

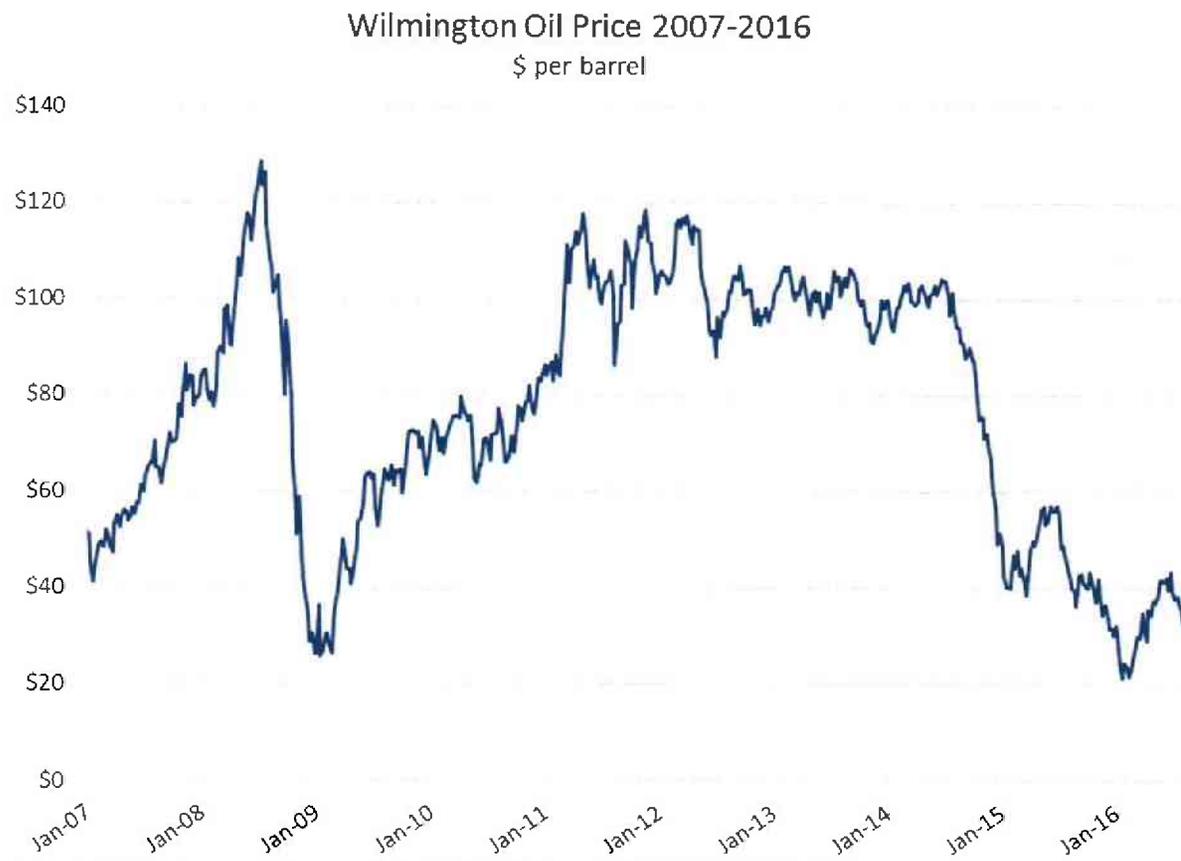
CITY OF
LONG BEACH

Oil Revenue and Impact on Proposed Budget

AUGUST 9, 2016



History of Oil Prices



Oil's Dramatic Revenue Decline

- Projected \$26.5 million reduction in Uplands revenue and a \$32.8 million reduction in Tidelands revenue at \$35 per barrel in FY 17 compared to FY 14 when it was close to \$100 per barrel
- Structural funding of \$17.5 million used to be about 4.4% of General Fund budget and now at \$5.8 million it represents just 1.4% of budget

Oil Revenue (Projections are very uncertain)

(In millions of \$)	FY 14 Actual	FY 15 Actual	FY 16 Projected	FY 17 Projected	FY 18 Projected	FY 19 Projected
Price Estimate*	\$99/bbl	\$55/bbl	\$35/bbl	\$35/bbl	\$40/bbl	\$45/bbl
Uplands	32.3	15.7	7.4	5.8	6.1	6.4
Tidelands	42.7	18.0	9.4	9.9	12.7	13.0

* Revenue is now very dependent on factors in addition to price per barrel

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