

CITY OF ANCHORAGE

1963

BUDGET

SECTION C

PORT OF ANCHORAGE

PORT OF ANCHORAGE  
SUMMARY OF REVENUES

Code	Description	Original Approved Budget <u>1962</u>	Adjusted Budget <u>1962</u>	Department Budget Request <u>1963</u>	City Manager Budget Recommendation <u>1963</u>	Council Approved <u>1963</u>
5302.1	Dockage	\$ 8,500	\$ 5,700	\$ 6,000	\$ 6,000	
5302.2	Wharfage	172,000	72,450	126,820	126,820	
5302.3	Service Charge	97,750	44,420	63,720	63,720	
5302.4	Demurrage	-0-	-0-	-0-	-0-	
5302.5	Storage	5,000	4,000	4,000	4,000	
5302.6	Car Loading	28,000	10,700	6,000	6,000	
5302.7	Handling	10,000	28,400	16,000	16,000	
5302.8	Manhour Services	-0-	3,200	1,300	1,300	
5302.9	Standby & Overtime	5,200	5,200	3,000	3,000	
5302.13	Utilities - Water	850	3,000	3,000	3,000	
5302.15	Miscellaneous Revenue	100	400	400	400	
5310	Open Storage	-0-	200	300	300	
5340-1-2-3	Cranes 1 thru 4	95,000	33,950	33,850	33,850	
5370	Property Rental	<u>6,530</u>	<u>8,310</u>	<u>15,000*</u>	<u>15,000*</u>	
	TOTAL REVENUE BUDGET	\$ 428,930	\$ 219,930	\$ 279,390	\$ 279,390	
			*Shell	\$ 10,000		
			Other	5,000		

## PORT OF ANCHORAGE

## OPERATING REVENUE INFORMATION

Revenue for 1963 is based on a cargo factor of 123,500 tons, an increase of 45,500 tons over 1962, and 85,241 tons over the first year of operation. It is to be noted that the major cargos estimated in 1963 consist of 58,000 tons of bulk fuel oil, 20,000 tons of oil field exploration equipment, and 10,000 tons of non-ferrous scrap. Estimates are based on 1961-1962 operating records, shipper and cargo quotations and anticipated local economic conditions during 1963. Terminal charges are set forth in Port of Anchorage Terminals Tariff No. 1.

Dockage: Dockage is a charge assessed to a vessel for docking at a wharf. There is little relationship between tonnage and dockage as many tugs and fishing vessels call at the Port for repairs, bunkers, and water.

Wharfage: Wharfage is a charge made against merchandise for its passage over Port dock facilities. It is directly related to tonnage and based on past operating experience it is estimated at \$1.03 a ton, including liquid products through pipelines at 6 cents a barrel.

Service Charge: Service charge is the charge assessed to ocean vessels owners or agents which load or discharge at the Anchorage dock, for special services provided by the Port staff - e.g., line handling, providing telephone service and giving information and data vital to carriers. The service charge is computed based upon a short ton of 2,000 pounds against cargo moving across the Port facility, and estimated at \$.97 per ton.

Storage, Inside: Storage revenues will remain approximately the same as 1962. Oil companies and local shippers will continue to use the transit shed at the same volume as last year.

Handling - Car Loading - Standby and Overtime: These charges are for the movement of cargo from the end of Ship's tackle to the first place of rest, or loading to rail cars or trucks. Standby and overtime is the charge for miscellaneous labor required in the handling or loading of cargo not included in commodity rates. It is estimated, based on 1961-1962 operating experience, that 4,000 tons will be handled under Terminal Tariff No. 1.

Utilities: The Port provides metered water and electrical service to all vessels. This service is provided more as a convenience than a major revenue item but water sales increased markedly during 1962 with the advent of off-shore drilling work. It is estimated these revenues will be the same during 1963.

Miscellaneous Revenue: Miscellaneous revenue has little bearing on cargo moving across the dock. The primary source of this revenue is overtime, forklift rental and heavy lift charges assessed by the Port of Anchorage against shippers.

Crane Rental: The Port rents its four level luffing cranes, unmanned, in quarter-hour units. Qualified local crane operators with 20 months' experience on the new cranes will materially reduce crane hours per ton of cargo loaded or discharged. Revenues for 1963 are estimated at 52 cents a ton, which is substantially lower than 1962. This is predicated on the volume of scrap metals, frozen meat, newsprint, vans and lumber to be handled during 1963.

Property Rental: Property rental covers revenue to be obtained through the lease of Port land and is based on the Port leasing an additional 5 to 8 acres during 1963.

## BUDGET SUMMARY

## Port of Anchorage

	<u>Actual Cost 1960</u>	<u>Actual Cost 1961</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved 1963</u>
Personal Service		\$ 47,818	\$ 78,980	\$ 75,510	\$ 80,107	\$ 69,867	
Contractual		88,038	113,200	108,020	81,214	81,214	
Supplies		7,717	10,700	7,420	5,980	5,980	
Capital		<u>-0-</u>	<u>-0-</u>	<u>370</u>	<u>200</u>	<u>200</u>	
TOTAL OPERATING BUDGET		\$ 143,573 *	\$ 202,880	\$ 191,320	\$ 167,501	\$ 157,261	
INTEREST		<u>-0-</u>	\$ <u>226,050</u>	\$ <u>28,610</u>	\$ <u>111,889</u>	\$ <u>122,129</u>	
TOTAL BUDGET AND AVAILABLE FOR INTEREST		\$ 143,573 *	\$ 428,930	\$ 219,930	\$ 279,390	\$ 279,390	

\* Port operated 8 months in 1961.

Terminal #1

APPROPRIATION DETAIL

Account #5402

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>			\$24,200			
.11	Terminals Manager	-0-		\$10,281	\$10,281	
	Assistant Terminals Manager	\$ 9,170		8,759	-0-	
	Pier Foreman	8,650		5,154*	5,154 *	
	Port Maintenance and Handyman	-0-		2,931	2,931	
	Billing Clerk	-0-		5,585	5,585	
	Less Charges to Leave Reserve			(1,364)	(1,103)	
	<b>TOTAL SALARIES</b>	\$17,820	\$24,200	\$31,346	\$22,848	
.12	Overtime	-0-	\$ 3,000	\$ 1,100	\$ 1,100	
.13	Accrued Leave	\$ 3,380	4,420	5,328	3,586	
	<b>TOTAL PERSONAL SERVICES</b>	\$21,200	\$31,620	\$37,774	\$27,534	
<u>Contractual</u>						
.23	Electricity & Water	\$12,000	\$14,000	\$13,200	\$13,200	
.25	Equipment Rental (City Owned)	1,200	1,870	1,644	1,644	
.26	Equipment Rental (Non-City Owned)	500	200	-0-	-0-	
.27	Maintenance & Repairs	2,250	2,250	600	600	
	<b>TOTAL CONTRACTUAL</b>	\$15,950	\$18,320	\$15,444	\$15,444	
<u>Supplies</u>						
.30	Miscellaneous	-0-	\$ 500	\$ 260	\$ 260	
.31	Building Materials	\$ 500	250	240	240	
.32	Food, Clothing, Medical	100	50	120	120	
.33	Gas, Oil, Grease	100	20	50	50	
.34	Heating Oil	3,000	3,000	2,900	2,900	
.39	Small Tool & Work Equipment	1,200	1,200	500	500	
	<b>TOTAL SUPPLIES</b>	\$ 4,900	\$ 5,020	\$ 4,070	\$ 4,070	

Port of Anchorage

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Terminal #1

APPROPRIATION DETAIL

Account #5402

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Capital</u>						
.84	Machinery & Equipment File Cabinet	-0-	\$ 170	\$ 100	\$ 100	
	TOTAL CAPITAL	-0-	\$ 170	\$ 100	\$ 100	
	TOTAL TERMINAL #1 EXPENSE	\$ 42,050	\$ 55,130	\$ 57,388	\$ 47,148	

\* Total salary of \$7,654 is reduced by \$2,500 which has been allocated to four (4) accounts.

Open Storage Yards

APPROPRIATION DETAIL

Account #5410

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>						
.11	Salaries	-0-	\$ 1,000	\$ 500	\$ 500	
	Less Charges to Leave Reserve			(20)	(20)	
	TOTAL SALARIES	-0-	\$ 1,000	\$ 480	\$ 480	
.13	Accrued Leave	-0-	\$ 160	\$ 80	\$ 80	
	TOTAL PERSONAL SERVICES	-0-	\$ 1,160	\$ 560	\$ 560	
<u>Contractual</u>						
.27	Maintenance & Repairs	\$ 1,500	\$ 500	\$ 600	\$ 600	
	TOTAL CONTRACTUAL	\$ 1,500	\$ 500	\$ 600	\$ 600	
	TOTAL OPEN STORAGE YARDS	\$ 1,500	\$ 1,660	\$ 1,160	\$ 1,160	

Port of Anchorage

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Roadway & Railroad

APPROPRIATION DETAIL

Account #5420

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>						
.11	Salaries	-0-	\$ 200	\$ 200	\$ 200	
	Less Charges to Leave Reserve			(10)	(10)	
	TOTAL SALARIES	-0-	\$ 200	\$ 190	\$ 190	
.12	Overtime		\$ 50			
.13	Accrued Leave	-0-	30	30	30	
	TOTAL PERSONAL SERVICES	-0-	\$ 280	\$ 220	\$ 220	
<u>Contractual</u>						
.27	Maintenance & Repairs	\$ 2,000	\$ 1,000	\$ 960	\$ 960	
	TOTAL CONTRACTUAL	\$ 2,000	\$ 1,000	\$ 960	\$ 960	
	TOTAL ROADWAY & RAILROAD EXPENSES	\$ 2,000	\$ 1,280	\$ 1,180	\$ 1,180	



Camels

APPROPRIATION DETAIL

Account #5421

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>						
.11	Salaries	-0-	\$ 600	\$ 300	\$ 300	
	Less Charges to Leave Reserve			(12)	(12)	
	TOTAL SALARIES		\$ 600	\$ 288	\$ 288	
.12	Overtime	-0-	\$ 20	\$ 100	\$ 100	
.13	Accrued Leave	-0-	100	50	50	
	TOTAL PERSONAL SERVICES	-0-	\$ 720	\$ 438	\$ 438	
<u>Contractual</u>						
.22	Contracted Labor & Equipment	\$ 1,500	\$ 2,000			
	Placement & Removal of Camels			\$ 1,400	\$ 1,400	
.27	Maintenance & Repairs	1,000	1,000	800	800	
	TOTAL CONTRACTUAL	\$ 2,500	\$ 3,000	\$ 2,200	\$ 2,200	
	TOTAL CAMEL EXPENSE	\$ 2,500	\$ 3,720	\$ 2,638	\$ 2,638	

## Cranes

## APPROPRIATION DETAIL

Account #5440

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>						
.11	Salaries	-0-	\$ 1,800	\$ 1,500	\$ 1,500	
	Less Charges to Leave Reserve			(60)	(60)	
	TOTAL SALARIES	-0-	\$ 1,800	\$ 1,440	1,440	
.12	Overtime	-0-	100	100	100	
.13	Accrued Leave	-0-	290	240	240	
	TOTAL PERSONAL SERVICES	-0-	\$ 2,190	\$ 1,780	\$ 1,780	
<u>Contractual</u>						
.22	Contracted Labor & Equipment	\$ 2,000	\$ 2,000			
	Electrical Consultant			\$ 2,500	\$ 2,500	
	Maintenance & Repairs	1,500	4,000	2,000	2,000	
	TOTAL CONTRACTUAL	\$ 3,500	\$ 6,000	\$ 4,500	\$ 4,500	
<u>Supplies</u>						
.33	Gas, Oil, Grease	\$ 500	\$ 200	\$ 450	\$ 450	
	TOTAL SUPPLIES	\$ 500	\$ 200	\$ 450	\$ 450	
	TOTAL CRANE EXPENSE	\$ 4,000	\$ 8,390	\$ 6,730	\$ 6,730	

Stevedore

APPROPRIATION DETAIL

Account #5470

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Contractual</u>						
.22	Contracted Labor & Equipment Stevedoring	\$35,600	\$37,000	\$19,000	\$19,000	
	TOTAL CONTRACTUAL	\$35,600	\$37,000	\$19,000	\$19,000	
	TOTAL STEVEDORE EXPENSE	\$35,600	\$37,000	\$19,000	\$19,000	

Administrative

APPROPRIATION DETAIL

Account #5490

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Personal Services</u>			\$33,000			
.11	Port Director	\$16,405		\$15,780	\$15,780	
	Traffic Manager	11,616		-0-	-0-	
	Business Manager	9,476		9,450	9,450	
	Executive Secretary	5,930		5,663	5,663	
	General Secretary	5,293		4,492	4,492	
	Less Charges to Leave Reserve			(1,475)	(1,475)	
	<b>TOTAL SALARIES</b>	<b>\$48,720</b>	<b>\$33,000</b>	<b>\$33,910</b>	<b>\$33,910</b>	
.13	Accrued Leave	\$ 9,060	\$ 6,540	\$ 5,425	\$ 5,425	
	<b>TOTAL PERSONAL SERVICES</b>	<b>\$57,780</b>	<b>\$39,540</b>	<b>\$39,335</b>	<b>\$39,335</b>	
<u>Contractual</u>						
.21	Advertising	\$ 1,100	\$ 900	\$ 1,500	\$ 1,500	
.22	Contracted Labor & Equipment	15,900	12,000			
	City Attorney			4,400	4,400	
	City Right of Way Agent			500	500	
	City Engineer			1,000	1,000	
	Consulting Engineer (TAMS)			4,000	4,000	
	Traffic Consultant			1,200	1,200	
	Janitorial Service			900	900	
.24	Insurance	20,500	17,000	17,000	17,000	
.25	Equipment Rental (City owned)	800	800	750	750	
.27	Maintenance & Repairs	200	200	150	150	
.28	Telephone, Telegraph, & Tolls	3,300	3,300	2,940	2,940	
.29	Travel, Dues & Publications	10,350	8,000	4,170	4,170	
	<b>TOTAL CONTRACTUAL</b>	<b>\$52,150</b>	<b>\$42,200</b>	<b>\$38,510</b>	<b>\$38,510</b>	

Administrative

APPROPRIATION DETAIL

Account #5490

<u>Code</u>	<u>Description</u>	<u>Original Approved Budget 1962</u>	<u>Adjusted Budget 1962</u>	<u>Department Budget Request 1963</u>	<u>City Manager Budget Recommendation 1963</u>	<u>Council Approved Budget 1963</u>
<u>Supplies</u>						
.35	Household & Janitorial Supplies	\$ 200	\$ 100	\$ 120	\$ 120	
.36	Office Supplies	1,800	1,000	560	560	
.37	Postage	700	500	400	400	
.38	Printed Forms	2,300	500	300	300	
.39	Small Tools & Equipment	300	100	80	80	
	TOTAL SUPPLIES	\$ 5,300	\$ 2,200	\$ 1,460	\$ 1,460	
<u>Capital</u>						
.84	Machinery & Equipment	-0-	\$ 200			
	File Cabinet			\$ 100	\$ 100	
	TOTAL CAPITAL	-0-	\$ 200	\$ 100	\$ 100	
	TOTAL ADMINISTRATIVE EXPENSE	\$ 115,230	\$ 84,140	\$ 79,405	\$ 79,405	
	TOTAL OPERATING BUDGET	\$ 202,880	\$ 191,320	\$ 167,501	\$ 157,261	
<u>Interest</u>						
.40	Available for Bond Interest	\$ 226,050	\$ 28,610	\$ 111,889	\$ 122,129	
	TOTAL BUDGET AND AVAILABLE FOR INTEREST	\$ 428,930	\$ 219,930	\$ 279,390	\$ 279,390	

## EXPENDITURE INFORMATION

Account #5402 - Terminals: The Terminals Division, consisting of a Terminals Manager, Pier Foreman, Billing Clerk and Port Handyman, is responsible for the operational functions of the Port of Anchorage. These involve the assembly of cargo within the Terminals area, engaging stevedore gangs and providing instructions on the operation of cranes, liaison with carriers for cargo delivery, coordination between vessels and ships' agents and government agencies engaged in the movement of foreign cargos. Also included in operating procedures is Port maintenance and security.

The Terminals Division is continually studying new maintenance methods and flexible security systems in order to lessen the number of off-duty hours devoted to each. The advent of private enterprise moving into the Port of Anchorage terminal reserve and the increased volume of cargo necessitated the hiring of a Billing Clerk and Handyman, who will be continued in the 1963 operating season.

Account #5410 - Open Storage Yards: The Port operates two storage yards south of the existing Terminal. Yard 1 is approximately six acres, and Yard 2 approximately half an acre. Yearly maintenance consists of grading and snow removal.

Account #5420 - Roadway and Railroad Spur: The Port owns and maintains approximately 4,000 feet of rail and spur tracks. Routine maintenance is performed by the Terminal Division and major repairs contracted to either the United States Government owned Alaska Railroad, or private firms specializing in this work. Although all Port roadways are dedicated streets, the Port has continued to perform all grading and snow removal.

Account #5421 - Camels: Camel logs and wood spaces are provided as a fender system on the 600 foot dock. The system was relatively trouble free during 1961, but during the winter months and 1962, there were indications that certain modifications may be in order during 1963. The reduction of total camel expense for 1963 is based on very optimistic estimates and unless the Port experiences fewer maintenance problems than during 1962, the budgeted amount will be exceeded.

Account #5440 - Cranes: The Port's four level luffing gantry cranes performed well during 1962. Crane operators and oilers, supervised by the Pier Foreman, performed routine maintenance during operating hours. It is anticipated a contract will be let with an electrical consultant during 1963 to service the intricate electrical system.

Account #5470 - Stevedore: Dockside labor is provided by North Star Terminals and Stevedore Company under Port of Anchorage Terminals Tariff No. 1 and a Stevedore Contract dated April 28, 1961. Carriers may elect to contract longshore services separately with the consent of the Port Director under Terminals Tariff No. 1, Item 70. It is anticipated that 4,000 short tons of cargo will be handled and/or carloaded this year under Terminals Tariff No. 1.

Account #5490 - Administrative: The Port will operate with a basic administrative staff of Port Director, Port Business Manager, and two secretaries.

The administrative work program for 1963 will be the promotion of the Port. Further studies of Alaskan trade development and initiation of corrective legislation and regulatory measures regarding the Port will be the key-stone of the development program.

Trade development will be assisted and improved by the exploitation of the Port's proximity to 60% of Alaska's population, direct water service and fewer and better handling methods.

Trade development and operating experience will implement tariff studies to provide cargo movement at the lowest rates economically feasible. Billing and office procedures will continually be revised to maintain a flexible organization, and timely reports of operation.

Account #5490.29 - Travel, Dues and Publications: This account, under the Administrative Section, includes the following:

Travel	\$ 2,120
Dues	550
Publications	150
Photographs	150
Trade Promotion	<u>1,200</u>
	\$ 4,170

During 1963 the following funds are estimated to be available in the Port accounts for debt service:

Balance of Construction Fund (pending final costs of incomplete projects)		\$ 118,254
1961 Earned Surplus		47,383
Initial Working Capital Fund Cash Transferred to Revenue Fund	91,705	
Less Transfer to Bond Sinking Fund	<u>72,015</u>	19,690
1962 Projected Operating Revenue Available for Debt Service		28,610
1963 Projected Operating Revenue Available for Debt Service		<u>122,129</u>
Total Estimated Funds Available for 1963 Debt Service		\$ 336,066

The following Port Debt Service must be met during 1963:

February 15, Interest	\$ 186,000
August 15, Interest	186,000
August 15, Principal	<u>35,000</u>
TOTAL 1963 PORT DEBT SERVICE	407,000
Less Estimated Funds Available	<u>336,066</u>
ESTIMATED DEFICIT	\$ 70,934

Steps are now in progress regarding a professional appraisal and forecast of the Port's activities and potential to determine with greater accuracy the extent of the 1963 debt service problem as well as that which may continue to exist for several years. The City Council, City Administration and the Port Commission are also working toward all possible solutions leading to increased tonnage coming over the City Port facilities.

Based on the facts as detailed herein and pending additional developments during the coming months it is sufficient at this time to indicate the City's complete awareness of the problem and the possibility that an interim 'loan' from other City funds to the Port fund for debt service may be desirable during the 1963 fiscal period.

The 1963 budget was approved by ~~Tippets-Abbett-McCarthy-Stratton~~, as required by the Trust Agreement.