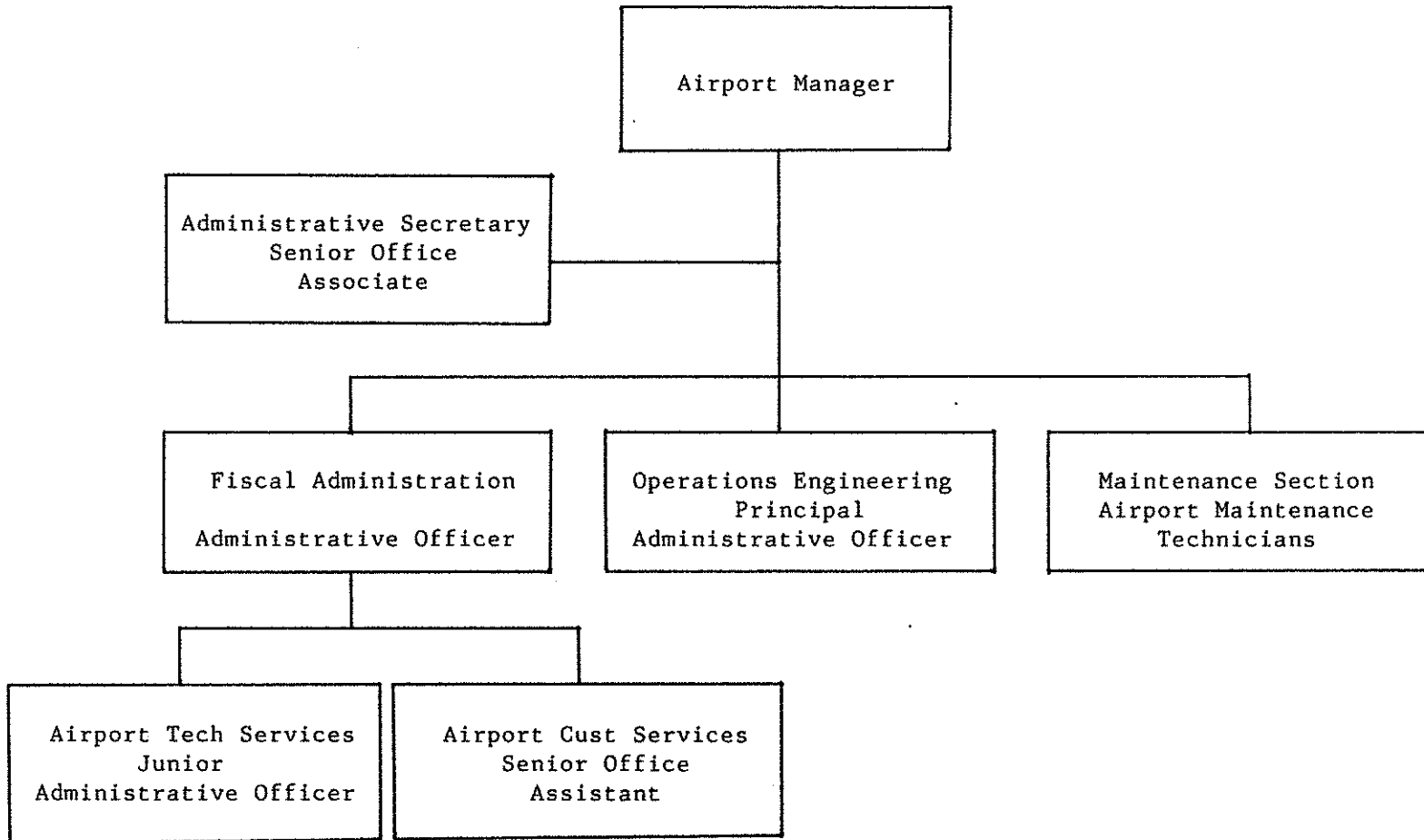


MERRILL FIELD AIRPORT

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility MERRILL FIELD AIRPORT	Unit No. 8980	Division	Unit No.
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Public Utilities Municipal Airport - 1987	Unit No 8000	Utility Merrill Field	Unit No 8980	Division	Unit No
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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.

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

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. Matching State grant funding will be available to construct a Public Aviation Facility.
- 3. Airport revenue can be increased to:
 - a. Meet increased expenses associated with existing 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.

Public Utilities	Unit No	Utility	Unit No	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

OBJECTIVE/PROGRAMS

1. Continue to Aggressively Seek and Obtain FAA Grant Funding for the Airport Capital Improvement Program.
 - Acquire additional land west of runway 15/33 to insure compatible land use.
 - Identify capital requirements for eligible grant projects:
 - Secure engineering services for project preliminary design, final design, contract specifications, bid award, and construction supervision.
 - Accomplish preapplication 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.

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

OBJECTIVE/PROGRAMS (CONTINUED)

- 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 space.
 - Fund advance planning for grant plans and specifications.
 - 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 1989.
 - Construct 219 new aircraft tiedowns in apron F-1 in 1992.
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.
- Continue developing programs to enable better budget data management.
 - Maintenance and expansion of data base and management reporting capabilities.

Public Utilities	Unit No	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

WORKFORCE PROJECTION

<u>DIVISIONS</u>	1986	1987	1988	1989	1990	1991	1992
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	[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 - 1987	8000	Merrill Field	8980		

RESOURCE IMPACTS
Dollars in Thousands

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
GROWTH FACTORS						
A. Based Aircraft	1,143	1,169	1,203	1,395	1,614	1,810
B. Flight Operations	325,000	333,000	340,000	355,000	375,000	400,000
C. Municipal Tiedowns	584	584	584	776	995	1,191
GRANTS ANTICIPATED	2,662	1,550	2,614	1,229	2,082	1,840
STAFF REQUIREMENTS						
A. Permanent	9	9	11	11	11	11
B. Temporary	6	6	6	6	6	6
C. Airport Terminal	To Be Determined	-	-	-	-	-
TOTAL PERSONNEL	9+6T	9+6T	11+6T	11+6T	11+6T	11+6T
REVENUE	967	1,023	1,075	1,147	1,258	1,375
EXPENSES	938	982	1,009	1,065	1,151	1,243
NET INCOME REGULATORY	29	41	66	82	107	132

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

The lease rate effective July 1, 1987 is \$.14 per square foot per year.

Public Utilities Municipal Airport - 1987	Unit No 8000	Utility Merrill Field	Unit No 8980	Division	Unit No.
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STATISTICAL AND PERFORMANCE TRENDS

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
1. Based Aircraft	863	893	1,008	1,019	1,079	1,124	1,143
2. Municipal Tiedowns	250	307	524	514	584	584	584
3. National Airport Ranking	29th	27th	19th	15th	25th	29th	27th
4. Flight Operations (Federal Year)	310,227	302,755	331,277	374,141	334,367	312,000	325,000
5. Transient Parking (Number of Days)	8,687	9,802	8,656	7,797	8,437	8,500	8,700
6. Municipal Fuel Flowage (Gallons)	1,058,840	1,071,140	1,053,621	1,159,523	980,116	1,050,000	1,125,000
7. Lease Rate (Per Square Foot Per Year)	.09	.09	.10	.115	.125	.135	.140*
8. Leased Square Footage	2,690,139	2,690,139	2,619,489	2,873,287	2,839,718	2,860,504	2,963,918

* For 1987 only, January 1 thru June 30 is \$.135; July 1 thru December 31 is \$.14 per square foot per year.

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

KEY FINANCIAL RATIOS

<u>Ratio</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Current Ratio	.44	1.92	1.34
Debt Equity Ratio	3.5%	1.7%	1.1%
Receivable Turnover	48.94 (7 days)	53.76 (7 days)	53.47 (7 days)

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
Municipal Airport - 1987	8000	Merrill Field	8980		

Operating Budget

1. The completion of \$3.7 million in improvements to Merrill Field during 1986 will cause a sizeable increase in the Depreciation of Contributed Plant during 1987.
2. These capital improvements will cause an increase in Maintenance Expenses in 1987.

Capital Budget

1. Acquisition of compatible land use properties on Orca Street will continue during 1987 in accordance with Federal Aviation Administration guidelines.
2. Design and development of the Public Aviation Facility will be completed in 1986; however, funding for the construction of that facility has been delayed until 1988.

MUNICIPALITY OF ANCHORAGE

Public Utilities		Unit No.	Utility	Unit No.	Division
Municipal Airport - 1987		8000	Merrill Field	8980	
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA					
(Dollars in Thousands)					
LINE ITEM DESCRIPTION	1985	1986	1987	1987	
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED	
<u>Operating Budget</u>					
Revenue	909	978	967		
Expense	933	1,136	1,311		
Net Income (Loss) For Governmental Financial Reporting	(24)	(158)	(344)		
Add: Depreciation Contributed Plant	250	291	373		
Net Income Regulatory	226	133	29		
<u>CAPITAL BUDGET</u>					
<u>APPROPRIATED</u>					
<u>PROJECT CATEGORY</u>					
Improve Aprons on Blocks 3, 4, 5 & 6		3,125			
Snow and Ice Equipment Storage Building		450			
Taxiway "A" Lighting Improvements		110			
Restripe Runways to FAA Standards		36			
Orca Street Land Acquisition			2,320		
Miscellaneous Equipment			25		
Snow and Ice Removal Equipment			388		
Pre-Grant Expenses			500		
Fence Installation			13		
TOTALS		3,721	3,246		

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division
Municipal Airport - 1987	8000	Merrill Field	8980	
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
(Dollars in Thousands)				
LINE ITEM DESCRIPTION	1985	1986	1987	1987
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>OPERATING BUDGET</u>				
<u>STATEMENT OF REVENUE AND EXPENSE</u>				
<u>OPERATING REVENUE</u>				
Property Leases and Access Fees	367	432	398	
FAA Service Rent	21	19	24	
FAA Grant Administration	94	91	95	
State Aviation Fuel Fee	20	21	22	
Transient Revenue	22	17	23	
Permanent Parking	254	273	278	
Auto Parking	-0-	-0-	1	
MOA Fuel Fees	51	52	56	
Miscellaneous Revenue	3	9	4	
TOTAL OPERATING REVENUE	832	914	901	
<u>OPERATING EXPENSE</u>				
Personal Services	398	507	581	
Supplies	73	70	54	
Other Services and Charges	90	124	141	
Charges From Other Departments	63	91	103	
Depreciation, Non-Contributed Plant	58	52	58	
*TOTAL OPERATING EXPENSE	682	844	937	
OPERATING INCOME (LOSS)	150	70	(36)	
*Depreciation of Contributed Plant Not Included				
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MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division
Municipal Airport - 1987	8000	Merrill Field	8980	
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
(Dollars in Thousands)				
LINE ITEM DESCRIPTION	1985	1986	1987	1987
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>NON-OPERATING REVENUE</u>				
Sale of Specifications	2	4	2	
State Revenue Sharing	39	36	33	
Interest Revenue	28	21	27	
Disposition of Assets	8	3	4	
TOTAL NON-OPERATING REVENUE	77	64	66	
<u>NON-OPERATING EXPENSE</u>				
Interest on Long-Term Debt	1	1	1	
TOTAL NON-OPERATING EXPENSE	1	1	1	
NON-OPERATING INCOME	76	63	65	
NET INCOME REGULATORY	226	133	29	
LESS: DEPRECIATION OF CONTRIBUTED PLANT	250	291	373	
NET INCOME (LOSS) FOR GOVERNMENT FINANCIAL REPORTING	(24)	(158)	(344)	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division
Municipal Airport - 1987	8000	Merrill Field	8980	
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
(Dollars in Thousands)				
LINE ITEM DESCRIPTION	1985	1986	1987	1987
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>STATEMENT OF SOURCES AND USES OF CASH FUNDS</u>				
SOURCES OF CASH FUNDS:				
Net Income (Loss)	113	(158)	(344)	
Depreciation	308	343	431	
Grants	4,074	5,345	2,893	
Other	455	(372)	(271)	
Total Sources of Cash Funds	4,950	5,158	2,709	
USES OF CASH FUNDS:				
Additions to Plant	4,688	4,948	2,581	
Bond Principal Payment	4	4	4	
Other	43	77	60	
Total Uses of Cash Funds	4,735	5,029	2,645	
Net Increase in Cash Funds	215	129	64	
Cash Balance January 1,	318	533	662	
Cash Balance December 31,	533	662	726	
DETAIL OF CASH BALANCE:				
Equity in General Cash Pool	28	161	190	
Equity in Construction Cash Pool	505	501	536	
Total Cash Balance December 31,	533	662	726	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division
Municipal Airport - 1987	8000	Merrill Field	8980	

MUNICIPALITY OF ANCHORAGE
FINANCIAL DATA

(Dollars in Thousands)

LINE ITEM DESCRIPTION	1985	1986	1987	1987
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>STATEMENT OF CHANGES IN FUND EQUITY</u>				
Balance January 1,	13,446	17,633	22,820	
Net Income (Loss)	113	(158)	(344)	
Contributions Received	4,074	5,345	2,893	
Balance December 31,	17,633	22,820	25,369	
Detail of Fund Equity:				
Retained Earnings	1,400	1,409	1,272	
Contributed Capital	16,233	21,411	24,097	
Total Fund Equity December 31,	17,633	22,820	25,369	
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Public Utilities	Unit No	Utility	Unit No	Division	Unit No.
		MUNICIPAL AIRPORT			

1987 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>Project Category</u>	<u>1987 Total Project Cost</u>	<u>Revenue Bonds</u>	<u>Operations</u>	<u>State Grants</u>	<u>Federal Grants</u>
Apron Improvements	\$ -0-	\$-0-	\$-0-	\$-0-	\$ -0-
Runways/Taxiways	-0-	-0-	-0-	-0-	-0-
Building & Equipment	413	-0-	38	11	364
Misc. Improvements	13	-0-	13	-0-	-0-
Proj Plan/Design Costs	500	-0-	500	-0-	-0-
Road Improvements	-0-	-0-	-0-	-0-	-0-
Land Acquisition	<u>2,320</u>	<u>-0-</u>	<u>73</u>	<u>72</u>	<u>2,175</u>
TOTAL CIP PROGRAM	\$3,246	\$-0-	\$624	\$ 83	\$2,539

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G - G.O BONDS R - REV. BONDS	OPERATIONS	GRANTS F - FEDERAL S - STATE	TOTAL
Building & Equipment	Snow Blower	Maintenance Facility		7	206=F 7=S	220
	Sanding Truck	Maintenance Facility		3	78=F 2=S	83
	Apron Vacuum Sweeper	Maintenance Facility		3	80=F 2=S	85
	Miscellaneous Equipment	Various		25		25
PREPARED BY _____ DATE _____ TOTAL			G R	38	364 F 11 S	413

BUDGET YEAR PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G-G O BONDS R-REV BONDS	OPERATIONS	GRANTS F-FEDERAL S-STATE	TOTAL
Miscellaneous Improvements	Fence Installation	Block 5, Lot 2B		13		13
PREPARED BY _____ DATE _____ TOTAL _____			G R	13	F S	13

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G-G.O.BONDS R-REV.BONDS	OPERATIONS	GRANTS F-FEDERAL S-STATE	TOTAL
Project Planning and Design Costs	Pre-Grant Expenses	Various		500		500
PREPARED BY _____ DATE _____ TOTAL			GR	500	FS	500

BUDGET YEAR PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G - G.O BONDS R - REV BONDS	OPERATIONS	GRANTS F - FEDERAL S - STATE	TOTAL
Land Acquisition	Acquire Orca Street Land	Airport Western Boundary		73	2,175=F 72=S	2,320
PREPARED BY _____ DATE _____ TOTAL			G R	73	2,175 F 72 S	2,320

Public Utilities	Unit No	Utility	Unit No	Division	Unit No.						
		MUNICIPAL AIRPORT									
CIB/CIP 1987-1992											
Project Category	1987	1988	1989	1990	1991	1992	Revenue Bonds	Operations	State Grants	Federal Grants	Total
Apron Improvements	\$ -0-	\$ -0-	\$1,100	\$ 600	\$2,050	\$1,900	\$ -0-	\$ 179	\$174	\$ 5,297	\$ 5,650
Runways/Taxiways	-0-	1,000	1,200	669	-0-	-0-	-0-	90	89	2,690	2,869
Building & Equipment	413	3,130	-0-	100	-0-	-0-	3,120	148	11	364	3,643
Misc. Improvements	13	-0-	-0-	-0-	-0-	-0-	-0-	13	-0-	-0-	13
Proj Plan/Design Costs	500	-0-	-0-	-0-	-0-	-0-	-0-	500	-0-	-0-	500
Road Improvements	-0-	600	400	-0-	100	-0-	-0-	35	33	1,032	1,100
Land Acquisition	<u>2,320</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>73</u>	<u>72</u>	<u>2,175</u>	<u>2,320</u>
TOTAL CIP PROGRAM	\$3,246	\$4,730	\$2,700	\$1,369	\$2,150	\$1,900	\$3,120	\$1,038	\$379	\$11,558	\$16,095
SOURCE OF FUNDING:											
Revenue Bonds	\$ -0-	\$3,120	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$3,120	\$ -0-	\$-0-	\$ -0-	\$ 3,120
General Bonds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Operations	624	60	86	140	68	60	-0-	1,038	-0-	-0-	1,038
State Grants	83	49	83	39	66	59	-0-	-0-	379	-0-	379
Federal Grants	<u>2,539</u>	<u>1,501</u>	<u>2,531</u>	<u>1,190</u>	<u>2,016</u>	<u>1,781</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>11,558</u>	<u>11,558</u>
TOTAL FUNDING	\$3,246	\$4,730	\$2,700	\$1,369	\$2,150	\$1,900	\$3,120	\$1,038	\$379	\$11,558	\$16,095

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Apron Improvements	Construct Apron E-4	Block 10		1,031=F 34=S 35=0	563=F 18=S 19=0		
	Pave Apron E-3	Block 9				1,125=F 37=S 38=0	
	Construct Apron F-1	Block 11				797=F 26=S 27=0	
	Construct Apron F-3	Block 15					1,781=F 59=S 60=0
Source of Funding							
		G.O. BONDS	_____	_____	_____	_____	_____
		REVENUE BONDS	_____	_____	_____	_____	_____
		OPERATIONS	_____	35	19	65	60
		STATE GRANTS	_____	34	18	63	59
		FEDERAL GRANTS	_____	1,031	563	1,922	1,781
		TOTAL	_____	1,100	600	2,050	1,900

PREPARED BY _____

DATE _____

FUTURE CAPITAL PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR					
			1988	1989	1990	1991	1992	
Runway/Taxiway Improvements	Widen/Overlay 15/33	Runway 15/33	938=F 31=S 31=O					
	Construct Taxiway D-2/F-1	Taxiway D-2 & F-1		1,125=F 37=S 38=O				
	Overlay Taxiway E-1/E-2	Taxiway E-1 & E-2			627=F 21=S 21=O			
Source of Funding			G.O. BONDS					
			REVENUE BONDS					
			OPERATIONS	31	38	21		
			STATE GRANTS	31	37	21		
			FEDERAL GRANTS	938	1,125	627		
			TOTAL	1,000	1,200	669		
PREPARED BY _____ DATE _____								

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Building & Equipment	Public Aviation Facility	Block 2, Lot 7	3,120=R				
	Coin-Op Wash Facility	Block 5, Lot 1	10=0				
	Pilot Briefing Room	Block 10			100=0		
Source of Funding			G.O. BONDS	_____	_____	_____	_____
			REVENUE BONDS	3,120	_____	_____	_____
			OPERATIONS	10	_____	100	_____
			STATE GRANTS	_____	_____	_____	_____
			FEDERAL GRANTS	_____	_____	_____	_____
			TOTAL	3,130	_____	100	_____

PREPARED BY _____

DATE _____

FUTURE CAPITAL PROJECTS

Utility Airport - 1987

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Road Improvements	Construct Road C-1, C-2 & F-1	Road C-1, C-2 & F-1	563=F 18=S 19=0				
	Construct Road E-2, E-3 & F-2	Road E-2, E-3 & F-2		375=F 12=S 13=0			
	Construct Road E-1	Road E-1				94=F 3=S 3=0	
Source of Funding			G.O. BONDS				
			REVENUE BONDS				
			OPERATIONS	19	13		3
			STATE GRANTS	18	12		3
			FEDERAL GRANTS	563	375		94
			TOTAL	600	400		100
PREPARED BY _____ DATE _____							