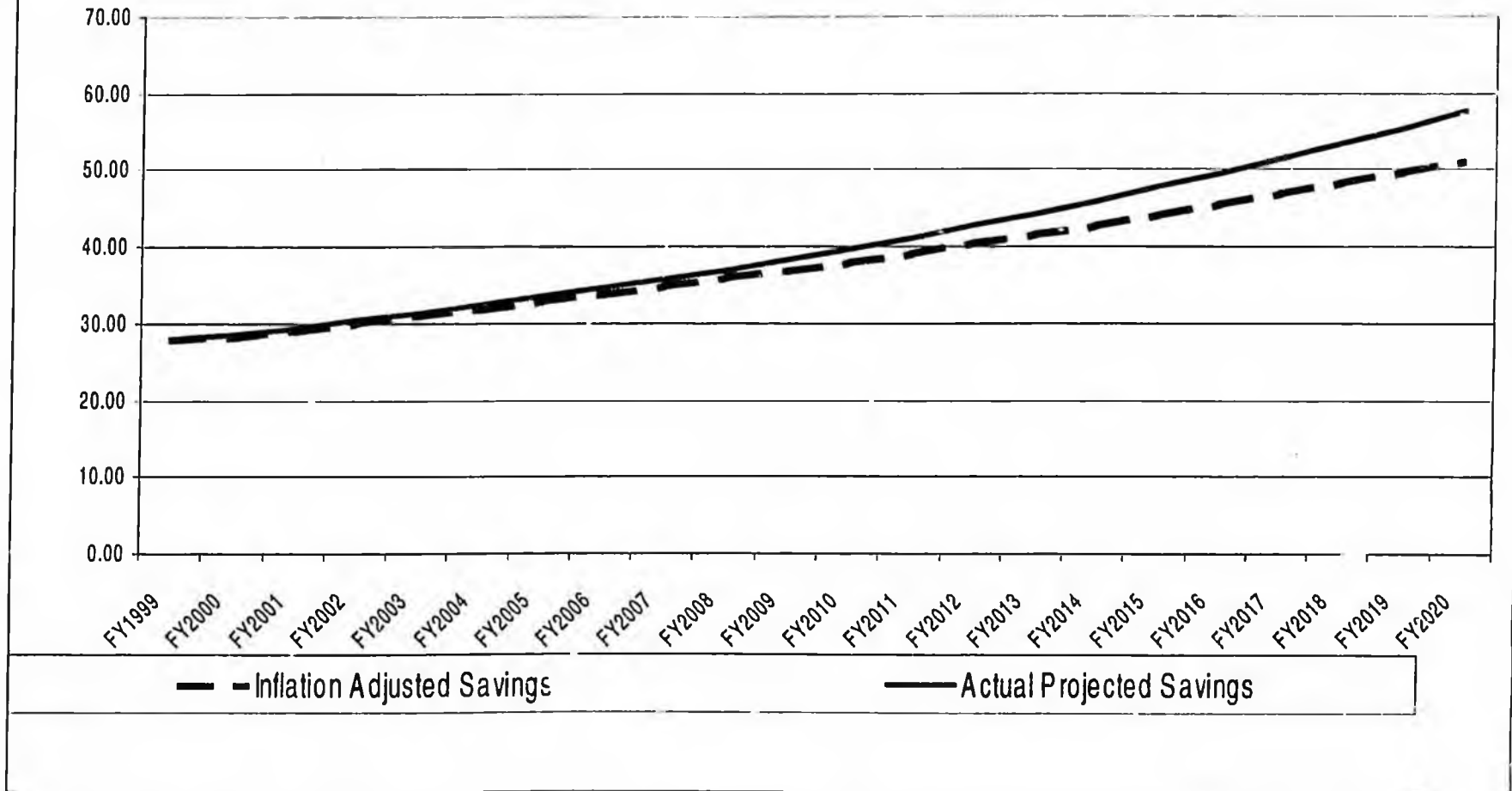
■ Dividends Paid

| | |
|--------|----------|
| ◆ 1995 | \$ 990 |
| ◆ 1996 | \$1,131 |
| ◆ 1997 | \$1,296 |
| ◆ 1998 | \$1,541 |
| ----- | |
| ◆ 1999 | ~\$1,730 |
| ◆ 2000 | ~\$1,710 |

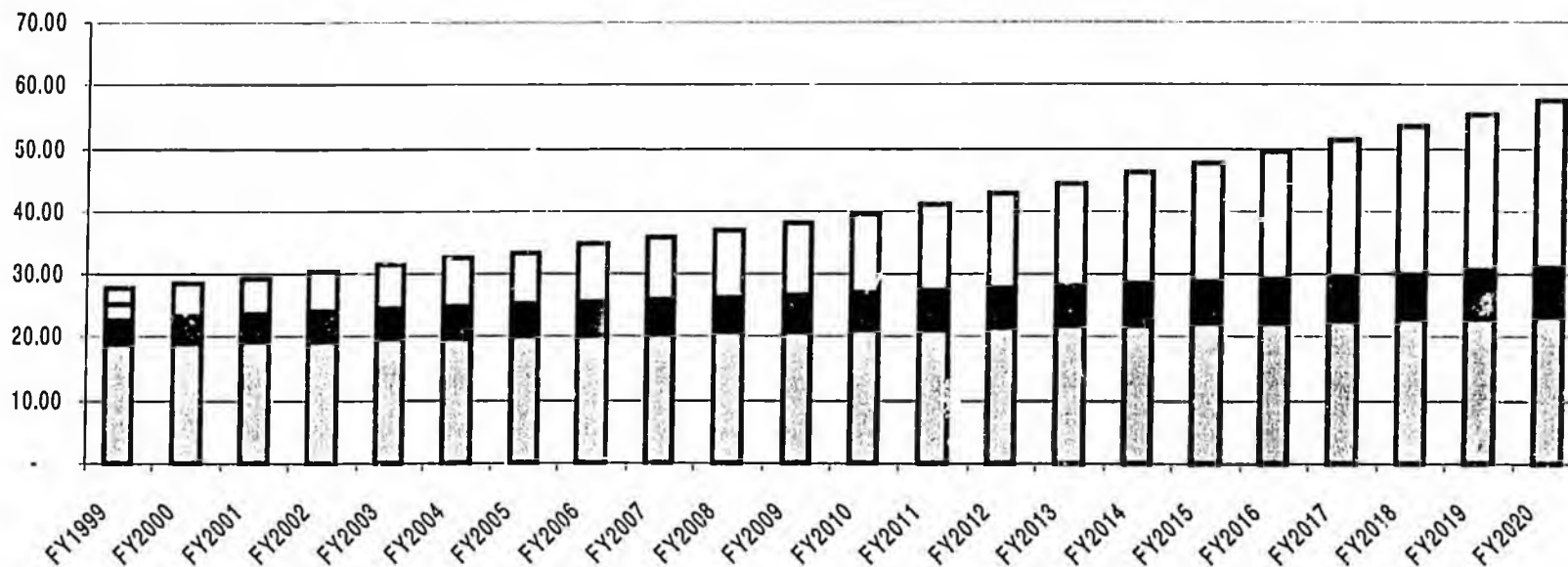
■ Guaranteed Dividends Thereafter:

2.75% of the market value of the fund (~\$1,258)

Balanced Budget Plan
Projected Savings Account Balance vs Inflation Adjusted Balance



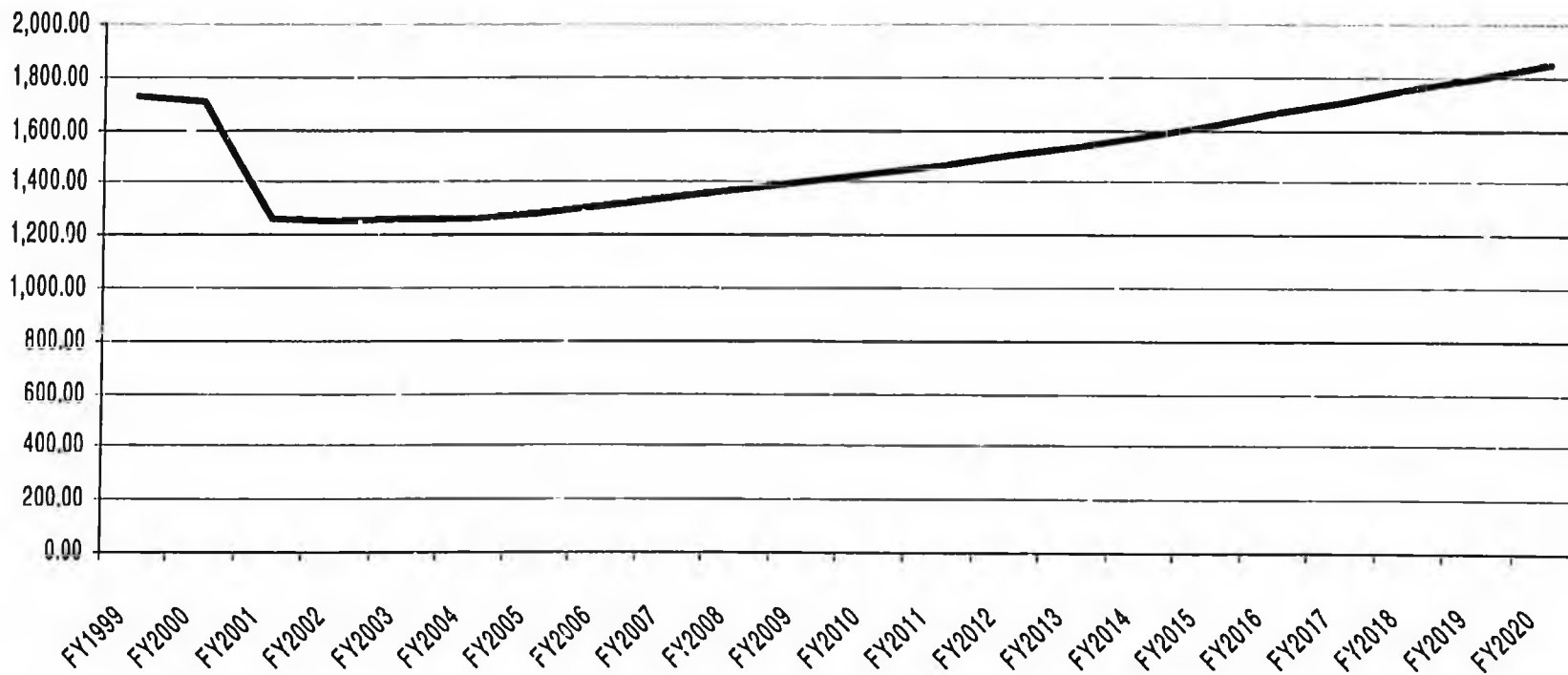
Balanced Budget Plan Alaska's Savings Accounts



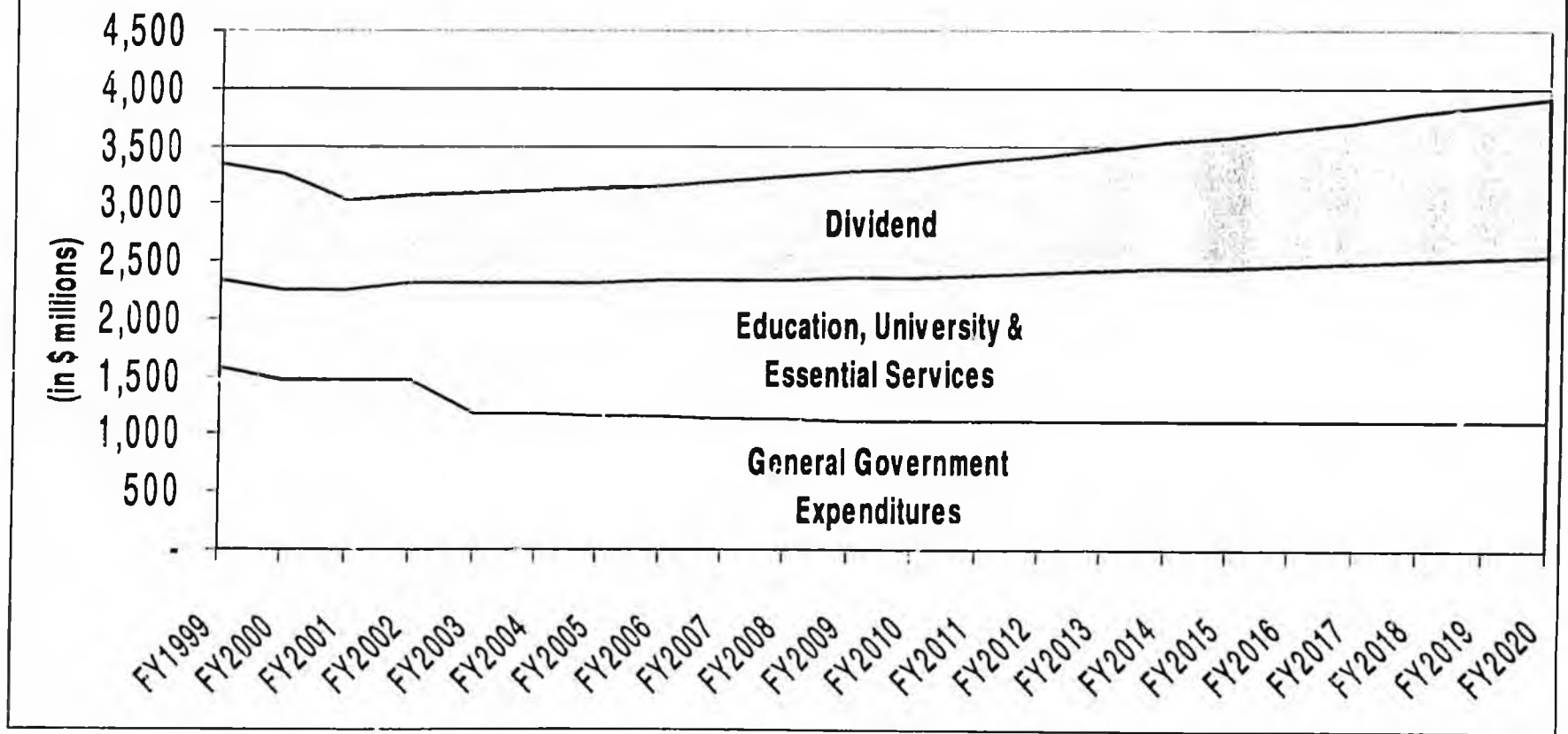
Permanent Fund Principal
 Unrealized Gain
 AK Income Acct
 Constitutional Budget Reserve

yellow

Balanced Budget Plan Permanent Fund Dividend per Capita



Balanced Budget Plan Total GF & Dividend Spending



Balanced Budget Plan

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees the Dividend for all Alaskans
 - ◆ No Dividend Cap
 - ◆ Market Driven Dividend



Balanced Budget Plan

- Produces a Balanced Budget
 - ◆ Reduces Spending & Limits Government
 - ◆ No Personal Income Tax
 - ◆ Economic Stability and Certainty
- Prioritizes Education, Public Safety, and Transportation



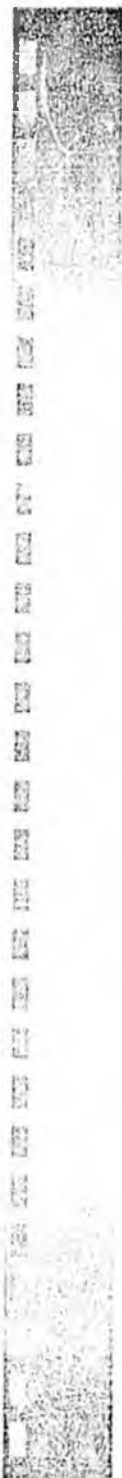
Balanced Budget Plan

■ Alaskans Decide

- ◆ Public Vote in Fall 1999
- ◆ Alaskans Involved in the Process

Senate Majority's Guiding Principles

- Preserves, Protects, and Grows the Permanent Fund
 - ◆ Guarantees a Healthy Dividend
- Produces a Balanced Budget
 - ◆ Limits Government Spending
 - ◆ Prioritizes Essential Services
- No Income Tax
- Alaskans Decide.....Vote of the People



May 13, 1999

Senate Finance

21

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Revenue Assumptions | | | | | | | | | | | | |
| Oil Price in \$/bbl | 12.11 | 13.57 | 14.52 | 15.28 | 16.00 | 16.30 | 16.64 | 18.10 | 18.62 | 19.16 | 19.72 | 20.31 |
| Volume in mbb/d | 1.166 | 1.047 | 1.064 | 1.035 | 1.049 | 1.076 | 1.031 | 0.979 | 0.919 | 0.871 | 0.824 | 0.768 |
| HB96 Passes (Y or N) - All Leases @ 25% | N | N | N | N | N | N | N | N | N | N | N | N |
| Market Assumptions | | | | | | | | | | | | |
| Perm Fund Total Return | 9.510% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% |
| Yield of Dividends & Interest | 4.000% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% |
| Expected Capital Gains/Losses | 5.510% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% |
| % of Unrealized Gains Realized | 26.480% | 18.100% | 18.260% | 18.400% | 18.600% | 18.850% | 19.100% | 19.370% | 19.620% | 19.900% | 20.150% | 20.400% |
| CBR Yield | 6.080% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% |
| <i>Annualized Return</i> | 9.510% | 8.878% | 8.668% | 8.564% | 8.501% | 8.459% | 8.429% | 8.407% | 8.389% | 8.375% | 8.364% | 8.354% |
| Dividend Assumptions | | | | | | | | | | | | |
| Maximum Dividend to \$ per Person | \$1,730 | \$1,710 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Calculated Dividend Amount | z \$1,730 | \$1,710 | \$1,258 | \$1,256 | \$1,259 | \$1,263 | \$1,285 | \$1,311 | \$1,341 | \$1,371 | \$1,402 | \$1,433 |
| Inflation Assumptions | | | | | | | | | | | | |
| General Inflation Rate - Used for Inflation Proofing | 1.540% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% |
| Growth of Agency Expenditures - Inflation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Growth of Formula Expenditures - Inflation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Growth of School Expenditures - Inflation | 0.75% | 0.75% | 0.75% | 0.75% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% |
| Growth of Capital Budget - Inflation | 0.00% | 0.00% | 0.00% | 0.00% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% |
| Population Growth Assumptions | | | | | | | | | | | | |
| Agency Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Formula Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| School Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Capital Budget - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Dividends | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% |
| Inflation Proofing Assumptions | | | | | | | | | | | | |
| Statutory Inflation Proofing Amount | z 287.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Question: Use the Statutory Method? (Y or N) | Y | N | N | N | N | N | N | N | N | N | N | N |
| Endowment Assumptions | | | | | | | | | | | | |
| Payout % | N/A | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% |
| Minimum Dividend | | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 |
| Split (Y or N) | N/A | N | N | N | N | N | N | N | N | N | N | N |
| % Split for Dividend | N/A | | | | | | | | | | | |
| % Split for General Government | N/A | | | | | | | | | | | |
| Graduated 5 Year Smoothing (Y or N) | N/A | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Budget Assumptions | | | | | | | | | | | | |
| Revenues | | | | | | | | | | | | |
| Petroleum Revenue | 669.5 | 685.8 | 718.1 | 724.8 | 735.6 | 741.9 | 687.3 | 721.2 | 687.6 | 665.0 | 643.8 | 590.5 |
| Non-petroleum Revenue | 621.1 | 614.8 | 613.2 | 617.6 | 612.0 | 593.7 | 592.9 | 592.1 | 581.4 | 571.3 | 560.7 | 550.2 |
| Alaska Credit Income Tax (Net receipts in millions) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| New Oil Revenue | 0.0 | 0.0 | 0.0 | 5.7 | 14.2 | 18.6 | 22.9 | 29.7 | 33.2 | 78.7 | 127.9 | 147.3 |
| Other New Revenue #1 | 0.0 | 35.0 | 100.0 | 103.0 | 106.1 | 109.3 | 112.6 | 115.9 | 119.4 | 123.0 | 126.7 | 130.5 |
| Other Resource Revenue | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| Total Revenues | 1,290.6 | 1,335.6 | 1,431.3 | 1,451.2 | 1,467.8 | 1,468.5 | 1,415.6 | 1,458.9 | 1,421.7 | 1,438.0 | 1,459.1 | 1,518.5 |
| Expenditures | | | | | | | | | | | | |
| Agency Operations | 1,104.7 | 1,104.7 | 1,064.7 | 1,034.7 | 739.7 | 729.7 | 719.7 | 709.7 | 699.7 | 689.7 | 679.7 | 669.7 |
| Formula Programs | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 |
| Education, Public Safety, Transportation, University | 681.2 | 686.3 | 691.5 | 696.6 | 991.7 | 1,006.1 | 1,020.7 | 1,035.5 | 1,050.5 | 1,065.8 | 1,081.2 | 1,096.9 |
| Perm Fund Dividends | 985.5 | 984.8 | 732.5 | 739.4 | 749.1 | 760.0 | 781.9 | 806.4 | 833.6 | 861.9 | 891.0 | 920.9 |
| Perm Fund Hold Harmless | 28.49 | 28.9 | 29.3 | 29.7 | 30.2 | 30.6 | 31.1 | 31.5 | 32.0 | 32.4 | 32.9 | 33.4 |
| Proposed Budget Cuts #1 | 0.0 | (40.0) | (30.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Proposed Budget Cuts #1 | 0.0 | 0.0 | 0.0 | (10.0) | (10.0) | (10.0) | (10.0) | (10.0) | (10.0) | (10.0) | (10.0) | (10.0) |
| Supplemental Budget - Fires, Floods, (Y2K, FY99), etc. | 13.6 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 |
| Debt Service (Net of non-GF School Fund and AHFC offsets) | 46.7 | 3.5 | 38.7 | 41.9 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 |
| Capital Budget | 85.4 | 85.4 | 85.4 | 135.4 | 137.4 | 139.4 | 141.4 | 143.4 | 145.5 | 147.6 | 149.8 | 151.9 |
| State Match for Loan Programs (Water, Sewer, etc.) | 20.9 | 19.4 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 |
| Other #1 | 14.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other #2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total General Fund Expenditures: | 3,352.7 | 3,262.0 | 3,018.3 | 3,074.0 | 3,086.1 | 3,103.8 | 3,132.7 | 3,164.5 | 3,199.3 | 3,235.4 | 3,272.6 | 3,310.8 |
| Budget (Deficit)/Surplus | (2,062.2) | (1,926.3) | (1,587.0) | (1,622.9) | (1,618.2) | (1,635.3) | (1,717.1) | (1,705.7) | (1,777.6) | (1,797.3) | (1,813.5) | (1,792.3) |
| Transfers | | | | | | | | | | | | |
| Transfer (to)/from CBR (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (Thru the Year) | 1,048.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Legislative Appropriations to Perm Fund Principal | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Alaska Income Acct (Beg of Year) | 0.0 | 912.7 | 825.1 | 853.7 | 839.0 | 844.7 | 904.2 | 867.8 | 912.1 | 903.1 | 889.6 | 838.0 |
| Transfer (to)/from Alaska Income Acct (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Alaska Income Acct (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PFD Transfer from Earn Reserve (End of Year) | 985.5 | 984.8 | 732.5 | 739.4 | 749.1 | 760.0 | 781.9 | 806.4 | 833.6 | 861.9 | 891.0 | 920.9 |
| PFD Transfer from Earn Reserve for Hold Harmless (End of Year) | 28.5 | 28.9 | 29.3 | 29.7 | 30.2 | 30.6 | 31.1 | 31.5 | 32.0 | 32.4 | 32.9 | 33.4 |
| Total Transfers | 2,062.2 | 1,926.3 | 1,587.0 | 1,622.9 | 1,618.2 | 1,635.3 | 1,717.1 | 1,705.7 | 1,777.6 | 1,797.3 | 1,813.5 | 1,792.3 |
| Difference | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

CONSTITUTIONAL BUDGET RESERVE

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|----------------|--------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| TOTAL Const Budget Reserve (Beg of Yr) | 3,559.1 | 2,728.3 | (0.0) | 0.0 | (0.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Oil & Gas Tax Dispute Resolutions (Thru the Year) | 56.0 | 120.0 | 120.0 | 120.0 | 120.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Beg of Year) | 0.0 | (2,728.3) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (End of Year) | 0.0 | (125.0) | (124.9) | (125.0) | (124.9) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Thru the Year) | (1,048.2) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Earnings | 161.4 | 5.0 | 4.9 | 5.0 | 4.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL Const Budget Reserve (End of Yr) | 2,728.3 | (0.0) | 0.0 | (7.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

ALASKA PERMANENT FUND**Principal/Corpus**

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| TOTAL Principal at Cost (Beg of Yr) | 18,516.0 | 18,980.1 | 19,144.1 | 19,318.4 | 19,500.4 | 19,699.8 | 19,913.0 | 20,117.9 | 20,336.8 | 20,553.0 | 20,772.2 | 20,993.1 |
| Dedicated Oil Revenues (Thru the Year) | 138.1 | 135.4 | 145.8 | 151.1 | 165.8 | 176.7 | 165.4 | 176.1 | 169.8 | 169.0 | 166.7 | 155.5 |
| Other Transfers (Amerada Hess) (End of Year) | 38.2 | 28.6 | 28.5 | 30.9 | 33.6 | 36.4 | 39.5 | 42.9 | 46.3 | 50.2 | 54.2 | 58.6 |
| Legislative Appropriations (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Statutory Inflation Proofing (End of Year) | 287.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL Principal at Cost (Ending Bal) | 18,980.1 | 19,144.1 | 19,318.4 | 19,500.4 | 19,699.8 | 19,913.0 | 20,117.9 | 20,336.8 | 20,553.0 | 20,772.2 | 20,993.1 | 21,207.2 |

Alaska Income Account

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| TOTAL Alaska Income Acct Acct Balance (Beg of Yr) | 1,389.0 | 2,374.4 | 5,188.8 | 5,701.7 | 6,270.0 | 6,938.8 | 7,565.9 | 8,204.8 | 8,951.6 | 9,721.2 | 10,569.7 | 11,501.2 |
| Transfer (to)/from APFC Principal (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Principal (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Principal (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Beg of Year) | 0.0 | (912.7) | (825.1) | (853.7) | (839.0) | (844.7) | (904.2) | (867.8) | (912.1) | (903.1) | (809.6) | (838.0) |
| Transfer (to)/from Gen Fund (Thru the Year) | (0.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (Beg of Year) | 0.0 | 2,728.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (End of Year) | 0.0 | 125.0 | 124.9 | 125.0 | 124.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PFD Transfer (to) Gen Fund (End of Year) | (985.5) | (984.8) | (732.5) | (739.4) | (749.1) | (760.0) | (781.9) | (806.4) | (833.6) | (861.9) | (891.0) | (920.9) |
| PFD Transfer (to) Gen Fund for Hold Harmless (End of Year) | (28.5) | (28.9) | (29.3) | (29.7) | (30.2) | (30.6) | (31.1) | (31.5) | (32.0) | (32.4) | (32.9) | (33.4) |
| Interest Income | z 957.8 | 1,036.3 | 1,060.1 | 1,094.7 | 1,132.7 | 1,173.8 | 1,210.7 | 1,251.2 | 1,292.4 | 1,336.1 | 1,382.3 | 1,433.9 |
| Realized Gains | z 1,399.8 | 921.7 | 986.0 | 1,045.7 | 1,106.9 | 1,169.7 | 1,230.0 | 1,290.2 | 1,347.8 | 1,407.1 | 1,464.4 | 1,523.1 |
| Statutory Inflation Proofing | (287.9) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating Costs of APFC | (32.2) | (42.0) | (42.6) | (43.3) | (43.9) | (44.6) | (45.2) | (45.9) | (46.3) | (47.3) | (48.0) | (48.7) |
| Legislative Appropriations for Oil & Gas Litigation | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Legislative Appropriations for Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Less Amerada Hess Settlement Earnings (not inc in div) | z (38.2) | (28.6) | (28.5) | (30.9) | (33.6) | (36.4) | (39.5) | (42.9) | (46.3) | (50.2) | (54.2) | (58.6) |
| TOTAL Alaska Income Acct Balance (End of Yr) | 2,374.4 | 5,188.8 | 5,701.7 | 6,270.0 | 6,938.8 | 7,565.9 | 8,204.8 | 8,951.6 | 9,721.2 | 10,569.7 | 11,501.2 | 12,558.5 |

Unrealized Gains

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Balance of Unrealized Gains (Beg of Year) | 3,970.9 | 3,890.5 | 4,170.6 | 4,413.9 | 4,637.6 | 4,844.3 | 5,035.8 | 5,209.8 | 5,370.5 | 5,521.5 | 5,663.9 | 5,803.1 |
| Current Year Unrealized Gains | z 1,319.4 | 1,201.8 | 1,229.4 | 1,269.5 | 1,313.6 | 1,361.2 | 1,404.0 | 1,450.9 | 1,498.8 | 1,549.5 | 1,603.6 | 1,662.9 |
| Amount of Gains Realized | (1,399.8) | (921.7) | (986.0) | (1,045.7) | (1,106.9) | (1,169.7) | (1,230.0) | (1,290.2) | (1,347.8) | (1,407.1) | (1,464.4) | (1,523.1) |
| Additional Gains Realized | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Bal Unreal Gain add to Market Value | 3,890.5 | 4,170.6 | 4,413.9 | 4,637.6 | 4,844.3 | 5,035.8 | 5,209.8 | 5,370.5 | 5,521.5 | 5,663.9 | 5,803.1 | 5,942.9 |

Balance of Total Savings

| | | | | | | | | | | | | |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Balance of Total Savings | 27,973.4 | 26,503.5 | 29,434.1 | 30,408.1 | 31,483.0 | 32,514.7 | 33,532.4 | 34,659.1 | 35,785.8 | 37,005.7 | 38,297.4 | 39,708.7 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|--|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Revenue Assumptions | | | | | | | | | | |
| Oil Price in \$/bbl | 20.91 | 21.52 | 22.15 | 22.80 | 23.48 | 24.18 | 24.94 | 25.73 | 26.55 | 27.40 |
| Volume in mbb/d | 0.718 | 0.669 | 0.621 | 0.577 | 0.550 | 0.503 | 0.469 | 0.437 | 0.408 | 0.381 |
| HB96 Passes (Y or N) - All Leases @ 25% | N | N | N | N | N | N | N | N | N | N |
| Market Assumptions | | | | | | | | | | |
| Perm Fund Total Return | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% | 8.250% |
| Yield of Dividends & Interest | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% | 3.820% |
| Expected Capital Gains/Losses | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% | 4.430% |
| % of Unrealized Gains Realized | 20.630% | 20.800% | 21.000% | 21.200% | 21.400% | 21.600% | 21.780% | 21.950% | 22.100% | 22.250% |
| CBR Yield | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% | 5.500% |
| <i>Annualized Return</i> | 8.346% | 8.340% | 8.334% | 8.328% | 8.324% | 8.320% | 8.316% | 8.313% | 8.310% | 8.307% |
| Dividend Assumptions | | | | | | | | | | |
| Maximum Dividend to \$ per Person | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Calculated Dividend Amount | z \$1,466 | \$1,501 | \$1,538 | \$1,578 | \$1,619 | \$1,663 | \$1,708 | \$1,754 | \$1,802 | \$1,851 |
| Inflation Assumptions | | | | | | | | | | |
| General Inflation Rate - Used for Inflation Proofing | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% |
| Growth of Agency Expenditures - Inflation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Growth of Formula Expenditures - Inflation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Growth of School Expenditures - Inflation | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% |
| Growth of Capital Budget - Inflation | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% |
| Population Growth Assumptions | | | | | | | | | | |
| Agency Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Formula Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| School Expenditures - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Capital Budget - Population | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Dividends | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% | 1.100% |
| Inflation Proofing Assumptions | | | | | | | | | | |
| Statutory Inflation Proofing Amount | z 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Question: Use the Statutory Method? (Y or N) | N | N | N | N | N | N | N | N | N | N |
| Endowment Assumptions | | | | | | | | | | |
| Payout % | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% | 5.25% |
| Minimum Dividend | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 | \$250.00 |
| Split (Y or N) | N | N | N | N | N | N | N | N | N | N |
| % Split for Dividend | | | | | | | | | | |
| % Split for General Government | | | | | | | | | | |
| Graduated 5 Year Smoothing (Y or N) | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |

Budget Assumptions

Revenues

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>Petroleum Revenue</i> | 562.0 | 551.4 | 523.5 | 498.8 | 483.0 | 463.5 | 446.1 | 431.4 | 418.0 | 408.0 |
| <i>Non-petroleum Revenue</i> | 539.7 | 529.4 | 519.2 | 514.1 | 509.1 | 504.1 | 499.2 | 497.2 | 492.4 | 492.5 |
| Alaska Credit Income Tax (Net receipts in millions) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| New Oil Revenue | 185.2 | 226.0 | 221.6 | 253.4 | 274.0 | 284.3 | 295.1 | 306.3 | 316.2 | 303.6 |
| Other New Revenue #1 | 134.4 | 138.4 | 142.6 | 146.9 | 151.3 | 155.8 | 160.5 | 165.3 | 170.2 | 175.4 |
| Other Resource Revenue | 101.5 | 102.9 | 104.4 | 105.9 | 107.5 | 109.0 | 110.6 | 112.2 | 113.8 | 115.5 |
| Total Revenues | 1,522.8 | 1,548.1 | 1,511.3 | 1,519.0 | 1,524.7 | 1,516.7 | 1,511.5 | 1,512.5 | 1,510.6 | 1,495.0 |

Expenditures

| | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Agency Operations | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 | 659.7 |
| Formula Programs | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 | 372.5 |
| Education, Public Safety, Transportation, University | 1,112.8 | 1,128.9 | 1,145.3 | 1,161.9 | 1,178.8 | 1,195.8 | 1,213.2 | 1,230.8 | 1,248.6 | 1,266.7 |
| Penn Fund Dividends | 952.2 | 985.7 | 1,021.1 | 1,058.9 | 1,098.7 | 1,140.6 | 1,184.4 | 1,230.0 | 1,277.4 | 1,326.8 |
| Penn Fund Hold Harmless | 33.9 | 34.3 | 34.8 | 35.4 | 35.9 | 36.4 | 36.9 | 37.4 | 38.0 | 38.5 |
| Proposed Budget Cuts #1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Proposed Budget Cuts #1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Supplemental Budget - Fires, Floods, (Y2K, FY99), etc. | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 |
| Debt Service (Net of non-GF School Fund and AHFC offsets) | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 | 41.8 |
| Capital Budget | 154.1 | 156.4 | 158.6 | 160.9 | 163.3 | 165.6 | 168.0 | 170.5 | 172.9 | 175.5 |
| State Match for Loan Programs (Water, Sewer, etc.) | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 | 17.2 |
| Other #1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other #2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total General Fund Expenditures: | 3,360.7 | 3,413.1 | 3,467.6 | 3,524.7 | 3,584.3 | 3,646.2 | 3,710.2 | 3,776.4 | 3,844.6 | 3,915.2 |

Budget (Deficit)/Surplus

| | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | (1,837.9) | (1,864.9) | (1,956.3) | (2,005.8) | (2,059.5) | (2,129.5) | (2,198.8) | (2,263.9) | (2,334.0) | (2,420.2) |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

Transfers

| | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>Transfer (to)/from CBR (Beg of Year)</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Transfer (to)/from CBR (Thru the Year)</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Transfer (to)/from CBR (End of Year)</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Legislative Appropriations to Perm Fund Principal | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Transfer (to)/from Alaska Income Acct (Beg of Year)</i> | 851.8 | 844.9 | 900.3 | 911.6 | 925.0 | 952.4 | 977.4 | 996.5 | 1,018.6 | 1,054.9 |
| <i>Transfer (to)/from Alaska Income Acct (Thru the Year)</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Transfer (to)/from Alaska Income Acct (End of Year)</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>PFDF Transfer from Earn Reserve (End of Year)</i> | 952.2 | 985.7 | 1,021.1 | 1,058.9 | 1,098.7 | 1,140.6 | 1,184.4 | 1,230.0 | 1,277.4 | 1,326.8 |
| <i>PFDF Transfer from Earn Reserve for Hold Harmless (End of Yr)</i> | 33.9 | 34.3 | 34.8 | 35.4 | 35.9 | 36.4 | 36.9 | 37.4 | 38.0 | 38.5 |
| Total Transfers | 1,837.9 | 1,864.9 | 1,956.3 | 2,005.8 | 2,059.5 | 2,129.5 | 2,198.8 | 2,263.9 | 2,334.0 | 2,420.2 |

Difference

| | | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

CONSTITUTIONAL BUDGET RESERVE

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| TOTAL Const Budget Reserve (Beg of Yr) | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Oil & Gas Tax Dispute Resolutions (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Earnings | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL Const Budget Reserve (End of Yr) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |

ALASKA PERMANENT FUND**Principal/Corpus**

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| TOTAL Principal at Cost (Beg of Yr) | 21,207.2 | 21,420.6 | 21,637.8 | 21,854.0 | 22,070.6 | 22,289.0 | 22,508.8 | 22,731.4 | 22,958.1 | 23,189.4 |
| Dedicated Oil Revenues (Thru the Year) | 150.2 | 149.2 | 142.9 | 137.6 | 133.3 | 128.1 | 123.9 | 120.3 | 116.8 | 113.4 |
| Other Transfers (Amerada Hess) (End of Year) | 63.2 | 68.1 | 73.3 | 79.0 | 85.1 | 91.7 | 98.8 | 106.4 | 114.5 | 123.3 |
| Legislative Appropriations (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Alaska Income Acct (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Statutory Inflation Proofing (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL Principal at Cost (Ending Bal) | 21,420.6 | 21,637.8 | 21,854.0 | 22,070.6 | 22,289.0 | 22,508.8 | 22,731.4 | 22,958.1 | 23,189.4 | 23,426.1 |

Alaska Income Account

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|--|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| TOTAL Alaska Income Acct Acct Balance (Beg of Yr) | 12,558.5 | 13,677.0 | 14,875.8 | 16,096.7 | 17,386.3 | 18,745.6 | 20,163.3 | 21,643.1 | 23,194.2 | 24,816.1 |
| Transfer (to)/from APFC Principal (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Principal (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from APFC Principal (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (Beg of Year) | (851.8) | (844.9) | (900.3) | (911.6) | (925.0) | (952.4) | (977.4) | (996.5) | (1,018.6) | (1,054.9) |
| Transfer (to)/from Gen Fund (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from Gen Fund (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (Beg of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (Thru the Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer (to)/from CBR (End of Year) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PFD Transfer (to) Gen Fund (End of Year) | (952.2) | (985.7) | (1,021.1) | (1,058.9) | (1,098.7) | (1,140.6) | (1,184.4) | (1,230.0) | (1,277.4) | (1,326.8) |
| PFD Transfer (to) Gen Fund for Hold Harmless (End of Year) | (33.9) | (34.3) | (34.8) | (35.4) | (35.9) | (36.4) | (36.9) | (37.4) | (38.0) | (38.5) |
| Interest Income | z 1,487.2 | 1,543.8 | 1,601.4 | 1,661.8 | 1,725.0 | 1,790.6 | 1,858.7 | 1,930.0 | 2,004.3 | 2,081.4 |
| Realized Gains | z 1,581.8 | 1,638.2 | 1,700.0 | 1,764.3 | 1,831.5 | 1,901.5 | 1,972.7 | 2,046.4 | 2,121.8 | 2,201.1 |
| Statutory Inflation Proofing | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating Costs of APFC | (49.5) | (50.2) | (51.0) | (51.7) | (52.5) | (53.3) | (54.1) | (54.9) | (55.7) | (56.6) |
| Legislative Appropriations for Oil & Gas Litigation | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Legislative Appropriations for Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Loss Amerada Hess Settlement Earnings (not inc in div) | z (63.2) | (68.1) | (73.3) | (79.0) | (85.1) | (91.7) | (98.8) | (106.4) | (114.5) | (123.3) |
| TOTAL Alaska Income Acct Balance (End of Yr) | 13,677.0 | 14,875.8 | 16,096.7 | 17,386.3 | 18,745.6 | 20,163.3 | 21,643.1 | 23,194.2 | 24,816.1 | 26,498.5 |

Unrealized Gains

| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Balance of Unrealized Gains (Beg of Year) | 5,942.9 | 6,085.9 | 6,237.9 | 6,395.1 | 6,557.9 | 6,726.9 | 6,901.8 | 7,084.7 | 7,276.5 | 7,479.1 |
| Current Year Unrealized Gains | z 1,724.7 | 1,790.3 | 1,857.2 | 1,927.2 | 2,000.4 | 2,076.5 | 2,155.6 | 2,238.2 | 2,324.4 | 2,413.7 |
| Amount of Gains Realized | (1,581.8) | (1,638.2) | (1,700.0) | (1,764.3) | (1,831.5) | (1,901.5) | (1,972.7) | (2,046.4) | (2,121.8) | (2,201.1) |
| Additional Gains Realized | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Bal Unreal Gain add to Market Value | 6,085.8 | 6,237.9 | 6,395.1 | 6,557.9 | 6,726.9 | 6,901.8 | 7,084.7 | 7,276.5 | 7,479.1 | 7,691.7 |
| Balance of Total Savings | 41,183.4 | 42,751.5 | 44,345.8 | 46,014.9 | 47,761.6 | 49,573.9 | 51,459.3 | 53,428.9 | 55,484.6 | 57,615.4 |

SENATE FINANCE COMMITTEE

SIGN-IN

SB 76-PERMANENT FUND INCOME ADVISORY VOTE

NAME: Annalee McInnell Subject/Bill No: SB 76
Co./Dept./Title: OMB Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

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

Do you wish to testify? Yes No Respond To Questions

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

Do you wish to testify? Yes No Respond To Questions

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

Do you wish to testify? Yes No Respond To Questions

Comparison of Financial Plans

This comparison looks at the Governor's and House Majority's plans with the limited budget growth numbers, and corrected additional oil revenue; also includes 25% PF dedication

Rate of Return: 8.10%

Plan: Governor

| | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2020</u> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Expenditures (\$M) | \$ 2,324 | \$ 2,253 | \$ 2,266 | \$ 2,329 | \$ 2,346 | \$ 2,362 | \$ 2,379 | \$ 2,396 | \$ 2,414 | \$ 2,431 | \$ 2,449 | \$ 2,467 | \$ 2,486 | \$ 2,664 |
| New Revenue (\$M) | \$ - | \$ 175 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 | \$ 350 |
| Dividend (\$) | \$ 1,740 | \$ 1,834 | \$ 1,796 | \$ 1,720 | \$ 1,556 | \$ 1,462 | \$ 1,501 | \$ 1,547 | \$ 1,598 | \$ 1,656 | \$ 1,718 | \$ 1,784 | \$ 1,852 | \$ 2,300 |
| Value of Assets (\$M) | \$ 28,005 | \$ 28,617 | \$ 29,500 | \$ 30,447 | \$ 31,571 | \$ 32,701 | \$ 33,803 | \$ 34,992 | \$ 36,168 | \$ 37,397 | \$ 38,683 | \$ 39,945 | \$ 41,233 | \$ 54,582 |

Plan: House Majority

| | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2020</u> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Expenditures (\$M) | \$ 2,324 | \$ 2,253 | \$ 2,266 | \$ 2,329 | \$ 2,346 | \$ 2,362 | \$ 2,379 | \$ 2,396 | \$ 2,414 | \$ 2,431 | \$ 2,449 | \$ 2,467 | \$ 2,486 | \$ 2,664 |
| New Revenue (\$M) | \$ - | \$ 50 | \$ 75 | \$ 100 | \$ 103 | \$ 106 | \$ 109 | \$ 113 | \$ 116 | \$ 119 | \$ 123 | \$ 127 | \$ 130 | \$ 170 |
| Dividend (\$) | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 982 | \$ 989 | \$ 997 | \$ 1,023 | \$ 1,050 | \$ 1,078 | \$ 1,107 | \$ 1,136 | \$ 1,166 | \$ 1,197 | \$ 1,535 |
| Value of Assets (\$M) | \$ 28,390 | \$ 29,333 | \$ 30,403 | \$ 31,547 | \$ 32,790 | \$ 33,993 | \$ 35,134 | \$ 36,487 | \$ 37,806 | \$ 39,212 | \$ 40,717 | \$ 42,245 | \$ 43,850 | \$ 62,038 |
| Amount out of balance (\$M) | \$ - | \$ (96) | \$ (34) | \$ (27) | \$ (6) | \$ (1) | \$ (41) | \$ 19 | \$ (3) | \$ 31 | \$ 71 | \$ 48 | \$ 71 | \$ 296 |

Plan: Senate Majority (with their own expenditures and revenues)

| | | | | | | | | | | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Expenditures (\$M) | \$ 2,324 | \$ 2,248 | \$ 2,256 | \$ 2,305 | \$ 2,307 | \$ 2,313 | \$ 2,320 | \$ 2,327 | \$ 2,334 | \$ 2,341 | \$ 2,349 | \$ 2,357 | \$ 2,375 | \$ 2,550 |
| New Revenue (\$M) | \$ - | \$ 35 | \$ 100 | \$ 103 | \$ 106 | \$ 109 | \$ 113 | \$ 116 | \$ 119 | \$ 123 | \$ 127 | \$ 230 | \$ 236 | \$ 291 |
| Dividend (\$) | \$ 1,730 | \$ 1,710 | \$ 1,258 | \$ 1,256 | \$ 1,257 | \$ 1,261 | \$ 1,281 | \$ 1,305 | \$ 1,332 | \$ 1,360 | \$ 1,388 | \$ 1,417 | \$ 1,446 | \$ 1,793 |
| Value of Assets (\$M) | \$ 27,974 | \$ 28,463 | \$ 29,350 | \$ 30,274 | \$ 31,294 | \$ 32,266 | \$ 33,219 | \$ 34,275 | \$ 35,335 | \$ 36,462 | \$ 37,664 | \$ 38,978 | \$ 40,348 | \$ 55,383 |
| Amount out of balance (\$M) | \$ - | \$ (527) | \$ (174) | \$ (197) | \$ (174) | \$ (170) | \$ (212) | \$ (155) | \$ (177) | \$ (145) | \$ (108) | \$ (32) | \$ (20) | \$ 76 |