

PROCESSING AND DISPOSAL

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920

RESOURCE IMPACTS

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
<u>Growth Factors</u>						
Population	225,567	222,031	224,433	228,796	235,274	241,829
Tons Disposed	261,178	270,581	273,136	277,833	284,839	291,927
G.O. Bonds	700,000	0	0	0	0	0
Grants Anticipated	375,000	0	175,000	0	0	0
Personnel Increases	(2)	NC	1	NC	NC	1
Total Personnel	38+10T	38+10T	39+10T	39+10T	39+10T	40+10T
<u>Revenue</u>	8,292,700	11,308,600	11,520,600	11,913,300	12,268,200	12,614,100
<u>Expense</u>	7,371,000	11,110,600	11,327,900	11,488,700	11,649,000	11,877,400
<u>Net Income Regulatory</u>	<u>921,700</u>	<u>198,000</u>	<u>192,700</u>	<u>424,600</u>	<u>619,200</u>	<u>736,700</u>
<u>Possible Rate Increase</u>						
Residential						
Percent	NC	NC	NC	26%	NC	NC
User Fee	\$2/Car	NC	NC	\$3/Car	NC	NC
Commercial						
Percent	114%	NC	NC	NC	NC	NC
User Fee	\$45/Ton (1)	NC	NC	NC	NC	NC

(1) Rate to be effective with the opening of the Anchorage Regional Landfill and Anchorage Transfer facility planned for September 1, 1987.

MUNICIPALITY OF ANCHORAGE

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PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920			
<u>STATISTICAL/PERFORMANCE TRENDS</u>								
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Pro Forma 1986</u>	<u>Budget 1987</u>
<u>Tons Disposed:</u>								
Anchorage	161,041	198,521	227,391	265,830	263,425	245,855	245,000	239,265
Eagle River	0	670	15,305	34,488	20,094	17,108	15,500	15,246
Fort Richardson	0	0	0	0	0	0	0	6,667
TOTAL TONS DISPOSED	161,041	199,191	242,696	300,318	283,519	262,963	260,500	261,178
Vehicles Utilizing Disposal Sites	131,655	149,742	209,855	273,024	216,233	178,212	170,322	171,870
Cost/Ton Disposed	\$12.00	\$13.05	\$14.66	\$12.59	\$17.03	\$20.95	\$23.41	\$28.54
Percent Change	37.2	8.8	12.3	-14.1	35.3	23.0	11.7	21.9
Tons Disposed/Employee	6,442	7,968	9,708	12,013	10,310	8,483	5,789	6,074
Percent Change	-0.4	23.7	21.8	23.7	-14.2	-17.7	-31.8	4.9
Employees (FTE)	25	25	25	25	27.5	31	45	43

MUNICIPALITY OF ANCHORAGE

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PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987		
			PROPOSED	ADOPTED	
<u>SELECTED RATIOS</u>					
Operating Income	412,272	905,000	1,858,200		
Operating Revenue	5,212,773	5,650,500	7,272,700		
Operating Margin	7.91%	16.02%	25.55%		
Operating Expense (Controllable)	4,166,910	3,945,500	4,307,800		
Operating Revenue	5,212,773	5,650,500	7,272,700		
Operating Ratio	79.94%	69.83%	59.23%		
Debt/Equity Ratio	56/44	77/23	70/30		
Net Income	686,667	578,300	838,300		
Operating Revenue	5,212,773	5,650,500	7,272,700		
Net Profit Margin	13.17%	10.23%	11.53%		

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PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920

Fund 0562 is an enterprise fund providing solid waste processing and disposal services for municipal residents on an areawide basis. The Merrill Field and Peters Creek Landfills, the Municipal Shredder Facility and the Girdwood Transfer Facility are all operated by this Utility. Solid Waste Processing and Disposal is regulated by the Anchorage Assembly who is responsible for budget and rate approval. This Utility receives no financial support from property taxes. Approximately 88 percent of the revenues needed to fund the proposed 1987 budget will come from user fees while the remaining 12 percent will come from non-operating sources such as interest income. During 1987, a significant change is planned with the closure of the Merrill Field and Peters Creek Landfills, the opening of the new Anchorage Regional Landfill and the conversion of the Shredder Plant to a Transfer Facility.

Fund 0563 is a capital improvement fund which accounts for all capital assets purchased for Solid Waste Processing and Disposal purposes.

Operating Budget

The Processing and Disposal budget will increase by 22 percent in 1987. The specific adjustments resulting in the net change are as follows:

o	Cost reductions associated with closing the Municipal Shredder	\$(1,105,400)	(18)%
o	Cost associated with the operation of the Anchorage Anchorage Regional Landfill	\$ 1,171,700	19%
o	Cost associated with the operation of the Anchorage Trasfer Facility	\$ 1,290,900	21%
	TOTAL ADJUSTMENTS	\$ <u>1,357,200</u>	<u>22%</u>

Capital Budget

Capital expenditures planned for 1987 consist of \$1,075,000 to construct a Hazardous Waste Storage/Transfer Facility and \$462,000 for equipment replacement. Funding for the Hazardous Waste Storage/Transfer Facility consists of \$375,000 from a State Department of Environmental Conservation grant and \$700,000 in general obligation bonds which will appear on the October, 1986 ballot. Funding for the scheduled replacement of solid waste equipment will come from accumulated depreciation.

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MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987		
			PROPOSED	ADOPTED	
<u>Operating Budget</u>					
Revenue	6,195,852	6,675,500	8,292,700		
Expense	5,509,185	6,097,200	7,454,400		
Net Income - Governmental	686,667	578,300	838,300		
Adjustments	46,514	50,000	83,400		
Net Income - Regulatory	733,181	628,300	921,700		
<u>Capital Budget</u>					
Project Category					
Improvements	1,080,456	1,000,000	23,718,500		
Equipment	55,729	245,000	462,000		
Other	0	0	0		
Total Capital	1,136,185	1,245,000	24,180,500		

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MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987 PROPOSED	1987 ADOPTED	
<u>STATEMENT OF REVENUE AND EXPENSE</u>					
<u>OPERATING REVENUE</u>					
Disposal Fees	5,195,883	5,650,500	7,272,700		
Sale of Materials	16,890	0	0		
TOTAL OPERATING REVENUE	5,212,773	5,650,500	7,272,700		
<u>OPERATING EXPENSE</u>					
Personal Services	1,619,031	1,539,900	1,517,900		
Supplies	906,924	621,700	418,500		
Other Services and Charges	740,605	843,100	1,130,900		
Charges From Other Departments	900,350	940,800	1,240,500		
Depreciation (Non-Contributed)	633,591	750,000	1,106,700		
TOTAL OPERATING EXPENSE	4,800,501	4,695,500	5,414,500		
OPERATING INCOME (LOSS)	412,272	955,000	1,858,200		
<u>NON-OPERATING REVENUE</u>					
Tax Revenue	1,763	0	0		
Revenue From Other Governments	372,660	0	0		
Interest Revenue	588,604	1,025,000	1,020,000		
Other Revenue	20,052	0	0		
TOTAL NON-OPERATING REVENUE	983,079	1,025,000	1,020,000		
<u>NON-OPERATING EXPENSE</u>					
Interest on Long-Term Debt	662,170	1,351,700	1,956,500		
TOTAL NON-OPERATING EXPENSE	662,170	1,351,700	1,956,500		
NON-OPERATING INCOME (LOSS)	320,909	(326,700)	(936,500)		
NET INCOME - REGULATORY	733,181	628,300	921,700		
LESS AMORTIZATION ON CONTRIBUTED PLANT	46,514	50,000	83,400		
NET INCOME - GOVERNMENTAL	686,667	578,300	838,300		

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920

MUNICIPALITY OF ANCHORAGE
FINANCIAL DATA

LINE ITEM DESCRIPTION	1985	1986	1987 PROPOSED	1987 ADOPTED
	ACTUAL	PRO-FORMA		
STATEMENT OF SOURCES AND USES OF CASH FUNDS				
SOURCES OF CASH FUNDS:				
Net Income (Loss)	686,667	578,300	838,300	
Depreciation (Inc. Cont. Cap.)	680,105	800,000	1,190,100	
Grants	960,195	1,000,000	542,800	
Bonds	5,220,000	18,000,000	700,000	
Net Change Current Assets	(115,881)	0	0	
Net Change Current Liabilities	(384,736)	0	0	
TOTAL SOURCE OF CASH FUNDS	7,046,350	20,378,300	3,271,200	
USES OF CASH FUNDS:				
Additions to Plant	1,445,794	245,000	24,680,500	
Bond Principal Payment	0	405,000	870,000	
Bond Financing Costs	123,499	270,000	10,500	
Net Change Special Funds	0	0	0	
TOTAL USES OF CASH FUNDS	1,569,293	920,000	25,561,000	
Net Increase (Decrease) In Cash Funds	5,477,057	19,458,300	(22,289,800)	
Cash Balance January 1,	1,383,057	6,860,114	26,318,414	
Cash Balance December 31,	6,860,114	26,318,414	4,028,614	
DETAIL OF CASH BALANCE:				
Equity In General Cash Pool	1,626,584	2,599,884	3,758,284	
Equity In Construction Cash Pool	5,233,530	23,718,530	270,330	
TOTAL CASH DECEMBER 31,	6,860,114	26,318,414	4,028,614	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987		
			PROPOSED	ADOPTED	
<u>STATEMENT OF CHANGES IN FUND EQUITY</u>					
Balance January 1,	4,813,352	6,460,214	7,838,514		
Net Income (Loss)	686,667	578,300	838,300		
Contributed Capital	960,195	800,000	1,190,100		
Balance December 31,	6,460,214	7,838,514	9,866,914		
Detail of Fund Equity					
Retained Earnings	4,479,295	5,107,595	6,029,295		
Contributed Capital	1,980,919	2,730,919	3,837,619		
Total Fund Equity December 31,	6,460,214	7,838,514	9,866,914		

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920

1987 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>Project Category</u>	<u>Total Project Cost</u>	<u>FUNDING SOURCE</u>		
		<u>Bonds</u>	<u>Operations</u>	<u>Grants</u>
Equipment	462	0	462	0
Improvements	1,075	700 (G)	0	375
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>1,537</u>	<u>700 (G)</u>	<u>462</u>	<u>375</u>

Dollars in Thousands

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS

Utility PROCESSING AND DISPOSAL

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G - G O BONDS R - REV BONDS	OPERATIONS	GRANTS F - FEDERAL S - STATE	TOTAL
Improvements	Hazardous Waste Transfer/Storage Facility	Anchorage Regional Landfill	700	0	375	1,075
Equipment	Equipment Replacement	Landfill/Transfer Station	0	462	0	462
Dollars in Thousands						
PREPARED BY <u>J.E. Sinz</u> DATE _____ TOTAL _____			700 G 0 R	462	0 F 375 S	1,537

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8902	PROCESSING AND DISPOSAL	8920

1987-92 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>Project Category</u>	<u>ANNUAL PROJECT COST</u>						<u>FUNDING SOURCE</u>			<u>Total Program</u>
	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>Bonds</u>	<u>Operations</u>	<u>Grant</u>	
Equipment	462	485	575	497	250	373	0	2,642	0	2,642
Improvements	1,075	945	1,148	1,048	1,032	1,064	700	5,062	550	6,312
Other	0	425	0	0	0	0	0	425	0	425
TOTAL	<u>1,537</u>	<u>1,855</u>	<u>1,723</u>	<u>1,545</u>	<u>1,282</u>	<u>1,437</u>	<u>700</u>	<u>8,129</u>	<u>550</u>	<u>9,379</u>

Source of Funds

Revenue Bonds	0	0	0	0	0	0	0	0	0	0
G.O. Bonds	700	0	0	0	0	0	700	0	0	700
Operations	462	1,855	1,548	1,545	1,282	1,437	0	8,129	0	8,129
State Grant	375	0	175	0	0	0	0	0	0	0
Federal Grant	0	0	0	0	0	0	0	0	0	0
TOTAL	<u>1,537</u>	<u>1,855</u>	<u>1,723</u>	<u>1,545</u>	<u>1,282</u>	<u>1,437</u>	<u>700</u>	<u>8,129</u>	<u>550</u>	<u>9,379</u>

Dollars in Thousands

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS

Utility PROCESSING AND DISPOSAL

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR					
			1988	1989	1990	1991	1992	
Improvements	Anchorage Regional Landfill	Ft. Richardson	945	973	1,002	1,032	1,064	
	Hazardous Waste Transfer/Storage Facility	Anchorage Regional Landfill	0	0	46	0	0	
	Resource Recovery Study	Anchorage Regional Landfill	0	175	0	0	0	
Equipment	Equipment Replacement	Landfill/Transfer Station	485	575	497	250	373	
Other	Merrill Field Rehabilitation	Merrill Field Landfill	300	0	0	0	0	
	Peters Creek	Peters Creek	125	0	0	0	0	
Dollars in Thousands								
Source of Funding			G.O. BONDS	0	0	0	0	0
			REVENUE BONDS	0	0	0	0	0
			OPERATIONS	1,855	1,548	1,545	1,282	1,437
			STATE GRANTS	0	175	0	0	0
			FEDERAL GRANTS	0	0	0	0	0
			TOTAL	1,855	1,723	1,545	1,282	1,437

PREPARED BY _____ DATE _____

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8900		

Fund 0566 is an internal service fund which provides the Solid Waste Services Department with administrative and equipment maintenance services. One hundred percent of the cost incurred by this fund is charged to either Processing and Disposal, Fund 0562/0563 or to Refuse Collection, Fund 0560/0561.

Administration

The budget unit cost for Solid Waste Administration is planned to increase by 24 percent in 1987. About 21 percent, or \$203,000 is associated with the planned assumption of customer billing and accounts receivable activities. These functions were previously performed by Utility Customer Service and Municipal Data Processing. The remaining 3 percent is the result of inflationary impacts.

Equipment Maintenance

The budget unit cost for Equipment Maintenance is planned to increase by 13 percent in 1987. Approximately 9 percent is due to the increased support required by the new landfill and transfer facility. Two Mechanics and two Equipment Servicemen are required to maintain the additional equipment. The remaining 4 percent is caused by inflationary impacts.

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8900	ADMINISTRATION	8910
FINANCIAL RESOURCES		1984 ACTUAL	1985 PRO-FORMA	1986 PROPOSED	1986 ADOPTED
Personal Services		618,000	731,100	942,100	
Supplies		6,000	13,700	18,700	
Other Services		26,500	59,100	60,000	
Debt Service		0	0	0	
Capital Outlay		0	0	0	
TOTAL DIRECT COST		650,500	803,900	1,020,800	
Intragovernmental Charges From		99,300	155,200	168,000	
BUDGET UNIT COST		749,800	959,100	1,188,800	
Intragovernmental Charges To		749,800	959,100	1,188,800	
FUNCTION COST		0	0	0	
PERSONNEL RESOURCES		RANGE & STEP	BUDGET	PROPOSED	ADOPTED
Utility General Manager		22E	1	1	
Finance/Administration Manager		21E	1	1	
Operations Manager		21E	1	1	
Projects Manager		21E	1	1	
Civil Engineer III		17NF	1	1	
Senior Administrative Officer		15NC-F	2	2	
Data Operations Tech III		12C	0	1	
Native Intern		12C	1	1	
Customer Service Rep III		11D-E	1	1	
Senior Office Associate		10NF	1	1	
Collection Rep III		11D	1	1	
Customer Service Rep I/II		10B-E	0	2	
Accounting Clerk I/II		9C	2	0	
Accounting Clerk II		9C-F	1	1	
Office Assistant		7D	1	1	
TOTAL			15	16	

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
PUBLIC UTILITIES	8000	SOLID WASTE SERVICES	8906	VEHICLE MAINTENANCE	8940
FINANCIAL RESOURCES		1985 ACTUAL	1986 PRO-FORMA	1987 PROPOSED	1987 ADOPTED
Personal Services		347,700	372,900	424,200	
Supplies		500,000	509,200	568,600	
Other Services		177,100	175,300	188,700	
Debt Service		0	0	0	
Capital Outlay		0	0	0	
TOTAL DIRECT COST		1,024,800	1,057,400	1,181,500	
Intragovernmental Charges From		31,200	45,000	62,300	
BUDGET UNIT COST		1,056,000	1,102,400	1,243,800	
Intragovernmental Charges To		1,056,000	1,102,400	1,243,800	
FUNCTION COST		0	0	0	
PERSONNEL RESOURCES		RANGE & STEP	BUDGET	PROPOSED	ADOPTED
Working Foreman		24J	1	1	
Mechanic		21J	4	4	
Warehouseman		21J	1	1	
Equipment Serviceman I		14J	4	4	
TOTAL			10	10	