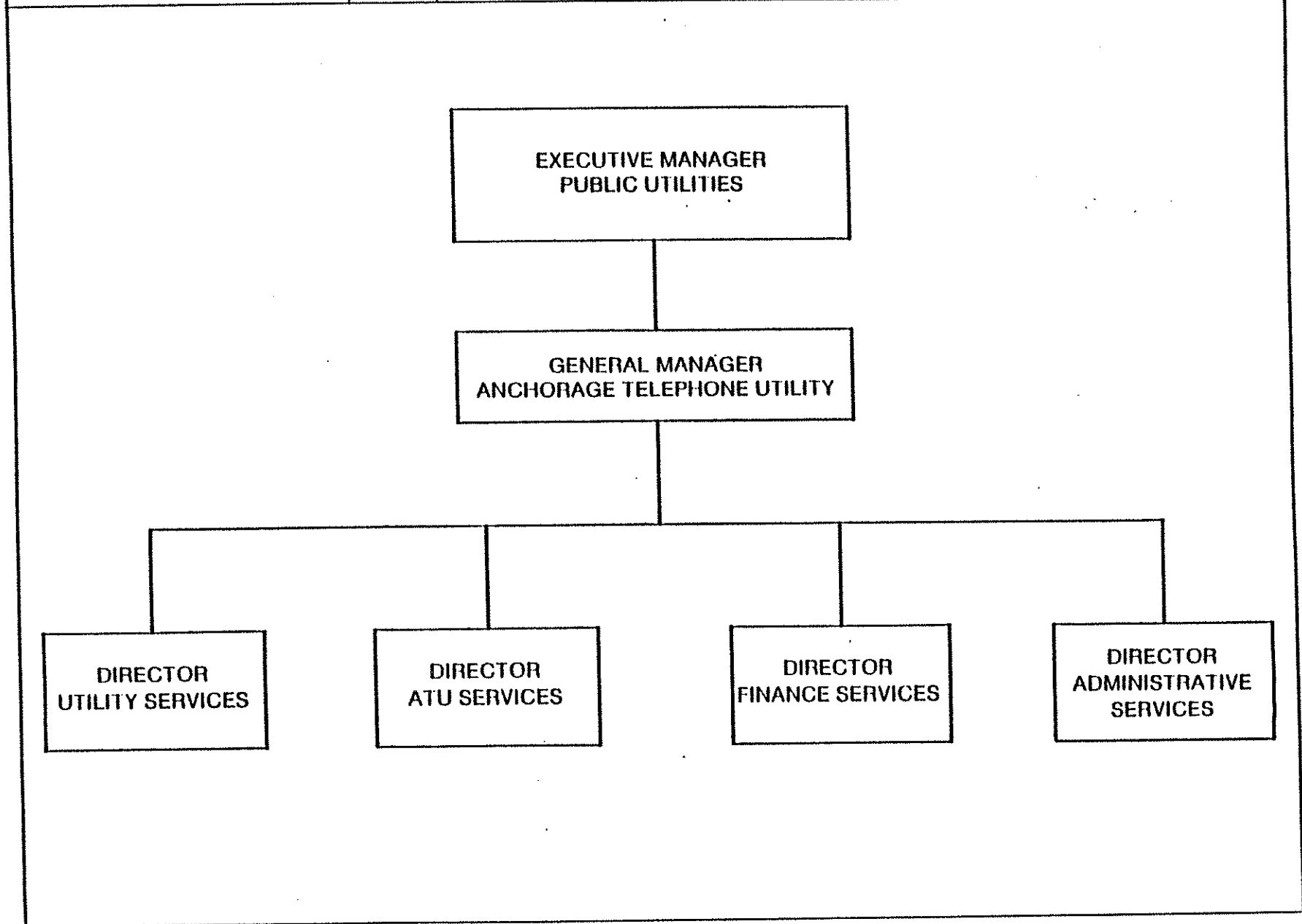


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## MUNICIPALITY OF ANCHORAGE

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## MISSION

Provide all customers with telecommunications services and products tailored to their individual requirements by developing a financially viable and operationally efficient organization offering a wide range of services and products at reasonable and affordable prices both now and into the future.

## GOALS TO ACCOMPLISH MISSION

1. Provide prompt, efficient, and courteous service to customers, with concern for their individual needs.
2. Maintain modern and technologically sophisticated switching and transmission systems that will meet customer service requirements.
3. Provide a management structure with sufficient skills to direct our activities in the most efficient and economical manner.
4. Actively formulate and implement comprehensive strategic, market, product, technological, operational and financial plans in order to establish a clear direction for the organization.
5. Achieve the revenue requirement for regulated services and optimize annual revenues in non-regulated services.
6. Establish optimum control over expenses.
7. Provide price competitive, quality product lines in customer premise equipment that meet market demands.
8. Improve market share in customer premise equipment product lines.
9. Enhance the data processing services to improve customer service, reduce costs through automation; and provide timely, more detailed information for management decision-making.
10. Promote the public image of ATU and educate the public on continuing industry developments.
11. Offer a work climate that is motivating, and promotes individual responsibility, employee performance, and pride.
12. Maintain employee competence through a fair, equitable, and progressive recruitment program.

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13. Conduct an open dialog with customers, employees, the financial community, and all levels of government on these goals and other appropriate matters.

#### PLANNING ASSUMPTIONS

The following assumptions are used in developing ATU's 1986-1991 Business Plan:

1. The technological advances in telecommunications such as digital switching, fiber optic cable, and cellular radio will not significantly change during the planning period and ATU will maximize the use of these technologies in its network.
2. Digital switching systems will serve ATU customers and provide the latest convenience and reliability features.
3. Growth in access lines will average six percent (6%) per year through 1987 and plateau at an annual growth rate of four per cent (4%) thereafter.
4. The market potential for business communications systems in Anchorage will continue to expand through the planning period. The market segments that will experience the highest growth will be private branch exchanges, data networks and key systems.
5. The market for customer premise equipment will show an increased tendency for both residential and business customers to own their own equipment. Price will be the primary consideration for purchase by home users and functions, features, reliability and financing alternatives will be the major criteria for the commercial customer.
6. A permit to provide cellular mobile radio service will be granted to a joint venture of ATU and the Matanuska Telephone Association by the FCC.
7. Extended area service will be provided to Girdwood, Bird and Indian in 1985, eliminating toll charges for telecommunication services between Anchorage and these sister communities.
8. Local and long-distance products and services, which by-pass the public network, will be offered in the competitive market by ATU Services.
9. Conveniently located customer service centers, which emphasize decentralized one-stop shopping for subscribing to service, purchasing equipment and paying bills, will be implemented beginning in 1985.

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<p>10. A retail store that caters to the business customer will be opened and staffed by ATU Services in 1985.</p> <p>11. The pricing of services will trend towards usage and cost as the basis for determination.</p> <p>12. The unbundling of local rates will be implemented in 1985. This will provide for a separate rate for local access and the telephone instrument.</p> <p>13. End user charges will be implemented for single line business and residential telephone subscribers for access to the interstate toll network.</p> <p>14. The industry cost separations procedures adopted by the Alaska Public Utilities Commission will continue as the method of sharing intrastate interexchange revenues for the foreseeable future; however, significant intrastate interexchange revenue requirements will be shifted to local ratepayers.</p> <p>15. Interexchange carrier access to ATU's network will be paid through access charges for interstate service instead of traditional cost settlement methods.</p> <p>16. The revenue requirement derived for interstate access charges will be equivalent to those that would have been developed under cost settlement methods.</p> <p>17. Prior year toll settlement negotiations with Alascom will continue and resolution achieved as rapidly as possible.</p> <p>18. A continued emphasis will be placed upon developing a marketing, sales and service oriented organization for both regulated and non-regulated services and products.</p> <p>19. A comprehensive, formally organized planning process will be in place which will ensure the timely preparation of strategic, sales, operational, capital, and financial plans and provide for the routine monitoring of performance against these plans.</p> <p>20. The Municipal government will continue to recognize and support the evolving enterprise nature of ATU's non-regulated activities.</p> <p>21. The trend towards functional decentralization of Municipal services will continue allowing ATU more responsibility in these areas.</p>					

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<p>22. Some Municipal policies, procedures, and regulations will be modified to accommodate more cost effective and timely delivery of both regulated and non-regulated products and services.</p> <p>23. An integrated accounting and financial reporting system will be implemented by ATU, supporting both regulated and non-regulated activities.</p> <p>24. The purchase and installation of the Dedicated Customer Reporting and Information System (DECRIS) will continue implementation.</p> <p>25. The comprehensive career development and training program design will continue to be refined and enhanced.</p> <p>26. The ATU-IBEW labor agreement will be modified to provide more efficient, flexible and economical compensation plans for sales, marketing and marketing support employees.</p> <p>27. Current ATU facilities are adequate to meet future office and operations space requirements; however, extensive remodeling will be required and there will be an increased emphasis placed upon security in all facilities.</p>					
FACTORS DRIVING THE UTILITY					
<p>1. Continued growth in the Anchorage population with concomitant increase in demand for efficient, timely, and reliable residential telephone service.</p> <p>2. Commercial and industrial development within ATU's service area affecting the demand for modern and competitively priced business telecommunications services.</p> <p>3. Rising customer awareness of, and expectation for, custom, quality and price effective products and services.</p> <p>4. Transition of the customer premise equipment sales and services division from a regulated monopoly to a non-regulated competitive organization.</p> <p>5. Increased competition in all areas of customer premise equipment sales and service.</p>					

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<p>6. Continued de-regulation developments within the telephone industry.</p> <p>7. Inherent lag in the regulatory process before the Alaska Public Utilities Commission.</p> <p>8. FCC mandated implementation of end user charges.</p> <p>9. Development of intrastate settlement methodology.</p> <p>10. Unbundling of basic service rates.</p> <p>11. Municipal Government policies impacting the operation of the utility.</p> <p>12. Need for development of specialized accounting and financial systems.</p> <p>13. Advanced telecommunications technology which provide ATU with opportunities to offer new services and generate additional revenues. These new technologies will also challenge the Utility since they may allow affordable by-pass of ATU's facilities.</p> <p>14. Human resource planning, 1982 Consent Decree, and the implementation of a career development and training program.</p>					

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OBJECTIVES AND PROGRAMS  
ADMINISTRATIVE SERVICES  
AND GENERAL MANAGER'S OFFICE  
DIVISION

## MUNICIPALITY OF ANCHORAGE

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General Manager's Office

## 1. PROMOTE A UTILITY EMPHASIS ON ACHIEVING CUSTOMER SATISFACTION

- Stress accountability to customer as the primary business philosophy with all levels of personnel in the organization.
- Enhance customer feedback mechanisms, such as satisfaction polls addressing key issues of customer concern.
- Provide incentives, such as personal recognition and monetary rewards for personnel who contribute effective suggestions on improving customer relations.
- Provide the public with open house visitation schedules at the Utility facilities.

## 2. PROMOTE LONG-RANGE STRATEGIC PLANNING EMPHASIS

- Provide active executive support for the development of a formal planning process within the Utility.
- Develop a program of timely, periodic, and consistent status sessions on financial, technological, operational, capital, and strategic plans involving each director and manager at the Utility.
- Issue positive direction and decisions based upon the alternatives highlighted in these sessions.

## 3. IMPROVE ORGANIZATIONAL EFFECTIVENESS

- Establish timely, and consistent management staff sessions for directors to discuss critical business issues.
- Develop Utility organizational structure that is designed to foster interdependency and interdivisional unity.
- Establish clear and unique lines of authority and responsibility for each division and communicate these to each employee.
- Remove redundant levels of supervision.



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- ° Utilize employee surveys to monitor employee reactions and perceptions to the effectiveness of their organization.

#### 4. DEVELOP FORMAL INDUSTRIAL RELATIONS POLICY

- ° Staff an executive level group to administer labor/management issues in a timely and proactive manner.
- ° Address key employee issues regarding work rules, staffing ratios, enterprise considerations of the non-regulated division, and productivity incentives.
- ° Develop a formal ATU workforce planning process and procedure that will anticipate the need to retrain workers as technology changes and ensure that a consistently adept workforce is available.
- ° Promote a Career Development Task Force made up of employees from all ranks within the Utility that will address career opportunities within ATU.
- ° Develop formal negotiations' analysis and planning for major bargaining unit contract negotiations.

#### 5. PROMOTE EMPLOYEE AWARENESS AND A POSITIVE WORKING ATMOSPHERE

- ° Promote an employee awareness of individual responsibility and that each employee has a vested interest in the performance of the Utility through consistent communication programs that address the importance and individual worth of each employee to the Utility.
- ° Sponsor employee orientation seminars for all employees, both old and new that provide an overview of the Utility, the management structure, and the relationship between the different sections.
- ° Publish a General Manager's Newsletter providing timely and factual information on the state of the Utility and the important issues facing the Utility, including business plans and budgets.
- ° Provide a formal feedback mechanism through which the employee may ask pertinent questions about the Utility or make suggestions and receive a timely and positive reply.
- ° Promote management integrity by adopting a fair and objective system of employee appraisal and consideration for promotions.

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## 6. ENHANCE PUBLIC AWARENESS AND IMPROVE PUBLIC IMAGE OF THE UTILITY

- ° Staff External Affairs function with professional public relations employees.
- ° Issue press releases to inform public on regulatory issues as they affect the Utility and how the Utility will respond.
- ° Utilize all public forums, such as Community Council meetings, to bring the identity and importance of ATU to the community.
- ° Adopt conciliatory posture, in keeping with prudent business concerns, with agencies and boards with which the Utility must interface in order to promote a congenial working relationship.
- ° Actively participate in the Municipal open door program and present worthwhile programs to the public at these sessions.

## 7. ADDRESS UTILITY RELATED LEGAL ISSUES EFFECTIVELY AND ON TIME

- ° Staff with an attorney devoted to non-regulatory affairs of the Utility, such as Consent Decree litigation, contracts, negotiations, and real estate issues.
- ° Staff with an attorney devoted to the regulatory issues and proceedings before the Alaska Public Utilities Commission and the Federal Communications Commission.
- ° Develop attorneys as participating members of the executive staff.

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Data Processing Section

1. UPGRADE DIRECTORY ASSISTANCE SYSTEM TO IMPROVE AVERAGE WORK TIME.
  - ° Procure computerized directory system.
  - ° Upgrade existing computer hardware to support new directory system.
  - ° Install computerized directory system.
2. AUTOMATE RECORDS MANAGEMENT FUNCTIONS TO IMPROVE OPERATIONAL EFFICIENCY AND CUSTOMER RELATIONS.
  - ° Procure Dedicated Customer Information System (DECRIS).
  - ° Reorganize data processing personnel to include staffing the IBM installation at East Wire Center.
  - ° Install Honeywell hardware to support DECRIS.
  - ° Implement DECRIS automated service order, billing, and accounts receivable.
  - ° Implement DECRIS Carrier Access Billing (CABS).
  - ° Implement DECRIS automated plant services.
  - ° Develop capabilities to cut and duplicate microfiche for DECRIS support.
  - ° Procure and implement Geo-processing techniques for Continuing Property Records and mapping in concert with other Municipal programs in this area.
3. EXPAND AUTOMATED DECISION SUPPORT CAPABILITIES SO ANALYSTS CAN MORE EFFECTIVELY PROVIDE MANAGEMENT INFORMATION.
  - ° Establish Utility-wide policy on use of personal computers.
  - ° Implement distributive data processing capabilities.
  - ° Upgrade computer hardware supporting Comprehensive Electronic Office (CEO).

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<p>4. EXPAND USAGE AND PROCESSING CAPABILITIES OF SWITCH INFORMATION.</p> <ul style="list-style-type: none"> <li>° Upgrade Traffic Remote Measurement System (TRMS) data collection system.</li> <li>° Upgrade Technical Assistance Center (TAC) capabilities.</li> <li>° Upgrade Call Detail Reporting (CDR).</li> </ul> <p>5. IMPLEMENT ACCOUNTING AND FINANCIAL REPORTING AND TRACKING SYSTEMS.</p> <ul style="list-style-type: none"> <li>° Evaluate, purchase and implement financial software packages to enable responsible financial planning, reporting, tracking, and interface with the Municipal Financial Information System.</li> <li>° Evaluate, purchase and implement inventory, warehouse and purchasing software packages that may be integrated with financial software packages in support of purchasing and warehousing activities at the Utility.</li> </ul> <p>6. ENSURE ADEQUATE COMPUTER RESOURCES TO SUPPORT UTILITY GROWTH.</p> <ul style="list-style-type: none"> <li>° Upgrade computer hardware to support expanded usage.</li> <li>° Upgrade communication capabilities to support additional users.</li> </ul> <p>7. UPGRADE FLEET MAINTENANCE SYSTEM FOR VEHICLE SERVICES.</p> <ul style="list-style-type: none"> <li>° Evaluate, purchase and implement an automated fueling package.</li> <li>° Enhance the existing fleet maintenance system to integrate an automated fueling package.</li> </ul> <p>8. AUTOMATE PERSONNEL RECORDS FOR PERSONNEL SERVICES.</p> <ul style="list-style-type: none"> <li>° Evaluate, purchase and implement a software package to support personnel requirements.</li> </ul>					
<p><u>Materials Management Section</u></p>					
<p>1. DEVELOP A PROGRAM FOR INTERNALLY MAINTAINING ON-LINE REAL-TIME INVENTORY.</p>					

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<ul style="list-style-type: none"> <li>° More defined lead time to order.</li> <li>° Identification of economic order quantity.</li> <li>° On-line access for engineering/marketing to facilitate customer requirements.</li> </ul> <p>2. EXPAND THE CABLE YARD.</p> <ul style="list-style-type: none"> <li>° Provide adequate space for increased quantities of Outside Plant/Construction material.</li> </ul> <p>3. DEVELOP A PROGRAM FOR IDENTIFYING SURPLUS MATERIAL.</p> <ul style="list-style-type: none"> <li>° Assist ATU divisions in identification and disposition of surplus material leaving only viable inventory.</li> </ul> <p>4. IMPLEMENT A NEW WAREHOUSE STORAGE SYSTEM.</p> <ul style="list-style-type: none"> <li>° Better utilization of the cube to consolidate square footage requirements.</li> </ul> <p>5. ANALYZE THE VIABILITY OF CONTINUING THE ATU REPAIR SHOP.</p> <ul style="list-style-type: none"> <li>° In conjunction with ATU Services' requirements, weigh costs versus advantages to determine effectiveness of in-house repair shop facility.</li> </ul> <p>6. PERFORM ALL PURCHASING ACTIVITIES FOR THE UTILITY.</p> <ul style="list-style-type: none"> <li>° Coordinate with appropriate agencies for transfer of functions.</li> <li>° Prepare and publish procedures.</li> <li>° Recruit and train personnel.</li> <li>° Implement.</li> </ul>					
<u>Vehicle Services Section</u>					
<p>1. ENSURE ALL NECESSARY ATU FLEET VEHICLES COMPLY WITH I/M PROGRAM.</p>					

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<ul style="list-style-type: none"> <li>° Train appropriate personnel in program requirements.</li> <li>° Obtain proper equipment for program.</li> <li>° Inspect all fleet vehicles.</li> <li>° Obtain facility/personnel certifications.</li> <li>° Initiate new vehicle specifications to ensure new vehicles will comply with I/M standards at time of purchase.</li> </ul> <p>2. ANALYZE ALL COSTS AND EXPENSES ASSOCIATED WITH THE VEHICLE SECTION.</p> <ul style="list-style-type: none"> <li>° Coordinate with Finance to determine appropriate and accurate overhead charges.</li> <li>° Review scheduling and utilization of work force.</li> <li>° Review supply usage and controls.</li> </ul> <p>3. MODERNIZE GARAGE FACILITIES</p> <ul style="list-style-type: none"> <li>° Upgrade major tools and equipment</li> </ul> <p>4. IMPROVE THE NON-SCHEDULED REPAIR/MAINTENANCE PROGRAM TO OBTAIN BETTER RELIABILITY AND EFFICIENCY OF FLEET VEHICLES AND EQUIPMENT.</p> <ul style="list-style-type: none"> <li>° Identify priorities.</li> <li>° Obtain proper tools and repair parts.</li> <li>° Ensure quality control.</li> <li>° Improve productivity.</li> </ul> <p>5. IMPROVE THE IN-HOUSE FLEET MAINTENANCE MANAGEMENT REPORT.</p> <ul style="list-style-type: none"> <li>° Expand data bank.</li> </ul>					

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<ul style="list-style-type: none"> <li>◦ Screen data for validity.</li> <li>◦ Evaluate and define areas of concern.</li> </ul> <p>6. IMPROVE ATU FLEET VEHICLE REQUIREMENTS</p> <ul style="list-style-type: none"> <li>◦ Optimize vehicle usage by increasing pool concept.</li> <li>◦ Standardize vehicles.</li> <li>◦ Down-size where possible.</li> <li>◦ Convert to diesel power when feasible.</li> </ul> <p>7. IMPROVE RELIABILITY AND REDUCE OUT-OF-SERVICE TIME.</p> <ul style="list-style-type: none"> <li>◦ Enhance quality control.</li> <li>◦ Improve productivity.</li> <li>◦ Maintain proper manpower levels.</li> <li>◦ Obtain necessary training needed for personnel.</li> </ul> <p>8. ESTABLISH A PROGRAM FOR PROCURING NEW AND REPLACEMENT VEHICLES.</p> <ul style="list-style-type: none"> <li>◦ Research manufacturers' products.</li> <li>◦ Prepare specifications.</li> <li>◦ Standardize when possible.</li> <li>◦ Initiate and finalize bid process.</li> <li>◦ Determine needs of Utility.</li> </ul>					

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Facilities Services Section

1. IMPLEMENT STUDY TO REDUCE BUILDING COSTS AND MAINTENANCE FACTORS.
  - Review overhead charges and other allocated costs.
  - Review workforce scheduling and supply control.
2. OBTAIN CERTIFICATION OF MAINTENANCE JOURNEYMEN.
  - Ensure that each Journeyman is certified in specific trade.
  - Certification will lend viability to ATU as a construction/maintenance force.
3. COMPLETE IMPLEMENTATION OF SPACE UTILIZATION STUDY.
  - Convert North Wire Center (Broadway area) to Training Center.
  - Complete customer outreach sites.
4. CONTINUE DEVELOPMENT OF IN-HOUSE PREVENTIVE MAINTENANCE PROGRAM.
  - Build data base.
  - Develop/modify software.
  - Final implementation.
5. ESTABLISH SERVICE CONTRACT ADMINISTRATOR POSITION IN SUPPORT SERVICES.
  - Develop job descriptions.
  - Hire personnel.
6. UPGRADE FIRE/SECURITY SYSTEMS AT ALL ATU FACILITIES.
  - Install detection and halon hardware.



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<ul style="list-style-type: none"> <li>◦ Terminate at TAC/Fire Dept.</li> <li>7. COMPLETE BEAUTIFICATION PLAN. <ul style="list-style-type: none"> <li>◦ West Wire Center.</li> <li>◦ East Wire Center.</li> </ul> </li> <li>8. DEVELOP PUBLIC SERVICES COMPLEX ANNEX PROPERTY. <ul style="list-style-type: none"> <li>◦ Enhance cable yard.</li> <li>◦ Enhance parking area.</li> <li>◦ Construct storage facilities.</li> </ul> </li> <li>9. ENCLOSE VEHICLE STORAGE. <ul style="list-style-type: none"> <li>◦ Expand garage as necessary, based on ATU Services growth.</li> </ul> </li> <li>10. CELLULAR/FIBER OPTIC EXPANSION <ul style="list-style-type: none"> <li>◦ Provide modules as necessary to facilitate expansion.</li> </ul> </li> </ul>					
<p><u>Personnel Services Section</u></p>					
<ul style="list-style-type: none"> <li>1. ENHANCE PERSONNEL RECORD KEEPING AND EMPLOYEE TRACKING. <ul style="list-style-type: none"> <li>◦ Identify user requirements.</li> <li>◦ Evaluate compatible software.</li> <li>◦ Integrate current data base with new automated system.</li> </ul> </li> <li>2. PROVIDE CAREER DEVELOPMENT TRAINING AND COUNSELING SERVICES. <ul style="list-style-type: none"> <li>◦ Enhance the Career Resource Center for employees.</li> </ul> </li> </ul>					

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<ul style="list-style-type: none"> <li>° Design and implement career development seminars and workshops.</li> <li>° Inventory training needs, coordinate, plan and implement training program.</li> </ul> <p>3. MONITOR ATU COMPLIANCE WITH CONSENT DECREE PROVISIONS THROUGH 1987.</p> <ul style="list-style-type: none"> <li>° Respond to Decree compliance reporting relating to promotions, training, seminars, workshops, cross-training, employment and other workforce analysis.</li> </ul> <p>4. INITIATE MANAGEMENT AND LABOR PRODUCTIVITY NEGOTIATIONS.</p> <ul style="list-style-type: none"> <li>° Coordinate senior management participation.</li> <li>° Establish a meeting schedule.</li> <li>° Develop a monitoring system to assess progress.</li> </ul> <p>5. REVIEW AND DEVELOP UTILITY-WIDE JOB DESCRIPTIONS.</p> <ul style="list-style-type: none"> <li>° Identify job categories.</li> <li>° Perform a job analysis.</li> <li>° Develop job descriptions.</li> </ul> <p>6. MAINTAIN THE EMPLOYMENT FUNCTIONS IN ACCORDANCE WITH THE CURRENT LABOR AGREEMENT.</p> <ul style="list-style-type: none"> <li>° Initiate union referral, screen, select and process candidates.</li> </ul> <p>7. MAINTAIN THE INTERNAL RECRUITMENT SYSTEM.</p> <ul style="list-style-type: none"> <li>° Ensure the bid procedure system meets Consent Decree requirements.</li> </ul> <p>8. ADMINISTER THE VARIOUS COMPENSATION PROGRAMS AS REQUIRED.</p> <ul style="list-style-type: none"> <li>° Ensure compliance with labor agreements.</li> </ul>					

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<ul style="list-style-type: none"> <li>° Ensure compliance with Municipal compensation programs.</li> <li>9. MAINTAIN ACCURATE PERSONNEL RECORDS. <ul style="list-style-type: none"> <li>° Process required personnel actions.</li> <li>° Maintain the employee count.</li> </ul> </li> <li>10. MONITOR AND SUPPORT SAFETY COMPLIANCE PROGRAMS. <ul style="list-style-type: none"> <li>° Participate in Safety Committee activities.</li> <li>° Comply with Workers' Compensation requirements.</li> <li>° Initiate safety program.</li> </ul> </li> <li>11. COORDINATE RELATED HUMAN RESOURCE PROGRAMS WITH CENTRAL MUNICIPAL UNITS. <ul style="list-style-type: none"> <li>° Frequently interface with Municipal units to ensure timely distribution of Human Resource programs to include compensation, training, benefits, employment, EEO/AA, labor relations and health and safety.</li> </ul> </li> <li>12. EVALUATE ON AN ON-GOING BASIS THE SPECIAL REQUIREMENTS OF THE PERSONNEL SECTION. <ul style="list-style-type: none"> <li>° Review confidential interviewing space needs.</li> </ul> </li> <li>13. EVALUATE THE PERSONNEL STAFF DEVELOPMENT NEEDS. <ul style="list-style-type: none"> <li>° Identify staff skills that require development requirements.</li> <li>° Survey training opportunities.</li> </ul> </li> <li>14. CONTINUE TO ASSUME DELEGATED CENTRAL MUNICIPAL HUMAN RESOURCE FUNCTIONS AND INTEGRATE THESE FUNCTIONS INTO THE NEEDS OF THE TELEPHONE UTILITY. <ul style="list-style-type: none"> <li>° Evaluate the Personnel staffing capability to assume the decentralized functions.</li> </ul> </li> </ul>					

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<ul style="list-style-type: none"><li>° Assume the central recruitment function.</li><li>° Assume the central classification system.</li><li>° Assume the central training function.</li><li>° Assume the day-to-day labor relations activities.</li></ul>					

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OBJECTIVES AND PROGRAMS  
UTILITY SERVICES  
DIVISION

## MUNICIPALITY OF ANCHORAGE

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Utility Services Administration Section

1. ORGANIZE AN EFFECTIVE EMPLOYEE AWARENESS PROGRAM TO KEEP THE TOTAL WORK FORCE INFORMED ON CURRENT AND FUTURE ISSUES THAT AFFECT THE UTILITY AND ITS EMPLOYEES.
  - ° Publish frequent newsletters and memos addressing the issues.
  - ° Relay information from the General Manager's and Directors' staff meetings to Manager/Supervisors and on to Foreman/Employees.
  - ° Discuss issues and solicit employee questions and suggestions.
2. EXPAND PROJECT MANAGEMENT.
  - ° Apply project management concepts to all major construction projects.
  - ° Incorporate performance, budget and scheduling measurements.
  - ° Motivate and instill team effort in Project Management Team Members.
3. CONTINUE THE QUALITY ASSURANCE PROGRAM.
  - ° Establish the cost of quality standards.
  - ° Develop reporting systems to assure compliance to standards.
  - ° Organize a quality improvement program.
4. ENHANCE SAFETY PROGRAMS.
  - ° Establish safety practices for the protection of employees as well as equipment.
  - ° Conduct applicable safety training classes.
5. ELIMINATE WORK ORDER OVERRUNS.
  - ° Reinforce current work order cost controls.

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- ° Establish effective coordination among departments involved in the capital improvement program.

#### Outside Plant Engineering Section

#### 1. CONTINUE IMPLEMENTATION AND DEVELOPMENT OF LONG RANGE OUTSIDE PLANT PLANNING PROGRAM (LROPP).

- ° Establish "Exchange Feeder Route Analysis Plant" for all wire centers.
- ° Define and document the most economical feeder network configuration.
- ° Develop outside plant program maps.
- ° Sectionalize wire centers into documented improvement projects.
- ° Develop long-range forecasts to identify capital improvement projects.
- ° Establish a mechanized fill counting program.
- ° Continue to monitor plans to assure continued validity.
- ° Develop administrative route layouts.
- ° Provide Long-Range Outside Plant Planning Program (LROPP) and "Serving Area concept" training to the engineering personnel.

#### 2. CONVERT PLANT-IN-PLACE RECORDS TO DIGITIZED COMPUTER GRAPHICS.

- ° Establish customized symbol files and digitizing procedures for language files.
- ° Convert one wire center pilot project and review.
- ° Convert remaining wire centers and train personnel on operation.
- ° Develop "Computerized Administrative Route Layouts."

#### 3. AUTOMATE MANUAL RECORDS IN PLANT SERVICE.

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<ul style="list-style-type: none"> <li>◦ Convert service orders first.</li> <li>◦ Convert cable records and special circuit cards.</li> <li>◦ Provide training in the use of the new system.</li> <li>◦ Establish a common premise identification for an interactive data base.</li> </ul> <p>4. AUTOMATE A COMPUTERIZED DATA BASE THAT WILL GENERATE WORK ORDERS.</p> <ul style="list-style-type: none"> <li>◦ Implement continuous update of broadgauge costing.</li> <li>◦ Establish engineering programs which provide a mechanized tool for plant engineers.</li> <li>◦ Establish a material encumbrance system.</li> <li>◦ Develop mechanized work order estimating system.</li> <li>◦ Establish a computerized work order scheduling system.</li> </ul> <p>5. ACQUIRE CLASS A SERVICE ON ELMENDORF AFB AND FORT RICHARDSON.</p> <ul style="list-style-type: none"> <li>◦ Negotiate purchase price for procurement of plant.</li> <li>◦ Plan and implement cutover.</li> <li>◦ Reinforce and restore existing plant.</li> </ul> <p>6. USE REMOTE MODULES TO RELIEVE CABLE PLANT.</p> <ul style="list-style-type: none"> <li>◦ Plan and cost required equipment.</li> <li>◦ Establish "Carrier Serving Areas" to be served by remote modules.</li> <li>◦ Identify potential DDS subscribers.</li> <li>◦ Develop a design for placement of remote modules.</li> </ul>					



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- Overlay Digital Data Service (DDS) requirements with the "Exchange Feeder Route Analysis Plan."

#### Regulated Services Section

1. IMPROVE CUSTOMER SERVICE BY PROVIDING CONVENIENT ACCESS TO CUSTOMERS.
  - Identify locations that meet current and anticipated growth requirements.
  - Define the new space requirements for customer service centers that are enhanced by automation.
  - Relocate existing and add new customer service centers, as required.
2. CONVERT MANUAL RECORDS TO COMPUTERIZED SYSTEM.
  - Convert service orders.
  - Train personnel to utilize new system.
  - Monitor progress and phase out current records.
3. INCREASE PRODUCTIVITY AND ACCURACY RELATING TO CUSTOMER SERVICE AND RECORDS.
  - Eliminate duplication of tasks by using a computer.
  - Establish training to enhance employees' abilities in fact-finding during customer visits.
4. ENHANCE REVENUE REQUIREMENT GOALS THROUGH INCREASED SALES.
  - Refine sales campaign for custom calling features, directory listings, and lines.
  - Establish sales awareness within ATU.
5. CONTINUE TO IMPROVE DIRECTORY SERVICE.
  - Keep abreast of innovations and include in consumer offerings.
  - Maintain less than 1% error ratio.

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## 6. EXPAND HUMAN RESOURCE DEVELOPMENT.

- ° Develop opportunities for advancement.
- ° Provide motivation for all employees through sales and Home Show participation.
- ° Increase professionalism at all levels by providing training and setting standards.

Outside Plant Construction Services Section

## 1. IMPROVE CAPACITY OF EXISTING OUTSIDE PLANT CABLES.

- ° Rake existing records to identify size and fill of each cable.
- ° Implement standard operating procedures for "Bad Pair" recovery program.
- ° Define and dedicate the exact number of personnel required for the program.
- ° Train personnel in the latest methods and equipment used.
- ° Obtain and/or replace equipment required.
- ° Develop plan to systematically cover entire plant.
- ° Coordinate program with OSP Engineering to enhance existing and future plant.

## 2. COMPUTERIZE WORK ORDER TRACKING.

- ° Continue development of quantifiable information to track and schedule manpower workload.
- ° Refine manpower techniques through quantitative data to recognize production levels.
- ° Correlate data to develop long range manpower and equipment requirements.
- ° Provide OSP Engineering with more accurate information for planning.
- ° Establish training to use tracking system to its full advantage.

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<p>3. IMPROVE PRODUCTIVITY AND EFFICIENCY OF WORK FORCE.</p> <ul style="list-style-type: none"> <li>◦ Monitor industry standard and information on more efficient and improved construction equipment and techniques.</li> <li>◦ Establish criteria for better presentation and understanding of work orders.</li> <li>◦ Continue development and refinement of computerized work order tracking.</li> <li>◦ Provide industrial safety training.</li> <li>◦ Define Utility procedures and construction specifications.</li> <li>◦ Establish employee award program within department.</li> <li>◦ Allot time to listen to employee concerns.</li> </ul> <p>4. GUARANTEE INTEGRITY OF NEW OUTSIDE PLANT.</p> <ul style="list-style-type: none"> <li>◦ Define and dedicate manpower required for cable acceptance.</li> <li>◦ Procure required training and equipment.</li> <li>◦ Implement findings of quality control.</li> <li>◦ Establish and enforce strict standards.</li> <li>◦ Monitor practices and thoroughness of Outside Plant Engineering.</li> <li>◦ Communicate all findings to OSP Engineering.</li> </ul> <p>5. IMPROVE QUALITY OF SERVICE IN GIRWOOD, INDIAN, BIRD AND HOPE.</p> <ul style="list-style-type: none"> <li>◦ Run analysis of all cable.</li> <li>◦ Record and process data to define overall integrity of plant.</li> </ul>					

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<ul style="list-style-type: none"> <li>◦ Dedicate manpower and equipment to correct deficiency.</li> <li>◦ Update Utility records to reflect corrections.</li> <li>◦ Coordinate findings with OSP Engineering to aid in planning program.</li> </ul>					
<p><u>Coin Phone Administration Section</u></p>					
<ol style="list-style-type: none"> <li>1. ENHANCE PUBLIC AWARENESS PROGRAM PERTAINING TO COIN TELEPHONES. <ul style="list-style-type: none"> <li>◦ Continue to improve appearance and implement public awareness posters.</li> <li>◦ Increase station installations equal to the 1984-1985 objective.</li> <li>◦ Conduct market survey to determine coin telephone markets within the Anchorage area.</li> <li>◦ Review product lines and future technology to determine which products are feasible to market to meet anticipated demands.</li> </ul> </li> <li>2. INCREASE PRODUCTIVITY FOR BETTER UTILIZATION OF RESOURCES. <ul style="list-style-type: none"> <li>◦ Analyze, define and prepare new programs with various support groups to improve internal procedures and cost containment.</li> <li>◦ Decrease subscriber trouble reports per/100 stations.</li> <li>◦ Increase per station usage.</li> <li>◦ Reduce overall station installation cost.</li> <li>◦ Take advantage of new technology as it develops.</li> </ul> </li> <li>3. ENHANCE HANDICAP PAY PHONE PROGRAM. <ul style="list-style-type: none"> <li>◦ Provide installation of coin service in handicap accessible areas.</li> <li>◦ Provide more direction and visual instruction cards to aid handicapped.</li> </ul> </li> </ol>					

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- ° Institute an instruction program for the use of coin telephones for the handicapped.
4. INTEGRATE PLANT SERVICE ADMINISTRATION FILE AND TOLL REVENUE DATA BASE WITH COIN ADMINISTRATION DATA BASE PROGRAM.
- ° Reduce printouts.
  - ° Reduce unnecessary support and duplication.
  - ° Identify potential revenue loses by immediate identification of collecting and maintenance problems.
5. COMPLETE THE TRANSFER OF COIN FUNCTIONS TO THE COIN ADMINISTRATION AND STAFF.
- ° Revenue and accounting.
  - ° Collections.
  - ° Service order activity.

Network Switching Services Section - Administration

1. PROVIDE FUNCTIONAL JOB DESCRIPTIONS FOR STAFF.
- ° Provide full understanding of job requirements for existing staff.
  - ° Establish a full understanding of job requirements for promotional opportunities.
  - ° Develop job description for all reporting staff.
  - ° Task supervisors with development of their reporting staff.
  - ° Review input from staff.
  - ° Obtain necessary approvals at all levels.
  - ° Assist personnel department in development of job description manual.

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2. ENHANCE ATU IMAGE WITHIN THE MUNICIPALITY TO INCLUDE THE GENERAL PUBLIC.

- ° Promote a general understanding of ATU versus Alascom through input to external affairs.
- ° Create advertisement to promote new services.
- ° Explain the deregulation issue and its impact on our customers to staff and general public via input to external affairs.
- ° Utilize the Home Show booth to expand public awareness of ATU and issues.

3. EXPAND REGULATED SERVICE OFFERINGS TO REPLACE LOST TOLL REVENUES.

- ° Provide new service offerings based upon customer demands.
- ° Ensure rate of return is maintained by development of new service offerings.
- ° Delay rate increases to customers by replacing lost revenues with new revenues.

Network Switching Services Section - Network Engineering

1. CONTINUE DEVELOPMENT OF REGULATORY REQUIREMENTS FOR EQUAL ACCESS.

- ° Provide switching and network plans to implement equal access arrangements.

2. PROVIDE TIMELY AND ACCURATE ADMINISTRATIVE AND MANAGERIAL REPORTS ON OPERATIONS.

- ° Increase efficiency of Network Engineering section.

3. DEVELOP SUPPORT DOCUMENTATION TO ASSIST IMPLEMENTATION OF CELLULAR RADIO SERVICE.

- ° Provide switching and network plans for cellular radio.
- ° Refine initial input to engineering.
- ° Ensure adequate service is maintained.

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Network Switching Services Section - Central Office Maintenance

1. PROGRESSIVELY REDUCE CENTRAL OFFICE RELATED SUBSCRIBER TROUBLE-REPORT.
  - ° Continue development of working relationship with equipment manufacturers.
  - ° Update office index concept of monitoring system operation.
  - ° Standardize like systems site-dependent data base as well as on site data and document files.
  - ° Develop and issue operations instruction book.
2. TRANSFER RESPONSIBILITY FOR MONITORING, TROUBLE REPORTING AND DISPATCHING LARGE PABX SYSTEMS TO ATU SERVICES.
  - ° Stabilize system operation.
  - ° Transfer site records and terminal devices to ATU Services' premises.
3. PROGRESSIVELY REDUCE "NO TROUBLE FOUND" IN CENTRAL OFFICE CIRCUIT PACKS RETURNED FOR REPAIR.
  - ° Increase level of technical training.
  - ° Participate in manufacturer-sponsored user group conferences.
  - ° Develop static awareness program.
4. COMPLETE THE REORGANIZATION OF CENTRAL OFFICE MAINTENANCE SECTION.
  - ° Establish central office power plant crew.
  - ° Establish 4-wire/private-line crew.
  - ° Educate employees on the need for change and specialization.
  - ° Disband mechanical switching maintenance group.

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5. ENHANCE TELEPHONE SWITCHING SYSTEMS SECURITY.

- ° Control access to premises.
- ° Periodic training on control of remote system access.

6. RELOCATE TECHNICAL ASSISTANCE CENTER.

- ° Work with upper level management to select site.
- ° Work with Facility Maintenance for necessary remodeling.

Network Switching Services Section - Software Control

1. DEVELOP SOFTWARE CONTROL SYSTEM FOR EACH WIRE CENTER.

- ° Ensure only applicable software kept on site.
- ° Establish off-premise storage of back-up software to protect against fire, etc.

2. DEVELOP PROGRAM TO ENSURE PROPER MAINTENANCE.

- ° Install computerized data base to track progress of vendor call reports.

3. BRING ALL DIGITAL SWITCHES TO THE SAME SOFTWARE RELEASE.

- ° Coordinate implementation of software upgrades so that all offices have the same release.

4. ESTABLISH EFFECTIVE MANAGEMENT REPORTING SYSTEM.

- ° Provide technical information to the manager, as required, so that operations continue on a timely basis.

Network Switching Services Section - Central Office Installation

1. PROVIDE INSTALLATION FOR CONVERSION TO DIGITAL SWITCHING DURING THE SIX YEAR CAPITAL IMPROVEMENT PLAN.



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<ul style="list-style-type: none"> <li>° Implement a new digital switch at North Wire Center.</li> <li>° Implement a new digital switch at West Wire Center.</li> <li>° Implement new fiber optic systems.</li> </ul> <p>2. PROVIDE MORE EFFICIENT CENTRAL OFFICE INSTALLATION DEPARTMENT.</p> <ul style="list-style-type: none"> <li>° Prepare policies, procedures and standards.</li> <li>° Prepare management reports.</li> </ul> <p><u>Network Switching Services Section - Central Office Engineering</u></p> <p>1. COMPLETE ENGINEERING CONVERSION TO DIGITAL SWITCHING DURING THE SIX YEAR CAPITAL IMPROVEMENT PLAN.</p> <ul style="list-style-type: none"> <li>° Convert North Wire Center step-by-step equipment to digital.</li> <li>° Convert West Wire Center electromechanical equipment to digital.</li> </ul> <p>2. PROVIDE BETTER TRANSMISSION, ROUTE REDUNDANCY, BETTER ECONOMICS AND NETWORK SURVIVABILITY FOR THE ATU TRANSMISSION NETWORK.</p> <ul style="list-style-type: none"> <li>° Develop network plan for new fiber optic routes.</li> <li>° Expand lightwave network.</li> <li>° Expand trunk carrier for private line service, relieving cable pairs.</li> </ul> <p>3. IMPROVE CENTRAL OFFICE ENGINEERING OPERATIONS AND EFFICIENCY.</p> <ul style="list-style-type: none"> <li>° Develop engineering procedures and standards.</li> <li>° Develop document control and distribution.</li> <li>° Improve the technical development of the engineering staff.</li> </ul>					

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4. IMPROVE DIAL OFFICE ADMINISTRATION OPERATION, EFFICIENCY AND EFFECTIVENESS.

- ° Allocate lines based on weekly line load data and fill.
- ° Improve quality of monthly equipment availability report.
- ° Develop procedures and standards.

Network Switching Services Section - Directory Assistance

1. PROVIDE ACCURATE AND COURTEOUS OPERATOR SERVICES AT A REASONABLE COST.

- ° Implement Telescience Directory Assistance system to reduce keystrokes and to give more accurate look-up capabilities, reducing average work time.
- ° Implement Telescience automatic response system to further decrease average work time.

2. INTERFACE COMPUTERIZED SCHEDULING WITH PAYROLL SYSTEM.

- ° Obtain policy commitment from manager, Switching Services.
- ° Train and implement change.

3. ACQUIRE DIRECTORY ASSISTANCE FOR THE REMAINDER OF THE STATE.

- ° Negotiate with Fairbanks Municipal Utilities, Matanuska Telephone, Glacier State (North Pole), Elmendorf and Fort Richardson to provide toll directory assistance for their areas.

4. PROVIDE DIRECTORY PUBLICATION SERVICE FOR STATEWIDE COMPANIES AT A REASONABLE PROFIT MARGIN.

- ° Negotiate with statewide general telephone companies to provide directory assistance tapes at directory close dates.
- ° Renegotiate contract to include proper information needed by ATU to provide accurate data.

5. PROVIDE WEEKLY MANAGEMENT REPORTS.

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- ° Define areas of importance.
- ° Compile data and publish necessary reports.

Network Switching Services Section - Regulated Marketing

1. ESTABLISH A PROFESSIONAL, AGGRESSIVE, REGULATED MARKETING FORCE.
  - ° Develop a marketing plan for each service.
  - ° Develop organizational relationships and job descriptions.
  - ° Develop continuous recruitment activities.
  - ° Develop procedures to evaluate market potential for new service offerings.
2. DEVELOP USABLE INTERSTATE AND INTRASTATE OPERATING TARIFFS.
  - ° Provide rates and tariffs staff with assistance and direction on current and future service offerings.
3. EFFECTIVELY COMMUNICATE REGULATED MARKETING ACTIVITIES.
  - ° Educate regulated services' employees, customers, and professional organizations.
4. ESTABLISH EFFECTIVE MANAGEMENT REPORTING SYSTEM.
  - ° Develop a forecasting system for each service.
  - ° Develop weekly reporting system.
5. PROVIDE EFFECTIVE TRAINING FOR MARKETING FORCE.
  - ° Develop training program for current service offerings to maximize current revenues.
  - ° Develop training program that will constantly expose marketing force to new technology and potential service offerings.

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6. INCREASE REVENUES GENERATED BY REGULATED SERVICES.
  - ° Compete effectively with by-pass technology.
  - ° Develop information on regulated services' past, current and future market share.
7. INCREASE CUSTOMER SATISFACTION WITH REGULATED SERVICES.
  - ° Develop mechanism for customer feedback and effective response.

Network Switching Services Section - Special Systems

1. WITH THE ASSISTANCE OF DATA PROCESSING, DEVELOP AN ADMINISTRATIVE CONTROL SYSTEM TO INTERFACE WITH NEW DIGITAL DATA SWITCHING AND TRANSMISSION SYSTEMS.
  - ° Provide engineering, circuit design and maintenance forces with a readily accessible map of the various equipment and circuit assignments necessary to implement and maintain data services.
  - ° Provide the billing information, by the connect time or data sent quantities, as extracted from the various circuit equipment.
2. PROVIDE MORE EFFICIENT MAINTENANCE AND TEST CAPABILITIES FOR PRIVATE LINE AND DATA SERVICES.
  - ° Reduce the amount of time required to respond to service outages.
  - ° Allow one man testing of private line services terminating in remote or unmanned offices prior to dispatch of a repairman.
  - ° Concentrate data testing in a new data test center.
3. WITH THE ASSISTANCE OF DATA PROCESSING, IMPLEMENT A COMPUTER AIDED DESIGN SYSTEM FOR CIRCUIT LAYOUT ENGINEERING.
  - ° Reduce response time to customer service requests for private line services.
  - ° Provide a standard format circuit layout record for use by engineering, installation and maintenance work force.

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4. PROVIDE NEW AND ENHANCED SERVICE OFFERINGS TO OUR SUBSCRIBERS.

- ° Synchronous data transport at data speeds of up to 56 killobits per second.
- ° Efficient asynchronous data transport at data speeds of up to 9.6 killobits per second.
- ° Point to multi-point microwave digital termination system at data speeds of up to 1.544 megabits per second.
- ° Mobile radio telephone using cellular technology for mobile and rural fixed location subscribers.
- ° Wide band digital microwave from central office to customer premises at line speeds of up to 90 megabits per second.

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<p>OBJECTIVES AND PROGRAMS</p> <p>FINANCIAL SERVICES</p> <p>DIVISION</p>					

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1. DEVELOP AN INTEGRATED ACCOUNTING SYSTEM.

- ° Perform study to determine specific ATU requirements and the requirements for interface with the Municipal Financial Information System.
- ° Analyze available accounting general ledger packages.
- ° Include Internal Auditor in signoff of selected general ledger package.
- ° Purchase and customize a general ledger system to be run on ATU computers.
- ° Incorporate the revenue accounting of financial leases, reimbursable work orders and other non-standard bills into the new accounting system.
- ° Define the requirements for an automated Continuing Property Record system that will provide unit cost, work order cost accumulation, and depreciation accounting.

2. IMPLEMENT PROCEDURES TO CORRECTLY ACCOUNT FOR FINANCIAL INFORMATION.

- ° Maintain a published Accounting Manual.
- ° Develop asset management programs that will include field verification of fixed assets and cyclical inventory verification of tools and furniture.
- ° Develop major and minor material inventory procedures.
- ° Develop monthly station apparatus inventory procedures.
- ° Prepare allocation tables for assigning minor materials to cost centers.
- ° Develop procedures to incorporate or write off inventory in the general ledger.
- ° Formalize accounting data input controls and procedures.

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<p>3. TRAIN PEOPLE UTILITY-WIDE TO USE THE TARIFFS AND ACCOUNTING SYSTEM.</p> <ul style="list-style-type: none"> <li>° Obtain consultants, design classes and conduct training on regulatory matters, tariffs, accounting and cost separation procedures.</li> <li>° Provide Utility-wide briefings on tariff and accounting developments.</li> <li>° Conduct periodic sessions with each section to discuss and determine the impact of industry change on ATU jobs and job performances.</li> </ul> <p>4. PROVIDE TIMELY MANAGERIAL REPORTS.</p> <ul style="list-style-type: none"> <li>° Prepare bond sale studies and proposals to secure capital financing for the Utility.</li> <li>° Publish reports and analyses on the utilization of the operating budget at a responsible level.</li> <li>° Publish reports and analyses on the utilization of the capital budget at a responsible level.</li> <li>° Prepare the annual report to the Public Utilities Commission.</li> <li>° Prepare and distribute periodic summary reports on regulatory and industry issues.</li> <li>° Publish average labor rates and average unit costs.</li> </ul> <p>5. ENSURE COMPLIANCE WITH STATE, FEDERAL AND LOCAL POLICY.</p> <ul style="list-style-type: none"> <li>° Define and implement compliance procedures.</li> <li>° Ensure integrity of overall reporting and control systems.</li> </ul> <p>6. COORDINATE THE PREPARATION AND MAINTENANCE OF INTERDEPARTMENTAL PROCEDURES.</p> <ul style="list-style-type: none"> <li>° Review and update procedures on a timely basis.</li> <li>° Audit compliance to procedures.</li> </ul>					



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<p>7. PREPARE BUSINESS PLANS AND OPERATING AND CAPITAL BUDGETS.</p> <ul style="list-style-type: none"> <li>° Design and publish comprehensive business plan preparation manual.</li> <li>° Coordinate divisional input to the annual business plan and budgets.</li> <li>° Produce the annual business plan and operating and capital budget.</li> <li>° Prepare management presentation packages on the budget.</li> </ul> <p>8. DEVELOP COMPREHENSIVE BUSINESS AND STRATEGIC PLANNING PROCESS FOR THE UTILITY.</p> <ul style="list-style-type: none"> <li>° Perform analysis of where formal planning is currently performed in the Utility.</li> <li>° Determine areas which do not have formal planning process.</li> <li>° Develop a program to implement a formal planning process, lines of communication, reporting and feedback.</li> <li>° Staff the Financial Planning &amp; Budgets section to provide development and monitoring capability for the development and implementation of this planning process.</li> </ul> <p>9. ANALYZE AND ADVISE MANAGEMENT ON FINANCIAL IMPLICATIONS OF ALTERNATIVES FACING THE UTILITY.</p> <ul style="list-style-type: none"> <li>° Stay abreast of all changes occurring in the telecommunications industry and keep management informed of those changes affecting ATU.</li> <li>° Develop forecasting and financial modeling reporting systems.</li> <li>° Obtain computer hardware and software to supporting financial marketing.</li> </ul> <p>10. DETERMINE AND DEVELOP ALL REGULATED REVENUE SOURCES AVAILABLE.</p> <ul style="list-style-type: none"> <li>° Monitor and update interim settlements for intrastate toll settlements.</li> <li>° Develop the procedures for receipt and transmittal of polled interstate revenues with the National Exchange Carrier Association (NECA).</li> </ul>					

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<p>11. DEVELOP A PHILOSOPHY FOR LOCAL OPERATING TARIFF DEVELOPMENT.</p> <ul style="list-style-type: none"> <li>◦ Recognize the new telecommunications environment and implement tariff changes as required.</li> <li>◦ Standardize tariff development.</li> </ul> <p>12. DEVELOP A PROGRAM FOR REVENUE REQUIREMENTS STUDIES.</p> <ul style="list-style-type: none"> <li>◦ Enhance in-house expertise in the development of revenue requirements to support interstate access tariffs, intrastate interexchange revenues and local exchange revenues.</li> <li>◦ Conduct usage and time studies utilizing in-house personnel.</li> <li>◦ Recruit and hire experienced telephone separations personnel.</li> <li>◦ Obtain consulting services to support in-house personnel in selective areas of revenue requirement development; phasing out total dependency on consultants in this area.</li> </ul> <p>13. DEVELOP PHILOSOPHY, MONITOR AND UPDATE INTERSTATE ACCESS TARIFF IN-HOUSE.</p> <ul style="list-style-type: none"> <li>◦ Develop staff specifically responsible for tariff preparation.</li> <li>◦ Implement procedures for development of new tariffs.</li> <li>◦ Create procedures for handling of inquiries on tariff matters.</li> </ul> <p>14. MAINTAIN CARRIER ACCESS AND BILLING SYSTEM (CABS).</p> <ul style="list-style-type: none"> <li>◦ Calculate customer access minutes, bill and collect revenue and handle inquiries.</li> </ul> <p>15. PREPARE JURISDICTIONAL COST SEPARATION STUDIES.</p> <ul style="list-style-type: none"> <li>◦ Produce source studies on revenues, expenses and plant investment.</li> <li>◦ Develop user requirements to process studies in-house.</li> <li>◦ Analyze rate development models to interface with separations studies.</li> </ul>					

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16. IMPLEMENT CONTRACT CONTROL AND COMPLIANCE PROCESS.

- ° Prepare company procedures for initiation, approval, and follow-up on all contractual agreements.
- ° Staff position to oversee compliance with procedures.

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OBJECTIVES AND PROGRAMS

ATU SERVICES

DIVISION

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1. REVIEW PRODUCT LINE OFFERINGS FOR ADDITIONS AND DELETIONS TO MEET MARKET DEMANDS.
  - Analyze market needs and potentials to identify suitability of the current product offerings.
  - Investigate potential new markets and offerings based on industry technological advancements.
  - Perform life cycle analysis modeling for each product offered to forecast product suspensions.
2. IMPLEMENT A MORE EFFICIENT AND EFFECTIVE MARKETING ORGANIZATION TO PROVIDE EXPANDED AND FASTER COVERAGE OF THE ANCHORAGE AREA.
  - Implement the concept of individual profit centers by marketing section.
  - Obtain required accounting analysis documentation of revenues and expenses by marketing section.
  - Establish a computerized visit schedule that will produce a call to each business in the Anchorage area a minimum of once a year.
  - Improve the delivery of installation and maintenance services to ATU Services customers.
3. REVIEW AND IMPLEMENT PRICING STRATEGIES WITH REGARD TO FULL COST RECOVERY AND THE COMPETITIVE ENVIRONMENT.
  - Coordinate with the accounting section to ensure project/product expense reporting is captured.
  - Utilize computer support to perform price modeling and cost analysis studies.
  - Automate pricing information for ease of adjustment as cost and/or market demands may dictate.
4. DEVELOP AND IMPLEMENT AN IMPROVED PROGRAM TO EVALUATE AND ASSESS EXISTING PRODUCTS AND SERVICES, NEW PRODUCTS AND MARKETS AS NEW TECHNOLOGIES EMERGE.
  - Expand manufacturer contacts to remain knowledgeable of new products and industry technology.
  - Critique new products and services for customer satisfaction, component failure, maintenance requirements and availability.

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<ul style="list-style-type: none"> <li>◦ Evaluate competitors' products, equipment and service for use in internal briefings.</li> <li>◦ Conduct customer surveys to determine their perception of what products or services they require to conduct their daily business.</li> </ul> <p>5. DEVELOP AND IMPLEMENT AN INCENTIVE COMPENSATION PLAN FOR MARKETING PERSONNEL.</p> <ul style="list-style-type: none"> <li>◦ Negotiate with the union representing marketing personnel to modify work and compensation articles of the contract.</li> <li>◦ Establish market and product sales goals to provide base, compensation and incentive relationship.</li> <li>◦ Modify necessary Municipal personnel rules, regulations, or codes that conflict with incentive program.</li> <li>◦ Modify existing payroll and billing programs to capture necessary data for compensation/incentive program.</li> </ul> <p>6. INCREASE TRAINING PROGRAMS FOR ALL ATU SERVICES PERSONNEL THAT ARE DESIGNED TO EXPAND KNOWLEDGE OF HARDWARE AND SOFTWARE OF ATU SERVICES' AND COMPETITORS' PRODUCTS.</p> <ul style="list-style-type: none"> <li>◦ Schedule each account executive to attend a manufacturer's in-house training school.</li> <li>◦ Schedule installation personnel to attend manufacturers' or their representatives' training classes to ensure factory certification for installation and maintenance.</li> <li>◦ Conduct in-house training sessions on the features and disadvantages of competitive products.</li> </ul> <p>7. UPDATE AND MONITOR AN EFFECTIVE PRODUCT/SERVICE PROMOTIONAL ADVERTISING PROGRAM.</p> <ul style="list-style-type: none"> <li>◦ Consult and coordinate with advertising agency for the development of an effective product and service advertising campaign.</li> <li>◦ Improve public awareness through participation in local equipment shows and exhibits.</li> <li>◦ Evaluate results versus the goals of the promotional and advertising program.</li> </ul>					

Public Utilities	Unit No	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
<p>8. DEVELOP EXPANDED REVENUE MARKETS THAT ARE RELATED OR ADAPTABLE TO THE CAPABILITIES AND EXPERIENCE OF ATU SERVICES' EMPLOYEES.</p> <ul style="list-style-type: none"> <li>° Analyze market needs and potentials to identify suitability of the addition of new product offerings or services.</li> <li>° Open, staff, and operate a retail center to provide over-the-counter sales of telephone and data products.</li> </ul> <p>9. DEVELOP MARKET STRATEGIES FOR EACH SECTION OF ATU SERVICES.</p> <ul style="list-style-type: none"> <li>° Form a management steering committee to formulate strategies for marketing concepts that have proven results in the Anchorage market place.</li> <li>° Educate all marketing personnel on proven concepts.</li> <li>° Educate marketing personnel of competitive offerings, features, and services.</li> </ul> <p>10. ESTABLISH REALISTIC FORECASTING METHODOLOGY FOR ALL PRODUCTS AND HUMAN RESOURCES.</p> <ul style="list-style-type: none"> <li>° Capture all product movement information in a computerized data base used in forecasting models.</li> <li>° Establish a sub-system in the payroll section to output daily time reporting data into a data base that can be manipulated for forecasting purposes.</li> <li>° Add a product line professional with total responsibility for forecasting warehouse ordering and stocking requirements.</li> </ul> <p>11. ESTABLISH FORMAL MARKETING GOALS TO MEET REVENUE REQUIREMENT PROJECTIONS.</p> <ul style="list-style-type: none"> <li>° Have marketing sections perform sales forecasts.</li> <li>° Develop inter-divisional plan to provide for the efficient and timely financial review of sales forecasts.</li> <li>° Compare actual performance to forecast and explain variances.</li> </ul>					

## MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
<p>12. DEVELOP AND IMPLEMENT A COMPREHENSIVE PROGRAM TO WORK WITH AND ASSIST THE COMMUNICATIVELY HANDICAPPED COMMUNITY.</p> <ul style="list-style-type: none"><li>° Work with State and Municipal agencies as well as local groups to determine community needs.</li><li>° Attempt to meet all of the identified needs of the community, at the lowest possible cost to the users.</li><li>° Participate in State of Alaska organized communicatively handicapped product showcase.</li></ul>					



Public Utilities	Unit No	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		

WORKFORCE FORECAST

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Regulated	585	633	601	594	598	609	617
Regulated - Operators	146	138	140	144	148	151	154
Non-Regulated	<u>149</u>	<u>147</u>	<u>144</u>	<u>145</u>	<u>147</u>	<u>149</u>	<u>149</u>
TOTAL UTILITY	880	918	885	883	893	909	920



Public Utilities	Unit No. 8001	Utility ANCHORAGE TELEPHONE UTILITY	Unit No. 8300	Division	Unit No.
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Key Financial Ratios LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA			
			1986 PROPOSED	1986 ADOPTED	
Current Ratio (times)	2.42	3.01	2.23	2.23	
Long Term Debt/Gross Plant (%)	62	58	49	49	
Debt/Equity (%)	61/39	58/42	56/44	56/44	
Rate of Return (%)	17.5	16.1	12.3	12.3	
Bond Debt Coverage (times)	2.81	2.63	2.33	2.33	
Operating Margin (Regulated - %)	27.9	27.2	22.5	22.5	
Net Profit Margin (Total Company - %)	18.9	17.5	12.9	12.9	

## MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No. 8001	Utility ANCHORAGE TELEPHONE UTILITY	Unit No. 8300	Division	Unit No.
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Key Measurement Ratios		1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED
LINE ITEM DESCRIPTION					
Access Lines (Total)		112,996	120,420	127,525	127,525
Access Lines Growth Rate		7.7%	6.8%	5.9%	5.9%
Regulated Operating Expense Per Access Line (\$)		677.66	650.53	694.73	694.73
Regulated Operating Revenue Per Access Line (\$)		940.50	894.01	896.00	896.00
Access Lines Per Employee		130	137	139	139
Access Lines Per Employee (Without Operators)		161	164	164	164
Regulated Operating Expense Per \$1000 (\$) Plant Investment		306.98	290.17	291.16	291.16
Regulated Operating Revenue Per \$1000 (\$) Plant Investment		426.05	398.78	375.51	375.51

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Summary	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
LINE ITEM DESCRIPTION					
(\$ in thousands)					
<u>OPERATING BUDGET</u>					
REVENUE	118,908	125,942	133,537	133,537	
EXPENSE	96,380	103,931	116,266	116,266	
NET INCOME	22,528	22,011	17,271	17,271	
<u>CAPITAL BUDGET</u>					
CENTRAL OFFICE EQUIPMENT	10,563	16,115	16,027	16,027	
OUTSIDE PLANT	10,686	11,560	15,215	15,215	
SPECIAL SYSTEMS	1,800	2,296	4,250	4,250	
DATA SYSTEMS	3,646	5,423	5,002	5,002	
GENERAL SERVICES	450	1,450	2,444	2,444	
COIN PHONES	305	500	600	600	
FACILITY/VEHICLES	9,533	4,659	9,427	9,427	
CAPITAL IMPROVEMENT BUDGET W/O CPE	36,983	42,003	52,965	52,965	
CAPITALIZED CUSTOMER PREMISE RENTAL EQUIPMENT	4,700	4,500	4,000	4,000	
TOTAL CAPITAL BUDGET	41,683	46,503	56,965	56,965	

## MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Statement of Revenues & Expenses					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
(\$ in thousands)					
<u>REVENUE</u>					
<u>REVENUE FROM SERVICES</u>					
5000 Subscriber Line	\$ 35,954	\$ 34,516	\$ 36,160	\$ 36,160	
5010 Public Telephone	987	1,120	1,204	1,204	
5100 Toll Service	56,208	54,804	57,884	57,884	
5210 Telegraph Commissions	30	32	34	34	
5230 Commercial Revenue	10,254	14,208	16,515	16,515	
5240 Rent of Facilities*	610	649	691	691	
3161 Rent of Equipment	3,058	3,428	5,741	5,741	
Total Revenue From Services	107,101	108,757	118,229	118,229	
<u>REVENUE FROM SALES</u>					
3161 Sales and Financial Leases	3,900	7,694	7,199	7,199	
<u>OTHER REVENUE</u>					
3161 Installations	1,732	2,835	3,283	3,283	
5260 Other Revenue From Operations	216	256	271	271	
3143, 3142, 3141, 3131 Interest Income	7,993	7,751	6,495	6,495	
3160 Miscellaneous	(82)				
Total Other Revenue	9,859	10,842	10,049	10,049	
5300 Uncollectibles	(1,952)	(1,351)	(1,940)	(1,940)	
<b>TOTAL REVENUE</b>	<b>\$118,908</b>	<b>\$125,942</b>	<b>\$133,537</b>	<b>\$133,537</b>	

Public Utilities	Unit No. 8001	Utility ANCHORAGE TELEPHONE UTILITY	Unit No. 8300	Division	Unit No.
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Statement of Revenues & Expenses					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
<u>COSTS OF GOODS SOLD</u>					
3162 Cost of Goods Sold	\$ 2,200	\$ 4,240	\$ 4,072	\$ 4,072	
<u>DIRECT EXPENSES</u>					
6000/3162 Maintenance/Installation	30,363	30,898	34,392	34,392	
6200 Traffic Operations	7,328	8,305	8,283	8,283	
Total Direct Expenses	37,691	39,203	42,675	42,675	
<u>SELLING, GENERAL, AND ADMINISTRATIVE</u>					
3162 Marketing and Sales Administration	1,872	2,790	2,839	2,839	
6400 Commercial Expenses	13,934	14,507	17,712	17,712	
6600/6700 Administrative Expenses	8,577	8,951	11,888	11,888	
Total General & Administrative Expenses	24,383	26,248	32,439	32,439	
<u>DEPRECIATION, TAXES, AND INTEREST</u>					
3162/6808 Depreciation	17,592	18,486	20,559	20,559	
6806 MUSA	1,477	1,611	1,875	1,875	
6835 Interest on Funded Debt	12,672	13,632	14,282	14,282	
6836 Other Interest Expense	365	511	364	364	
Total Other Expenses	32,106	34,240	37,080	37,080	
TOTAL EXPENSES	\$ 96,380	\$103,931	\$116,266	\$116,266	
NET INCOME	\$ 22,528	\$ 22,011	\$ 17,271	\$ 17,271	
* Financial Statement adjusted to eliminate impact of rental transactions from the regulated activity to the non-regulated activity.					

MUNICIPALITY OF ANCHORAGE		PAGE			
Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Sources & Uses of Cash		1984	1985	1986 PROPOSED	1986 ADOPTED
LINE ITEM DESCRIPTION		ACTUAL	PRO-FORMA		
(\$ in thousands)					
<b>Sources of Cash:</b>					
Net Income (Loss)		22,528	22,011	17,271	17,271
Depreciation		18,389	19,566	21,308	21,308
Bond Proceeds		16,093	14,701	10,000	10,000
Decrease in Current Assets		5,202	9,583	0	0
Increase in Current Liabilities		7,646	0	2,373	2,373
<b>Total Sources of Cash</b>		<b>69,858</b>	<b>65,861</b>	<b>50,952</b>	<b>50,952</b>
<b>Uses of Cash:</b>					
Additions to Plant		36,437	40,373	62,619	62,619
Bond Principal Payment		7,140	7,090	7,684	7,684
Increase in Current Assets		0	0	2,834	2,834
Decrease in Current Liabilities		0	7,892	0	0
Residual Equity Transfer		1,467	2,572	1,570	1,570
Utility Net Profit Distribution		0	0	5,500	5,500
Other		542	3,919	1,291	1,291
<b>Total Uses of Cash</b>		<b>45,586</b>	<b>61,846</b>	<b>81,498</b>	<b>81,498</b>
<b>Net Increase (Decrease) in Cash</b>		<b>24,272</b>	<b>4,015</b>	<b>(30,546)</b>	<b>(30,546)</b>
Beginning Cash Balance, Jan.		55,337	79,609	83,624	83,624
Ending Cash Balance, Dec. 31		79,609	83,624	53,078	53,078
<b>Detail of Cash Balance:</b>					
Revenue Bond Reserve Cash		12,490	13,054	13,224	13,224
Equity in General Cash Pool		55,843	64,690	35,854	35,854
Equity in Construction Cash Pool		11,276	5,880	4,000	4,000
<b>Total Ending Cash Balance, Dec. 31</b>		<b>79,609</b>	<b>83,624</b>	<b>53,078</b>	<b>53,078</b>



Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Fund Equity Balance					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
(\$ in thousands)					
Balance January 1	83,393	104,454	123,893	123,893	
Net Income	22,528	22,011	17,271	17,271	
Contributions Received	0	0	0	0	
Deduct RET and UNPD	<u>(1,467)</u>	<u>(2,572)</u>	<u>(7,070)</u>	<u>(7,070)</u>	
Balance December 31	104,454	123,893	134,094	134,094	
Detail of Fund Equity					
Retained Earnings	104,454	123,893	134,094	134,094	
Contributed Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total Fund Equity Dec. 31	104,454	123,893	134,094	134,094	

MUNICIPALITY OF ANCHORAGE		PAGE			
Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8001	ANCHORAGE TELEPHONE UTILITY	8300		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
Debt Service Coverage		1984	1985	1986 PROPOSED	1986 ADOPTED
LINE ITEM DESCRIPTION		ACTUAL	PRO-FORMA		
(\$ in thousands)					
Regulated Operating Income		102,365	104,338	111,079	111,079
Non-Operating Income (Excl. prior yrs. Toll Revenue)		<u>7,911</u>	<u>7,751</u>	<u>6,495</u>	<u>6,495</u>
Total Operating Income		110,276	112,089	117,574	117,574
Regulated Operating Expense		73,757	75,922	86,128	86,128
Non-Operating Expense (Excl. Interest)		<u>365</u>	<u>511</u>	<u>364</u>	<u>364</u>
Operating Expenses Incl. Depr & MUSA		74,122	76,433	86,492	86,492
LESS: MUSA		1,477	1,611	1,875	1,875
Depreciation (Regulated)		<u>16,407</u>	<u>17,158</u>	<u>18,334</u>	<u>18,334</u>
		17,884	18,769	20,209	20,209
Operating Expense Exl MUSA & Depr		56,238	57,664	66,283	66,283
Income Available for Debt Service		54,038	54,425	51,291	51,291
Debt Service Requirement		19,207	20,722	21,977	21,977
Debt Coverage Ratio		2.81	2.63	2.33	2.33
Required Debt Coverage Ratio		1.4	1.4	1.4	1.4

Public Utilities	Unit No. 8001	Utility ANCHORAGE TELEPHONE UTILITY	Unit No. 8300	Division	Unit No.
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1986 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>PROJECT TITLE</u>	<u>TOTAL PROJECT COST 1986</u>	<u>REVENUE BONDS</u>	<u>G. O. BONDS</u>	<u>OPERATIONS</u>	<u>STATE GRANT</u>	<u>FEDERAL GRANTS</u>
Central Office Engineering	16,027	8,110	0	7,917	0	0
Facilities	8,101	0	0	8,101	0	0
Special Systems	4,250	1,890	0	2,360	0	0
Data Systems	5,002	0	0	5,002	0	0
Outside Plant	15,215	0	0	15,215	0	0
Materials Management	2,444	0	0	2,444	0	0
Vehicles	1,326	0	0	1,326	0	0
Customer Premise Equipment	4,000	0	0	4,000	0	0
Coin Phone	<u>600</u>	<u>0</u>	<u>0</u>	<u>600</u>	<u>0</u>	<u>0</u>
TOTAL	56,965	10,000	0	46,965	0	0

## MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.						
	8001	ANCHORAGE TELEPHONE UTILITY	8300								
CIB/CIP 1986 - 1991											
PROJECT TITLE	1986	1987	1988	1989	1990	1991	REVENUE BONDS	OPERA- TIONS	STATE GRANTS	FEDERAL GRANTS	TOTAL
Central Office Engineering	16,027	3,575	3,193	3,420	3,835	3,475	25,608	7,917	0	0	33,525
Facilities	8,101	1,275	8,430	600	630	830	8,660	11,206	0	0	19,866
Special Systems	4,250	2,500	2,500	2,400	1,850	2,300	11,690	4,110	0	0	15,800
Data Systems	5,002	3,322	3,011	2,996	2,646	2,626	9,290	10,313	0	0	19,603
Outside Plant	15,215	13,190	14,130	14,955	16,185	17,030	19,752	70,953	0	0	90,705
Materials Management	2,444	965	750	615	655	615	0	6,044	0	0	6,044
Vehicles	1,326	1,185	1,355	1,555	1,320	1,375	0	8,116	0	0	8,116
Customer Premise Equipment	4,000	4,100	4,400	4,600	4,900	5,200	0	27,200	0	0	27,200
Coin Phone	600	500	500	500	500	500	0	3,100	0	0	3,100
<b>TOTAL</b>	<b>56,965</b>	<b>30,612</b>	<b>38,269</b>	<b>31,641</b>	<b>32,521</b>	<b>33,951</b>	<b>75,000</b>	<b>148,959</b>	<b>0</b>	<b>0</b>	<b>223,959</b>
<b>SOURCE OF FUNDING:</b>											
Revenue Bonds	10,000	10,000	20,000	8,000	13,000	14,000	75,000	0	0	0	75,000
Operational	46,965	20,612	18,269	23,641	19,521	19,951	0	148,959	0	0	148,959
State Grant	0	0	0	0	0	0	0	0	0	0	0
Federal Grant	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL FUNDING</b>	<b>56,965</b>	<b>30,612</b>	<b>38,269</b>	<b>31,641</b>	<b>32,521</b>	<b>33,951</b>	<b>75,000</b>	<b>148,959</b>	<b>0</b>	<b>0</b>	<b>223,959</b>