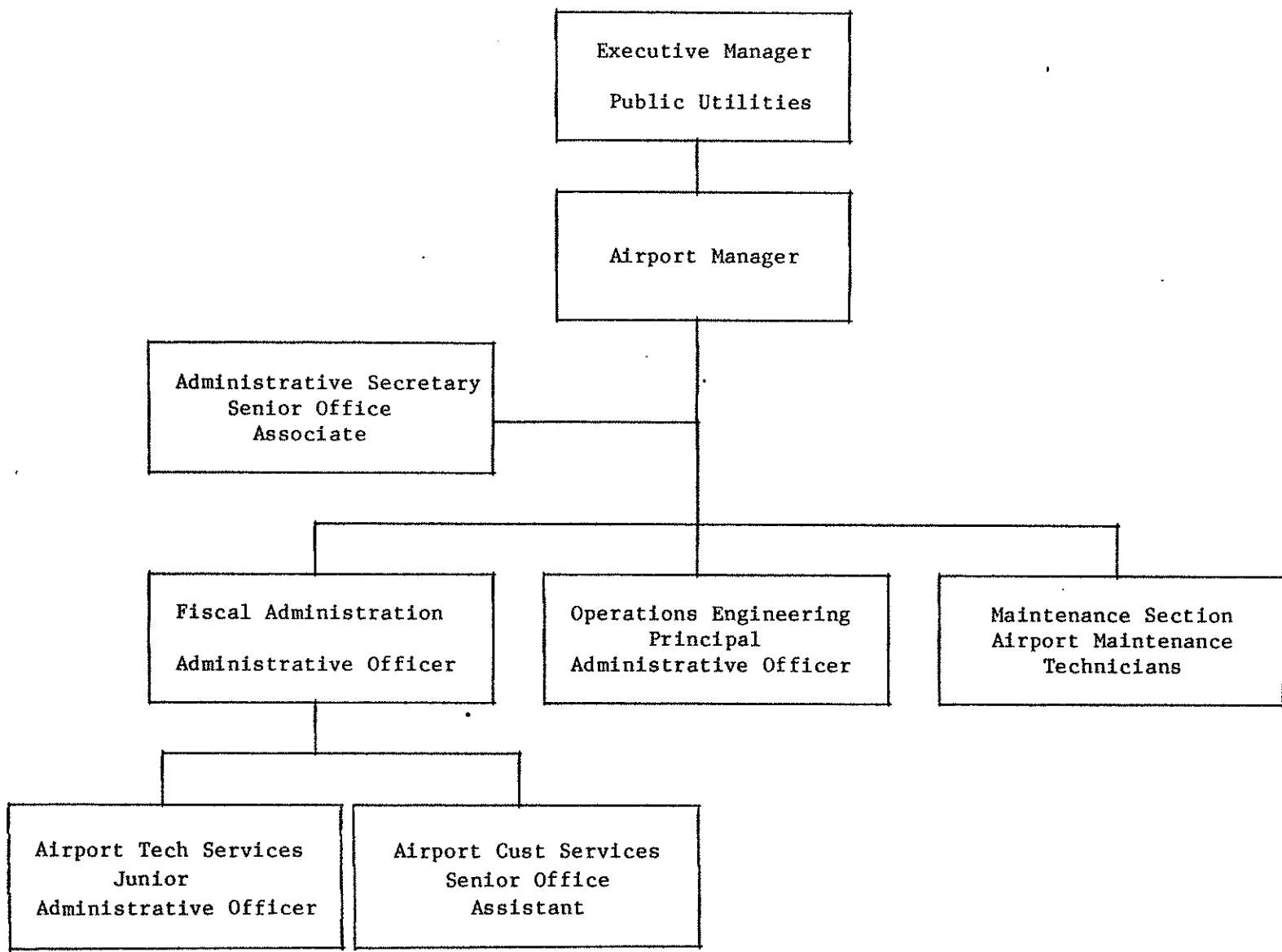


MERRILL FIELD MUNICIPAL AIRPORT



## MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1986	8000	Merrill Field	8980		

MISSION

The mission of Merrill Field Airport is to operate, maintain, and develop new airport facilities to satisfy the community aviation demand while maintaining a viable financial position and being an attractive good neighbor.

GOALS

The goals of Merrill Field are to:

1. Maintain airfield facilities in a fully functional and safe condition for public use at all times.
2. Maximize the use of Federal Airport Improvement Program (AIP) and State of Alaska grants to provide facilities that will safely and adequately meet the growing needs of general aviation.
3. Improve the general utility and overall appearance of Merrill Field by actively pursuing grant capital funding to develop capital projects in accordance with the Merrill Field Master Plan.
4. Enhance the Airport's role as the major general aviation transportation facility serving Anchorage and outlying areas within Alaska by constructing a public aviation facility.

FACTORS DRIVING THE UTILITY

1. Population growth in the Anchorage area.
2. Demand for aircraft tiedown space will continue to increase but at a slower pace.
3. Airport flight operations will stabilize.

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FACTORS DRIVING THE UTILITY (CONTINUED)

4. Anchorage area airport facilities will soon reach capacity.
5. Federal/State grant regulatory requirements.
6. Duty to perform a responsive and responsible level of maintenance.

PLANNING AND FINANCIAL ASSUMPTIONS

The following assumptions have been used in developing Merrill Field Airport's 1986-1991 long-range plans. They have been developed from the best data available at this time.

1. FAA grants will continue to be available in sufficient amounts to fund the Airport Capital Programs recommended in the Merrill Field Master Plan.
2. State grants will be available to construct a Public Aviation Facility.
3. Airport revenue can be increased to:
  - a. Meet increased expenses associated with responsive levels of service.
  - b. Maintain and repair airport plant and equipment.
4. Airport revenue will fluctuate with weather conditions, the general economy, and population growth.

## MUNICIPALITY OF ANCHORAGE

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MUNICIPAL AIRPORT-1986	8000	MERRILL FIELD	8980		

OBJECTIVE/PROGRAMS

1. Continue to aggressively seek and obtain FAA Grant funding for the Airport Capital Improvement Program.
  - Identify Capital Requirements for Eligible Grant Projects.
  - Secure engineering services for project preliminary design, final design, contract specifications, bid award, and construction supervision.
  - Accomplish pre-application process.
  - Secure tentative allocations.
  - Accomplish grant application process.
  
2. Substantially Improve the Utility, Quality, Appearance and Safety of Facilities at Merrill Field.
  - Continue long-term planning, development, and construction of an enhanced quality of facilities including:
    - Construct roads and landscaping along the south and east boundary of the airport.
    - Construct a public aviation facility.
    - Review and update the Merrill Field Master Plan when necessary.
    - Work in close coordination with the Airport Commission, Fixed Based Operators, and other tenants.
    - Pave, install area lighting and three point tiedown anchors on existing and planned aircraft tiedown aprons.
    - Crack sealing of runways/taxiways.
    - Construct airport flight planning and administrative office space.
    - Fund advance planning for grant plans and specifications.

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
MUNICIPAL AIRPORT-1986	8000	MERRILL FIELD	8980		

OBJECTIVE/PROGRAMS - Contd.

- Maintain four temporary airport maintenance technician assistance employees for four weeks (day labor).
  - Acquire snow removal equipment.
  - Construct 192 new aircraft tiedowns in apron E-4 in 1988.
  - Construct 219 new aircraft tiedowns in apron F-1 in 1991.
3. Maintain a Viable Financial Position.
- Increase revenue to meet airport objectives
  - by increasing user fees to meet increased direct and indirect costs.
  - by increasing facility productivity.
4. Increase Operational Efficiency of Airport Data Processing Equipment.
- Network existing IBM computers to allow shared programs and data.
  - Continue developing programs to enable better budget data management.
  - Maintenance and expansion of data base and management reporting capabilities.

## MUNICIPALITY OF ANCHORAGE

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Municipal Airport - 1986	8000	Merrill Field	8980				
<u>MANPOWER FORECAST</u>							
<u>DIVISIONS</u>	1985	1986	1987	1988	1989	1990	1991
Airport Manager	1	1	1	1	1	1	1
Grant Administration	1	1	1	1	1	1	1
Financial Administration	1	1	1	1	1	1	1
Office Operations	3	3	3	4	4	4	4
Airport Maint. Tech. (Permanent)	3	3	3	4	4	4	4
Heavy Equip. Operator (Temporary)	2	2	2	2	2	2	2
Airport Maint. Assts. (Temp)	4	4	4	4	4	4	4
Public Aviation Facility	0	0	[To Be Determined -----]				
<hr/>							
Total (Permanent)	9	9	9	11	11	11	11
Total (Temporary)	6	6	6	6	6	6	6

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
MUNICIPAL AIRPORT-1986	8000	MERRILL FIELD	8980		

RESOURCE IMPACTS

<u>Growth Factors</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
A. Based Aircraft	1,085	1,125	1,269	1,311	1,335	1,496
B. Flight Operations	384,000	370,000	355,000	360,000	370,000	385,000
C. Municipal Tiedowns	585	585	777	777	777	996
Grants Anticipated	2,352	3,141	3,676	4,226	4,593	3,472
Staff Requirements						
A. Permanent	9	9	11	11	11	11
B. Temporary	6	6	6	6	6	6
C. Airport Terminal	0	To be determined	-	-	-	-
TOTAL Personnel	9+6T	9+6T	11+6T	11+6T	11+6T	11+6T
<u>Revenue</u>	974	1,083	1,249	1,341	1,462	1,634
<u>Expenses</u>	907	962	1,110	1,180	1,266	1,386
<u>Net Income Regulatory</u>	<u>67</u>	<u>121</u>	<u>139</u>	<u>161</u>	<u>196</u>	<u>248</u>

PROJECTED ANNUAL LEASE  
RATE INCREASES (Per  
Square Foot Per Year)

From the current rate of \$.135 a 10% or less increase per year  
is anticipated.

## MUNICIPALITY OF ANCHORAGE

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STATISTICAL AND PERFORMANCE TRENDS

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
1. Based Aircraft	746	863	893	1,008	1,019	1,050	1,085
2. Municipal Tiedowns	195	250	307	524	514	567	585
3. National Airport Ranking	30th	29th	27th	19th	15th	18th	17th
4. Flight Operations (Federal Year)	281,115	310,227	302,755	331,277	374,141	357,000	384,000
5. Transient Parking (Number of Days)	-----	8,687	9,802	8,656	7,797	7,650	7,900
6. Municipal Fuel Flowage	-----	1,058,840	1,071,140	1,053,621	1,159,523	1,107,000	1,150,000
7. Lease Rate (Per Square Foot Per Year)	.09	.09	.09	.10	.115	.125	.135
8. Leased Square Footage	2,497,719	2,690,139	2,690,139	2,619,489	2,873,287	2,756,649	2,797,526



MUNICIPALITY OF ANCHORAGE

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MUNICIPAL AIRPORT-1986	8000	MERRILL FIELD	8980		

KEY FINANCIAL RATIOS

<u>Ratio</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Current Ratio	2.15	2.14	2.00
Debt Equity Ratio	1.980	1.23	.93
Receivable Turnover	35.68 (10 days)	53.17 (7 days)	51.20 (7 days)

## MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
MUNICIPAL AIRPORT-1986	8000	MERRILL FIELD	8980		

Operating Budget

1. The completion of \$4.3 million in improvements to Merrill Field during 1985 has caused a sizeable increase in the Depreciation of Contributed Plant during 1986.
2. These capital improvements have caused a significant increase in Maintenance Expenses in 1986.

Capital Budget

1. The Snow Removal Equipment Storage Facility planned for 1986 will substantially improve operating efficiency and help keep the cost of snow removal and sanding at a reasonable level.
2. The \$300,000 State of Alaska grant to design and develop the Public Aviation Facility should be completed in early 1986; however, state funding of the construction of that facility will be requested over a three-year period, at approximately \$1 million per year beginning in 1987.

MUNICIPALITY OF ANCHORAGE

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Municipal Airport - 1986	8000	Merrill Field	8980		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
(Dollars in Thousands)					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA			
			1986 PROPOSED	1986 ADOPTED	
<u>Operating Budget</u>					
Revenue	838	1,034	974	974	
Expense	804	1,012	1,391	1,391	
Net Income (Loss) For Governmental Financial Reporting	34	22	(417)	(417)	
Add: Depreciation Contributed Plant	174	242	484	484	
Net Income Regulatory	208	264	67	67	
<u>CAPITAL BUDGET</u>	<u>APPROPRIATED</u>				
PROJECT CATEGORY					
Fencing & Erosion Control/North Side		58			
Sidewalks & Fencing/North Side		167			
Pave South Aircraft Aprons		771			
North Boundary Road & Merrill Field Drive		2,093			
Pave North Aprons and Acquire Snow Equipment		2,369			
Pave Block 4 Public Use Aircraft Aprons			1,059	1,059	
Asphaltic Reconstruction of Apron E-2			80	80	
Improve and Light Taxiway A			625	625	
Restripe Runways to FAA Standards			60	60	
Snow and Ice Equipment Building			500	500	
Miscellaneous Equipment			25	25	
Snow and Ice Removal Equipment			80	80	
Pre-Grant Expenses			250	250	
Compass Rose			25	25	
TOTALS		5,458	2,704	2,704	

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MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
(Dollars in Thousands)					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
<b><u>OPERATING BUDGET</u></b>					
<b><u>STATEMENT OF REVENUE AND EXPENSE</u></b>					
<b><u>OPERATING REVENUE</u></b>					
Property Leases and Access Fees	319	365	394	394	
FAA Service Rent	19	20	22	22	
Short-Term Rental Income	70	133	-0-	-0-	
FAA Grant Administration	52	78	103	103	
State Aviation Fuel Fee	22	22	23	23	
Damage to Airport Property	14	13	-0-	-0-	
<b><u>Miscellaneous Revenue</u></b>					
Transient Revenue	18	19	19	19	
Permanent Parking	223	250	276	276	
Auto Parking	-0-	-0-	1	1	
MOA Fuel Fees	55	57	58	58	
<b>TOTAL OPERATING REVENUE</b>	<b>792</b>	<b>957</b>	<b>896</b>	<b>896</b>	
<b><u>OPERATING EXPENSE</u></b>					
Personal Services	320	446	530	530	
Supplies	54	52	73	73	
Other Services and Charges	133	130	130	130	
Charges From Other Departments	67	76	101	101	
Depreciation, Non-Contributed Plant	55	65	71	71	
<b>TOTAL OPERATING EXPENSE*</b>	<b>629</b>	<b>769</b>	<b>905</b>	<b>905</b>	
<b>OPERATING INCOME (LOSS)</b>	<b>163</b>	<b>188</b>	<b>(9)</b>	<b>(9)</b>	
* Depreciation of Contributed Plant Not Included					

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MUNICIPALITY OF ANCHORAGE FINANCIAL DATA (Dollar in Thousands)					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA			
			1986 PROPOSED	1986 ADOPTED	
<u>NON-OPERATING REVENUE</u>					
State Revenue Sharing	39	39	39	39	
Interest Revenue	6	31	35	35	
Disposition of Assets	1	7	4	4	
TOTAL NON-OPERATING REVENUE	46	77	78	78	
<u>NON-OPERATING EXPENSE</u>					
Interest on Long-Term Debt	1	1	2	2	
TOTAL NON-OPERATING EXPENSE	1	1	2	2	
NON-OPERATING INCOME	45	76	76	76	
NET INCOME REGULATORY	208	264	67	67	
LESS: DEPRECIATION OF CONTRIBUTED PLANT	174	242	484	484	
NET INCOME (LOSS) FOR GOVERNMENT FINANCIAL REPORTING	34	22	(417)	(417)	

## MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1986	8000	Merrill Field	8980		
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
(Dollars in Thousands)					
LINE ITEM DESCRIPTION	1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED	
<b><u>STATEMENT OF SOURCES AND USES OF CASH FUNDS</u></b>					
<b>SOURCES OF CASH FUNDS:</b>					
Net Income (Loss)	34	22	(417)	(417)	
Depreciation	229	306	555	555	
Grants	6,648	5,458	2,704	2,704	
<b>Total Sources of Cash Funds</b>	<b>6,911</b>	<b>5,786</b>	<b>2,842</b>	<b>2,842</b>	
<b>USES OF CASH FUNDS:</b>					
Additions to Plant	6,622	5,107	2,636	2,636	
Bond Principal Payment	4	4	4	4	
<b>Total Uses of Cash Funds</b>	<b>6,626</b>	<b>5,111</b>	<b>2,640</b>	<b>2,640</b>	
<b>Net Increase in Cash Funds</b>	<b>285</b>	<b>675</b>	<b>202</b>	<b>202</b>	
<b>Cash Balance January 1,</b>	<b>39</b>	<b>324</b>	<b>999</b>	<b>999</b>	
<b>Cash Balance December 31,</b>	<b>324</b>	<b>999</b>	<b>1,201</b>	<b>1,201</b>	
<b>DETAIL OF CASH BALANCE:</b>					
Equity in General Cash Pool	302	402	496	496	
Equity in Construction Cash Pool	22	597	705	705	
<b>Total Cash Balance December 31,</b>	<b>324</b>	<b>999</b>	<b>1,201</b>	<b>1,201</b>	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1986	8000	Merrill Field	8980		

MUNICIPALITY OF ANCHORAGE  
FINANCIAL DATA

(Dollars in Thousands)

LINE ITEM DESCRIPTION	1984	1985	1986 PROPOSED	1986 ADOPTED
	ACTUAL	PRO-FORMA		
<u>STATEMENT OF CHANGES IN FUND EQUITY</u>				
Balance January 1,	8,755	15,437	20,917	20,917
Net Income (Loss)	34	22	(417)	(417)
Contributions Received	6,648	5,458	2,704	2,704
Balance December 31,	15,437	20,917	23,204	23,204
Detail of Fund Equity:				
Retained Earnings	852	1,318	1,462	1,462
Contributed Capital	14,585	19,599	21,742	21,742
Total Fund Equity December 31,	15,437	20,917	23,204	23,204

## MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
		MUNICIPAL AIRPORT	8980		

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>
Tiedown Aprons	1,139	0	0	36	35	1,068
Runways/Taxiways	685	0	0	22	21	642
Building & Equipment	605	0	0	44	17	544
Misc. Improvements	25	0	0	0	0	25
Project Planning and Design Costs	<u>250</u>	<u>0</u>	<u>0</u>	<u>250</u>	<u>0</u>	<u>0</u>
TOTAL (000)	2,704	0	0	352	73	2,279



MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.						
		MUNICIPAL AIRPORT									
CIB/CIP 1986-1991											
PROJECT TITLE	1986	1987	1988	1989	1990	1991	BONDS	OPER- ATIONS	STATE GRANTS	FEDERAL GRANTS	TOTAL
Tiedown Aprons	1,139	1,990	2,094	1,130	0	3,590	0	318	315	9,310	9,943
Runways/Taxiways	685	0	669	1,140	4,741	0	0	227	225	6,783	7,235
Building & Equipment	605	1,220	1,000	1,120	0	0	0	51	3,144	750	3,945
Misc. Improvements	25	0	0	0	0	0	0	0	0	25	25
Project Planning and Design Costs	250	0	0	0	0	0	0	250	0	0	250
Roads	<u>0</u>	<u>0</u>	<u>0</u>	<u>938</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30</u>	<u>29</u>	<u>879</u>	<u>938</u>
TOTAL CIP PROGRAM	2,704	3,210	3,763	4,328	4,741	3,590	0	876	3,713	17,747	22,336
SOURCE OF FUNDING:											
Revenue Bonds	0	0	0	0	0	0	0	0	0	0	0
General Bonds	0	0	0	0	0	0	0	0	0	0	0
Operations	352	69	87	102	148	118	0	876	0	0	876
State Grants	73	1,069	1,086	1,219	148	118	0	0	3,713	0	3,713
Federal Grants	<u>2,279</u>	<u>2,072</u>	<u>2,590</u>	<u>3,007</u>	<u>4,445</u>	<u>3,354</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,747</u>	<u>17,747</u>
TOTAL FUNDING	2,704	3,210	3,763	4,328	4,741	3,590	0	876	3,713	17,747	22,336