

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2676

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 25% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$ 51.4	\$ 53.8	\$ 0.0	\$ 0.0	\$ 593.5
1979	762.3	47.4	361.6	1,171.3	939.2	104.3	158.1	20.9	20.9	638.9
1980	893.3	44.5	405.8	1,343.7	1,033.1	122.9	281.0	24.6	45.4	728.2
1981	985.4	42.0	429.4	1,456.8	1,136.4	127.0	408.0	25.4	70.8	819.7
1982	1,202.8	39.2	431.5	1,673.5	1,250.1	131.2	539.2	26.2	97.1	1,006.3
1983	1,243.5	44.0	454.7	1,742.3	1,375.1	136.6	675.7	27.3	124.4	1,127.3
1984	1,283.8	46.6	491.6	1,822.0	1,512.6	141.9	817.6	28.4	152.8	1,181.0
1985	1,355.0	44.9	530.7	1,930.6	1,663.9	146.7	964.4	29.3	182.1	1,196.5
TOTAL	\$8,186.7	\$ 359.5	\$3,441.3	\$11,987.5	\$9,764.2	N/A	\$ 964.4	N/A	\$ 182.1	\$1,196.5

Case II-A: Medium Income, Medium Expenditure Model (Permanent Fund Income Allocated to General Fund Revenues)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 30% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$ 61.7	\$ 64.1	\$ 0.0	\$ 0.0	\$ 583.3
1979	762.3	47.4	361.6	1,171.4	939.2	125.2	189.3	20.9	20.9	607.8
1980	893.3	44.5	405.8	1,343.7	1,033.1	147.5	336.8	24.6	45.4	672.6
1981	985.4	42.0	429.4	1,456.8	1,136.4	152.4	489.1	25.4	70.8	733.7
1982	1,202.8	39.2	431.5	1,673.5	1,250.1	157.4	646.5	26.2	97.1	899.1
1983	1,243.5	44.0	454.8	1,742.3	1,375.1	163.9	810.4	27.3	124.4	992.7
1984	1,283.8	46.6	491.6	1,822.0	1,512.6	170.3	980.7	28.4	152.8	1,018.1
1985	1,355.0	44.9	530.7	1,930.6	1,663.9	176.1	1,156.8	29.3	182.1	1,004.3
TOTAL	\$8,186.7	\$ 359.5	\$3,441.3	\$11,987.5	\$9,764.2	N/A	\$1,156.8	N/A	\$ 182.1	\$1,004.3

Case II-B: Medium Income, Medium Expenditure Model (Permanent Fund Income Allocated to General Fund Revenues)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 50% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$ 102.9	\$ 105.3	\$ 0.0	\$ 0.0	\$ 542.1
1979	762.3	47.4	361.6	1,171.4	939.2	208.6	313.9	20.9	20.9	493.2
1980	893.3	44.5	405.8	1,343.7	1,033.1	245.8	559.8	24.6	45.4	449.6
1981	985.4	42.0	429.4	1,456.8	1,136.4	253.9	813.7	25.4	70.8	414.1
1982	1,202.8	39.2	431.5	1,673.5	1,250.1	262.3	1,076.0	26.2	97.1	469.6
1983	1,243.5	44.0	454.8	1,742.3	1,375.1	273.2	1,349.2	27.3	124.4	454.0
1984	1,283.8	46.6	491.6	1,822.0	1,512.6	283.8	1,633.0	28.4	152.8	365.8
1985	1,355.0	44.9	530.7	1,930.6	1,663.9	293.5	1,926.4	29.3	182.1	234.7
TOTAL	\$8,186.7	\$ 359.5	\$3,441.3	\$11,987.5	\$9,764.2	N/A	\$1,926.4	N/A	\$ 182.1	\$ 234.7

Case II-C: Medium Income, Medium Expenditure Model (Permanent Fund Income Allocated to General Fund Revenues)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 25% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 51.4	\$ 53.9	\$ 0.0	\$ 0.0	\$ 593.5
1979	762.3	47.4	359.7	1,169.5	939.2	104.3	160.1	20.9	20.9	637.0
1980	893.3	44.5	400.2	1,338.1	1,033.1	122.9	288.6	24.6	45.4	720.7
1981	935.4	42.0	419.3	1,446.7	1,136.4	127.0	425.7	25.4	70.8	802.1
1982	1,202.8	39.2	416.6	1,658.6	1,250.1	131.2	571.8	26.2	97.1	973.9
1983	1,243.5	44.0	434.7	1,722.3	1,375.1	136.6	728.3	27.3	124.4	1,074.8
1984	1,283.8	46.6	466.1	1,796.5	1,512.6	141.9	895.7	28.4	152.8	1,103.0
1985	1,355.0	44.9	499.4	1,899.2	1,663.9	146.7	1,073.8	29.3	182.1	1,087.3
TOTAL	\$8,186.7	\$ 359.5	\$3,331.9	\$11,878.1	\$9,764.2	N/A	\$1,073.8	N/A	\$ 182.1	\$1,087.3

Case II-D: Medium Income, Medium Expenditure Model (50% of Permanent Fund Income Reinvested in Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 30% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 61.7	\$ 64.2	\$ 0.0	\$ 0.0	\$ 593.2
1979	762.3	47.4	359.4	1,169.1	939.2	125.2	191.6	20.9	20.9	605.5
1980	893.3	44.5	399.1	1,337.0	1,033.1	147.5	345.8	24.6	45.4	663.5
1981	985.4	42.0	417.3	1,444.7	1,136.4	152.4	510.3	25.4	70.8	717.5
1982	1,202.8	39.2	413.6	1,655.6	1,250.1	157.4	685.6	26.2	97.1	860.1
1983	1,243.5	44.0	430.8	1,718.3	1,375.1	163.9	873.4	27.3	124.4	929.7
1984	1,283.8	46.6	461.0	1,791.4	1,512.6	170.3	1,074.3	28.4	152.8	924.5
1985	1,355.0	44.9	493.1	1,893.0	1,663.9	176.1	1,287.9	29.3	182.1	873.1
TOTAL	\$8,186.7	\$ 359.5	\$3,310.2	\$11,856.4	\$9,764.2	N/A	\$1,287.9	N/A	\$ 182.1	\$ 873.1

Case II-E: Medium Income, Medium Expenditure Model (50% of Permanent Fund Income Reinvested in Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 50% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 102.9	\$ 105.4	\$ 0.0	\$ 0.0	\$ 542.0
1979	762.3	47.4	357.9	1,167.7	939.2	208.6	317.7	20.9	20.9	479.4
1980	893.3	44.5	394.7	1,332.6	1,033.1	245.8	574.7	24.6	45.4	434.7
1981	985.4	42.0	409.3	1,436.7	1,136.4	253.9	848.7	25.4	70.8	379.1
1982	1,202.8	39.2	401.8	1,643.8	1,250.1	262.3	1,140.7	26.2	97.1	404.9
1983	1,243.5	44.0	414.8	1,702.3	1,375.1	273.2	1,453.8	27.3	124.4	349.3
1984	1,283.8	46.6	440.7	1,771.1	1,512.6	283.8	1,738.5	28.4	152.8	210.3
1985	1,355.0	44.9	472.4	1,872.3	1,584.7	293.5	2,144.5	29.3	182.1	100.0
TOTAL	\$8,186.7	\$ 359.5	\$3,227.6	\$11,773.7	\$9,685.0	N/A	\$2,144.5	N/A	\$ 182.1	\$ 100.0

Case II-F: Medium Income, Medium Expenditure Model (50% of Permanent Fund Income Reinvested in Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 25% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$ 51.4	\$ 53.8	\$ 0.0	\$ 0.0	\$ 593.5
1979	827.0	47.4	364.7	1,239.1	917.8	116.0	169.8	23.2	23.2	705.5
1980	1,029.6	44.5	417.8	1,491.9	986.6	147.2	317.0	29.4	52.6	945.8
1981	1,238.9	42.0	458.7	1,739.6	1,060.6	153.9	471.0	30.8	83.4	1,346.3
1982	1,491.2	39.2	486.7	2,017.1	1,140.2	170.6	641.5	34.1	117.5	1,914.0
1983	1,631.2	44.0	544.2	2,219.4	1,225.7	189.6	831.1	37.9	155.5	2,554.4
1984	1,780.7	46.6	627.3	2,454.6	1,317.6	209.8	1,040.9	42.0	197.4	3,449.6
1985	1,890.4	44.9	732.5	2,667.8	1,416.4	219.7	1,260.6	43.9	241.4	4,437.4
TOTAL	\$10,349.7	\$359.5	\$3,967.8	\$14,676.9	\$8,918.8	NOT APPL.	\$1,260.6	NOT APPL.	\$241.4	\$4,437.4

CASE III-A: High Income Low Expenditure Model (Permanent Fund Earnings Allocated to General Fund Revenue)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 30% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$ 61.7	\$ 64.1	\$ 0.0	\$ 0.0	\$ 583.3
1979	827.0	47.4	364.7	1,239.1	917.8	139.2	203.3	23.2	23.2	673.1
1980	1,029.6	44.5	417.8	1,491.9	986.6	176.7	380.0	29.4	52.6	893.0
1981	1,238.9	42.0	458.7	1,739.6	1,060.6	184.7	564.7	30.8	83.4	1,252.7
1982	1,491.2	39.2	486.7	2,017.1	1,140.2	204.7	769.4	34.1	117.5	1,786.2
1983	1,631.2	44.0	544.2	2,219.4	1,225.7	227.5	996.9	37.9	155.5	2,398.7
1984	1,780.7	46.6	627.3	2,454.6	1,317.6	251.7	1,248.6	42.0	197.4	3,242.0
1985	1,890.4	44.9	732.5	2,667.8	1,416.4	263.6	1,512.2	43.9	241.4	4,125.9
TOTAL	\$10,349.7	\$359.5	\$3,967.8	\$14,676.9	\$8,918.8	NOT APPL.	\$1,512.2	NOT APPL.	\$241.4	\$4,185.9

CASE III-B: High Income Low Expenditure Model (Permanent Fund Earnings Allocated to General Fund Revenue)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 50% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 336.0	\$ 847.4	\$ 853.8	\$102.9	\$ 105.3	\$ 0.0	\$ 0.0	\$ 542.1
1979	827.0	47.4	364.7	1,239.1	917.8	232.1	337.4	23.2	23.2	539.1
1980	1,029.6	44.5	417.8	1,491.9	986.6	294.4	631.8	29.4	52.6	631.2
1981	1,238.9	42.0	458.7	1,739.6	1,060.6	307.8	939.6	30.8	83.4	877.8
1982	1,491.2	39.2	486.7	2,017.1	1,140.2	341.1	1,280.8	34.1	117.5	1,274.9
1983	1,631.2	44.0	544.2	2,219.4	1,225.7	379.2	1,660.0	37.9	155.5	1,735.7
1984	1,780.7	46.6	627.3	2,454.6	1,317.6	419.5	2,079.5	42.0	197.4	2,411.2
1985	1,890.4	44.9	732.5	2,667.8	1,416.4	439.3	2,518.9	43.9	241.4	3,179.3
TOTAL	\$10,349.7	\$359.5	\$3,967.8	\$14,676.9	\$8,918.8	NOT APPL.	\$2,518.9	NOT APPL.	\$241.4	\$3,179.3

CASE III-C: High Income Low Expenditure Model (Permanent Fund Earnings Allocated to General Fund Revenue)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 25% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 51.4	\$ 53.9	\$ 0.0	\$ 0.0	\$ 593.5
1979	827.0	47.4	362.8	1,237.2	917.8	116.0	171.8	23.2	23.2	704.6
1980	1,029.6	44.5	411.7	1,485.9	986.6	147.2	325.0	29.4	52.6	937.9
1981	1,238.9	42.0	447.3	1,728.2	1,060.6	153.9	490.3	30.8	83.4	1,327.0
1982	1,491.2	39.2	469.5	1,999.9	1,140.2	170.6	678.1	34.1	117.5	1,877.6
1983	1,631.2	44.0	520.5	2,195.7	1,225.7	189.6	891.4	37.9	155.5	2,504.2
1984	1,780.7	46.6	596.1	2,423.4	1,317.6	209.8	1,132.4	42.0	197.4	3,358.3
1985	1,890.4	44.9	692.9	2,628.2	1,416.4	219.7	1,391.7	43.9	241.4	4,306.5
TOTAL	\$10,349.7	\$359.5	\$3,836.7	\$14,545.9	\$8,918.8	NOT APPL.	\$1,391.7	NOT APPL.	\$241.4	\$4,306.5

CASE III-D: High Income Low Expenditure Model (50% of Permanent Fund Earnings are Reinvested in the Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK 1978 - 1985 @ 30% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 61.7	\$ 64.2	\$ 0.0	\$ 0.0	\$ 583.2
1979	827.0	47.4	362.4	1,236.9	917.8	139.2	205.7	23.2	23.2	670.7
1980	1,029.6	44.5	410.6	1,484.7	986.6	176.7	389.5	29.4	52.6	873.4
1981	1,238.9	42.0	445.0	1,726.0	1,060.6	184.7	587.9	30.8	83.4	1,229.5
1982	1,491.2	39.2	466.1	1,996.5	1,140.2	204.7	813.1	34.1	117.5	1,742.5
1983	1,631.2	44.0	515.8	2,191.0	1,225.7	227.5	1,069.1	37.9	155.5	2,326.5
1984	1,780.7	46.6	589.9	2,417.2	1,317.6	251.7	1,358.3	42.0	197.4	3,132.4
1985	1,890.4	44.9	685.0	2,620.3	1,416.4	263.6	1,669.4	43.9	241.4	4,028.7
TOTAL	\$10,349.7	\$359.5	\$3,810.7	\$14,519.8	\$8,918.8	NOT APPL.	\$1,669.4	NOT APPL.	\$241.4	\$4,028.7

CASE III-E: High Income Low Expenditure Model (50% of Permanent Fund Earnings are Reinvested in the Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

STATE FINANCIAL AND OPERATING OUTLOOK 1978 - 1985 @ 30% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$ 61.7	\$ 64.2	\$ 0.0	\$ 0.0	\$ 583.2
1979	827.0	47.4	362.4	1,236.9	917.8	139.2	205.7	23.2	23.2	670.7
1980	1,029.6	44.5	410.6	1,484.7	986.6	176.7	389.5	29.4	52.6	873.4
1981	1,238.9	42.0	445.0	1,726.0	1,060.6	184.7	587.9	30.8	83.4	1,229.5
1982	1,491.2	39.2	466.1	1,996.5	1,140.2	204.7	813.1	34.1	117.5	1,742.5
1983	1,631.2	44.0	515.8	2,191.0	1,225.7	227.5	1,069.1	37.9	155.5	2,326.5
1984	1,780.7	46.6	589.9	2,417.2	1,317.6	251.7	1,358.3	42.0	197.4	3,132.4
1985	1,890.4	44.9	685.0	2,620.3	1,416.4	263.6	1,669.4	43.9	241.4	4,028.7
TOTAL	\$10,349.7	\$359.5	\$3,810.7	\$14,519.8	\$8,918.8	NOT APPL.	\$1,669.4	NOT APPL.	\$241.4	\$4,028.7

CASE III-E: High Income Low Expenditure Model (50% of Permanent Fund Earnings are Reinvested in the Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE FINANCIAL AND OPERATING OUTLOOK, 1978 - 1985 @ 50% PERMANENT FUND
(Figures in \$ Millions)

F/Y	North Slope Revenue	Other Petroleum Revenue	Other Income	Total Revenue	Expenditures	Permanent Fund Contribution	Permanent Fund Balance	RRD Fund Contribution	RRD Fund Balance	General Fund Balance
1978	\$ 460.6	\$ 50.8	\$ 335.9	\$ 847.3	\$ 853.8	\$102.9	\$ 105.4	\$ 0.0	\$ 0.0	\$ 542.1
1979	827.0	47.4	361.0	1,235.4	917.8	232.1	341.1	23.2	23.2	535.3
1980	1,029.6	44.5	405.8	1,480.0	986.6	294.4	647.5	29.4	52.6	615.4
1981	1,238.9	42.0	436.0	1,716.9	1,060.6	307.8	978.0	30.8	83.4	839.4
1982	1,491.2	39.2	452.4	1,982.9	1,140.2	341.1	1,353.4	34.1	117.5	1,202.2
1983	1,631.2	44.0	496.9	2,172.1	1,225.7	379.2	1,780.0	37.9	155.5	1,615.7
1984	1,780.7	46.6	565.0	2,392.3	1,317.6	419.5	2,261.8	42.0	197.4	2,228.9
1985	1,890.4	44.9	653.4	2,588.7	1,416.4	439.3	2,780.3	43.9	241.4	2,917.8
TOTAL	\$10,349.1	\$359.5	\$3,706.4	\$14,415.5	\$8,918.8	NOT APPL.	\$2,780.3	NOT APPL.	\$241.4	\$2,917.8

CASE III-F: High Income Low Expenditure Model (50% of Permanent Fund Earnings are Reinvested in the Permanent Fund)

Prepared by:
Legislative Affairs Agency
Research Division
16 November 1977

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDINGFINANCE DIVISION
POUCH W—STATE CAPITOL

JUNEAU 99801

December 5, 1977

M E M O R A N D U M

TO: Senator George Hohman
Chairman
Senate Permanent Fund Committee

FROM: Milt Barker MB
Fiscal Analyst

SUBJECT: Projected Permanent Fund Balances

Attached are six projections of permanent and general fund balances based on three different assumptions regarding North Slope oil production. The detailed assumptions behind these projections are also attached. For each revenue scenario, there are two different projections--the first places all permanent fund earnings in the general fund while the second retains those earnings in the permanent fund. Thus, the difference between the permanent fund figures (or the general fund figures, for that matter) for the two cases represents the accumulated earnings of the permanent fund including the compounded interest on the earnings.

There are several reasons why the outcome of these projections is more favorable than other recent ones. The most important is a moderate rate of budget growth (around 7%; see detailed assumptions) which assumes no increase in real (constant dollar) state spending per capita. Another is that revenue from Sadlerochit gas production is included. Also, the ICC proposed tariff of \$4.90 per barrel as opposed to the average company filing of \$6.20 per barrel is assumed as the TAPS tariff rate for throughput of 1.2 million barrels per day. The tariff is further assumed to vary inversely with throughput so that at 2 million barrels per day the rate falls to \$2.94 per barrel.

Finally, stemming from the budget surpluses developing from the above factors, interest income assumes major proportions. In fact, under the two more favorable revenue scenarios, it becomes sufficient to entirely fund the budget.

MBB:pw
Attachments

02-DEC-77

COMMENTS:

GAS PRODUCTION BEGINS FY84
TAPS BUILDUP RESUMES MARCH 78
SAULEROCHIT PRODUCTION ONLY
5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%

% OF CURRENT YEAR EXPEND. IN G.F. CASH BAL = 20.00%

% OF ROYALTIES LEASES AND BONUSES DEPOSITED IN PERMANENT FUND = 30.00%

YEAR END	NON		INVESTMENT INTEREST	TOTAL REVENUE	BUDGET APPROPRIATION	SUPPLY- MENTALS	DEBT SERVICE	PAYMENTS		TOTAL EXPENDITURE	SURPLUS OR DEFICIT		PERM- ANENT FUND	GENERAL FUND END OF YEAR OF	REVENUE REQ FCR OF \$0 MIL
	INVESTMENT REVENUE	REVENUE						FUNDS	TO						
1977	747.8	55.0		802.8	853.8	0.0	0.0	94.8		948.6	-145.8	4.0	652.7		
1978	1021.7	54.6		1078.3	907.0	0.0	0.0	178.7		1085.7	-7.4	65.8	503.9		0.0
1979	1355.7	73.9		1429.6	979.6	0.0	0.0	271.6		1251.1	178.5	359.5	677.9		0.0
1980	1491.7	109.9		1601.6	1057.9	0.0	0.0	294.0		1351.9	449.6	551.3	1127.6		0.0
1982	1849.7	120.0		2009.7	1142.5	0.0	0.0	317.7		1460.3	549.4	758.5	1677.0		0.0
1983	1844.6	217.8		2102.4	1234.0	0.0	0.0	314.2		1548.1	634.3	981.8	2311.3		0.0
1984	2477.1	299.0		2726.1	1293.3	0.0	0.0	293.2		1576.5	1149.6	1275.0	3460.9		0.0
1985	2615.8	410.8		3024.6	1270.5	0.0	0.0	313.7		1584.1	1442.4	1588.6	4903.3		0.0
1986	2755.6	543.2		3328.8	1321.3	0.0	0.0	335.0		1656.3	1672.5	1923.6	6575.8		0.0
1987	2926.1	693.4		3659.5	1413.8	0.0	0.0	357.8		1771.5	1887.9	2281.4	8463.7		0.0
1988	2892.0	851.4		3744.2	1512.8	0.0	0.0	337.7		1850.4	1893.8	2619.0	10357.5		0.0
1989	2762.3	1066.3		3740.6	1618.6	0.0	0.0	307.5		1926.1	1842.5	2926.5	12200.0		0.0
1990	2978.1	1164.0		4042.1	1731.9	0.0	0.0	317.7		2049.6	1992.4	3244.2	14192.4		0.0
1991	2428.9	1312.6		3741.5	1853.2	0.0	0.0	233.4		2086.6	1654.9	3477.6	15847.4		0.0
1992	2164.5	1437.2		3603.7	1902.9	0.0	0.0	179.3		2162.2	1441.5	3656.8	17289.9		0.0
1993	2040.9	1547.2		3588.1	2121.7	0.0	0.0	143.0		2264.7	1323.5	3799.8	18612.4		0.0
1994	2103.3	1652.6		3755.9	2270.2	0.0	0.0	137.1		2407.4	1348.6	3936.9	19960.9		0.0
1995	2415.4	1760.3		4183.7	2429.1	0.0	0.0	186.5		2615.6	1568.1	4123.4	21529.0		0.0
1996	2531.6	1926.1		4427.7	2599.2	0.0	0.0	193.7		2792.9	1634.8	4317.1	23163.8		0.0
1997	2610.5	2027.6		4638.1	2781.1	0.0	0.0	201.7		2982.8	1655.3	4518.7	24819.0		0.0
1998	2478.4	2153.3		4631.7	2775.8	0.0	0.0	146.3		3122.1	1509.6	4665.0	26328.6		0.0
1999	2547.2	2275.9		4823.1	2975.8	0.0	0.0	140.8		3116.6	1706.5	4905.8	28035.1		0.0
2000	2609.7	2407.6		5017.3	3184.1	0.0	0.0	132.8		3317.0	1700.3	4939.5	29735.4		0.0
2001	2695.9	2543.7		5239.6	3184.1	0.0	0.0	128.6		3312.8	1926.8	5067.3	31662.3		0.0
2002	2696.2	2683.0		5384.2	3407.0	0.0	0.0	129.7		3536.7	1647.4	5197.0	32509.7		0.0
2003	2646.1	2831.6		5477.7	3645.5	0.0	0.0	136.1		3701.5	1696.2	5333.0	35405.9		0.0
2004	3002.8	2979.2		5982.0	3900.7	0.0	0.0	142.4		4043.1	1930.9	5475.4	37344.3		0.0
2005	3149.6	3150.3		6299.9	4173.7	0.0	0.0	149.3		4333.0	1976.8	5624.7	39211.6		0.0

BUDGET FORECASTING MODEL

02-DEC-77

COMMENTS

GAS PRODUCTION BEGINS FY84
TAPS BUILDUP RESUMES MARCH 78
SADLEROGCHIT PRODUCTION ONLY
5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%
% OF CURRENT YEAR EXPEND. IN G.F. CASH BAL = 20.00%
% OF ROYALTIES LEASES AND BONUSES DEPOSITED IN PERMANENT FUND = 30.00%
% OF EARNING RETAINED IN PERMANENT FUND = % 100 %

YEAR END	NON INVESTMENT REVENUE	INVESTMENT INTEREST	TOTAL REVENUE	BUDGET APPROPRIATION	SUPPLE- MENTALS	DEBT SERVICE	PAYMENTS TO FUNDS	TOTAL EXPENDITURE	SURPLUS OR DEFICIT	PERM- ANENT FUND	GENERAL FUND END OF YEAR	REVENUE REQ FOR GF BAL OF \$0 MIL
1977										4.0	652.7	
1978	747.8	55.0	802.8	853.8	0.0	0.0	97.3	951.1	-148.4	68.4	504.3	0.0
1979	1021.7	56.6	1078.3	907.0	0.0	0.0	187.9	1094.9	-16.6	194.1	487.8	0.0
1980	1355.7	73.9	1429.6	979.6	0.0	0.0	292.1	1271.6	158.0	391.7	645.7	0.0
1981	1691.7	109.9	1801.6	1057.9	0.0	0.0	329.4	1387.3	414.3	618.9	1060.0	0.0
1982	1849.7	160.0	2009.7	1142.5	0.0	0.0	370.1	1512.7	497.0	878.5	1557.0	0.0
1983	1964.6	217.8	2182.4	1234.0	0.0	0.0	386.0	1619.9	562.4	1173.6	2119.4	0.0
1984	2427.1	299.0	2726.1	1283.3	0.0	0.0	388.9	1672.2	1053.8	1562.6	3173.3	0.0
1985	2615.8	410.8	3026.6	1270.5	0.0	0.0	438.4	1708.9	1317.7	2000.9	4491.0	0.0
1986	2785.6	543.2	3328.8	1321.3	0.0	0.0	492.3	1813.6	1515.2	2493.3	6006.2	0.0
1987	2966.1	693.4	3659.5	1413.8	0.0	0.0	551.6	1965.4	1694.1	3044.8	7700.2	0.0
1988	2972.8	851.4	3744.2	1512.8	0.0	0.0	570.8	2083.5	1660.7	3615.6	9361.0	0.0
1989	2762.3	1006.3	3768.6	1618.6	0.0	0.0	580.9	2199.5	1569.0	4196.5	10930.0	0.0
1990	2378.1	1164.0	4042.1	1731.9	0.0	0.0	633.6	2365.6	1676.5	4830.1	12606.5	0.0
1991	2428.9	1312.6	3741.5	1853.2	0.0	0.0	592.2	2445.4	1296.1	5422.3	13902.6	0.0
1992	2166.5	1437.2	3603.7	1982.9	0.0	0.0	579.1	2562.0	1041.7	6001.4	14944.3	0.0
1993	2040.9	1547.2	3588.1	2121.7	0.0	0.0	583.5	2705.2	882.9	6584.9	15827.3	0.0
1994	2103.3	1652.6	3755.9	2270.2	0.0	0.0	619.8	2890.0	865.9	7264.6	16693.2	0.0
1995	2415.4	1768.3	4183.7	2429.1	0.0	0.0	715.8	3145.0	1038.7	7920.5	17731.9	0.0
1996	2531.6	1896.1	4427.7	2599.2	0.0	0.0	775.3	3374.5	1053.2	8695.7	18785.1	0.0
1997	2610.5	2027.6	4638.1	2781.1	0.0	0.0	839.8	3620.9	1017.2	9535.5	19802.3	0.0
1998	2470.4	2153.3	4623.7	2975.8	0.0	0.0	843.3	3819.1	812.6	10378.8	20614.8	0.0
1999	2547.2	2275.9	4823.1	2975.8	0.0	0.0	898.7	3874.5	948.5	11277.5	21563.4	0.0
2000	2609.7	2407.6	5017.3	3184.1	0.0	0.0	955.7	4139.8	877.5	12233.2	22440.8	0.0
2001	2695.9	2543.7	5239.6	3184.1	0.0	0.0	1020.7	4204.8	1034.8	13253.9	23475.6	0.0
2002	2696.2	2688.0	5384.2	3407.0	0.0	0.0	1095.8	4502.9	881.3	14349.8	24356.9	0.0
2003	2346.1	2831.6	5177.7	3645.5	0.0	0.0	1101.9	4827.4	650.3	15531.7	25267.3	0.0
2004	3002.8	2979.2	5982.0	3900.7	0.0	0.0	1274.2	5174.9	807.1	15805.9	26014.4	0.0
2005	3169.6	3130.3	6299.9	4173.7	0.0	0.0	1373.8	5547.5	752.3	19179.7	26766.7	0.0

LEGISLATIVE FINANCE WORKING DOCUMENT
BUDGET FORECASTING MODEL

1-DEC-77

ASSUMPTIONS

GAS PRODUCTION BEGINS FY84

TAPS BUILDUP RESUMES MARCH 78

SADLEROGHIT KUPARUK & LISBURNE PRODUCTION

5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%

% OF CURRENT YEAR EXPEND. IN G.F. CASH BAL = 20.00%

% OF ROYALTIES LEASES AND BONUSES DEPOSITED IN PERMANENT FUND = 30.00%

YEAR END	NON		TOTAL REVENUE	BUDGET APPROPRIATION	SUPPLE- MENTALS	DEBT SERVICE	PAYMENTS		SURPLUS OR DEFICIT	PERM- ANENT FUND	GENERAL FUND END OF YEAR	REVENUE REQ FOR GF BAL OF \$0 MIL	
	INVESTMENT REVENUE	INVESTMENT INTEREST					TO FUNDS	TOTAL EXPENDITURE					
1977													
1978	747.8	55.0	802.8	853.8	0.0	0.0	94.8	948.6	-145.8	4.0	652.7		
1979	1021.7	56.6	1078.3	907.0	0.0	0.0	178.7	1085.7	-7.4	65.8	506.9	0.0	
1980	1394.9	75.1	1470.0	979.6	0.0	0.0	284.5	1264.1	205.9	182.4	499.5	0.0	
1981	1861.6	118.1	1979.7	1057.9	0.0	0.0	334.7	1392.6	587.1	586.2	1292.6	0.0	
1982	2129.3	163.7	2313.0	1142.5	0.0	0.0	389.3	1531.8	781.2	840.1	2073.8	0.0	
1983	2320.8	267.0	2587.8	1234.0	0.0	0.0	330.1	1564.0	1023.7	1122.9	3097.6	0.0	
1984	2804.1	379.9	3184.0	1283.3	0.0	0.0	356.1	1639.4	1544.6	1478.9	4642.2	0.0	
1985	3014.8	525.7	3540.5	1270.5	0.0	0.0	300.2	1650.7	1889.8	1859.1	6532.0	0.0	
1986	3207.6	696.3	3903.9	1321.3	0.0	0.0	405.4	1726.7	2177.2	2264.6	8709.2	0.0	
1987	3344.7	886.6	4231.3	1413.8	0.0	0.0	420.9	1834.7	2396.6	2685.5	11105.8	0.0	
1988	3232.4	1084.7	4317.1	1512.8	0.0	0.0	394.3	1907.1	2410.0	3079.8	13515.8	0.0	
1989	3036.1	1279.4	4335.5	1618.6	0.0	0.0	355.2	1973.8	2361.7	3435.0	15877.5	0.0	
1990	3151.6	1477.5	4629.1	1731.9	0.0	0.0	363.2	2095.1	2534.0	3798.1	18411.6	0.0	
1991	2672.3	1667.7	4340.0	1853.2	0.0	0.0	274.0	2127.2	2212.0	4072.1	20624.3	0.0	
1992	2380.7	1834.6	4215.3	1982.9	0.0	0.0	215.4	2198.3	2017.1	4207.5	22641.4	0.0	
1993	2194.7	1986.8	4181.5	2121.7	0.0	0.0	174.3	2296.0	1885.5	4461.8	24526.9	0.0	
1994	2240.2	2134.7	4374.9	2270.2	0.0	0.0	165.5	2435.7	1939.1	4627.3	26466.0	0.0	
1995	2557.5	2295.4	4852.9	2429.1	0.0	0.0	211.2	2640.4	2212.5	4838.5	28678.5	0.0	
1996	2664.0	2471.3	5135.3	2599.2	0.0	0.0	216.5	2815.6	2319.7	5055.0	30998.2	0.0	
1997	2607.8	2649.3	5257.1	2781.1	0.0	0.0	191.8	2973.0	2284.2	5246.8	33282.4	0.0	
1998	2564.1	2623.1	5387.2	2975.8	0.0	0.0	164.0	3139.8	2247.4	5410.8	35529.8	0.0	
1999	2624.0	3000.2	5624.2	2975.8	0.0	0.0	156.6	3132.4	2491.8	5567.4	38021.5	0.0	
2000	2676.7	3189.7	5866.4	3184.1	0.0	0.0	142.7	3330.8	2535.6	5714.1	40557.1	0.0	
2001	2756.6	3387.2	6143.8	3184.1	0.0	0.0	141.2	3325.3	2818.5	5855.3	43375.6	0.0	
2002	2845.1	3600.2	6445.3	3407.0	0.0	0.0	136.1	3543.1	2902.2	5991.4	46277.8	0.0	
2003	2843.5	3815.3	6658.8	3645.5	0.0	0.0	136.1	3781.5	2877.3	6127.4	49155.1	0.0	
2004	3000.2	4034.1	7034.3	3900.7	0.0	0.0	142.4	4043.1	2991.2	6269.8	52145.2	0.0	
2005	3167.0	4261.5	7428.5	4173.7	0.0	0.0	149.3	4323.0	3105.4	6419.1	55251.7	0.0	

BUDGET FORECASTING MODEL

02-DEC-77

COMMENTS

GAS PRODUCTION BEGINS FY84

TAPS BUILDUP RESUMES MARCH 78

SADLERCROFT KUPARUK & LISBURN PRODUCTION

5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%

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% OF EARNING RETAINED IN PERMANENT FUND = % 100 %

YEAR END	NON INVESTMENT REVENUE	INVESTMENT INTEREST	TOTAL REVENUE	BUDGET APPROPRIATION	SUPPLE- MENTALS	DEBT SERVICE	PAYMENTS TO FUNDS	TOTAL EXPENDITURE	SURPLUS OR DEFICIT	PERM- ANENT FUND	GENERAL FUND END OF YEAR OF	REVENUE REQ FOR GF BAL OF \$0 MIL
1977												
1978	747.8	55.0	802.8	853.8	0.0	0.0	97.3	951.1	-148.4	4.0	652.7	
1979	1021.7	56.6	1078.3	907.0	0.0	0.0	187.9	1094.9	-16.6	60.4	504.3	0.0
1980	1394.9	75.1	1470.0	779.6	0.0	0.0	305.3	1284.9	185.2	194.1	487.8	0.0
1981	1861.6	118.1	1979.7	1057.9	0.0	0.0	371.7	1429.6	550.2	400.5	672.9	0.0
1982	2129.3	183.7	2313.0	1142.5	0.0	0.0	446.0	1508.6	724.5	655.7	1223.1	0.0
1983	2320.8	267.0	2587.8	1234.0	0.0	0.0	410.4	1644.4	943.4	966.3	1947.6	0.0
1984	2804.1	379.9	3184.0	1283.3	0.0	0.0	465.4	1748.7	1435.3	1329.5	2891.0	0.0
1985	3014.9	525.7	3540.5	1270.5	0.0	0.0	524.2	1794.7	1745.8	1794.9	4326.3	0.0
1986	3207.6	696.3	3903.9	1321.3	0.0	0.0	588.3	1909.6	1994.2	2319.1	6072.1	0.0
1987	3344.7	836.6	4231.3	1413.8	0.0	0.0	647.1	2060.9	2170.4	2907.5	8066.3	0.0
1988	3232.4	1084.7	4317.1	1512.0	0.0	0.0	666.5	2179.2	2137.9	3534.6	10236.7	0.0
1989	3056.1	1279.4	4335.5	1618.6	0.0	0.0	674.2	2292.9	2042.7	4221.0	12374.6	0.0
1990	3151.6	1477.5	4629.1	1731.9	0.0	0.0	731.4	2463.4	2165.8	4895.3	14417.3	0.0
1991	2672.3	1667.7	4340.0	1803.2	0.0	0.0	692.1	2545.3	1794.7	5626.7	16553.0	0.0
1992	2300.7	1834.6	4215.3	1902.9	0.0	0.0	681.5	2664.4	1550.9	6310.9	18377.7	0.0
1993	2194.7	1906.8	4101.5	2121.7	0.0	0.0	688.4	2810.1	1371.4	7000.3	19928.6	0.0
1994	2240.2	2134.7	4374.9	2270.2	0.0	0.0	729.2	2999.5	1375.4	7688.7	21300.0	0.0
1995	2557.5	2295.4	4852.9	2429.1	0.0	0.0	829.5	3258.7	1594.2	8417.9	22675.4	0.0
1996	2664.0	2471.3	5135.3	2599.2	0.0	0.0	895.1	3494.3	1641.1	9247.5	24269.6	0.0
1997	2607.8	2649.3	5257.1	2701.1	0.0	0.0	934.5	3715.6	1541.5	10142.6	25910.6	0.0
1998	2564.1	2823.1	5387.2	2975.8	0.0	0.0	973.5	3949.3	1437.9	11077.1	27452.1	0.0
1999	2624.0	3000.2	5624.2	2975.8	0.0	0.0	1036.4	4012.3	1611.9	12050.5	28890.0	0.0
2000	2676.7	3189.7	5866.4	3104.1	0.0	0.0	1101.3	4285.4	1581.0	13087.0	30502.0	0.0
2001	2756.6	3387.2	6143.8	3184.1	0.0	0.0	1175.5	4359.6	1784.2	14108.3	32082.9	0.0
2002	2845.1	3600.2	6445.3	3407.0	0.0	0.0	1255.5	4662.5	1782.8	15363.8	33367.1	0.0
2003	2843.5	3815.3	6658.8	3645.5	0.0	0.0	1346.5	4992.0	1666.3	16619.3	35649.9	0.0
2004	3000.2	4034.1	7034.3	3900.7	0.0	0.0	1450.8	5351.5	1682.8	17965.8	37315.7	0.0
2005	3167.0	4261.5	7428.5	4173.7	0.0	0.0	1563.2	5736.9	1691.6	19416.6	38999.5	0.0

BUDGET FORECASTING MODEL

-DEC-77

ASSUMPTIONS

GAS PRODUCTION BEGINS FY84

TAPS BUILDUP RESUMES MARCH 78

2 MILLION BPD NORTH SLOPE STATE LEASE PRODUCTION FY 1987-2005

5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%

% OF CURRENT YEAR EXPEND. IN G.F. CASH BAL = 20.00%

% OF ROYALTIES LEASES AND BONUSES DEPOSITED IN PERMANENT FUND = 30.00%

YEAR END	NON		TOTAL REVENUE	PAYMENTS			TOTAL EXPENDITURE	SURPLUS OR DEFICIT	PERM- ANENT FUND	GENERAL FUND END OF YEAR	REVENUE REQ FOR GF BAL OF \$0 MIL
	INVESTMENT REVENUE	INVESTMENT INTEREST		BUDGET APPROPRIATION	SUPPLE- MENTALS	DEBT SERVICE					
1977											
1978	747.8	55.0	802.8	853.8	0.0	0.0	94.8	948.6	-145.8	47.0	652.7
1979	1021.7	54.4	1076.3	907.0	0.0	0.0	178.7	1085.7	-7.4	45.8	506.9
1980	1394.9	75.1	1470.0	979.6	0.0	0.0	284.5	1264.1	206.0	182.4	499.5
1981	1951.6	118.1	1979.7	1057.9	0.0	0.0	334.7	1392.6	507.1	367.9	705.5
1982	2129.3	103.7	2313.0	1142.5	0.0	0.0	309.3	1531.8	781.2	506.2	1292.6
1983	2320.8	267.0	2587.8	1234.0	0.0	0.0	330.1	1564.0	1023.7	840.1	2073.8
1984	2857.1	302.2	3249.3	1283.3	0.0	0.0	366.6	1649.9	1599.4	1122.9	3097.6
1985	3147.1	535.3	3682.4	1270.5	0.0	0.0	402.3	1672.7	2009.6	1497.4	4697.0
1986	3416.3	718.9	4135.2	1321.3	0.0	0.0	440.2	1761.5	2373.7	1891.7	6706.6
1987	3707.7	931.5	4639.2	1413.8	0.0	0.0	481.4	1895.2	2744.0	2331.7	9050.3
1988	3920.5	1171.1	5091.6	1512.0	0.0	0.0	509.0	2021.8	3069.8	2813.3	11824.3
1989	4165.4	1437.3	5602.7	1618.6	0.0	0.0	541.4	2160.0	3442.6	3322.3	14894.1
1990	4443.7	1733.9	6177.6	1731.9	0.0	0.0	578.7	2310.6	3863.7	3663.7	18336.7
1991	4695.4	2062.0	6758.2	1853.2	0.0	0.0	611.2	2464.3	4293.9	4442.4	22203.7
1992	4960.6	2425.5	7386.1	1982.9	0.0	0.0	645.4	2628.3	4757.8	5053.5	26497.6
1993	5160.4	2821.6	7982.0	2121.7	0.0	0.0	668.6	2790.3	5191.7	5698.9	31255.4
1994	5530.9	3256.9	8787.8	2270.2	0.0	0.0	718.7	2988.9	5798.9	6367.5	36447.1
1995	5839.7	3737.4	9577.1	2429.1	0.0	0.0	758.1	3187.2	6388.9	7086.1	42246.0
1996	6161.8	4263.9	10425.7	2599.2	0.0	0.0	799.4	3398.6	7027.1	7844.2	48634.9
1997	6504.1	4840.0	11344.1	2781.1	0.0	0.0	843.2	3624.3	7719.8	8443.6	55661.9
1998	6861.2	5469.9	12331.1	2975.0	0.0	0.0	888.7	3813.7	8464.6	9486.9	63381.7
1999	7241.1	6162.3	13403.4	2975.0	0.0	0.0	937.2	3913.0	9490.4	10375.5	71849.3
2000	7637.6	6928.6	14566.2	3184.1	0.0	0.0	987.5	4171.7	10394.5	11312.7	81338.7
2001	8054.8	7769.3	15824.1	3184.1	0.0	0.0	1040.4	4224.5	11599.6	12300.3	91733.2
2002	8494.1	8597.3	17191.4	3407.0	0.0	0.0	1096.1	4503.1	12688.3	13340.7	103332.8
2003	8959.4	9768.9	18668.3	3645.5	0.0	0.0	1154.9	4800.4	13867.8	14436.7	116021.1
2004	9444.5	10810.7	20255.3	3900.7	0.0	0.0	1216.1	5116.7	15139.5	15591.7	129889.0
2005	9959.5	12009.7	21969.2	4173.7	0.0	0.0	1281.0	5454.7	16514.5	16007.7	145027.5

LEGISLATIVE FINANCE WORKING DOCUMENT
BUDGET FORECASTING MODEL

02-DEC-77

COMMENTS

GAS PRODUCTION BEGINS FY84
TAPS BUILDUP RESUMES MARCH 78
2 MILLION BPD NORTH SLOPE STATE LEASE PRODUCTION FY 1987-2005
5% ANNUAL INFLATION ASSUMED FOR OIL AND GAS PRICES

ASSUMPTIONS

ANNUAL RATE OF INTEREST ON GENERAL + PERMANENT FUNDS = 7.00%
% OF CURRENT YEAR EXPEND. IN G.F. CASH BAL = 20.00%
% OF ROYALTIES LEASES AND BONUSES DEPOSITED IN PERMANENT FUND = 30.00%
% OF EARNING RETAINED IN PERMANENT FUND = % 100 %

YEAR END	NON INVESTMENT REVENUE	INVESTMENT INTEREST	TOTAL REVENUE	BUDGET APPROPRIATION	SUPPLE- MENTALS	DEBT SERVICE	PAYMENTS TO FUNDS	TOTAL EXPENDITURE	SURPLUS OR DEFICIT	PERM- ANENT FUND	GENERAL FUND END OF YEAR OF	REVENUE REQ FOR GF BAL \$0 MIL
1977												
1978	747.8	55.0	802.8	853.8	0.0	0.0	97.3	951.1	-148.4	4.0	652.7	
1979	1021.7	56.6	1078.3	907.0	0.0	0.0	187.9	1074.9	-16.6	68.4	504.3	0.0
1980	1394.9	75.1	1470.0	979.6	0.0	0.0	305.3	1284.9	185.2	194.1	487.8	0.0
1981	1851.6	110.1	1979.7	1057.9	0.0	0.0	371.7	1429.6	550.2	400.5	672.9	0.0
1982	2129.3	103.7	2313.0	1142.5	0.0	0.0	446.0	1588.6	724.5	655.7	1223.1	0.0
1983	2320.0	267.0	2587.8	1234.0	0.0	0.0	410.4	1644.4	943.4	966.3	1947.6	0.0
1984	2367.1	302.2	3249.3	1283.3	0.0	0.0	476.3	1759.6	1489.7	1329.5	2091.0	0.0
1985	3147.1	535.3	3682.4	1270.5	0.0	0.0	547.8	1818.3	1865.8	2353.6	4300.7	0.0
1986	3416.3	718.9	4135.2	1321.3	0.0	0.0	626.9	1948.2	2187.0	2353.6	6244.7	0.0
1987	3707.7	931.5	4639.2	1413.8	0.0	0.0	715.1	2128.9	2510.3	2900.5	8431.7	0.0
1988	3720.5	1171.1	5091.6	1512.8	0.0	0.0	795.5	2308.3	2783.3	3495.6	10942.0	0.0
1989	4165.4	1437.3	5602.7	1618.6	0.0	0.0	884.8	2503.4	3097.2	4491.2	13725.3	0.0
1990	4443.7	1733.9	6177.6	1731.9	0.0	0.0	989.8	2721.7	3455.9	5370.0	16822.5	0.0
1991	4675.4	2062.8	6758.2	1853.2	0.0	0.0	1095.2	2948.4	3807.0	6367.7	20278.4	0.0
1992	4960.6	2425.5	7386.1	1982.9	0.0	0.0	1210.1	3193.0	4193.0	7443.0	24088.2	0.0
1993	5160.4	2821.6	7982.0	2121.7	0.0	0.0	1322.0	3443.7	4530.3	8673.1	28291.2	0.0
1994	5530.9	3256.9	8787.8	2270.2	0.0	0.0	1469.7	3740.0	4530.3	9995.0	32819.5	0.0
1995	5838.7	3737.4	9576.1	2429.1	0.0	0.0	1617.2	4046.4	5047.0	11464.8	37867.4	0.0
1996	6161.8	4263.9	10425.7	2599.2	0.0	0.0	1777.4	4376.5	5529.7	13082.0	43397.1	0.0
1997	6504.1	4840.0	11344.1	2781.1	0.0	0.0	1951.7	4732.8	6049.1	14859.4	49446.2	0.0
1998	6861.2	5469.9	12331.1	2975.8	0.0	0.0	2140.4	5116.2	6411.3	16811.1	56057.5	0.0
1999	7241.1	6162.3	13403.4	2975.8	0.0	0.0	2345.9	5321.7	7214.9	18951.4	63272.4	0.0
2000	7637.6	6928.6	14566.2	3184.1	0.0	0.0	2568.2	5752.4	8081.7	21297.3	71354.1	0.0
2001	8054.8	7749.3	15804.1	3184.1	0.0	0.0	2809.3	5993.5	6813.0	23645.6	86167.9	0.0
2002	8494.1	8697.3	17191.4	3407.0	0.0	0.0	3070.8	6477.8	9300.7	26674.9	89993.6	0.0
2003	8959.4	9708.9	18668.3	3645.5	0.0	0.0	3354.5	7000.0	10713.6	29745.7	100712.2	0.0
2004	9444.6	10610.7	20255.3	3900.7	0.0	0.0	3661.2	7561.9	11668.2	33100.2	112390.4	0.0
2005	9959.5	12009.7	21969.2	4173.7	0.0	0.0	3994.1	8167.8	12693.4	35731.4	125073.8	0.0

ASSUMPTIONS COMMON TO ALL CASES

	1	2	3	4	5	6	7	8	9	10
	OIL PRICE \$/B	LOWER 48 TRANSPORT (\$/B)	COOK INLET OIL & GAS ROYALTIES (\$MM)	PRUDHOE GAS MMNCF/D	GAS PRICE \$/NCF	OIL FLOOR PRICE (\$/B)	COOK INLET OIL & GAS SEVERANCE (\$MM)	PRUDHOE INCOME TAX (\$MM)	PROPERTY TAX AND OTHER REVENUE (\$MM)	ANNUAL BUDGET GROWTH
FY										
78	13.25	2.00	33.9		1.45	6.53	16.9	46.0	393.1	6.23
79	13.91	2.50	32.3		1.52	6.85	15.1	51.0	417.1	8.0
80	14.60	2.50	30.9		1.59	7.19	13.7	54.0	473.7	8.0
81	15.33	2.50	29.8		1.67	7.55	12.2	55.0	531.7	8.0
82	16.10	2.50	28.6		1.76	7.93	10.6	56.0	562.5	8.0
83	16.91	2.50	27.0		1.85	8.33	9.0	58.0	578.8	4.0
84	17.75	2.50	25.3	2.0	1.94	8.75	7.4	59.0	608.4	-1.0
85	18.64	2.50	23.7	2.0	2.04	9.18	5.8	60.0	672.8	4.0
86	19.57	2.50	22.2	2.0	2.14	9.64	4.2	61.0	713.1	7.0
87	20.55	2.50	20.9	2.0	2.25	10.13	2.6	62.0	755.9	7.0
88	21.58	2.50	19.6	1.9	2.36	10.63	2.6	63.0	801.3	7.0
89	22.66	2.50	18.5	1.9	2.48	11.16	2.6	64.0	849.3	7.0
90	23.79	2.50	17.4	2.0	2.60	11.72	2.6	65.0	900.3	7.0
91	24.98	2.62	16.3	2.0	2.73	12.31	2.6	66.0	954.3	7.0
92	26.23	2.75	15.3	2.0	2.87	12.92	2.6	67.0	1011.6	7.0
93	27.54	2.89	14.3	1.7	3.01	13.57	2.6	68.0	1072.3	7.0
94	28.92	3.03	13.3	2.0	3.16	14.25	2.6	69.0	1136.6	7.0
95	30.37	3.19	12.4	2.0	3.32	14.96	2.6	70.0	1204.8	7.0
96	31.88	3.35	11.5	2.0	3.49	15.71	2.6	71.0	1277.1	7.0
97	33.48	3.51	10.6	2.0	3.66	16.50	2.6	72.0	1353.8	7.0
98	35.15	3.69	9.7	2.0	3.84	17.32	2.6	73.0	1435.0	7.0
99	36.91	3.87	8.9	2.0	4.04	18.19	2.6	74.0	1521.1	7.0
00	38.76	4.07	8.1	2.0	4.24	19.10	2.6	75.0	1612.4	7.0
01	40.69	4.27	7.3	2.0	4.45	20.05	2.6	76.0	1709.1	7.0
02	42.73	4.49	6.5	2.0	4.67	21.06	2.6	77.0	1811.6	7.0
03	44.87	4.71	5.8	2.0	4.91	22.11	2.6	78.0	1920.3	7.0
04	47.11	4.95	5.1	2.0	5.15	23.22	2.6	79.0	2035.6	7.0
05	49.47	5.19	4.4	2.0	5.41	24.38	2.6	80.0	2157.7	7.0

ASSUMPTIONS COMMON TO ALL CASES

-2-

SOURCES & ASSUMPTIONS:

1. 5% annual increase is assumed.
2. Assumes inflation is balanced by decreased transport costs for growing West Coast consumption or west to east pipelines through FY 89; thereafter costs rise 5% annually.
- 3,7. Legislative Affairs Severance Tax Model through 1985; extrapolated thereafter.
4. "Prediction of Reservoir Fluid Recovery, Sadlerochit Formation, Supplement A"; Division of Oil & Gas; February 1977, Run 3A
5. 5% annual increase assumed.
6. Assumes 5% annual increase in oil floor price. Severance is figured at an effective rate of 10% after allowing for royalty and an economic limit factor.
- 8,9. Based on study by Department of Revenue, "Alaska's Oil & Gas Tax Structure", February 1977
10. Assumes 4% annual inflation, constant real per capita budget.

ASSUMPTIONS COMMON TO CASES 1 & 2

	1	2
	SADLEROGHIT PRODUCTION	TAPS
FY	MMBPD	TARIFF
78	.719	6.00
79	1.200	4.90
80	1.500	3.92
81	1.500	3.92
82	1.500	3.92
83	1.500	3.92
84	1.500	3.92
85	1.500	3.92
86	1.500	3.92
87	1.500	3.92
88	1.344	4.37
89	1.152	5.09
90	1.104	5.31
91	.765	7.66
92	.549	10.67
93	.439	13.34
94	.358	16.35
95	.461	12.70
96	.448	13.06
97	.362	16.16
98	.275	21.27
99	.238	24.57
00	.199	29.38
01	.170	34.39
02	.144	40.59
03	.123	47.51
04	.103	56.73
05	.092	63.51

SOURCES & ASSUMPTIONS:

1. "Prediction of Reservoir Fluid Recovery, Sadlerochit Formation, Supplement A";
Division of Oil & Gas; February 1977, Run 3A
2. Tariff assumed to vary inversely with production; assumes ICC proposed rate
of 4.90 for 1.2 MMBPD

ASSUMPTIONS FOR CASES 3 & 4

	1	2
	KUPARUK & LISBURNE PRODUCTION : MMBPD	TAPS TARIFF
FY		
78		6.00
79		4.90
80	.050	3.79
81	.150	3.56
82	.250	3.36
83	.300	3.26
84	.300	3.26
85	.300	3.26
86	.300	3.26
87	.255	3.35
88	.216	3.76
89	.184	4.40
90	.156	4.66
91	.133	6.54
92	.113	8.88
93	.096	10.99
94	.081	13.39
95	.069	11.09
96	.059	11.59
97	.050	14.27
98	.042	18.54
99	.036	21.45
00	.030	25.67
01	.026	30.00
02	.022	35.42
03	.018	41.70
04	.016	49.41
05	.013	56.00

SOURCES & ASSUMPTIONS:

1. Based on table prepared by State Oil & Gas Division entitled "North Slope Production Buildup" dated 2/5/75; through FY 86: 15% annual decline thereafter.
2. Tariff assumed to vary inversely with production; assumes ICC proposed rate of \$4.90 for 1.2 MMBPD.

ASSUMPTIONS FOR CASES 5 & 6

<u>FY</u>	1	2
	NORTH SLOPE PRODUCTION <u>MMBPD</u>	TAPS TARIFF
78	.719	6.00
79	1.200	4.90
80	1.550	3.79
81	1.650	3.56
82	1.750	3.36
83	1.800	3.26
84	1.850	3.17
85	1.900	3.09
86	1.950	3.02
87	2.000	2.94
88	2.000	2.94
89	2.000	2.94
90	2.000	2.94
91	2.000	2.94
92	2.000	2.94
93	2.000	2.94
94	2.000	2.94
95	2.000	2.94
96	2.000	2.94
97	2.000	2.94
98	2.000	2.94
99	2.000	2.94
00	2.000	2.94
01	2.000	2.94
02	2.000	2.94
03	2.000	2.94
04	2.000	2.94
05	2.000	2.94

SOURCES & ASSUMPTIONS:

1. Total production through 2005 equals 18.384 billion barrels.
2. Tariff assumed to vary inversely with production; assumes ICC proposed rate of \$4.90 for 1.2 MMBPD.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W-ALASKA OFFICE BUILDINGFINANCE DIVISION
POUCH WF-STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Honorable George Hohman
Chairman
Senate Permanent Fund Committee

DATE: November 25, 1977

FROM: Milt Barker MB
Fiscal Analyst
Legislative Finance

SUBJ: Real Per Capita Budgets

As you know, the most crucial variable in making long range projections in State general fund balances is the rate of growth in the State budget. I am, therefore, forwarding some information to assist you in judging what growth rates seem reasonable.

One can analyze the growth of the State budget in terms of three factors -- increases due to inflation, population growth, and growth in real per capita budget expenditures. In Table 1, the annual compound growth rates for these factors are presented. Real per capita changes are the net changes after factoring inflation and population growth out of budgetary growth. Table 1 is derived from the data in Table 2.

The years 1960-1977 have been subdivided into before and after Prudhoe periods. Alaskan inflation before Prudhoe was at a low rate below even that of the U.S. as a whole because growth provided for economies of scale, increased competition, and local production and services. However, pipeline construction impact on top of accelerated nationwide inflation produced much higher rates in the 1970's. See Table 3.

One might thus project Alaska's inflation rate at a rate equal to or as much as two points below national inflation depending on whether one foresees accelerated development or a return to more normal rates of economic growth. Presumably no project equivalent in scale (relative to the existing economy) to TAPS is anticipated that would boost Alaskan inflation above U.S. rates.

No economist is predicting U.S. inflation below 6% currently, and many think a return to the low rates of the early 60's unlikely because of increased extractive costs and scarcity of resources, smaller productivity gains in a service based economy, the spreading of indexing and escalators, and increasing economic concentration.

Population probably won't grow over the long run at the 3.77-4.00% rate experienced during pipeline construction. Even a similar project (gas line) would not show as great a percentage increase if only because the population base is larger. One might project population growth at 3.0-3.5% depending on how rapid one expects development to continue. Attached are two tables from an ISEGR publication which show that even the 3.0% rate of the 1960's was well above the national average, though only half the Alaskan rate for the period 1940-1960. However, it would be hard to maintain the 1940-1960 rate as the base expands.

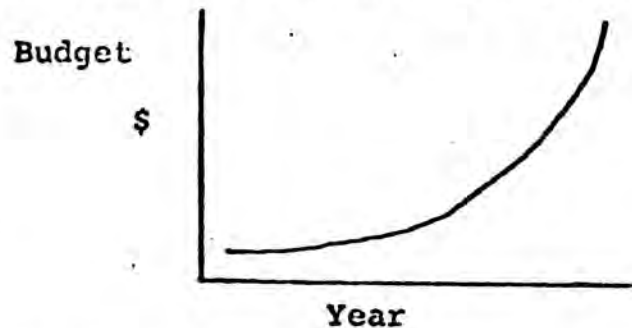
In looking at growth rates for the budget and the real per capita budget, there is a problem. The FY 71 budget of \$314.1 million was a doubling of the prior year's \$154.1 million. Thus, the growth rates for the post-Prudhoe period vary significantly, depending on whether this one year of budgetary growth is included. If it is not (the 1970-1977 figures), one could argue that it should be included in the earlier period, making these rates even higher.

This was an unusual event that is not likely to occur again; on the other hand, it represents part of the real post-Prudhoe commitment to increased spending. Therefore, to get away from the undue effect on numerical growth rates this occasions simply because such rates are dependent on the beginning and ending figures for the period in question, it seems reasonable to spread this increase over at least a two year period, especially considering that there was a \$17.7 million lapse and \$36.4 million capital appropriation in the \$314.1 million. This "normalized" post-Prudhoe period would then show budgetary growth of 19.14% and real per capita growth of 7.21%.

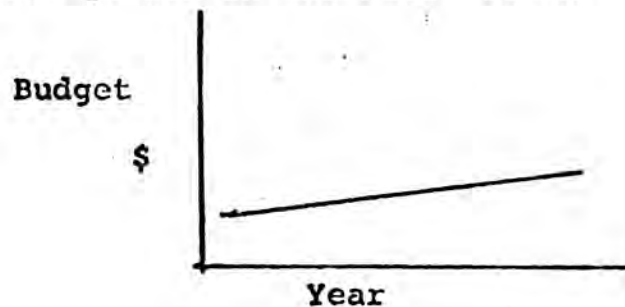
After selecting expected growth rates for prices, population, and real per capita spending, one multiplies them together to get the growth rate in the actual budget. For example, growth rates of 4% for inflation, 3.5% for population, and 7.21% for real per capita spending imply a growth rate of 15.4% ($1.04 \times 1.035 \times 1.0721$). If one wants to assume there will be no

growth in real per capita spending, owing to a new constitutional prohibition or whatever, one might forecast a 7.6% growth in the actual budget (1.04×1.035).

One problem with projecting compound growth rates over long periods of time is that unrealistic values may be reached. The general shape of such an exponential curve is



On the other hand, increases of a constant amount as obtained through linear regression probably underestimate Alaska's growth in the near future



There is no physical constraint on long term compound growth of prices, and the rates and base for population are low enough that compound growth over even a 30 year period does not become unrealistic. A 400,000 population growing at 4% per annum reaches 1,297,359 after 30 years. However, real per capita increases in spending at rates of 10% per annum result in 17 times as much real spending per person after 30 years; 7.5% per annum produces 8.75 times as much after 30 years. There are real physical constraints against this -- mainly, Alaska's oil reserves cannot support such growth, as the computer projections clearly show.

It would be more realistic to project a higher rate of growth in the near future and lesser rates later on as oil income begins to decline, if one wants to map out where we may actually be going. However, for illustrating the implications of current rates of growth, it is useful to project these historical rates. The actual ceiling on the budget at any point in time is the difference between the projected "budget appropriation" and the "revenue required for General Fund balance of \$0 million" on the computer report.

TABLE 1
ANNUAL COMPOUND PERCENTAGE GROWTH

<u>Period</u>	<u>Anchorage Consumer Price Index</u>	<u>Alaska Pop.</u>	<u>Appropriations Act General Fund</u>	<u>Per Capita General Fund Appropriations Act in Constant Dollars</u>
1960-1977	3.93%	3.38%	19.29%	11.02%
1960-1969	1.72	3.03	16.23	10.91
1969-1977	6.48	3.77	22.82	11.15
1970-1977	6.85	4.00	14.24	2.79
"normalized" 1970-1977	6.85	4.00	19.14	7.21

TABLE 2

<u>Year</u>	<u>Anchorage Consumer Price Index October 1967=100.0</u>	<u>Alaska Population¹</u>	<u>Appropriations Act General Fund (\$ millions)²</u>	<u>Per Capita General Fund Appropriations Act in Constant Dollars \$</u>
1960	92.0	226,167	39.8	191
1961	92.9	238,000	46.3	209
1962	92.6	246,000	62.1	273
1963	93.3	256,000	76.7	321
1964	93.9	263,000	67.9	275 —
1965	94.2	271,000	84.7	332
1966	97.9	271,000	93.8	354
1967	100.0	278,000	103.8	373
1968	102.6	285,000	124.1	424
1969	107.3	296,000	154.1	485
1970	111.5	302,361	314.1 *	932
1971	114.4	312,930	292.1	816 —
1972	116.9	324,281	330.4	872
1973	123.8	330,365	353.0	863
1974	140.0	351,159	457.0	930
1975	157.4	404,634	553.6	869
1976	167.6	413,289	679.2	980
1977	177.3	398,000	797.8	1130

1. 1960 and 1970 figures based on April 1st census; 1961-1969 figures refer to estimated July 1st population contained in U. S. Bureau of the Census, Current Population Reports, Series P-25, No. 460, June, 1971; 1971-1977 figures refer to July 1st population estimates of the Alaska Department of Labor, Research & Analysis Section.
2. The figures are for the fiscal year following the listed calendar year, e.g. in 1960 the fiscal year 1961 appropriations act of \$39.8 million in general funds was signed into law.

TABLE 3
INFLATION RATE IN CONSUMER PRICE INDEX

<u>YEAR</u>	<u>ANCHORAGE</u>	<u>U.S.</u>	<u>DIFFERENCE</u>
1961	.98%	2.28%	-1.30%
1962	-.32	1.34	-1.66
1963	.76	1.10	-.34
1964	.65	1.20	-.55
1965	.32	1.61	-1.29
1966	3.93*	3.91	.02
1967	2.15	2.64	-.49
1968	2.60	4.55	-1.95
1969	4.58	5.59	-1.01
1970	3.92	5.83	-1.91
1971	2.60	3.81	-1.21
1972	2.19	3.27	-1.08
1973	5.91	7.90	-1.99
1974	13.09*	12.01	1.08
1975	12.43*	7.59	4.84
1976	6.48*	5.29	1.19
1977	5.79	6.47	-.68

*Anchorage rate greater than U.S. for these years.

TABLE 5.
Alaska's Population Growth Compared with Total
United States, Far West and Mountain States

Year	Alaska	Far West ^a	Mountain ^b	United States ^c
1880 (June 1)	33,426	1,176,844	430,848	50,155,783
1890 (June 1)	32,052	1,935,689	918,055	62,947,714
1900 (June 1)	63,592	2,459,027	1,314,081	75,994,575
1910 (Apr. 15)	61,356	4,274,179	2,019,987	91,972,266
1920 (Jan. 1)	55,036	5,644,278	2,564,182	105,710,620
1930 (Apr. 1) ^d	59,278	8,285,491	2,751,841	122,775,016
1940 (Apr. 1) ^d	72,524	9,733,262	3,008,677	131,669,275
1950 (Apr. 1)	128,643	14,616,610	3,481,141	150,697,361
1960 (Apr. 1)	226,167	22,624,000	4,317,000	178,464,236
1970 (Apr. 1)	302,647	25,915,000	5,005,000	203,185,000

NOTES:

^aFar West includes the states of Washington, Oregon, California and Nevada.

^bMountain includes Montana, Idaho, Wyoming, Utah and Colorado.

^cUntil 1970, population figures were for Continental United States, excluding Alaska and Hawaii.

^dThe census dates in Alaska were Oct. 1, 1929 and Oct. 1, 1939.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1957*, (Washington: U.S. Government Printing Office, 1960), Series A 17-21 and Series A 1230180; U.S. Department of Commerce, Bureau of the Census, *Statistical Abstracts of the United States, 1961*, (Washington: U.S. Government Printing Office, 1961) pp. 5, 12 and 13; and U.S. Department of Commerce, Bureau of the Census, *Current Population Reports, Series P-25, No. 460, June, 1971*.

TABLE 6.
Decennial Rates of Population Change -- Alaska, Far West,
Mountain States and Total United States
1880-1970

Decennial Period	Alaska	Far West	Mountain	United States
1880-1890	-4.1	64.5	113.1	25.5
1890-1900	98.4	27.0	43.1	20.7
1900-1910	1.2	73.8	53.7	21.0
1910-1920	-14.5	32.1	26.9	14.9
1920-1930 ^a	7.7	46.8	7.3	16.1
1930-1940 ^a	22.3	18.8	9.3	7.2
1940-1950	77.4	48.8	15.8	14.5
1950-1960	75.8	55.5	23.9	18.4
1960-1970	33.8	14.7	15.9	13.8

NOTE:

^aFor Alaska, as of Oct. 1, 1929 and Oct. 1, 1939.

SOURCE: Calculated from data in the first part of Table 2.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W-ALASKA OFFICE BUILDINGFINANCE DIVISION
POUCH WF-STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Honorable George Hohman
Chairman
Senate Permanent Fund Committee

DATE: November 25, 1977

FROM: Milt Barker MB
Fiscal Analyst
Legislative Finance

SUBJ: Real Per Capita Budgets

As you know, the most crucial variable in making long range projections in State general fund balances is the rate of growth in the State budget. I am, therefore, forwarding some information to assist you in judging what growth rates seem reasonable.

One can analyze the growth of the State budget in terms of three factors -- increases due to inflation, population growth, and growth in real per capita budget expenditures. In Table 1, the annual compound growth rates for these factors are presented. Real per capita changes are the net changes after factoring inflation and population growth out of budgetary growth. Table 1 is derived from the data in Table 2.

The years 1960-1977 have been subdivided into before and after Prudhoe periods. Alaskan inflation before Prudhoe was at a low rate below even that of the U.S. as a whole because growth provided for economies of scale, increased competition, and local production and services. However, pipeline construction impact on top of accelerated nationwide inflation produced much higher rates in the 1970's. See Table 3.

One might thus project Alaska's inflation rate at a rate equal to or as much as two points below national inflation depending on whether one foresees accelerated development or a return to more normal rates of economic growth. Presumably no project equivalent in scale (relative to the existing economy) to TAPS is anticipated that would boost Alaskan inflation above U.S. rates.

No economist is predicting U.S. inflation below 6% currently, and many think a return to the low rates of the early 60's unlikely because of increased extractive costs and scarcity of resources, smaller productivity gains in a service based economy, the spreading of indexing and escalators, and increasing economic concentration.

Population probably won't grow over the long run at the 3.77-4.00% rate experienced during pipeline construction. Even a similar project (gas line) would not show as great a percentage increase if only because the population base is larger. One might project population growth at 3.0-3.5% depending on how rapid one expects development to continue. Attached are two tables from an ISEGR publication which show that even the 3.0% rate of the 1960's was well above the national average, though only half the Alaskan rate for the period 1940-1960. However, it would be hard to maintain the 1940-1960 rate as the base expands.

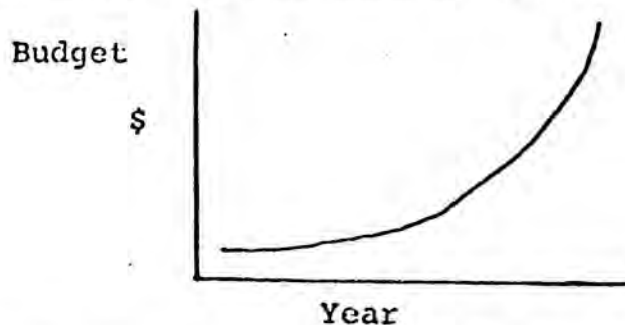
In looking at growth rates for the budget and the real per capita budget, there is a problem. The FY 71 budget of \$314.1 million was a doubling of the prior year's \$154.1 million. Thus, the growth rates for the post-Prudhoe period vary significantly, depending on whether this one year of budgetary growth is included. If it is not (the 1970-1977 figures), one could argue that it should be included in the earlier period, making these rates even higher.

This was an unusual event that is not likely to occur again; on the other hand, it represents part of the real post-Prudhoe commitment to increased spending. Therefore, to get away from the undue effect on numerical growth rates this occasions simply because such rates are dependent on the beginning and ending figures for the period in question, it seems reasonable to spread this increase over at least a two year period, especially considering that there was a \$17.7 million lapse and \$36.4 million capital appropriation in the \$314.1 million. This "normalized" post-Prudhoe period would then show budgetary growth of 19.14% and real per capita growth of 7.21%.

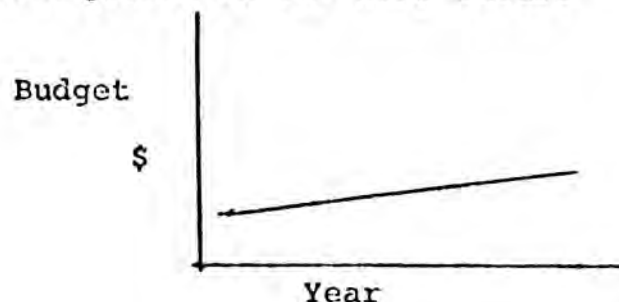
After selecting expected growth rates for prices, population, and real per capita spending, one multiplies them together to get the growth rate in the actual budget. For example, growth rates of 4% for inflation, 3.5% for population, and 7.21% for real per capita spending imply a growth rate of 15.4% ($1.04 \times 1.035 \times 1.0721$). If one wants to assume there will be no

growth in real per capita spending, owing to a new constitutional prohibition or whatever, one might forecast a 7.6% growth in the actual budget (1.04×1.035).

One problem with projecting compound growth rates over long periods of time is that unrealistic values may be reached. The general shape of such an exponential curve is



On the other hand, increases of a constant amount as obtained through linear regression probably underestimate Alaska's growth in the near future



There is no physical constraint on long term compound growth of prices, and the rates and base for population are low enough that compound growth over even a 30 year period does not become unrealistic. A 400,000 population growing at 4% per annum reaches 1,297,359 after 30 years. However, real per capita increases in spending at rates of 10% per annum result in 17 times as much real spending per person after 30 years; 7.5% per annum produces 8.75 times as much after 30 years. There are real physical constraints against this -- mainly, Alaska's oil reserves cannot support such growth, as the computer projections clearly show.

It would be more realistic to project a higher rate of growth in the near future and lesser rates later on as oil income begins to decline, if one wants to map out where we may actually be going. However, for illustrating the implications of current rates of growth, it is useful to project these historical rates. The actual ceiling on the budget at any point in time is the difference between the projected "budget appropriation" and the "revenue required for General Fund balance of \$0 million" on the computer report.

TABLE 1
ANNUAL COMPOUND PERCENTAGE GROWTH

<u>Period</u>	<u>Anchorage Consumer Price Index</u>	<u>Alaska Pop.</u>	<u>Appropriations Act General Fund</u>	<u>Per Capita General Fund Appropriations Act in Constant Dollars</u>
1960-1977	3.93%	3.38%	19.29%	11.02%
1960-1969	1.72	3.03	16.23	10.91
1969-1977	6.48	3.77	22.82	11.15
1970-1977	6.85	4.00	14.24	2.79
"normalized" 1970-1977	6.85	4.00	19.14	7.21

TABLE 2

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1920-1930 ^a	7.7	46.8	7.3	16.1
1930-1940 ^a	22.3	18.8	9.3	7.2
1940-1950	77.4	48.8	15.8	14.5
1950-1960	75.8	55.5	23.9	18.4
1960-1970	33.8	14.7	15.9	13.8

NOTE:

^aFor Alaska, as of Oct. 1, 1929 and Oct. 1, 1939.

SOURCE: Calculated from data in the first part of Table 2.

POSITION PAPER
HOUSE BILL NO. 628

"An Act making supplemental appropriations to the Department of Health and Social Services, Administration of Justice, and providing for an effective date."

The Department of Health and Social Services supports the intent of House Bill No. 628.

The Department of Health and Social Services - Division of Corrections has currently reassessed the supplemental appropriation request in detail and hereby submits the appropriate amounts and supportive schedules totalling \$454,752 including Section 4 - Parole Board request for \$6,700 and adjustments applicable to Bethel Jail Services under Section 2 of the Bill.

ADULT CONFINEMENT

Sec. 1	FY 76 payment to City of Anchorage	\$ 43,934 - Schedule 1
	FY 78 funding of Temporary Positions	68,000 - Schedule 2
Sec. 2	*FY 78 Bethel Jail Services *(Bill reads FY 77 in error)	Ø - Schedule 3
	FY 78 Nome Facility Services	130,449 - Schedule 4
	FY 78 Bethel Jail Services	43,069 - Schedule 5
Sec. 3	FY 78 Out-of-State Contractual Services	162,600 - Schedule 6
Sec. 4	FY 78 Parole Board	6,700 - Schedule 7

The FY 77 Budget supported by a \$1,440,200 supplemental appropriation provided sufficient operating funds to handle the significant growth in the offender population and increased costs for extraordinary correctional services arising from judicial, legal services, individuals and agencies such as the Human Rights Commission, Governor's Task Force on Corrections, and Grand Jury investigations. The following summary of FY 77 appropriations and related expenditures indicate that budget estimates were relatively accurate with lapsed funds totalling about 1.2% of a \$21,000,000 budget. The lapses were mainly attributed to the delayed opening of the new women's facility at Ridgeview, slightly higher overall costs for in-state juvenile care, and lower out-of-state costs in the private institutions. Reference - Prior Year Authorization Balances 7/1/76 to 12/31/77.

<u>ADULT CONFINEMENT</u>	<u>AUTHORIZATION</u>	<u>EXPENDITURE</u>	<u>BALANCE</u>
Total State Operated Institutions	\$10,076,544	\$10,172,157	\$(95,613)
Total Local Facilities	921,100	803,859	117,241
Total Out-of-State Contractual Svcs.	609,000	571,755	37,245
TOTAL ADULT CONFINEMENT	\$11,606,644	\$11,547,771	\$ 58,873

JUVENILE CONFINEMENT

Total State Operated Institutions	\$ 3,437,472	\$ 3,395,926	\$ 41,546
Total Local Facilities	1,505,580	1,619,501	(113,921)
Total Out-of-State Contractual Svcs.	745,500	551,949	193,551
TOTAL JUVENILE CONFINEMENT	\$ 5,688,552	\$ 5,567,376	\$121,176

PROBATION & PAROLE

Judicial District I (Excl. Fed. Proj.)	\$ 568,789	\$ 582,068	\$(13,279)
Judicial District II	148,348	134,419	13,929
Judicial District III	1,344,489	1,327,710	16,779
Judicial District IV	595,539	578,845	16,694
TOTAL PROBATION & PAROLE	\$ 2,657,165	\$ 2,623,042	\$ 34,123

ADMINISTRATION & SUPPORT

Total Administration & Support (excl. Fed. Proj.)	\$ 1,015,000	\$ 989,959	\$ 25,041
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TOTAL DIVISION OF CORRECTIONS	\$20,967,361	\$20,728,148	\$239,213
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TOTAL PAROLE BOARD	\$ 122,963	\$ 117,343	\$ 5,620
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Schedule 1
City of Anchorage Payment

<u>FY 76 Rental Payment</u>	<u>\$43,834</u>
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The request for supplemental funds to cover the lease payment of the Anchorage Annex facility for the period of 11/1/76 to 6/30/76 was not approved in FY 77. This significant amount if not funded will overtax a critically short funded current budget component. Transfers of funds from other components to offset this potential deficit will place undue financial hardships on other state operated correctional centers. The Annex has been particularly impacted with continued inmate population overloads - with a planned capacity of less than 106 this facility has experienced 136 average daily population and at peaking periods, handling up to 177. Medical care costs have continued an upward spiral and regulatory agencies such as OSHA and the State Fire Marshall have impacted the current budget. Legal actions by the Human Rights Commission and specific individuals are placing further demands to correct unbudgeted deficiencies in the facility. The current budget for the Annex cannot meet all these demands.

Schedule 2
Funding Temporary Positions - Annex

FY 78 - T-Hires Correctional Officer I for 6 months \$68,000

Legislative intent as described on page 50 of the Free Conference Committee Report - FY 78 operating and Capital Budget states, "If the women inmates are moved to Ridgeview in FY 78, the Legislature will consider a supplemental appropriation request if properly supported". The Ridgeview facility was opened the last week of December, 1977 with fifteen female inmates being transferred from the Annex along with five correctional officers. The vacated women's wing at the Annex was immediately used to handle an overflow of adult male prisoners. This wing is isolated and requires the manning of that post with no less than six correctional officers on a 24 hour day - 7 day week basis for security purposes. The high inmate population has continued even with the transfer of the female inmates to Ridgeview.

The Public Defenders office and the Human Rights Commission pressure the State through court actions to provide more and better program and physical accommodations at the Annex. Until major renovations can be accomplished and applicable funds appropriated, all areas of the Annex must be fully staffed. The present facility design is dysfunctional, and short staffing would pose undue security risks and endanger public protection.

Cost Estimate

6 - Temporary Correctional Officer I @ \$1,889/mo x 6 mos. = \$68,000
reference Salary Base Schedule 11/1/77
13A - \$1,378/mo + overtime \$347/mo + 9.5% Benefits = \$1,889

Schedule 3
Bethel Jail Services

FY 78 - Claim for reimbursement \$ 0

During the month of August, 1977, the City of Bethel did not have a contract to provide jail services for the State, however the City incurred expenses for offenders arrested on State charges - refer to City of Bethel billing attached. The \$17,384 claim is also covered within the amount detailed in Schedule 5 therefore in order to avoid duplication this amount is not requested.

Schedule 4
Nome Facility Services

FY 78 Additional funds required \$130,449

The City of Nome accepted a two month extension of their FY 77 contract at \$24,317 per month, provided that a FY 78 contract could be negotiated at \$451,832. This request far exceeded available funds appropriated. Negoti-

ations were finally terminated in August, 1977 with Nome unalterably opposed to accepting any contract, even at their original request amount.

The Division of Corrections took over the operation of the Nome jail effective October 1, 1977. The amounts due and or paid the City for the period of July 1, 1977 to September 30, 1977 are shown in the following detail schedule along with the classification of funds required for the balance of FY 78.

Nome Contract - July 1 to August 31, 1977		\$ 48,633
Amounts due per City of Nome, 10/5/77 letter attached		
Payroll - September, 1977	\$ 30,369	
Paid Invoices	3,566	
GSA Rent - September 1977	6,500	40,435
TOTAL		\$ 89,068
FY 78 Budget (\$335,570 ÷ 12 x 3 mos.)		83,892
FY 78 Budget shortfall to 9/30/77		\$ 5,176
Estimated Expenditures 10/1/77 to 6/30/78		
Personal Services		\$267,534
Travel		7,667
Contractual Services - GSA Rent	\$ 58,500	
Other	9,000	67,500
Commodities		29,000
Equipment		2,000
Assist/Benefits/Grants		\$ 3,250
TOTAL (see detail schedule)		\$382,127
FY 78 Budget (\$335,570 ÷ 12 x 9 mos.)		251,678
FY 78 Supplemental Request		<u>\$130,449</u>

Detail Schedule of Expenditures 10/1/77 to 6/30/78

	CY Auth. Bal. FY 78 to Date 1/31/78 Expenditures	Estimated Expenditures 2/1/78 to 6/30/78	Total
Personal Services	\$ 99,570	\$ 33,176/mo	\$
ADD: ½mo. sal. + ben. for 1 PFT position	2,084	x 5	
	<u>\$101,654</u>	<u>\$165,880</u>	\$267,534
Travel	5,974	1,693	7,667
Contractual Services			
GSA Rent (see lease attached)		58,500	58,500
Other(incl 1 time items \$6705)	7,733	1,267	9,000
Commodities	17,958	11,042	29,000
Equipment (replacement freezer)	-	2,000	2,000
Assist/Benefits/Grants (medical, law library etc.)	1,119	2,131	3,250
TOTALS	<u>\$134,438</u>	<u>\$242,513</u>	\$376,951
Add' FY 78 budget shortfall 7/1/77 to 9/30/77			5,176
			<u>\$382,127</u>

Personal Services Computation

CY Auth. Bal. 1/31/78	\$ 99,570
CY Auth. Bal. 12/31/77	69,638
January 1978 Personal Services	<u>29,932</u>
	5 mos.
Personal Services 2/1/78 to 6/30/78	<u>149,660</u>
Add: Cost to convert T-hires to PFT positions on 3/16/78	<u>16,220</u>
Total Personal Services 2/1/78 to 6/30/78	<u>\$165,880</u>

Note: To keep within available funds appropriated for FY 78 Local Facilities, the Division established a budget to operate the Nome jail from October 1, 1977 to June 30, 1978. With the exception of the permanent full time (PFT) position of Assistant Superintendent, the existing staff were placed on the State payroll in a T-Hire classification. The Division considered this to be the most prudent approach prior to Legislative action for approval of the FY 79 budget and the above submission for supplemental funds which include an amount necessary for converting the T-Hires to regular PFT position pay ranges.

Schedule 5 Bethel Jail Services

FY 78 - Bethel Jail Contract increase \$43,069

The City of Bethel agreed to provide FY 78 jail services to persons charged with State offenses for the sum of \$190,000 with the understanding that the City would document the need for, and the Division would support a supplemental appropriation in the amount of up to \$45,000. Such documentation and/or City records would be subject to audit (refer to Division of Corrections letter of 8/23/77 attached). During the month of August, Bethel did not have a contract but provided jail services and invoiced the State for \$17,384 based on the rate of \$235,000 per year. (reference Schedule 3)

The Division of Corrections has withheld payment of the August billing, pending Legislative approval of the subject supplemental appropriation of \$43,069. The Division will conduct an audit review of the City of Bethel records after the close of FY 78 to verify that expenditures justified a \$235,000 contract. Also please note that if the Legislature approved an increase to the Bethel contract from the \$190,000 to \$235,000 (subject to audit) the most that the State would be obligated to pay would be as follows:

\$235,000 less 3 days (8/2, 8/4, 8/9 per City of Bethel
letter 9/6/77) at \$643.84 or less \$1,931.52 = \$238,068.48.

In total then \$43,068.48 (\$233,068.48 - \$190,000) is all that will be required for the supplemental including the \$17,384 claim for the August, 1977 "no contract period" per Schedule 3.

Schedule 6
Out-of-State Contractual Services

FY 78 Additional Amounts Required for increase in Federal
Bureau of Prisons Placements

\$162,600

While the instate offender population reached a new high of 638 on November 13, 1977, the Federal Bureau of Prisons (FBP) held 96 Alaskans on that Date. The Juneau, Fairbanks, And Anchorage-Annex Correctional Centers continue to experience population at or above emergency capacity levels. There has been a total absence of events which would indicate or encourage a downward trend. The Division of Corrections has no immediate solution for additional instate bed space for long-term sentenced offenders other than a continued reliance upon FBP placements. The U. S. Department of Justice has not made a firm commitment as to the number the FBP will house for Alaska. Acceptance criteria has been tightened and it is known that FBP facilities are operating 34 percent or more above emergency capacities with no relief in sight.

The HCR Stevens case (copy attached) still poses an ominous threat to an already critical shortage of available bed space within the State. The Administration and Legislature should be keenly aware of this case along with the Moseley vs. Williamson, William Rust vs. State of Alaska, and the Zehrung decision which carry potential budgetary, operational, and facilities impact of significant magnitude.

Conservative linear projections indicate that at least 120 Alaskans will be in FBP facilities by June 30, 1978. The Division of Corrections believes, with consideration given to the shortage of instate bed space and the significant upward trend of offender population, it would be reasonable to increase the FBP placements projection to 150 by that date, if possible, to relieve the in-state crowding. On September 30, 1977, ninety-one (91) Alaskans were housed in FBP facilities, consuming 7,720 inmates days during the first quarter of FY 78 at a cost of \$173,483. To determine the total cost for the year, at least another \$595,307 -- based on a straight-line projection of the first quarter cost -- will be expended for these 91 inmates during the balance of the year. Assuming that there will be a total population of 150 by year end, and average of 30 additional inmates ($150 - 91 \div 2$) will be housed for the last three quarters and FY 78 costs for FBP placements will, most likely, total \$952,836 as detailed:

\$173,483	1st Quarter actual billings (copies attached)
595,307	9 months costs for inmates (schedule attached)
<u>184,046</u>	9 months costs for 30 inmates
	(30 x 273 days x \$22.472 average daily cost
<u>\$952,836</u>	per schedule)

At February, 1978, one-hundred and seventeen Alaskans were housed in FBP facilities, an increase of twenty-six since September 30, 1977, or approximately six per month. Federal officials have approved four additional placements and are considering three more. This would bring the total to 124 by February 28. It appears that if this trend continues, 150 or more Alaskans will be in federal facilities by June 30, 1978.

Referencing the above computation of FY 78 costs for FBP placements the additional funds required of \$136,400 (\$952,800 - 816,400 budgeted) should be increased by another \$26,200 - \$7600 to cover a classification trip to the

various federal facilities by no later than April, 1978, and \$18,600 to cover an unbudgeted amount for legal library purchases required by the U. S. Supreme Court decision in the Bounds vs. Smith case (copy attached). Immediate response to this case has been recommended by the Attorney General's Office. Federal prison authorities have been contacted to provide assurances that the libraries will remain at the respective federal prisons for use by Alaska inmates.

Schedule 7
Parole Board

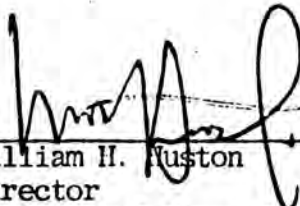
FY 78 Travel

\$6,700

The \$6,700 additional funding requested in this bill is in the travel category for Parole Board meetings that are required by statute or by court decisions. The breakdown is accomplished on the attached sheets for regular Parole Board meetings. Federal Bureau of Prison interviews, preliminary revocation hearings, parole recision hearings, final revocation hearings, signing parole violation warrants. Not conducting these hearings required by law or court ruling will result in expensive legal fees for the State of Alaska.

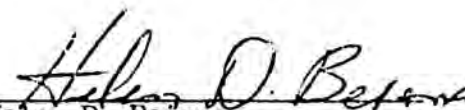
The urgency of early consideration and appropriation of these additional funds is apparent.

Recommendation By:


William H. Huston
Director
Division of Corrections

2/16/78
Date

Approved By:


Helen D. Beirne
Commissioner
Department of Health and
Social Services

2/16/78
Date



CITY of BETHEL

P. O. Box 537 • Bethel, Alaska 99559

543-2297 — Area Code 907

September 6, 1977

Mr. William Huston
Director, Division of Corrections
Pouch H-03
Juneau, Alaska 99811

Dear Mr. Huston:

During the month of August, 1977, the City of Bethel did not have a contract to provide jail services for the State of Alaska, but because some state offenders were not accepted by state officials, the City of Bethel had to make a choice: Either set these prisoners free, thereby endangering their lives as well as others, or jail them in the Bethel jail.

At that time we chose to do the second. In reviewing the records for the month of August, the City jail was used by state offenders every day of the month with the exception of August 2nd, 4th, and 9th.

Since the City of Bethel incurred expenses during these days, we are submitting the following bill for payment.

\$643.84 per day $\left[\frac{\$235,000.00}{365 \text{ days}} \right] \times 27 \text{ days} = \$17,383.68$

Sincerely,


Lyman Hoffman, City Manager

cc. John Winjum, Chief of Police



CITY OF NOME

October 5, 1977

P.O. BOX 281 - NOME, ALASKA 99762
TELEPHONE (907) 443-5242

Mr. William H. Huston, Director
Department of Health & Social Services
Division of Corrections
Pouch H-03
Juneau, Alaska 99811

re: Nome Correctional Center - Final Statement

Dear Mr. Huston:

This letter will serve as the final billing from the City of Nome for the operation of the Nome Correctional Center through the month of September, 1977.

check no.	Invoices	Amount	Date
2710	General Telephone	\$19.45	
2712	Nome T.V. Cable(pre-paid 1 yr)	209.70	
2741	Larry Galvin, Inc.	67.47	
2749	Builders Industrial Supply	28.00	
2752	Bonanza	47.94	
2765	Nome Pharmacy	241.00	
2775	Pictures, Inc.	415.27	
2789	Alaska Gold Company	50.00	
2805	Produce Wholesale	114.82	
2816	Larry Galvin, Inc.	419.75	
2817	Alaska Commercial Company	1581.00	
2825	City petty cash fund	6.00	
2836	C.J. Phillips (fish)	29.16	
2848	General Telephone	14.55	
2850	Wien Air Alaska	67.58	
2851	Larry Galvin, Inc.	186.00	
	Alaska Gold Company	25.00	
	Typewriter repair	42.95	
	Totals	<u>\$3565.64</u>	

In addition to the above, the State of Alaska owes the City of Nome \$24,316.66 for the month of August, 1977 for the extension of the FY 76-77 contract to August 31, 1977. The recap of the funds due the City of Nome is as follows:

Invoices Paid
Payroll expense
Contract Payment
Total due

\$3565.64
~~28,620.47~~
✓ 24,316.66
\$56,502.77

30,369.31 ✓
~~18,620.47~~
17,488.44 ?

Purchases not yet billed:

Firm	Amount
Alaska Cargo Lines	\$1,909.68*
GSA-September rent	6,500.00
Miller Product (winter groceries)	9,286.26*
Alaska Commercial (groceries)	unknown
Larry Galvin, Inc.	unknown
Nome Pharmacy	"
Norton Sound Regional Hospital	"
Pictures, Inc. (inmate movies)	"
General Telephone	"
Wien Air Alaska (produce freight)	69.78
Norton Sound Regional Hospital	<u>323.00</u>
Total	unknown

*billing received - not paid. (enclosed)

On the "purchases not yet billed" they will be sent to your office as they are received and the sending firm will be notified as to where to expect payment. This will also be true on any additional freight bills.

Payroll Expenses

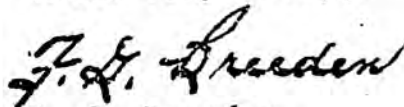
Employee	Regular pay	Overtime	Fringe	Total
Alyce Walluk	1069.92	0	353.10	1423.02
Bertha Adsuna	2455.75	147.35	484.95	3088.05
Sylvia Anowlic	1248.24	122.60	374.17	1745.01
Joyce Bridgewater	1462.56	392.93	566.71	2422.20
Kenneth Farley	1483.20	166.86	481.41	2131.47
John Greene	2481.96	158.73	695.92	3336.61
Marilyn Mills	1887.23	111.45	454.85	2453.53
Van Nguyen	1631.52	556.20	694.35	2882.07
Robert Phillips	4404.36	797.64	888.48	6090.48
Davis Sockpick	2187.68	130.52	729.83	3048.03
Cecil Johnson	1441.28	0	307.56	1748.84
Totals	<u>\$21,753.70</u>	<u>\$2,584.28</u>	<u>\$6,031.33</u>	<u>\$30,369.31</u>

Mr. William H. Huston
October 5, 1977
Page two

If you have any questions regarding this transaction do not hesitate to contact us.

We regret this became necessary and wish to thank you for your help and cooperation through the entire proceedings.

Yours very truly,

A handwritten signature in cursive script, appearing to read "F. G. Breeden".

F. G. Breeden
City Manager

FGB:mo

Enclosure

REVOCABLE LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY

1. LICENSE NO.

IOPRA-L-181

Available for use affecting the property described and for the purposes designated below is hereby granted to the licensee herein named, subject to all of the conditions, special and general, hereinafter enumerated.

2. NAME OF LICENSEE

State of Alaska

3. ADDRESS

Dept. of Administrations
Division of General Service and Supply

4. PROJECT DESIGNATION AND ADDRESS

Nome, Alaska, Post Office, Courthouse, Jail

5. MAXIMUM PERIOD COVERED

from August 1, 1977 to September 30, 1978

6. CONSIDERATION

\$ 78,000 per annum payable quarterly in advance.

7. DESCRIPTION OF PROPERTY AFFECTED

(As shown on Exhibit A attached hereto and made a part hereof.)

4820 square feet of jail and related space in the Nome Federal Building.

8. PURPOSE OF LICENSE

To permit use and occupancy for corrections purposes by State personnel and others as authorized by the License.

9. By the acceptance of this license, the licensee agrees to abide and be bound by the following conditions:

I. SPECIAL CONDITIONS

1. License No. IOPRA-L-181 is hereby superseded.
2. This License may be terminated upon four (4) days written notice from either party.
3. Quarterly payments in the amount of \$19,500.00 are due and payable on October 1, 1977, January 1, 1978, April 1, 1978 and July 1, 1978. Rent for August and September in the total amount of \$13,000.00 is due immediately. Payments are to be mailed to:
Finance Division IBC
GSA Center
Auburn, WA 98002

That condition(s) No.(s)

was (were) deleted before the execution of this license.

GENERAL SERVICES ADMINISTRATION LICENSOR		LICENSEE	
DATED	ACCEPTED		
THIS 13 DAY OF Dec 19 77	THIS 30 DAY OF Nov 19 77		
BY (Signature)	BY (Signature)		
D.W. LINDSEY	David M. Jurek		
TITLE	TITLE		
Chief, Acq. Br.	Approval: Health & Social Services		
TITLE	By: Deputy Commissioner		

ACCEPTED: Department of Administration

Richard C. Bradley
Director, Div. of General Services & Supply

Date:

11.30.77

(CORPORATE)
(SEAL)

(Signature)

GENERAL SERVICES ADMINISTRATION

(See reverse)

GSA JUL 68 1592

August 23, 1977

City of Bethel
Box 388
Bethel, Alaska 99559
Attn: Mr. Lyman Hoffman, City Manager

Dear Mr. Hoffman:

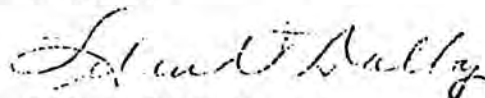
Pursuant to our meeting of August 15, 1977 in Anchorage, and our recent telephone conversation, we are confirming that you are to confer with your council again to obtain approval to accept a FY 78 jail services contract for \$190,000 with the understanding that:

1. The Department of Health and Social Services, Division of Corrections will submit and fully support a supplemental appropriation in the amount of up to \$45,000 during the legislative session commencing January, 1978.
2. The City of Bethel will properly document the need for this additional amount and join the Division in an effort to obtain the supplemental appropriation.
3. The City of Bethel will provide the Division of Corrections with detailed records of actual expenditures for the operation of the Bethel Jail facility. Accounting records pertaining to jail services must be easily identifiable, separated, or otherwise identified for audit purposes, including booking records.
4. Commencing September 1, 1977, and upon full execution of the contract by the Department of Health and Social Services and the City of Bethel effective that date, the remaining ten (10) -- September 1, 1977 to June 30, 1978 monthly contract payments will be \$177,500 (190,000 - \$12500 July 1977 payments) or \$17750 per month.
5. The supplemental appropriation if approved will be prorated accordingly.

Enclosed contract covers the above stated period and conditions. Please execute and return to this office as soon as possible.

Sincerely,

William H. Huston
Director



Leland T. Dalby
Administrative Officer

FEDERAL BUREAU OF PRISONS

FY 78 - 1st Quarter Actual and Last 3 Quarters Projected Costs

Inmates		Location	Inmate Days	1st Quarter		Balance of Year	
Male	Female			Rate	Amount	Inmate Days	Amount
0	3	Alderson, West Virginia	207	\$ 26.156	\$ 5,414	822	\$ 21,500
1	0	Ashland, Kentucky	92	21.030	1,935	274	5,762
4	0	Atlanta, Georgia	333	15.762	5,249	1,096	17,275
13	0	Leavenworth, Kansas	1,200	18.860	22,632	3,562	67,179
2	0	El Reno, Oklahoma	184	18.684	3,438	548	10,239
20	0	Lompoc, California	1,633	17.579	28,707	5,480	96,333
5	0	Marion, Illinois	407	30.671	12,483	1,370	42,019
0	1	San Diego, California	46	19.816	912	274	5,430
23	0	McNeil Island, Washington	1,996	18.114	36,156	6,302	114,154
1	0	Oxford, Wisconsin	92	27.666	2,545	274	7,580
16	0	Springfield, Missouri	1,115	42.000	46,830	4,384	184,128
5	0	Terre Haute, Indiana	415	17.305	7,182	1,370	23,708
90	4		7,720	\$ 22.472	\$ 173,483	25,756	\$ 595,307

$(7720 \div 94 = 82.13 \text{ days in 1st Quarter})$ 89.27 inmates

Less 3 inmates recorded at more than one institution, due to transfers within quarter = 91

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

SHR 10-1 of 1

STATEMENT OF ACCOUNT

For the support of Alaska State prisoners in the Federal Correctional Institution
(Name of Institution)
Alderson, West Virginia during the quarter ended September 30, 19 77
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
Black, Joanna	21191-170	07-01-77	07-29-77 (furlough)	31
		08-04-77 (furl.ret)	09-30-77	58
Middleton, Victoria	20117-181	07-14-77	09-30-77	79
Chris, Marie	21707-170	08-23-77	09-30-77	39
			Total	207
Prepared by <u>Wanda K. Hinkley</u> Wanda K. Hinkley Records Control Supervisor				
Certified correct <u>Anne L. Fuller</u> Anne L. Fuller Office Services Manager				
*Includes PHS Per Capita Cost Central Office O/H FCI Inst. Cost (Item 4)	 .367 2.353 23.436 26.156			

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$1,366,455.
- Average daily population - - - - - 634
- Total number of inmate days - - - - - 58,305
- Unit cost per inmate day (1-3) - - - - - \$23.436
- Total number of inmate days as listed above - - - - - 207
- Total charge for support of prisoners 207 Inmate days @ \$26.156 (3 decimals) - - \$5,414.29

I certify that the above is a full, true, and correct statement of the cost of supporting Alaska State prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October 21, 19 77

John L. Ward
John L. Ward, Business Manager

CLERK

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

SHEP

STATEMENT OF ACCOUNT

For the support of Alaska State prisoners in the Federal Correctional Institution
Ashland, Kentucky during the quarter ended September 30, 1977
(Location) (Name of Institution)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
Nichols, Ray Marvin	13839-116	07-01-77	09-30-77	92
	TOTAL INMATE DAYS			92

Certified Correct: W. Peters
W. Peters, ASB

Includes:

PHS per capita cost .186
Central Office O/H 2.353
2.539
FCI Inst cost 18.491
21.030

[Signature] 10-17-77
06-66-4-141 399
1934.76

RECAPITULATION

- Total maintenance and operation costs for quarter - \$1,196,423.52
- Average daily population - 703.3
- Total number of inmate days - 64,702
- Unit cost per inmate day (1 ÷ 3) - \$18,491
- Total number of inmate days as listed above - 92
- Total charge for support of prisoners 92 Inmate days @ \$21.030(3 decimals) - \$1,934.76

I certify that the above is a full, true, and correct statement of the cost of supporting Alaska prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date November 11, 1977

[Signature]
J. A. Morales, Business Manager
CHIEF CLERK

1034
3000
1034-113

**PUBLIC VOUCHER FOR PURCHASES AND
SERVICES OTHER THAN PERSONAL**

VOUCHER NO.

SCHEDULE NO.

PAID BY

DATE INVOICE RECEIVED

DISCOUNT TERMS

PAYEE'S ACCOUNT NUMBER

GOVERNMENT S/L NUMBER

DEPARTMENT, BUREAU, OR ESTABLISHMENT AND LOCATION

Federal Correctional Institution
Ashland, Kentucky 41101

DATE VOUCHER PREPARED

November 11, 1977

CONTRACT NUMBER AND DATE

REQUISITION NUMBER AND DATE

PAYEE'S
NAME
AND
ADDRESS

Commissioner, State of Alaska
Department of Health and Welfare
Juneau, Alaska

SHIPPED FROM

TO

WEIGHT

NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	QUAN- TITY	UNIT PRICE		AMOUNT (1)
				COST	PER	
		For support of prisoners from the State of Alaska for the period July 1, 1977 thru September 30, 1977				\$1,934.76

(Use continuation sheet(s) if necessary) (Payee must NOT use the space below) **TOTAL** \$1,934.76

PAYMENT: ☐ COMPLETE ☐ PARTIAL ☐ FINAL ☐ PROGRESS ☐ ADVANCE	APPROVED FOR	EXCHANGE RATE	DIFFERENCES
	= \$	= \$1.00	
	BY		
	TITLE	Amount verified; correct for	
		(Signature or initials)	

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

(Date) (Authorized Certifying Officer) (Title)

ACCOUNTING CLASSIFICATION

CHECK NUMBER	ON TREASURER OF THE UNITED STATES	CHECK NUMBER	ON (Name of bank)
CASH	DATE	PAYEE	

1 When stated in foreign currency, insert name of currency.
2 If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the space provided, over his official title.
3 When a voucher is receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.

PER

TITLE

STATEMENT OF _____

ATLANTA
(Name of Institution)State of
For the support of Alaska

prisoners in the State Penitentiary

September 30, 1977

Atlanta, Georgia

during the quarter ended

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
COLLINS, William George	99495-141	07-01-77	09-30-77	92
GOOD, William Keith	99656-131	08-05-77	09-30-77	57
MC KINNEY, Billy	22817-175	07-01-77	09-30-77	92
POST, George Arthur	22973-175	07-01-77	09-30-77	92
				<u>333</u>

* INCLUDES:

PHS PER CAPITA COST 00.262
 CENTRAL OFFICE O/H 02.353
 U.S.P. CCST (ITEM 4) 13.147
15.762

Prepared By:

D. M. COURTNEY

SUPVY. RECORDS CONTROL EXAMINER

Certified Correct:

W. T. ROBERTS II
ADM. SYSTEMS MANAGER

DMC-WTR-/wg

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$2,701,070.62
- Average daily population - - - - - 2,233.09
- Total number of inmate days - - - - - 205,145
- Unit cost per inmate day (1÷3) - - - - - \$ 13.147
- Total number of inmate days as listed above - - - - - 333
- Total charge for support of prisoners 333 Inmate days @ \$15.762 (3 decimals) - - - \$ 5,248.75

I certify that the above is a full, true, and correct statement of the cost of supporting _____
 prisoners in the above mentioned institution during the quarter indicated and that payment of the
 amount due has not been received.

Date OCTOBER 28, 1977

STATEMENT OF ACCOUNT

For the support of ALASKA prisoners in the U.S. PENITENTIARY
(Name of Institution)
LEAVENWORTH, KANSAS during the quarter ended SEPTEMBER 30, 1977
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
AVERY, Jimmy	34459-136	07-01-77	09-30-77	92
BURLESON, Boyd	89035-132	07-01-77	09-30-77	92
EDWARDS, William	23202-175	07-25-77	09-30-77	68
FLORES, Noe Q.	84292-132	07-01-77	09-30-77	92
GONZALES, Louis	89587-132	09-22-77	09-30-77	9
LADD, Wesley	88553-132	07-01-77	09-30-77	92
LEMON, Oliver	88500-132	07-01-77	09-30-77	92
LOVELESS, David Edward	23284-175	07-01-77	09-30-77	92
MC CALLION, William	23256-175	07-01-77	09-30-77	92
MORGAN, Donald Andrew	36247-136	02-01-77	08-23-77	203
PETERSON, Paul S.	36099-136	07-01-77	09-30-77	92
SALAZAR, Francisco	35782-136	07-01-77	09-30-77	92
THOMAS, Ellis	87521-132	07-01-77	09-30-77	92
			TOTAL	1200

W.E. SMITH, Record Department Manager



RECAPITULATION

- | | | |
|--|--|--------------|
| 1. Total maintenance and operation costs for quarter | - - - - - | \$ 3,215,953 |
| 2. Average daily population | - - - - - | 2139 |
| 3. Total number of inmate days | - - - - - | 196,789 |
| 4. Unit cost per inmate day (1-3) | - - - - - | \$ 18.86 |
| 5. Total number of inmate days as listed above | - - - - - | 1200 |
| 6. Total charge for support of prisoners | 1200 Inmate days @ \$ 18.86 (3 decimals) | \$ 22,632.00 |
| | | -13- |

I certify that the above is a full, true, and correct statement of the cost of supporting prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October 25, 1977

F. BEAL, JR., Business Manager

CHIEF CLERK

Alaska State prisoners in the Federal Correctional Institution

at Reno, Oklahoma during the quarter ended 09-30-77, 19

(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
GRIFFITH, Eddie R.	13922-116	07-01-77	09-30-77	92
TAYLOR, Timothy C.	40260-115	07-01-77	09-30-77	92
Institution Cost/ Inmate days 16.178 Public Health Service .153 General Adm. Overhead 2.353 <u>18.684</u>				

Prepared By: Gary L. Wilson-RCS

Certified Correct by: R.B. Anderson
Records Manager

RECAPITULATION

1. Total maintenance and operation costs for quarter	-	-	-	-	\$1,863,926.09
2. Average daily population	-	-	-	-	1252.3
3. Total number of inmate days	-	-	-	-	115,213
4. Unit cost per inmate day (1÷3)	-	-	-	-	\$16.178
5. Total number of inmate days as listed above	-	-	-	-	184
6. Total charge for support of prisoners	184	Inmate days @ \$18.684 (3 decimals)	-	-	\$3,437.86

I certify that the above is a full, true, and correct statement of the cost of supporting 2 prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October, 1977

Wallace Hamilton Business Manager
CHIEF CLERK

For the support of ALASKA STATE prisoners in the FEDERAL CORRECTIONAL INSTITUTION (Name of Institution)

Lompoc, California

(Location)

during the quarter ended September 30, 1977

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
ALTO, Frank Augie	12931-116	07-19-77	09-30-77	77
BRAGG, Jerry Lynn	15771-136	08-01-77	09-30-77	60
BROWN, Anthony Lee	14193-116	07-01-77	09-30-77	92
BROWN, Robert E.	14259-116	07-16-77	09-30-77	75
FOX, Richard	14094-116	07-01-77	09-30-77	92
GIBSON, Daniel J.	13992-116	07-01-77	09-30-77	92
HARRINGTON, David A.	14024-116	07-01-77	09-30-77	92
HINTZ, Michael L.	14375-116	07-24-77	09-30-77	67
KIMOKTOAK, Lloyd	20252-175	07-01-77	09-30-77	92
LABARBERA, Charles	14394-116	08-10-77	08-26-77	17
NEWSOM, Paul	34635-136	07-01-77	09-30-77	92
NOBLE, Henry	13392-116	07-01-77	09-30-77	92
PEDERSON, Gregory Dennis	36230-136	07-01-77	09-30-77	92
SHEWFELT, Michael E.	13890-116	07-01-77	09-30-77	92
SIMS, John M.	23035-175	07-01-77	09-30-77	92
SPARKS, James Brion	14018-116	07-05-77	09-30-77	98
STEVENS, Walter	20291-175	07-01-77	09-30-77	92
VAIL, Sidney Lee	14248-116	07-01-77	09-30-77	92
WALTON, Roy C.	14080-116	07-01-77	09-30-77	92
WESTROPE, Verlin William	14383-116	08-03-77	09-30-77	58
				<u>1633</u>

CERTIFIED CORRECT:

George M. Stanley
GEORGE M. STANLEY, Adm. Systems Mgr.

P.H.S. Per Capita Cost .149
Central Office Overhead 2.353
FCI Lompoc Cost 15.077
17.579

RECAPITULATION

1. Total maintenance and operation costs for quarter - - - - - \$2,071,024
2. Average daily population - - - - - 1493.1
3. Total number of inmate days - - - - - 137,366
4. Unit cost per inmate day (1÷3) - - - - - \$15.077
5. Total number of inmate days as listed above - - - - - 1633
6. Total charge for support of prisoners 1633 Inmate days @ \$17.5793 decimals) - - - \$28,706.51

I certify that the above is a full, true, and correct statement of the cost of supporting Alaska State prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October 20, 1977

Wallace R. Bryce
Wallace R. Bryce, Accounting Supervisor
CHIEF CLERK

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

STATEMENT OF ACCOUNT

100-1110-7
SHEET NO. 1

For the support of Alaska State prisoners in the United States Penitentiary
(Name of Institution)
Marion, Illinois during the quarter ended September 19 77
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
GHEDE, Larry	02547-135	07-01-77	09-30-77	92
MORGAN, Donald (Trf. fm LVN 08-23-77 Rec'd MAR 08-24-77)	36247-136	08-23-77	09-30-77	39
~~XXXXXXXXXX~~	~~XXXXXXXXXX~~	~~XXXXXXXXXX~~	~~XXXXXXXXXX~~	~~XX~~
ANTHONY, Dennis	88768-132	07-01-77	09-30-77	92
KOMOK, Joseph	35783-136	07-01-77	09-30-77	92
MARRONE, Frank	88847-132	07-01-77	09-30-77	92
TOTAL INMATE DAYS				407
*Includes PHS Per Capita Cost Central Office O/H USP Inst Cost (Item 4)				
				\$ 1.93
				2.353
				2.546
				28.125
				\$30.67

PREPARED BY: *Mark J. Kovach*
ADVISORY POST TRAINED
CERTIFIED CORRECT: *B. J. [Signature]*
RECORDS CONTROL SUPV

RECAPITULATION

- Total maintenance and operation costs for quarter - \$1,644.074
 - Average daily population - 635.4
 - Total number of inmate days - 58456
 - Unit cost per inmate day - \$28.125
 - Total number of inmate days at total cost - 407
 - Total charge for support of prisoners (at \$30.6713 decimals) - \$12,483.10
- I certify that the above is a true and correct statement of the cost of supporting Alaska State prisoners in the above institution and that payment of the amount due has not been received.
- Date October 22 1977
- [Signature]*
Business Manager
CHIEF CLERK

JOURNAL OF PRISONERS
STATEMENT OF ACCOUNT

SHEET NO. _____

For the support of Alaska State prisoners in the Metropolitan Correctional Center
(Name of Institution)
San Diego, California during the quarter ended September 30, 19 77
(Location)

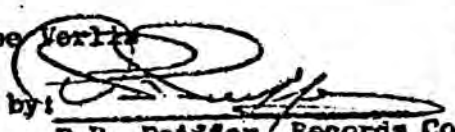
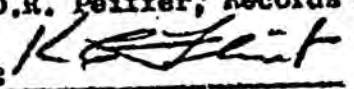
NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
SZERATICS, Jeanetta (Booking # 16175)	03158-171	08-16-77	09-30-77	46
Total Inmate Days				46
Prepared By: <u>R. F. Tierno</u> R. F. Tierno A.S.U. Supervisor				
Certified Correct <u>Donna Stratman</u> Adm. Systems Manager				
P.H.S. Per Capita Cost 0.110 Central Office O/H 2.353 Institutional Cost <u>17.353</u> Total Cost Per Day 19.816				

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$ 901514.63
 - Average daily population - - - - - 564
 - Total number of inmate days - - - - - 51950
 - Unit cost per inmate day (1÷3) - - - - - \$ 17.353
 - Total number of inmate days as listed above - - - - - 46
 - Total charge for support of prisoners 46 Inmate days @ \$ 19.816 (6 decimals) - - \$ 911.54
- I certify that the above is a full, true, and correct statement of the cost of supporting 1 prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.
- Date October 20, 19 77 R. W. Autofe Accounting Supervisor
CHIEF CLERK

STATEMENT OF ACCOUNT

For the support of ALASKA STATE prisoners in the US PENITENTIARY, MC NEIL ISLAND,
(Name of Institution)
STELLACOOM, WA. 98388 during the quarter ended SEPTEMBER 30, 1977
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
ALEX, David	36391-136	07-01-77	09-30-77	92
BRAGG, Jerry Lynn	35771-136	07-01-77	08-03-77	36
ALEXANDER, Michael	36438-136	07-26-77	09-30-77	67
COCKEN, Arthur B.	35945-136	07-01-77	09-30-77	92
DAVENPORT, James E.	35754-136	07-01-77	09-30-77	92
DULFER, Charles	20423-175	07-01-77	09-30-77	92
KEEN, Vincent Frank	36439-136	07-26-77	09-30-77	67
FINNEY, Paul	39412-115	07-01-77	09-30-77	92
FRINK, Glaen Matthew	36218-136	07-01-77	09-30-77	92
GIPSON, Burleson	35876-136	07-01-77	09-30-77	92
HOWARD, Vernon Percy	36297-136	07-01-77	09-30-77	92
JAMES, Richard W.	35895-136	07-01-77	09-30-77	92
JOHN, Harry	36429-136	07-14-77	09-30-77	78
JONES, Lee Verlin	35631-136	07-01-77	09-30-77	92
Prepared by: 	D.R. Peiffer, Records Control Supervisor			
Certified by: 	K.C. Flint, Mgr., Records Department			
		PAGE ONE OF TWO PAGES		

Lot 176 87

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

SHEET NO. _____

STATEMENT OF ACCOUNT

For the support of ALASKA STATE prisoners in the US PENITENTIARY, MC NEIL ISLAND
(Name of Institution)
STEILACOOM, WA. (#### 98388) during the quarter ended SEPTEMBER 30, 19 77
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
KVASHNIKOFF, Paul	19981-175	07-01-77	09-30-77	92
MC MAHON, William Guy	36418-136	07-01-77	09-30-77	92
MORRELL, Clayton J.	36022-136	07-01-77	09-30-77	92
PIESIK, Louis	23146-175	07-01-77	09-30-77	92
REEVES, James	35775-136	07-01-77	09-30-77	92
SIDNEY, Allen Carl	35968-136	07-01-77	09-30-77	92
STEVENA, Gary L.	23283-175	07-01-77	09-30-77	92
THOMPSON, Brent Allen	35860-136	07-01-77	09-30-77	92
WHEELER, James William	35990-136	07-01-77	09-30-77	92
				<u>1996</u>

Prepared by: [Signature]
D.R. Peiffer, Records Control Supervisor

Certified by: [Signature]
K.C. Flint, Mgr. Records Department

PAGE TWO OF TWO PAGES

Item 6 includes:

PBS per capita costs	.299
Central Office O/H	2.353
sub-total	2.652
USP - McNeil Island	15.462
TOTAL	18.114

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$2,086,009.11
 - Average daily population - - - - - 1,466.4
 - Total number of inmate days - - - - - 134,913
 - Unit cost per inmate day (1-3) - - - - - \$15.462
 - Total number of inmate days as listed above - - - - - 1996
 - Total charge for support of prisoners 1,996 inmate days @ \$18.1143 decimals - - - - - \$36,155.54
- I certify that the above is a full, true, and correct statement of the cost of supporting twenty-three prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October 21, 19 77

[Signature]

T.J. White, Asst. Business Manager

STATEMENT OF ACCOUNT

for the support of ALASKA (STATE) prisoners in the Federal Correctional Institution
 (Name of Institution)
Oxford, Wisconsin 53952 during the quarter ended September 30th, 1977
 (Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
ENDLE, Steven	00400-124	07-01-77	09-30-77	92
Total Inmate Days				92
Prepared By: <u>C. G. McCurley</u> Records Control Supervisor Certified By: <u>Edwin H. Jacob, III</u> Record Office Manager				
PHS per Capita Cost . 0.105 Central Office O/H 2.353 2,458 (Inst Cost Item #4 25.208 27,666				

RECAPITULATION

Total maintenance and operation costs for quarter - - - - - \$ 1,413,081.71
 Average daily population - - - - - 609.3
 Total number of inmate days - - - - - 56055
 Unit cost per inmate day (1÷3) - - - - - \$ 25.208
 Total number of inmate days as listed above - - - - - 92
 Total charge for support of prisoners 92 Inmate days @ \$27.666 (3 decimals) - - - \$ 2,545.27

I certify that the above is a full, true, and correct statement of the cost of supporting Ninety-two (92) prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

Date October 25, 1977, 1977

D. O. Connell, Business Manager

CHIEF CLERK

Accounting Form No. 109
(Rev. Sept. 1958)

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

SHEET NO. 1 of 2

STATEMENT OF ACCOUNT

For the support of ALASKA STATE prisoners in the MEDICAL CENTER FOR FEDERAL PRISONERS
(Name of Institution)

SPRINGFIELD, MISSOURI during the quarter ended SEPTEMBER 30, 1977
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
ACEVEDA, William SALE OF DRUGS	22966-175	07-01-77	09-30-77	92
KENNEDY, Richard GRAND LARCENY	22544-175	07-01-77	09-30-77	92
SLEZIAK, Wladyslaw MURDER 1	84911-132	07-01-77	09-30-77	92
HUFFMAN, Ronald Ray ROBBERY	23203-175	07-01-77	09-30-77	92
EDWARDS, William MURDER 1 * TRF. USP:LVN	23202-175	07-01-77	07-25-77*	25
HAMPTON, Herman MURDER 1	89038-132	07-01-77	09-30-77	92
BORDEWICK, Nathan Lee RAPE, SODOMY, GRAND LARCENY	23413-175	07-01-77	09-30-77	92
JACINTH, James K. MANSLAUGHTER, 2nd DEG. ARSON	23432-175	07-01-77	09-30-77	92
JOHNSON, Thomas Royal A/W/D/W, ATTPT. ROBBERY	23462-175	07-01-77	09-30-77	92
ROBINSON, George ROBBERY	17982-148	07-01-77	09-30-77	92
LEVSHOKOFF, Steve A/W/D/W, RAPE, ** TRF. FCI:LOM KIDNAPPING	22922-175	07-01-77	08-26-77	** 57
MARKUSON, Curtis BURGLARY * REC. FROM ALASKA OFFICER	23565-175	08-03-77*	09-30-77	59
SHERWOOD, Robert S. BURGLARY	23566-175	08-03-77	09-30-77	59
BLAIR, Steve G. SHOOTING w/i TO KILL, ADM, ROBBERY * REC. FROM ALASKA OFFICER	23579-175	08-15-77*	09-30-77	47

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$
- Average daily population - - - - -
- Total number of inmate days - - - - -
- Unit cost per inmate day (1-3) - - - - - \$
- Total number of inmate days as listed above - - - - -
- Total charge for support of prisoners - - - - - Inmate days @ \$ (3 decimals) - - - - - \$

I certify that the above is a full, true, and correct statement of the cost of supporting prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS

SHEET NO. 2 of 2

STATEMENT OF ACCOUNT

For the support of ALASKA STATE prisoners in the MEDICAL CENTER FOR FEDERAL PRISONERS
(Name of Institution)

SPRINGFIELD, MISSOURI during the quarter ended SEPTEMBER 30, 1977.
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
LEVSHCKOFF, Steve A/W/D/W/ RAPE, * REC. FROM ALASKA OFFICER KIDNAPPING	22922-175	09-17-77*	09-30-77	14
NEWSOM, Thomas B. RAPE * TRF. FROM FCI:TRM	18867-148	09-09-77*	09-30-77	22
PADIE, Roger MANSLAUGHTER * REC. FROM ALASKA OFFICER	23625-175	09-27-77*	09-30-77	04
TOTAL				1,115

CERTIFIED CORRECT: *R.D. Ross*

R.D. ROSS
RECORDS CONTROL SUPERVISOR

1115 patient days @ \$42.00 = \$46,830.00

I certify that the above is a true and correct statement of the cost at \$42.00 per day for supporting Alaska State prisoners for the period of their psychiatric examination during the quarter indicated above and that payment of the amount due has not been received.

J. R. Garrison
J. Garrison, Asst. Business Manager

RECAPITULATION

- Total maintenance and operation costs for quarter - - - - - \$
- Average daily population - - - - -
- Total number of inmate days - - - - -
- Unit cost per inmate day (1-3) - - - - - \$
- Total number of inmate days as listed above - - - - -
- Total charge for support of prisoners - - - - - Inmate days @ \$ - - - - - (3 decimals) - - - - - \$

I certify that the above is a full, true, and correct statement of the cost of supporting prisoners in the above mentioned institution during the quarter indicated and that payment of the amount due has not been received.

CHIEF CLERK

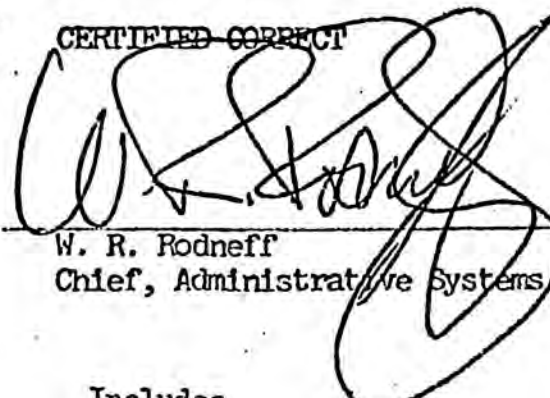
UNITED STATES DEPARTMENT OF JUSTICE
BUREAU OF PRISONS
STATEMENT OF ACCOUNT

SHEET NO. 1

For the support of ALASKA STATE prisoners in the UNITED STATES PENITENTIARY
(Name of Institution)

TERRE HAUTE, INDIANA 47808 during the quarter ended SEPTEMBER 30, 1977
(Location)

NAME OF PRISONER	Register No.	PERIOD CHARGED FOR		Number of Inmate Days
		From	To	
JUSTON, James David Jr.	23412-175	07-01-77	09-30-77	92
MARTIN, Rocky	32720-138	07-01-77	09-30-77	92
MILLER, Frank Henry	33027-138	08-07-77	09-30-77	55
BOONE, Randy Lee	32962-138	07-01-77	09-30-77	92
MULLY, Albert	32985-138	07-09-77	09-30-77	84
TOTAL DAYS				415

(
CERTIFIED CORRECT

W. R. Rodneff
Chief, Administrative Systems

Includes

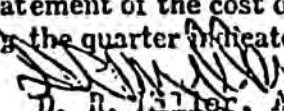
PMS per capita cost	.091
Central Office Overhead	2.353
Inst. Cost (Item 4)	14.861
	17.305

RECAPITULATION

1. Total maintenance and operation costs for quarter -	- - - - -	\$2,235,269.49
2. Average daily population -	- - - - -	1561
3. Total number of inmate days -	- - - - -	143680
4. Unit cost per inmate day (1÷3) -	- - - - -	\$ 14.861
5. Total number of inmate days for D. C. prisoners as above -	- - - - -	415
6. Total charge for support of D. C. prisoners 415 Inmate days @ \$17.305 -	- - - - -	\$ 7,181.58

I certify that the above is a full, true, and correct statement of the cost of supporting District of Columbia prisoners in the above-mentioned Federal institution during the quarter indicated and that payment of the amount due has not been received.

Date October 20, 1977


D. R. Miller, Act. Business Mgr.

CHIEF CLERK

FY 73 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 GOV. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	65.7	75.7	75.7	76.3	76.3	76.3	23.6		53.1	(.4)	76.7
TRAVEL	30.6	45.0	30.4	52.0	30.6	30.6	8.2	3.7**	20.4	(6.7)	37.3
CONTRACTUAL SERVICES	4.6	15.4	8.8	15.4	15.4	15.4	1.6		10.5	3.3	12.1
COMMODITIES	.8	1.7	2.0	1.7	1.7	1.7	.1		1.2	.4	1.3
EQUIPMENT	1.5	2.1	1.0	.8	.8	.8	3.3		.8	(3.3)	4.1
LANDS, BLDGS, ...											
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	103.2	139.9	117.9	146.2	124.8	124.8	36.8	8.7	86.0	(6.7)	131.5
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											

** Money already expended but not encumbered
or listed as disbursements.

AGENCY Health & Social Services

BRU Parole Board

COMPONENT Parole Board

REVISED _____

MEMORANDUM



TO: Catherine Lloyd
Deputy Commissioner
Department of Health
and Social Services

DATE: January 12, 1978

FILE NO:

TELEPHONE NO:

FROM: Samuel H. Trivette
Executive Director
Alaska Board of Parole *STH*

SUBJECT: FY-78 Supplemental Appropriation

The attachments to your memorandum of January 9, 1978 indicates the Governor is only going to support a supplemental appropriation of \$6,700 for this B.R.U. Your budget staff informs me that therefore I only need to speak to this amount in updating my memorandum of November 29, 1977. Although I have no paperwork to back up this statement, I have been informed that this \$6,700 is all in the category of travel.

Attached to this memorandum are copies of the work sheets outlining the expected expenditures for the remainder of FY-78, in the amount of \$26,453. Our Current Year Authorization Balance sheet dated 12/31/77 shows we have a balance of \$15,587.33 in travel. We expect to have a deficit of \$10,766 this fiscal year, more than the amount the Governor has approved.

Other spending for this B.R.U. is as indicated in the November 29, 1977 memorandum with attachments.

SHT/vh

Attachments

cc: Helen Beirne, Commissioner
Marsha Hubbard

Additional Spending

Explanation of Expenditures	Amount	Required by Law	Required by Court Ruling	Required by P.S. Decision	Required by Probation Policy	New Fiscal Budget Prepared
Executive Director & Parole Board Officer conducting 2 Quarterly meetings (Trans.)	800	X			X	
" " " " " " " " (per diem)	1,832	X			X	
1 Staff person attend Federal Bureau of Prisons (4 months) 1 trip. (Trans.)	700	X			X	
" " " " " " " " (Per Diem)	550	X			X	
Exec. Director conduct 1 Executive Meeting w/ Board (Trans.)	250	X	X	X		
" " " " " " " " (Per Diem)	165	X	X	X		
" " " " " " " " (Per Diem)	-					
" " " " " " " " (Per Diem)	-					
Quarterly Board meetings (2) X 5 members (2 full attendance) (Trans.)	7,098	X			X	
" " " " " " " " (Per Diem)	7,238	X			X	
Preliminary Revocation Hearings - 10 remaining (Trans.)	50	X	X			
" " " " " " " " (Per Diem)	550	X	X			
Parole Rescission hearings - 2 remaining	20		X	X	X	
" " " " " " " " (Per Diem)	100		X	X	X	

9-C		Additional Information		Expenditures		Amount		Required by Law	Required by Court Ruling	Required by A.G. Decision	Required by Board Policy	Is this Budget Requested	
CODE	Explanation of Expenditures												
43	1 Member attend Outside Board Run X 1 trip					(Trans)	800	X				X	
44	" " " " " " " " " " " "					(Per diem)	550	X			X		
41	1 Member - meeting w/ Parole Officer to Syn Warrants - 10 Warrants					(Per diem)	500		X		X	X	
43	2 members conduct one parole revocation hearing outside Alaska					(Trans)	1,070				X	X	
44	" " " " " " " " " " " "					(Per diem)	330			X	X		
43	5 Members attending 1 Executive Session w/ Exec. Dir. to adopt & revise policy					(Trans - Admin)	1,100	X	X	X			
44						(Per diem - Admin)	200	X	X	X			
90	Airtel for consultants for Legislature on Sentencing proposal. 3 from State @ \$500 and 1 from West @ \$300						1,800						X
91	Per diem 7 " " " " " " " " " " " "						750						X
						Sub Total	7,100						
						TOTAL	26,453						

100 PERSONAL SERVICES	76,300.00		
111 REGULAR COMPENSATION		30,335.00	30,335.00
121 OVERTIME		301.04	301.04
101 FED INS CONTRL ACT		690.23	690.23
102 ST CONTR PERS RETIRE		3,547.64	3,547.64
105 GROUP HEALTH INS.		1,183.20	1,183.20
106 WORK COMP INSURANCE		1,102.89	1,102.89
TOTAL PERSONAL SERVICES	76,300.00	37,166.00	37,166.00
200 TRAVEL AND MOVING	30,600.00		
211 INSTATE TRANSPORTATN		1,749.74	1,749.74

39,134.00

ROL-028-2710

CURRENT YEAR AUTHORIZATION BALANCES
FISCAL YEAR TO DATE 12/31/77

PAGE 708

HEALTH & SOC SERVICE	AUTHORIZATION	DISBURSEMENTS	TRANSFERS OUT	EXPENDITURES	RESTRICTIONS	BALANCE
212 INSTATE PER DIEM		1,997.20		1,997.20		
213 OUTSIDE TRANSPORTATN		617.00		617.00		
214 OUTSIDE PER DIEM		218.50		218.50		
221 INSTATE TRANSPORTATN		495.51		495.51		
222 INSTATE PER DIEM		212.50		212.50		
223 OUTSIDE TRANSPORTATN		249.88	200.00-	49.88		
224 OUTSIDE PER DIEM		170.00	300.00-	130.00-		
231 INSTATE TRANSPORTATN		1.50		1.50		
232 INSTATE PER DIEM		162.50		162.50		
233 OUTSIDE TRANSPORTATN		473.00		473.00		
234 OUTSIDE PER DIEM		544.55		544.55		
241 INSTATE TRANSPORTATN		2,061.36		2,061.36		
242 INSTATE PER DIEM		4,643.20		4,643.20		
243 OUTSIDE TRANSPORTATN		1,027.69		1,027.69		
244 OUTSIDE PER DIEM		265.30		265.30		
291 TRANSPORTATION		310.68		310.68		
292 PER DIEM		212.50		212.50		
TOTAL TRAVEL AND MOVING	30,600.00	15,412.67	500.00-	14,912.67		15,687.33
300 CONTRACTUAL SERVICES	15,400.00					
311 LONG DISTANCE TELE		1,337.82		1,337.82		
312 LOCAL SERVICE TELE		262.33		262.33		
314 POSTAGE & MAILING		156.34		156.34		
319 COMMUNICATIONS MCE		5.00		5.00		
322 PRINTING & BINDING		141.72	80.62	222.34		
326 SUBSCRIPTN/INFO SVC		106.35		106.35		
345 OFFICE FURN & EQUIP		168.57		168.57		
364 WORD PROCESSING EQPT		26.12		26.12		
367 OFFICE COPIER EQUIP		282.85		282.85		
396 MEMBERSHIP DUES/FEEs		15.00		15.00		
397 FREIGHT EXPRESS/CART		37.80		37.80		
TOTAL CONTRACTUAL SERVICES	15,400.00	2,539.90	80.62	2,620.52		12,779.48
400 SUPPLIES & MATERIALS	1,700.00					
431 STATIONERY & SUPPLIES		102.47		102.47		

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500 MACHINERY/EQUIPMENT	800.00					
553 DICTATION/TRANSCRIPT		68.00				
555 OTHER OFC MACH/EQUIP		1,283.70				
555 LIBRARY		98.85				
TOTAL MACHINERY/EQUIPMENT	800.00	1,450.55				
FCRP TOTAL PAROLE BOARD	124,800.00	56,761.79	419.30-	56,342.41	1,875.88	66,581.71
SUBPROGRAM						
GROUP 100	76,300.00	37,146.00		37,146.00		39,134.00
GROUP 200	30,600.00	15,412.67	500.00-	14,912.67		15,687.33
GROUP 300	15,400.00	2,539.90	80.62	2,620.52		12,779.48
GROUP 400	1,700.00	192.67		192.67	56.00	1,451.33
GROUP 500	800.00	1,450.55		1,450.55	1,819.88	2,470.43-

901-028-2710	CURRENT YEAR AUTHORIZATION BALANCES					PAGE 709
	FISCAL YEAR TO DATE 12/31/77					
HEALTH & SOC SERVICE	AUTHORIZATION	DISBURSEMENTS	TRANSFERS OUT	EXPENDITURES	RESTRICTIONS	BALANCE
SPRG TOTAL PAROLE BOARD	124,800.00	56,761.79	419.30-	56,342.41	1,875.88	66,581.71

500 MACHINERY/EQUIPMENT
 553 DICTATION/TRANSCRIPT
 555 OTHER OFC MACH/EQUIP
 555 LIBRARY
 TOTAL MACHINERY/EQUIPMENT
 FCRP TOTAL PAROLE BOARD
 SUBPROGRAM
 GROUP 100
 GROUP 200
 GROUP 300
 GROUP 400
 GROUP 500

The Citations were referred to the Rules Committee.

COMMUNICATIONS

A letter dated February 7, 1978 to Speaker Malone was received from Kent Dawson, Executive Assistant to the Governor, stating that Mr. Doug Riggs of the State of Alaska's Washington, D. C. office will be in Juneau the 8th, 9th and 10th of February for quarterly briefings with the Governor and Cabinet.

REPORTS OF STANDING COMMITTEES

CSSB 40 The Labor and Management Committee has had COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 40 (state and municipal employment) under consideration and a majority of the committee recommends it be replaced with HOUSE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 40 (same title) and that it do pass. Concurring: Brown (Chairman), Osterback, Anderson and McKinnon. Not concurring: Smith and Hayes have no recommendations.

CSSB 40 was referred to the Rules Committee for placement on the calendar.

HCR 97 The following is the Finance Vice-Chairman's report on HOUSE CONCURRENT RESOLUTION NO. 97: (establishing general funds available for appropriation for fiscal year 1979 and making tentative allocations to program categories).

HOUSE FINANCE COMMITTEE REPORT ON HOUSE CONCURRENT RESOLUTION NO. 97

Pursuant to Chapter 66 SLA 1977, the House Finance Committee has reviewed the fiscal outlook for fiscal year 1979 with particular attention to the expected level of petroleum-related revenues. After considering the possible variation in timing and magnitude of these revenue flows, the Committee has concluded that the best available estimate of unrestricted revenue for fiscal year 1979 is \$946,600,000, including funds accruing to the Renewal Resources Development Fund.

This estimate is based on the following assumptions:

1. Average daily Prudhoe oil production of 1,130,000 barrels per day limited by the capacity of the Trans-Alaska Pipeline. In theory, the pipeline with Pump Station #8 repaired and all other existing pump stations operating has a capacity of 1,300,000 BPD. A normal operating ratio for such a pipeline would be 97% or 1,261,000 BPD. Alyeska had publicly represented through-put capacity to be 1,200,000 BPD until recently when they reduced the estimate to 1,160,000 BPD due to greater-than-anticipated viscosity of Prudhoe crude. This would be an operating ratio of 89%. The assumed through-put of 1,130,000 BPD reflects an operating ratio of 87%.

2. A pipeline tariff of \$6.20 which is the average of the rates filed by the eight Alyeska owner companies. Based on protests by the State of Alaska, the United States Department of Justice, the Arctic Slope Regional Corporation, and the ICC's Bureau of Investigations and Enforcement, the ICC attempted to limit tariffs during an interim period (terminating around February 1, 1978) to an average of \$4.84 per barrel; but the Supreme Court suspended this interim tariff. This lesser ICC tariff was based solely on reducing the owner companies rate of return on equity to 22% from 45%. No reduction was made for other items of contention such as the depreciation period and inclusion of "cost over-runs" in the tariff base. The State hopes to split the ICC decision-making process to allow early resolution (possibly by mid-summer 1978) of those issues, such as the rate-of-return, that involve questions of methodology and not of fact. If successful, the tariff could be as low as \$4.84 during FY 79; however, the companies are almost certain to protest this split of the ICC proceedings should the Commission accept it.
3. Tanker charges are assumed to average \$1.00 to the West Coast and \$3.50 to the Gulf Coast. Prior to the beginning of North Slope production, the respective tariffs had been estimated at \$.70 and \$2.00 by both public and private sector analysts. The State views these charges as excessive and may attempt to limit them to reasonable amounts for severance tax purposes via either regulation or legislation. With respect to royalty, the State is currently seeking, by court action, to limit tanker charges used in determining the "value" upon which royalty is based.
4. 430,000 BPD of the 1,130,000 BPD produced are assumed to be marketed on the Gulf Coast. If more than this 38% of total production is sold on the Gulf Coast, the average Prudhoe wellhead value will be less, due to the fact that the additional \$2.50 in tanker charges would be absorbed by the producers. A December 1977 report from W.J. Levy Consultants Corporation indicates that, in fact, West Coast petroleum demand for electric power generation, for which the heavier North Slope crude is suited, may decline during 1978-1980 due to ending of the drought and the consequent increase in hydro-electric output, as well as new coal and nuclear-electric generating capacity.