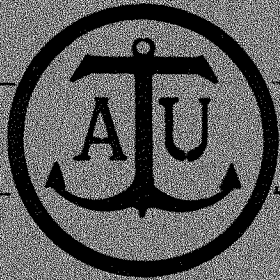
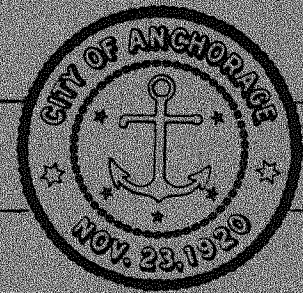


# ANNUAL BUDGET



**TELEPHONE UTILITY**



DEPARTMENT				SUMMARY			PAGE
ANCHORAGE TELEPHONE UTILITY							
SUMMARY OF RETAINED EARNINGS	1965	1966	1967	1968	1969		
	ACTUAL	ACTUAL	ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND.	APPROVED
Balance, January 1	(8,765)	86,374	(46,734)	968,976	679,856	679,856	679,856
Net Earnings - December 31	660,976	645,282	902,189	744,927	1,053,810	1,856,932	1,853,283
Depreciation	692,233	966,331	1,006,313	1,095,280	1,613,000	1,200,280	1,200,280
Extraordinary Retirement		160,000	160,000	176,152	181,680	181,680	181,680
Plant Retirement	4,241	(25,232)	134,736				
	1,348,685	1,832,755	2,156,504	2,985,335	3,528,346	3,918,748	3,915,099
<u>Distribution</u>							
Debt Retirement	(570,000)	(540,000)	(530,000)	(530,000)	(520,000)	(520,000)	(520,000)
Debt Reserve	( 16,000)	( 67,480)	(110,020)	(162,500)	(195,500)	(195,500)	(195,500)
Plant Additions	(550,000)	(910,000)	(147,154)	(1,300,000)	(1,600,000)	(1,450,000)	(1,450,000)
City Franchise Tax	(153,000)	(324,819)	(348,088)	(312,979)	(261,070)	(369,720)	(369,720)
Prior Year Adjustments	26,689	( 37,190)	( 52,266)				
	(1,262,311)	(1,879,489)	(1,187,528)	(2,305,479)	(2,576,570)	(2,535,220)	(2,535,220)
Balance - Retained Earnings	86,374	( 46,734)	968,976	679,856	951,776	1,383,528	1,379,879

DEPARTMENT				SUMMARY			PAGE
TELEPHONE UTILITY							
	1965	1966	1967	1968	1969		
	ACTUAL	ACTUAL	ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND.	APPROVED
<u>Operating Revenue</u>							
Local Service	3,336,425	4,074,235	4,579,860	4,860,000	5,460,000	5,900,000	5,900,000
Public Telephone	125,380	108,779	127,438	140,000	160,000	180,000	180,000
Toll Service	440,717	4,229,303	4,820,853	5,495,000	6,285,000	6,285,000	6,285,000
Miscellaneous	80,620	98,952	212,421	193,000	242,300	244,300	244,300
Uncollectible Revenues	( 35,973)	( 58,680)	(122,717)	(100,000)	(100,000)	(88,000)	(88,000)
Total Operating Revenues	3,947,169	8,452,589	9,617,855	10,588,000	12,047,300	12,521,300	12,521,300
<u>Operating Expenses &amp; Taxes</u>							
Maintenance	1,208,017	1,255,090	1,226,113	1,135,816	1,334,950	1,334,950	1,334,950
Traffic	199,260	239,791	286,712	373,281	431,280	431,280	431,280
Commercial	200,217	359,943	391,957	616,207	642,760	658,710	663,720
General Office Salaries & Expense	435,170	337,273	423,756	433,435	451,300	527,548	526,187
Other Operating Expense	100,411	3,830,842	4,423,428	4,972,298	5,510,520	5,510,520	5,510,520
Depreciation	692,233	966,331	1,006,313	1,095,280	1,613,000	1,200,280	1,200,280
Extraordinary Retirement		160,000	160,000	176,152	181,680	181,680	181,680
Gross Revenue Tax	214,737	227,331	263,460	312,979	380,000	371,400	371,400
Total Operating Expenses & Taxes	3,050,045	7,376,601	8,181,739	9,115,448	10,545,490	10,216,368	10,220,017
Net Operating Income	897,124	1,075,988	1,436,116	1,472,552	1,501,810	2,304,932	2,301,283
<u>Other Income</u>							
Interest Income	8,770	27,745	146,921	100,000	185,000	185,000	185,000
Capitalized Interest					325,000	325,000	325,000
Gain on Sale of Land			7,287				
Income Available for Fixed Charges	905,894	1,103,733	1,590,324	1,572,552	2,011,810	2,814,932	2,811,283
<u>Other Deductions</u>							
Interest on Funded Debt	242,000	450,799	688,135	827,625	958,000	958,000	958,000
Contribution to Garage		7,652					
Debt Retirement	570,000	540,000	530,000	540,000	520,000	520,000	520,000
Debt Retirement Reserve	75,000	85,000	140,000	162,500	195,500	195,500	195,500
City Franchise Tax (Contribution)	153,000	324,819	348,088	312,979	261,070	369,720	369,720
Net Income	(134,106)	(304,537)	(115,899)	(270,552)	77,240	771,712	768,063

DEPARTMENT		ACCOUNT TITLE		ACCOUNT NUMBER		DETAIL		B	PAGE
Telephone		Revenue & Expense							
CODE NO.	REVENUE CLASSIFICATION	1967	1968	1969					
		ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND	APPROVED			
2500.0000	<u>Local Service Revenues</u>								
	Subscriber Station	4,579,860	4,860,000	5,460,000	5,900,000	5,900,000			
2501.0000	Public Telephone	127,438	140,000	160,000	180,000	180,000			
	Total	4,707,298	5,000,000	5,620,000	6,080,000	6,080,000			
	<u>Toll Service Revenues</u>								
2510.0000	Message Tolls	4,820,853	5,495,000	6,285,000	6,285,000	6,285,000			
	Total	4,820,853	5,495,000	6,285,000	6,285,000	6,285,000			
	<u>Miscellaneous Revenues</u>								
2521.0000	Telegraph Commissions	29,317	28,000	28,000	30,000	30,000			
2523.0000	Directory Advertising & Sales	168,644	150,300	200,000	200,000	200,000			
2524.0000	Rent Revenues	4,021	4,200	3,800	3,800	3,800			
2526.0000	Other Operating Revenue	10,439	10,500	10,500	10,500	10,500			
	Total	212,421	193,000	242,300	244,300	244,300			
	Uncollectible Operating Revenues (Dr)	(122,717)	(100,000)	(100,000)	(88,000)	(88,000)			
	Total Operating Revenue	9,617,855	10,588,000	12,047,300	12,521,300	12,521,300			

## CITY OF ANCHORAGE

DEPARTMENT		ACCOUNT TITLE	ACCOUNT NUMBER	DETAIL	B	PAGE
Telephone		Revenue & Expense				
CODE NO.	EXPENDITURE CLASSIFICATION	1967	1968	1969		
		ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND	APPROVED
	<u>Maintenance Expense</u>					
2602.1000	Repairs of Pole Line	4,103	1,959	5,760	5,760	5,760
2602.2000	Repairs of Aerial Cable	178,736	85,401	84,910	84,910	84,910
2602.3000	Repairs of U. G. Cable	8,442	8,469	9,600	9,600	9,600
2602.4000	Repairs of Buried Cable	23,823	4,568	5,760	5,760	5,760
2602.6000	Repairs of Aerial Wire	30,250	27,418	13,010	13,010	13,010
2602.7000	Repairs of U.G. Conduit	2,103	1,305	960	960	960
2602.8000	Shop Repairs & Salvage Adj.			1,000	1,000	1,000
2603.0000	Test Desk Work	80,326	87,768	80,380	80,380	80,380
2604.0000	Repairs of C.O. Equipment	310,720	303,215	326,830	326,830	326,830
2605.0000	Repairs of Station Equipment	571,036	583,513	677,800	677,800	677,800
2606.0000	Repairs of Bldg. & Grounds	13,178	25,200	38,500	38,500	38,500
2610.0000	Maintaining Trans. Power	3,396	7,000	9,000	9,000	9,000
2612.0000	Other Maintenance Expenses			81,440	81,440	81,440
	Total	1,226,113	1,135,816	1,334,950	1,334,950	1,334,950
	<u>Traffic Expense</u>					
2621.0000	General Traffic Supervisor	21,345	22,624	27,280	27,280	27,280
2622.0000	Service Inspector & Customer Inspector			17,200	17,200	17,200
2624.0000	Operators' Wages	250,274	331,451	324,620	324,620	324,620
2627.0000	Operators Employment & Train.		5,000	11,230	11,230	11,230
2629.0000	C.O. Stationary & Printing			50,000	50,000	50,000
2630.0000	C.O. House Service			3,680	3,680	3,680
2631.0000	Misc. C. O. Expenses	15,093	14,206	5,070	5,070	5,070
2635.0000	Joint Traffic Expense(CR)			(7,800)	(7,800)	(7,800)
	Total	286,712	373,281	431,280	431,280	431,280

DEPARTMENT		ACCOUNT TITLE		ACCOUNT NUMBER		DETAIL		B	PAGE
Telephone		Revenue and Expense							
CODE NO.	EXPENDITURE CLASSIFICATION	1967	1968	1969					
		ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND	APPROVED			
	<u>Commercial Expense</u>								
2640.0000	General Commercial Expense			37,600	37,600	37,600			
2642.0000	Advertising	2,665	20,000	15,000	15,000	15,000			
2643.0000	Sales Expense	51,866	57,553	62,560	62,560	62,560			
2644.0000	Connecting Co. Relations	5,154	5,300	8,500	8,500	8,500			
2645.0000	Local Comm. Operations	297,288	495,271	476,300	492,250	497,260			
2648.0000	Public Telephone Commissions	16,307	16,500	16,000	16,000	16,000			
2649.0000	Directory Expense	18,677	21,583	26,200	26,200	26,200			
2650.0000	Other Commercial Expense			600	600	600			
	Total	391,957	616,207	642,760	658,710	663,720			
	<u>General Office Salary &amp; Expense</u>								
2661.0000	Executive Department	91,176	99,546	101,600	132,390	138,260			
2662.0000	Accounting Department	291,925	244,738	302,400	320,304	313,044			
2663.0000	Treasury Department		10,000	10,000	10,000	10,000			
2664.0000	Law Department	15,225	16,578	16,500	16,950	16,950			
2665.0000	Other General Office Salary & Expense	25,430	62,573	20,800	47,904	47,933			
	Total	423,756	433,435	451,300	527,548	526,187			
	<u>Other Operating Expense</u>								
2668.0000	Insurance	41,544	31,300	53,000	53,000	53,000			
2669.0000	Accidents & Damages			500	500	500			
2671.0000	Operating Rents	52,364	40,400	48,900	48,900	48,900			
2672.0000	Relief & Pensions	122,118	144,225	215,380	215,380	215,380			
2673.0000	Tel. Franchise Requirement (DR)		38,900	40,000	40,000	40,000			
2675.0000	Other Expenses	4,274,280	4,914,975	5,356,000	5,356,000	5,356,000			
2676.0000	Tel. Franchise Requirement (CR)		(38,900)	(40,000)	(40,000)	(40,000)			
2677.0000	Expense Charged to Constr.	(66,878)	(158,602)	(163,260)	(163,260)	(163,260)			
	Total	4,423,428	4,972,298	5,510,520	5,510,520	5,510,520			

CITY OF ANCHORAGE

DEPARTMENT		ACCOUNT TITLE	ACCOUNT NUMBER	DETAIL	B	PAGE
Telephone		Revenue & Expense				
CODE NO.	EXPENDITURE CLASSIFICATION	1967	1968	1969		
		ACTUAL	REVISED BUDGET	REQUEST	RECOMMEND	APPROVED
2608.0000	Depreciation	1,006,313	1,095,280	1,613,000	1,200,280	1,200,280
2609.0000	Extraordinary Retirement	160,000	176,152	181,680	181,680	181,680
2305.0000	Gross Revenue Tax - PILOT	263,460	312,979	380,000	371,400	371,400
	Total Operating Expense & Taxes	8,181,739	9,115,448	10,545,490	10,216,368	10,220,017
	Net Operating Income	1,436,116	1,472,552	1,501,810	2,304,932	2,301,283
	<u>Other Income (Non Operating)</u>					
2313.0000	Interest Income	146,921	100,000	185,000	185,000	185,000
2313.0100	Capitalized Interest			325,000	325,000	325,000
	Gain on Sale of Land	7,287				
	Income Available for Fixed Charges	1,590,324	1,572,552	2,011,810	2,814,932	2,811,283
	<u>Interest and other Deductions</u>					
2335.0000	Interest on Funded Debt	688,135	827,625	958,000	958,000	958,000
	Debt Retirement	530,000	540,000	520,000	520,000	520,000
	Debt Retirement Reserve	140,000	162,500	195,500	195,500	195,500
	City Franchise Tax	348,088	312,979	261,070	369,720	369,720
	NET INCOME	(115,899)	(270,552)	(77,240)	771,712	768,063

## TELEPHONE

## INTERFUND CHARGES FROM OTHER DEPARTMENTS

	<u>Manager Recommends</u>	<u>Council Approved</u>
Mayor & City Council	16,700	16,680
<u>City Manager</u>		
City Manager	23,930	26,030
Personnel	2,620	2,620
Internal Auditor	7,320	7,280
Community Promotion	200	200
Data Processing	217,460	214,380
<u>City Attorney</u>		
Law	16,950	16,950
Property Management - Charged to Construction	15,500	15,440
<u>Finance</u>		
Administration	2,710	-0-
Controller	57,930	56,840
Treasury	140,310	139,970
Courier-Stockroom	921	950
Utility Bill Mailing	21,969	21,969
Utility Customer Service	186,170	191,180
<u>Traffic Engineering</u>		
Signal Maintenance Elect.	3,000	3,000
<u>Parks &amp; Recreation</u>		
Parks	750	750
<u>Miscellaneous</u>		
Miscellaneous	4,620	4,620
Contingency	21,000	21,000
Rent - City Hall	7,920	7,920
TOTAL	<u>742,000</u>	<u>747,779</u>



ANCHORAGE TELEPHONE UTILITY  
Personnel Allocations  
'66-'69

<u>CLASSIFIED</u>	<u>'66</u>	<u>'67</u>	<u>'68</u>	<u>'69</u>	<u>Manager Recommends</u>	<u>Council Approved</u>		
Manager and Staff	7	7	7	9	9	9		
Operations	7	8	8	10	10	10		
Central Office Engineering & Installations	2	3	3	3	3	3		
Outside Plant & Construction	3	3	4	4	4	4		
Administrative	<u>4</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>5</u>	<u>5</u>		
	<u>23</u>	<u>25</u>	<u>27</u>	<u>32</u>	<u>31</u>	<u>31</u>		
<u>UNION</u>		<u>Foremen</u>			<u>Other</u>			
	<u>'66</u>	<u>'67</u>	<u>'68</u>	<u>'69</u>	<u>'66</u>	<u>'67</u>	<u>'68</u>	<u>'69</u>
<u>OPERATIONAL PERSONNEL</u>								
Installation & Maintenance	4	5	5	6	45	48	54	58
Central Office & Plant Service	4	3	3	3	33	33	37	35
Commercial & Marketing	-	-	-	-	13	14	14	13
Traffic	1	-	-	-	28	30	40	46
Administrative Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>
	<u>9</u>	<u>8</u>	<u>8</u>	<u>9</u>	<u>126</u>	<u>133</u>	<u>153</u>	<u>160</u>
<u>CONSTRUCTION PERSONNEL</u>								
Construction and Splicing	3	3	3	3	26	35	19	12
Engineering	1	1	2	2	16	16	11	7
Central Office Installation	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>3</u>
	<u>4</u>	<u>4</u>	<u>6</u>	<u>6</u>	<u>42</u>	<u>51</u>	<u>32</u>	<u>22</u>
<u>SUMMARY</u>	<u>'66</u>	<u>'67</u>	<u>'68</u>	<u>'69</u>	<u>Manager Recommends</u>	<u>Council Approved</u>		
<u>OPERATIONAL PERSONNEL</u>								
Classified	23	25	27	32	31	31		
Union - Foremen	9	8	8	9	9	9		
Union - Other	126	133	153	160	160	160		
<u>CONSTRUCTION PERSONNEL</u>								
Union - Foremen	4	4	6	6	6	6		
Union - Other	<u>42</u>	<u>51</u>	<u>32</u>	<u>22</u>	<u>22</u>	<u>22</u>		
<b>TOTAL</b>	<u><u>204</u></u>	<u><u>221</u></u>	<u><u>226</u></u>	<u><u>229</u></u>	<u><u>228</u></u>	<u><u>228</u></u>		

ANCHORAGE TELEPHONE UTILITY  
1969 Construction Program

PAGE

1. Construction will be limited by the availability of funds. With voter rejection of removing the interest rate on \$3,000,000 of authorized, but unsold bonds the Utility must market \$2,500,000 of 6% limit bonds in December 1968.
2. 1969 Construction will encompass the following:

NORTH WIRE CENTER

Building Addition (additional floor)	400,000
Central Office Addition (3500 lines/3100 terminals)	750,000
Inter-Office Trunking (terminations only)	75,000
Outside Plant (replacement)	200,000
Outside Plant (new)	710,000
	<u>2,135,000</u>

SOUTH WIRE CENTER

Central Office Addition (1000 lines/1000 terminals)	200,000
Inter-Office Trunking (terminations only)	25,000
Outside Plant (replacement)	300,000
Outside Plant (new)	341,000
	<u>866,000</u>

EAST WIRE CENTER

Central Office Addition (1200 lines/1200 terminals)	300,000
Inter-Office Trunking (terminations only)	25,000
Outside Plant (replacement)	200,000
Outside Plant (new)	340,000
	<u>865,000</u>

SYSTEM-WIDE REQUIREMENTS

Sub-Garage Construction	200,000
Purchase Large Switchboard Systems (over 100 lines)	100,000
Purchase Key Equipment/Small Switchboard Systems	185,000
Purchase-Telephones	90,000
Instrument Rebuild	150,000
Station Installation-Labor & Material	750,000
	<u>1,475,000</u>

Total

5,341,000

ANCHORAGE TELEPHONE UTILITY  
1969 Construction Program

PAGE

## 3. Funding available for this program is as follows:

Uncommitted 1967 Bond Funds (12/31/68)	260,000
Depreciation Reserve (1968)	1,675,000
1967 Bonds to be Sold December 1968	2,500,000
1965 Bonds - 5% limitation - to be sold Oct. 1969	<u>3,000,000</u>
	<u>7,435,000</u>

## 4. The difference between the programmed schedule of construction and the funding available as of 1/1/69 of \$906,000 will have to be met during the year 1969.

Utility financial programming calls for a new revenue bond issue of \$5,500,000 to be brought to the voter, possibly in the Fall of 1969 or earlier. These funds are essential if the communication needs of the Greater Anchorage Area are to be met on schedule.