

Municipality of Anchorage



Rick Mystrom
Mayor

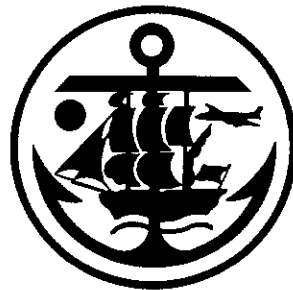


1995 Proposed Public Utilities Operating and Capital Budgets

PUBLIC UTILITIES

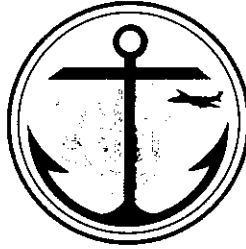
**1995 PROPOSED
OPERATING AND
CAPITAL IMPROVEMENT BUDGETS**

**1995 - 2000 PROPOSED
CAPITAL IMPROVEMENT PROGRAM**



**Municipality of Anchorage
Rick Mystrom, Mayor**

**Municipality
of
Anchorage**



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Rick Mystrom, Mayor

OFFICE OF THE MAYOR

September 30, 1994

Dear Residents of Anchorage:

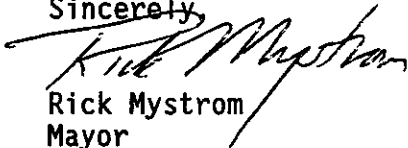
I am pleased to provide you and the Assembly with the Proposed 1995 Operating Budget and 1995-2000 Capital Improvement Budget/Program (CIB/CIP) for all Municipally-owned Utilities, except the Anchorage Telephone Utility (ATU). ATU's budget documents will be submitted separately.

The Public Utilities 1995 Operating Budgets provide the user with detailed information on the revenue, expenditure, net income and rate structure of each of the Municipal Utilities. In 1995, the financial integrity and operational effectiveness of each Utility will be maintained without the need for any new, overall rate increases. The 1995-2000 Capital Improvement Budget/Program stresses maintenance and repair of infrastructure and capital expansion in those areas that encourage increased revenues.

The Utilities are among the Municipality's most valuable assets. As such, I believe that the Utilities' owners (the general public) should expect to receive appropriate rates of return (i.e., dividends), which are guided by industry standards and based on each Utility's ability to pay. By exploring new efficiency measures and by re-focusing the expectations we hold for our Utilities, I believe that the Municipal Utilities can begin to provide their owners with appropriate future rates of return, which will benefit all Anchorage residents and not just ratepayers.

Our Utilities are committed to providing the best possible service at the most reasonable rates. I feel confident that greater returns and efficiencies can be achieved and I expect that each Utility will meet the challenge of providing more to its owners.

Sincerely,


Rick Mystrom
Mayor

PUBLIC UTILITIES

1995 PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGET

1995 - 2000 PROPOSED CAPITAL IMPROVEMENT PROGRAM

Rick Mystrom, MAYOR

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**PUBLIC UTILITIES
PROPOSED
1995 OPERATING AND CAPITAL BUDGETS**

Table of Contents

	Page
I. BUDGET ASSUMPTIONS	1
II. HIGHLIGHTS AND FUTURE EVENTS	
Municipal Light and Power	5
Anchorage Water and Wastewater	7
Solid Waste Services	11
Port of Anchorage	13
Merrill Field Airport	15
III. BUDGET OVERVIEW	
Municipal Light and Power.	18
Anchorage Water Utility	20
Anchorage Wastewater Utility	22
Refuse Collections	24
Solid Waste Disposal	26
Port of Anchorage	28
Merrill Field Airport	30
IV. BUDGET DETAIL	
MUNICIPAL LIGHT AND POWER (ML&P)	
Organization Chart	MLP-1
Utility Profile	MLP-3
Workforce Projections	MLP-5
Municipal Light and Power Reconciliation of 1994 Budget to 1994 Pro Forma	MLP-7
Municipal Light and Power Reconciliation of 1994 Pro Forma to 1995 Budget	MLP-8
Municipal Light and Power Statement of Revenue and Expenses . . .	MLP-9
Municipal Light and Power Statement of Sources and Uses of Cash	MLP-11
Municipal Light and Power Operating Budget Detail	MLP-12
Municipal Light and Power 1995-2000 Capital Improvement Financial Summary	MLP-13

ANCHORAGE WATER AND WASTEWATER UTILITY (AWWU)

Organization Chart	AWWU-1
Utility Profile	AWWU-3
Workforce Projections	AWWU-7

Water Utility

Water Utility Reconciliation of 1994 Budget to 1994 Pro Forma	AWWU-9
Water Utility Reconciliation of 1994 Pro Forma to 1995 Budget	AWWU-10
Water Utility Statement of Revenue and Expenses	AWWU-11
Water Utility Statement of Sources and Uses of Cash	AWWU-13
Water Utility Operating Budget Detail	AWWU-14
Water Utility 1995-2000 Capital Improvement Financial Summary	AWWU-15
Water Utility Capital Improvement Projects	AWWU-16

Wastewater Utility

Wastewater Utility Reconciliation of 1994 Budget to 1994 Pro Forma	AWWU-29
Wastewater Utility Reconciliation of 1994 Pro Forma to 1995 Budget	AWWU-30
Wastewater Utility Statement of Revenue and Expenses	AWWU-31
Wastewater Utility Statement of Sources and Uses of Cash	AWWU-33
Wastewater Utility Operating Budget Detail	AWWU-34
Wastewater Utility 1995-2000 Capital Improvement Financial Summary	AWWU-35
Wastewater Utility Capital Improvement Projects	AWWU-36

SOLID WASTE SERVICES (SWS)

Organization Chart	SWS-1
Utility Profile	SWS-3
Workforce Projections	SWS-7

Refuse Collections

Refuse Collections Reconciliation of 1994 Budget to 1994 Pro Forma	SWS-9
Refuse Collections Reconciliation of 1994 Pro Forma to 1995 Budget	SWS-10
Refuse Collections Statement of Revenue and Expenses	SWS-11
Refuse Collections Statement of Sources and Uses of Cash	SWS-12
Refuse Collections Operating Budget Detail	SWS-13
Refuse Collections 1995-2000 Capital Improvement Financial Summary	SWS-15

Solid Waste Disposal

Disposal Reconciliation of 1994 Budget to 1994 Pro Forma	SWS-17
Disposal Reconciliation of 1994 Pro Forma to 1995 Budget	SWS-18
Disposal Statement of Revenue and Expenses	SWS-19
Disposal Statement of Sources and Uses of Cash	SWS-20
Disposal Operating Budget Detail	SWS-21
Disposal 1995-2000 Capital Improvement Financial Summary	SWS-23

PORT OF ANCHORAGE (PORT)

Organization Chart	PORT-1
Utility Profile	PORT-3
Workforce Projections	PORT-5
Port of Anchorage Reconciliation of 1994 Budget to 1994 Pro Forma	PORT-7
Port of Anchorage Reconciliation of 1994 Pro Forma to 1995 Budget	PORT-8
Port of Anchorage Statement of Revenue and Expenses	PORT-9
Port of Anchorage Statement of Sources and Uses of Cash	PORT-10
Port of Anchorage Operating Budget Detail	PORT-11
Port of Anchorage 1995-2000 Capital Improvement Financial Summary	PORT-13

MERRILL FIELD AIRPORT (MF)

Organization Chart	MF-1
Utility Profile	MF-3
Workforce Projections	MF-5
Merrill Field Airport Reconciliation of 1994 Budget to 1994 Pro Forma	MF-7
Merrill Field Airport Reconciliation of 1994 Pro Forma to 1995 Budget	MF-8
Merrill Field Airport Statement of Revenue and Expenses	MF-9
Merrill Field Airport Statement of Sources and Uses of Cash	MF-10
Merrill Field Airport Operating Budget Detail	MF-11
Merrill Field Airport 1995-2000 Capital Improvement Financial Summary	MF-13

BUDGET ASSUMPTIONS

**PUBLIC UTILITIES
1995
OPERATING AND CAPITAL BUDGET ASSUMPTIONS**

Below are general and specific budget assumptions/guidelines provided to Utilities for preparation of their 1995 Operating and Capital Budgets.

REGULATION:

Assume continued economic regulation by Alaska Public Utilities Commission (APUC) for Anchorage Water and Wastewater and for Municipal Light & Power.

Assume continued economic regulation by the Federal Maritime Commission (FMC) for the Port of Anchorage.

Assume continued operational oversight by the Federal Aviation Administration (FAA) for Merrill Field Airport.

UTILITY OWNERSHIP:

Assume continued Municipal ownership in 1995.

RATE INCREASES:

No new, overall rate increases projected for 1995. Rate increases would need to be considered if one of the following were to occur:

- Debt service coverage borders on technical default
- Projected cash reserves fall below that required to maintain an adequate working capital balance
- Debt/equity ratio falls below criteria established by the regulatory body specific to that utility
- The plant in a given utility is no longer in good working condition

Any rate increases shown in the outyears (1996-2000) are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets.

MUNICIPAL UTILITY SPECIAL ASSESSMENT (MUSA):

Assume mill rates for MUSA (in lieu of taxes) to be same as 1994 mill rates set prior to adjustment for taxes collected in excess of the amount levied by the Assembly. MUSA (in lieu of taxes) does not apply to the Port or Merrill Field. 1.25% MUSA applies only to Solid Waste Disposal and to the Anchorage Telephone Utility.

REVENUE DISTRIBUTIONS:

Assume that only the Port (and ATU) will be required to make a revenue distribution to General Government. The Port's revenue distribution will be \$358,000 in 1995, which is approximately double the prior year amount. The Administration has proposed that ATU provide a \$5.5 million Utility Revenue Distribution in 1995; this represents a \$1.5 million increase over the prior year. All other Utilities will work in the future toward providing their owners, the general public, with an appropriate rate of return, guided by industry standards, and limited to a particular Utility's ability to pay dividends.

INTEREST:

Assume debt service for new G.O. bonds and Revenue bonds at 6.0% - 6.3%. Interest income is assumed at an overall rate of 4.5% - 4.75%.

INTRAGOVERNMENTAL CHARGES (IGC's):

In general, no significant net IGC increases over prior year except for change caused by the new organizational structure as implemented by the Administration.

POPULATION:

Assume a 1.0% growth rate for Anchorage in 1995.

INFLATION:

Inflation, in general, is anticipated to approximate 3.0% in 1995. Each utility, however, has applied specific inflation rates to the commodities they use.

COMPENSATION COSTS (Salaries and Benefits):

Assume a labor costs freeze for all labor groups through December 31, 1995. Health benefit rates are expected to increase approximately 9-11%; other benefit rates are assumed relatively static.

ENVIRONMENTAL MANDATES:

Federal and state environmental mandates will continue to impact operation and capital development costs at the same or greater level experienced in prior year.

1994 BUDGET IMPACTS (specific to individual utilities)--

ANCHORAGE WATER AND WASTEWATER (AWWU):

AWWU has budgeted \$3 million in revenue bonds to be issued by the Water Utility. Additionally, the Wastewater Utility intends to borrow \$6 million in 1995 from the State loan program. Both the Water and Wastewater Utilities have filed Cost of Service Studies with the APUC in 1994; implementation date is planned for mid-1995. These studies will result in changes to the various service rates, but will not result in an overall increase in total revenue collected by AWWU.

MUNICIPAL LIGHT AND POWER (ML&P):

ML&P, together with Chugach Electric and Matanuska Electric, has submitted a proposal to the Federal Government to purchase the Eklutna Hydroelectric Project. The Federal Administration has approved the sale and the House of Representatives has recently passed the purchase legislation. The legislation is currently in the Senate awaiting their approval. ML&P has budgeted to purchase the Eklutna Project in late 1994. The corresponding changes to the Operating Budget are reflected under the budget categories of Purchased Power, labor and Hydroelectric Generation.

The price per thousand cubic feet ("MCF") of gas is established during the 3rd quarter of each year. It is determined by the average price of third quarter light sweet crude oil futures. The price, as verified with Arco, will increase 3.2% per MCF for 1995. The cost of gas is a flow through for ML&P which means that as fuel costs increase, revenues increase correspondingly. ML&P's net income will therefore not be affected by the rise in fuel costs.

Two key capital projects with significant funding budgeted for 1995 are the Superconducting Magnetic Energy Storage Device (SMES) and the Northern Intertie project. See additional discussion under Highlights and Future Events and within the 1995-2000 Capital Improvement Financial Summary.

SOLID WASTE SERVICES (SWS):

In 1987 the Merrill Field Landfill was closed after approximately fifty years of operation. Although the closed landfill no longer accepts solid waste it still has systems that must be maintained in order to be in compliance with environmental regulations. A study completed in 1994 recommended the leachate collection system at the landfill be upgraded to prevent the possibility of offsite migration of leachate. SWS plans to upgrade the leachate collection system in 1995. Normally costs associated with a capital project are capitalized and depreciated over the life of the asset constructed. Since the landfill no longer accepts solid waste, accounting regulations require all costs associated with the upgrade be expensed in the year the costs are incurred. Accordingly SWS has budgeted \$3.8 million in the 1995 Solid Waste Disposal Utility operating budget. Including this \$3.8 million expense in Solid Waste Disposal's operating budget will result in a \$2.2 million loss for 1995.

PORT OF ANCHORAGE (PORT):

The Port has budgeted for a \$2,000,000 revenue bond sale in 1995 to finance major renovations to the Port's Petroleum Valve Yard. The new Petroleum Transfer Fee, established in 1994, and higher appraised valuations on land leased by the Port should positively impact 1995 Port Operating Revenues. Tonnage across the Port's dock is anticipated to increase slightly in 1995.

MERRILL FIELD AIRPORT (MF):

None.

**HIGHLIGHTS AND
FUTURE EVENTS**

MUNICIPAL LIGHT & POWER HIGHLIGHTS AND FUTURE EVENTS

Long term natural gas contracts, combined with a new transportation agreement continue to benefit ML&P customers. Gas contracts were signed with three direct major oil company suppliers reducing ML&P's gas cost by 23.7 percent. Savings realized in the first year were \$1.4 million with a total savings of \$19.0 million expected over the fifteen year life of the contracts.

ML&P plans to issue \$1.5 million in tax free mini-bonds to use towards key capital projects such as undergrounding and substation upgrades. Sale of the bonds known as Capital Appreciation or Zero Coupon Bonds will be targeted towards individuals wanting forward funding for college or other major commitments. They will mature in 5, 7 and 10 year increments and bear tax free interest at a predetermined rate as of the date of issuance. Pre-applications will be available September 1, 1994, with an issue date of October 12, 1994.

ML&P, in cooperation with Babcock & Wilcox (B & W), has been awarded a Federal Grant of approximately \$8.7 million. These funds, along with contributions from ML&P and B & W, will be used to construct a Superconducting Magnetic Energy Storage Device (SMES) to be added to ML&P's electrical system. This leading edge technology will add a new dimension of control to electric operations and provide benefits to ML&P rate payers in the area of fuel savings and reduced power outages. Identified savings are expected to be more than \$2.0 million per year with further savings from other areas identified but not yet quantified.

ML&P, along with Chugach Electric Association (CEA) and Matanuska Electric Association (MEA), has submitted a proposal to the Federal government to purchase the Eklutna Hydroelectric Project. The project produces the lowest cost energy in the Anchorage area. ML&P's share is 16/30 of all the power produced by this project. The Federal Administration has approved the sale. As part of the agreement to this sale, ML&P will acquire 16/30 of the employees currently employed at the project. The U.S. House of Representatives has recently passed the purchase legislation. The last hurdle is the U.S. Senate where the legislation now resides. Local ownership of the project is important to insure that ML&P rate payers will continue to receive the benefits of low cost energy this project produces.

Design of the Northern Intertie has begun and design will begin on the Southern Intertie later this year. This is the beginning of work which will ultimately result in the construction of both transmission lines. The new lines will augment the existing intertie for greater reliability of electric service throughout the Railbelt Region.

The Electric Power Research Institute (EPRI), the research arm of the electric power industry, has agreed to help ML&P clean up two fuel spill contaminated sites, the first at ML&P's Generation Plant 1 and the other at ML&P's Generation Plant 2. The spill at Plant 1 was caused by the 1964 earthquake when the plant's fuel tank ruptured releasing approximately 200,000 gallons of fuel. The fuel spill at Plant 2 was caused by a fuel truck which overturned and released 3,700 gallons of diesel fuel. This spill reached a depth of 55 feet in a matter of days. EPRI's interest in these projects are centered on the unusual characteristics of each spill which are factors in cleanup efforts. Both spills are under active study now to determine the most efficient cleanup method. The projects are projected to be complete in 1996.

Occupational Safety and Health Administration's (OSHA) Rule 29 CFR part 1910, establishing guidelines for final utility work practices and equipment safety rules, was issued on January 31, 1994. It became effective on May 31, 1994. The training rule becomes effective on January 31, 1995. The new rule encompasses all aspects of electrical utility work as well as design requirements for personal protective equipment. It also includes mandatory safety procedures, work practices, requirements for use and care of electrical protective equipment and certain equipment performance. Essentially, the new wide ranging mandates will require more workers to do the same work and dictates more requirements on ML&P Management. The rules are under intense analysis now to determine what additional requirements will be needed for compliance.

The mandates of the Federal Energy Act of 1992 (EPAAct92) are directed towards making utilities become more competitive and efficient in providing service to their customers. Although details of the required changes have yet to be defined, partnership in the ownership or control of an area's transmission lines is requisite to being prosperous. ML&P plans to meet the Act's objectives by concentrating on areas where cost reduction gains can be made. Innovations in forming new alliances and partnerships with other Railbelt Utilities and in power pooling or other joint cost reduction ventures which will be the key to restructuring the present monopoly held by the railbelt's larger utilities. This will create an area of intense competition and yield the needed efficiencies to meet the goals of EPAAct92.

ML&P produces an excess of heat at its Power Plant #2 during the generation process. In response, ML&P has been looking for options to put this energy to work to increase its efficiency and meet the goals of the Energy Act. ML&P has commissioned a study with the University of Alaska (UAA) School of Engineering to determine the feasibility of using district heating to heat UAA buildings and the institutional buildings surrounding the campus. If the study determines that district heating is feasible and there is wide acceptance of such a program, ML&P will move positively but cautiously toward this objective.

ANCHORAGE WATER AND WASTEWATER UTILITY HIGHLIGHTS AND FUTURE EVENTS

Anchorage Loop Water Transmission Main

The Anchorage Loop Water Transmission Main (the 'Loop') will extend treated water from the Eklutna Water Treatment Facility through a system of large diameter, high pressure water transmission mains through the Anchorage Bowl. When completed, the Loop will eliminate areas without water or with low water pressure during periods of high water demand.

The near future activity is restricted to design and construction of Phases I-III. The entire Loop project consists of eight phases. Portions of Phases V and VII (along Dimond Boulevard/Abbott Road corridors) and all of phase VIII (Kincaid Reservoir north to Northern Lights Boulevard) are complete.

Systems Integration Plan

A professional services contract to assist AWWU in refining and updating its Data Processing and Systems Integration Plan for the years 1995-2000 was entered into in mid-1994. The plan is expected to be completed the end of 1994. This plan will establish the medium and long term priorities and goals for data processing within all divisions of the Utility.

Cost of Service Studies

In an effort to ensure that the Utility's costs are equitably allocated between the various customer classes, separate water and wastewater 1992 test-year Cost of Service Studies have been completed and filed with the Alaska Public Utilities Commission (APUC). Implementation of the results of these studies will take place no sooner than the second quarter of 1995, as it is anticipated it will take the APUC nine to 12 months for review and approval. These studies will result in changes to the various service rates, but will not result in an overall increase in total revenue generated by the Utilities.

EPA Audit

In June 1994 the Utility received the report of final audit prepared by Conrad and Associates to the Environmental Protection Agency (EPA) on eleven EPA funded construction projects completed by the wastewater utility between the years 1979 and 1992. The auditors recommended to the Regional Administrator of the EPA that the EPA recover approximately \$4 million worth of Federal funds paid in excess of the amounts accepted by the report.

The Utility is contesting these findings, and expects to invest considerable time and effort in the process toward final agreement, which is expected to take several years.

Automated Permit Process

A professional services contract to assist with the automation of the permit (APS) process is in progress. It is anticipated that this system will improve customer service, expedite and improve accuracy of filing and retrieval of permit information, and eliminate redundant data entry. Permit and system interface automation is planned to be completed by the end of 1994.

Special Assessments Receivable System

This accounts receivable system includes the customization and implementation of a new system (to replace a pre-unification system) that will support financial management, billing and reporting functions for all assessments billed by the Municipality (including water, sewer, roads, parks and gas lines). Migration to the new system will occur on a month-by-month basis after completion of the program in late 1994.

Telemetry SCADA Master Plan

In early 1994 an AWWU Telemetry/Supervisory Control And Data Acquisition (SCADA) Master Plan was completed to formalize the Utility's operational goals and objectives for the next five years. This plan will complement AWWU's MIS Master Plan. Projects initiated as a result of this plan will enable the Utility to improve operational quality and promote efficiency through the implementation of automated process controls and data acquisition. Secondly, but of equal importance, this plan allows access to management information from operational data acquired by the SCADA system.

Environmental Regulation

In the near future the U. S. Congress is expected to approve comprehensive changes to the Safe Drinking Water Act and the Clean Water Act, which regulate water treatment levels and quality of wastewater discharges. These changes could have a material operational and financial impact on AWWU as Congress proposes to make the statutes more restrictive and to initiate user fees and new penalties.

Headquarters Remodel

In June 1993, a contract was awarded for the remodel and expansion of the Anchorage Water & Wastewater Utility Headquarters Building. This project will locate all AWWU administrative divisions, amounting to 120 personnel, at 3000 Arctic Blvd. (The entire Maintenance Division and portions of the Treatment Division will remain at King Street.) The cost of construction will be recovered through rent savings and deferred maintenance savings. Phase I, the West Wing, is complete. The completion of Phase II, the remodel of existing office space, and move-in will occur in November 1994. Final exterior and vegetation work will occur in 1995.

Pipe Corrosion Study

One of the most serious problems facing the Utility is the corrosion of iron pipes in its distribution and collections systems. The Utility has retained a corrosion engineering

firm to perform an external corrosion study to identify the extent of the problem and to recommend potential solutions. This study could result in changes in maintenance methods as well as changes in design and construction criteria.

Girdwood Wastewater Treatment Facility Upgrade

The Girdwood Wastewater Treatment Facility serves the Alyeska basin and Alyeska Highway corridor. The plant was constructed in 1978 and is a tertiary treatment plant. It has a maximum capacity of 0.45 million gallons per day. At present, the plant operates at, or commonly exceeds, its maximum capacity. With the addition of the new Alyeska Prince Hotel, the expansion of service to the Old Girdwood Townsite public area, and other new developments, this plant's capacity will be exceeded within the year. A plan for phased upgrades has been initiated. Phase I, designed in 1994, will increase the plant's capacity to 0.6 million gallons per day, at an estimated construction cost of \$2,500,000 - \$3,000,000. Phase II, with an estimated cost of ten to fifteen million dollars, will be necessary in the year 2000+ to bring the plant to 1.2 million gallons per day capacity.

Eagle River Site Acquisition

AWWU received \$4 million from the 1994 State legislature for the planning, design and construction of a high elevation reservoir in Eagle River. A contract has been negotiated for professional services to assist in the process of choosing and acquiring a site for up to two reservoirs (one in the immediate future, and a second after 2005). The Utility intends to involve the Eagle River community and public in general in the site selection process, which is expected to occur through mid 1995. Once the site is selected, a design RFP will be issued to proceed with the engineering and construction phases.

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SOLID WASTE SERVICES

Highlights and Future Events

September 1994 A contract for the construction of the Anchorage Regional Landfill cells 4/5 and Leachate lagoon will be awarded. This 10.9 million dollar project will be completed by September 1995 and will ensure Anchorage has sufficient capacity for receipt of solid waste for the next four year period. It is anticipated that this project will be funded with money obtained through the State of Alaska Clean Water Fund program. It is estimated that use of this program's money versus conventional revenue bonds will save SWS a minimum of 2.7 million dollars.

March 1995 Plans and specifications for an improved leachate collection system at the former Merrill Field Landfill will be completed and bid. This project will ensure leachate will not migrate from the site and cause environmental damage to the Chester Creek wetlands located south of 15th Avenue. Project financing via the State of Alaska Clean Water Fund program is actively being pursued.

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PORT OF ANCHORAGE HIGHLIGHTS AND FUTURE EVENTS

FEBRUARY 1993

Completed Port Area Transportation Analysis to identify Port access problems and potential solutions. Thereafter the project was entered into the Anchorage Metropolitan Area Transportation (AMATS) process.

July 1993

After a successful lobbying effort by the Port staff, the Port of Anchorage received two legislative grants from the State of Alaska:

\$4,000,000	Port Dock Fendering System
\$4,154,000	Port of Anchorage Land Development

AUGUST 1993

The Port of Anchorage Petroleum Users Group (PUG) completed a Risk Assessment Feasibility Study and began risk assessment to determine the level of contamination cleanup required in the Port area.

AUGUST 1993

Completion of the Dock Pile/Cathodic Protection Renovation Project. This was a multiple year project which cost \$6.2 million.

OCTOBER 1993

Completion of a major dock deck renovation project involving repair of deck delamination and rail keyways.

1993

The Port of Anchorage is ranked as 16th among United States container ports in TEU (twenty foot equivalent units) throughput.

JANUARY 1994

The Port was requested by the State of Alaska, Department of Transportation and Public Facilities, to assist in the development of an overall transportation plan affecting highway, aviation and maritime associated industries. This provides the Port with the opportunity to influence the provisions of the next funding allocation under the federal Intermodal Surface Transportation Efficiency Act (ISTEA).

FEBRUARY 1994

In response to a requirement of the Federal Maritime Commission, the Port of Anchorage completed a major administrative project of filing its former written tariff electronically. As part of this project, the Port accomplished a major update to the tariff resulting in an entirely new version, Port of Anchorage Terminal Tariff No. 4.

MARCH 1994

The Military SeaLift Command vessel USNS Regulus, with an overall length of 946 feet, became the largest ship to-date to dock at the Port of Anchorage.

MARCH 1994

The Port of Anchorage and State of Alaska Department of Transportation and Public Facilities entered into an agreement to be local co-sponsors on the Corps of Engineers' three-year Cook Inlet Navigation Study. This study will determine the feasibility of dredging a channel at Knik Arm Shoal.

SPRING 1994

Commence construction on the two-year New Port Fendering System Project.

JUNE 1994

A Noncompetitive Commercial Occupancy Lease was entered into by the Port and the United States Department of Interior, Bureau of Land Management for 9.87 acres (Tract "A") which is adjacent to Port Property. This allows the Port to proceed in developing an additional 14 acres for the staging of marine cargo (Tracts "A" & "EE").

SUMMER 1994

Commence construction on the two-year "A" & "EE" Land Development Project.

JULY 1994

Engineering commenced on the Petroleum Valve Yard Upgrade Project.

AUGUST 1994

The first export bulk water shipment from Anchorage of 1.75 million gallons is loaded aboard a tanker bound for Japan with NAPTHA.

SPRING 1995

Review construction possibilities on portions of Lot 4A, Port of Anchorage Subdivision, as part of the Port's 1994 - 1995 overall Land Development Project.

MAY 1995

Begin the construction phase of the Petroleum Valve Yard Upgrade Project.

MERRILL FIELD AIRPORT HIGHLIGHTS AND FUTURE EVENTS

SUMMER 1993 - FALL 1994 - Through a joint Municipal effort between Solid Waste Services, Anchorage Water/Wastewater Utility and Merrill Field, approximately 30,000 cubic yards of material was placed in a problem drainage area over the closed landfill. The Airport coordinated the disposal of AWWU soils which were unusable for utility trench backfill, while SWS graded the site to drain properly. The result was quality work which saved the Airport \$150,000 for a surface drainage project to meet Federal storm water discharge regulations.

MAY 1994 - An East Transient Parking / Camping Area was completed for pilots who want to camp during their stay in Anchorage. This improvement provides visiting pilots convenient access to shopping and medical services which are within walking distance. A small Pilot Briefing Shelter is also provided for flight planning.

SUMMER 1994 - The removal of obstructions from the Runway 15-33 Object Free Area and Clear Zone continues with the demolition of numerous structures located on the west side of the runway, thereby improving the operational safety of the Airport.

FALL 1994 - The Federal Aviation Administration has designated Merrill Field as a RELIEVER Airport to Anchorage International Airport, based on its ability to effectively provide facilities to accommodate general aviation aircraft. The Reliever Airport status will provide better funding opportunities for Merrill Field's Capital Improvement Projects through the Federal Airport Improvement Program grant funds.

FALL 1994 - Approximately \$385,000 in site improvements are scheduled to begin this fall for a \$5,800,000 Air Traffic Control Tower. This will replace the existing tower.

PRODUCT LIABILITY ISSUE - Recent Federal product liability legislation enacted a 15-year statute of repose on manufacturers of piston aircraft which should help revive the nation's ailing general aviation aircraft industry. The number of single-engine piston aircraft manufactured in America dropped from 14,000 in 1978 to 500 in 1992, partially because of product liability lawsuits, which average \$500,000 each even when the manufacturer prevails.

UNIVERSITY OF ALASKA ANCHORAGE, PHASE II - UAA is planning a \$17,000,000 addition to its existing Merrill Field Aviation Complex to provide more comprehensive aviation education programs for full-time students.

BUDGET OVERVIEW

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MUNICIPAL LIGHT AND POWER

MUNICIPAL LIGHT AND POWER	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
Financial Overview	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Revenues	\$ 72,900	\$ 73,031	\$ 70,650	\$ 71,431	\$ 69,835
Expenses (1)	68,745	70,609	70,159	69,747	\$ 68,622
Extraordinary Item Gain (Loss)	0	0	0	0	0
Net Income (Regulatory)	4,155	2,422	491	1,684	1,213
W/Force Authorized per Budget (2)	203	209	216	216	217
Capital Improvement Program	10,546	13,231	16,854	15,290	16,986
Bond Sales (3)	0	0	0	67,715	1,500
Net Plant (12/31) (Excludes Contributed Plant)	133,494	135,237	140,803	142,329	148,183
Retained Earnings (12/31)	40,377	42,922	43,433	45,118	46,330
General Cash Pool	15,469	20,152	17,031	10,955	10,733
General Cash Pool/Eklutna	5,100	5,100	5,100	5,100	0
Construction Cash Pool	3,207	538	120	0	0
Revenue Bond Reserve Investment	17,236	17,258	17,279	17,282	17,252
Debt Service Cash Account	2,887	2,983	3,091	3,116	3,105
Operating Reserve Cash	5,839	5,598	5,295	5,448	5,372
Total Cash (12/31)	49,738	51,629	47,916	41,901	36,462
IGC's - General Government	1,299	1,234	1,224	1,480	1,600
MUSA - Regular (4)	967	1,747	1,760	1,706	1,890
Total Outstanding Debt	198,115	194,435	190,520	186,165	181,869
Total Annual Debt Service	18,046	17,159	17,160	16,950	17,250
Debt Service Coverage	1.67	1.65	1.67	1.64	1.54
Debt/Equity Ratio	82.4/17.6	81.2/18.8	80.7/19.3	80.0/20.0	79.2/20.8
Rate Change Percent (5)	2.86%	1.29%	0.41%	0.00%	3.97%
Statistical/Performance Trends:					
Resident. Customer (500 kWh) (6)	\$45.78	\$51.95	\$47.74	\$48.22	\$47.26
Total Residential Sales (kWh)	155,783	148,521	143,451	145,354	145,880
Commercial & Indust. Sales (kWh)	629,893	639,195	636,185	648,579	656,190
Total Kilowatt--Hour Sales	842,604	804,805	805,835	825,831	836,270
Total Sales Revenue (in dollars)	\$66,824	\$69,668	\$65,818	\$67,251	\$66,522

- (1) Fuel rates per MCF are set during the 3rd Quarter based on a 3 month average price of light sweet crude oil futures and become effective January 1 of the following year. A reduction in fuel rates set in the 3rd Quarter of 1993 lowered 1994 production cost. Fuel rates set in the 3rd Quarter of 1994 have increased 3.2% thereby increasing 1995 production cost.
- (2) The four part-time Customer Service positions have been combined and treated as two positions.
- (3) The 1986 Series A bonds were refinanced in 1993.
- (4) 1990 includes a return of 1989 1.25% gross receipts portion of MUSA as required by APUC order. 1990 and all future years assume no payment of the 1.25% gross receipts portion of MUSA as a dividend.

MUNICIPAL LIGHT AND POWER

MUNICIPAL LIGHT AND POWER		UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)			
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
\$ 73,988	\$ 77,686	\$ 82,463	\$ 85,767	\$ 88,919	\$ 92,327
71,452	74,451	79,184	81,756	84,086	86,103
0	0	0	0	0	0
2,536	3,235	3,279	4,011	4,833	6,224
222	224	227	229	231	232
35,563	18,512	16,711	26,871	18,751	18,165
7,000	15,000	10,000	10,000	7,500	7,500
160,732	175,489	181,367	187,465	193,774	200,391
48,974	52,440	55,873	60,037	64,986	71,325
4,278	2,692	4,427	6,061	5,330	4,830
0	0	0	0	0	0
0	0	0	0	0	0
17,912	19,324	20,267	21,208	21,916	22,623
3,212	3,327	3,452	3,592	3,739	3,897
5,641	5,806	6,215	6,437	6,656	6,862
31,043	31,149	34,361	37,298	37,641	38,212
1,850	1,925	2,000	2,075	2,150	2,225
2,160	2,379	2,471	2,566	2,663	2,765
183,122	191,675	194,610	196,871	195,977	194,366
17,904	19,328	20,268	21,211	21,912	22,624
1.60	1.60	1.60	1.60	1.61	1.64
78.4/21.6	78.0/22.0	77.1/22.9	76.0/24.0	74.4/25.6	72.4/27.6
0.00%	3.92%	4.93%	2.78%	2.78%	3.33%
\$49.14	\$51.06	\$53.58	\$55.07	\$56.60	\$58.48
146,654	147,454	149,049	150,040	150,454	150,497
667,465	677,504	687,974	697,211	705,473	710,909
848,319	859,158	871,223	881,451	890,127	895,606
\$70,746	\$74,415	\$79,140	\$82,254	\$85,332	\$88,675

(5) 1992 was a permanent rate increase. 1990 and 1991 were interim rate increases. The APUC granted a 3.97% interim rate increase on demand and energy effective 9/1/94.

(6) Rate charged to residential customers as of March 31 each year on 500 kWh of power; includes Cost of Power Adjustment.

NOTE: Rate increases are shown in the outyears for purposes of projections only and have not been approved or implementation.

ANCHORAGE WATER UTILITY

WATER UTILITY	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Financial Overview					
Revenues	\$ 25,206	\$ 25,452	\$ 26,880	\$ 27,370	\$27,891
Expenses	23,462	25,325	26,570	26,076	26,231
Net Income (Regulatory)	1,744	126	309	1,293	1,660
WorkForce Authorized per Budget	285	285	285	275	270
Capital Improvements Program	6,700	10,099	5,469	9,123	11,109
New Debt (Bonds, Loan Fund)	0	0	0	3,000	0
Net Plant (12/31)	291,173	292,740	291,960	293,059	292,977
Retained Earnings (12/31)	20,860	20,986	21,296	22,589	24,249
Operating Cash	5,493	6,002	7,416	6,814	5,146
Construction Cash Pool	7,660	5,749	4,078	5,977	3,297
Cash Reserves	6,659	7,567	8,250	9,345	10,967
Total Cash	19,812	19,318	19,745	22,136	19,410
IGC's - General Government	941	1,154	1,129	1,296	1,333
MUSA - Regular	1,527	1,561	1,371	1,273	1,376
Total Outstanding Debt	106,333	105,289	104,124	105,390	104,056
Total Annual Debt Service	8,115	8,635	8,766	8,634	8,492
Debt Service Coverage (overall)	1.41	1.36	1.40	1.40	1.52
Debt/Equity Ratio	84/16	84/16	83/17	83/17	81/19
Rate Change \$-Single Family Rate		\$1.40			
Rate Change %-Single Family Rate		6.00%			
Single Family Rate *	\$23.35	\$24.75	\$24.75	\$24.75	\$24.75
Statistical/Performance Trends:					
Number of Costomers	40,549	41,224	41,636	42,052	42,500
Average Treatment (gpd)	21,666	21,624	22,329	24,000	25,000
Miles of Water Lines	650	655	670	674	680
Number of Hydrants	5,288	5,307	5,333	5,357	5,378

* Cost-of-Service adjustment in 1995.

ANCHORAGE WATER UTILITY

WATER UTILITY						UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)					
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000						
28,240	29,586	31,199	32,207	33,163	33,347						
26,668	27,936	28,609	29,147	29,741	30,210						
1,572	1,650	2,590	3,060	3,422	3,137						
272	273	273	273	273	273						
10,420	7,245	18,375	18,175	17,035	13,215						
3,000	3,000	0	0	0	0						
290,362	287,212	283,481	279,117	274,066	268,268						
25,821	27,471	30,061	33,121	36,543	39,679						
3,746	2,238	2,781	3,205	4,181	5,953						
1,877	3,203	1,203	3	3	3						
12,741	14,613	16,588	18,670	20,463	20,309						
18,364	20,054	20,572	21,878	24,647	26,265						
1,617	1,697	1,782	1,871	1,965	2,063						
1,417	1,460	1,504	1,549	1,595	1,643						
105,214	106,205	104,101	101,938	99,617	96,275						
8,888	9,143	9,138	9,043	9,087	9,951						
1.44	1.42	1.52	1.58	1.61	1.52						
80/20	79/21	77/23	75/25	73/27	71/29						
1.30	2.34		1.42								
	9.0%		5.0%								
26.05	28.39	28.39	29.81	29.81	29.81						
43,000	43,400	43,600	43,800	44,000	44,200						
25,500	26,000	26,500	27,000	27,500	28,000						
686	691	695	700	706	711						
5,427	5,470	5,500	5,534	5,567	5,588						

NOTE: Rate increases are shown in the outyears for purposes of projections only and have not been approved for implementation.

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ANCHORAGE WASTEWATER UTILITY

WASTEWATER Financial Overview	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Revenues	\$ 21,321	\$ 22,614	\$ 22,867	\$ 23,600	\$ 23,937
Expenses	20,261	21,786	22,252	21,862	21,954
Net Income (Regulatory)	1,060	828	615	1,739	1,983
WorkForce Authorized per Budget	285	285	285	275	270
Capital Improvements Program	18,459	9,663	4,959	2,473	6,141
New Debt (Bonds, Loan Fund)	5,625	0	0	3,433	2,237
Net Plant (12/31)	233,734	252,177	252,080	250,737	248,181
Retained Earnings (12/31)	1,770	2,598	3,213	4,952	6,935
Operating Cash	5,325	7,951	7,695	7,854	6,573
Construction Cash Pool	5,760	1,026	901	1,974	838
Cash Reserves	2,873	1,447	0	0	0
Total Cash	13,958	10,424	6,795	9,828	7,411
IGC's - General Government	1,225	1,493	1,387	1,653	1,703
MUSA - Regular	831	1,031	1,101	1,051	1,117
Total Outstanding Debt	84,499	78,343	74,103	72,371	69,072
Total Annual Debt Service	9,012	9,563	9,519	9,693	9,605
Debt Service Coverage (overall)	1.17	1.27	1.06	1.09	1.07
Debt/Equity Ratio	91/9	90/10	88/12	86/14	83/17
Rate Change \$-Single Family Rate	\$1.30	\$0.95	\$0.55	\$0.00	\$0.00
Rate Change %-Single Family Rate	7.00%	4.70%	3.19%	0.00%	0.00%
Single Family Rate *	\$20.15	\$21.10	\$21.65	\$21.65	\$21.65
Statistical/Performance Trends:					
Number of Customers	43,157	44,222	44,464	45,110	45,700
Average Treatment (gpd)	34,831	32,892	33,300	33,800	34,200
Miles of Wastewater Lines	644	655	664	670	674

* Cost-of-service adjustment in 1995.

ANCHORAGE WASTEWATER UTILITY

WASTEWATER UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)					
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
24,033	25,021	25,910	26,628	27,469	27,969
22,732	23,304	23,739	24,101	24,633	25,023
1,301	1,717	2,171	2,527	2,836	2,946
272	273	273	273	273	273
4,205	5,660	11,560	11,280	11,115	7,710
6,000	1,650	2,000	4,000	2,500	2,500
245,533	242,421	238,806	234,648	229,903	224,521
8,236	9,953	12,124	14,651	17,487	20,434
4,542	3,362	3,064	3,186	3,378	3,602
393	535	80	155	60	40
0	0	0	0	0	0
4,935	3,897	3,144	3,341	3,438	3,642
1,998	2,098	2,203	2,313	2,429	2,551
1,162	1,197	1,233	1,270	1,308	1,347
69,454	65,221	61,210	59,219	55,354	51,490
9,669	9,776	9,709	9,551	9,830	9,634
1.00	1.00	1.05	1.08	1.07	1.09
82/18	80/20	76/24	73/27	70/30	65/35
\$0.40	\$1.28	\$0.00	\$1.01	\$0.00	\$0.47
0.00%	6.00%	0.00%	4.50%	0.00%	2.00%
\$21.25	\$22.53	\$22.53	\$23.54	\$23.54	\$24.01
46,300	46,500	46,700	47,000	47,200	47,400
34,700	35,200	35,300	35,500	35,700	35,900
679	684	688	693	697	701

NOTE: Rate increases are shown in the outyears for purposes of projections only and have not been approved for implementation.

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
Financial Overview	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Revenues	\$ 5,395	\$ 5,683	\$ 5,701	\$ 5,676	\$ 5,705
Expenses	5,278	5,262	5,315	5,378	5,533
Net Income (Regulatory)	117	421	386	298	172
WorkForce Authorized per Budget	23(FT)/2(T)	23(FT)/2(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)
Capital Improvement Program	316	180	86	494	423
Bond Sales	0	0	0	0	0
Net Plant (12/31)	3,438	3,166	2,879	2,988	3,029
Utility Revenue Distribution	0	0	0	0	0
Retained Earnings (12/31)	3,613	4,034	4,416	4,714	4,890
General Cash Pool	2,270	2,598	3,009	3,292	3,488
Construction Cash Pool	808	963	1,075	790	540
Bond Redemption Cash	366	372	357	360	360
Total Cash (12/31)	3,444	3,933	4,441	4,442	4,388
IGC's - General Government	97	114	134	141	100
MUSA - 1.25%	0	0	0	0	0
MUSA - Regular	65	62	58	48	53
Total Outstanding Debt	3,305	3,145	2,975	2,800	2,615
Total Annual Debt Service	360	356	349	339	354
Debt Service Coverage	2.28	3.19	2.86	2.70	2.21
Debt/Equity Ratio	47/53	42/58	39/61	37/63	34/66
Rate Change Percent	8.15%				
Residential Cost/Month	\$ 15.00				
Commercial (3Yd-1x/Wk)/Month	\$ 50.50				
Statistical/Performance Trends:					
Waste Collected (Tons)	43,435	42,875	44,356	45,277	45,500
Average Residential Services	11,520	11,589	11,746	11,968	11,970
Average Dumpster Services	4,686	4,813	4,872	4,745	4,750

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS UTILITY FORMAT -- 1995 OPERATING BUDGET (\$ in Thousands)					
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
\$ 5,715	\$ 5,745	\$ 5,801	\$ 5,858	\$ 5,914	\$ 5,972
5,690	5,736	5,846	5,855	5,900	5,918
25	9	(45)	2	15	54
20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)
334	388	677	387	418	393
0	0	0	0	0	0
2,966	2,937	3,114	3,017	2,933	2,831
0	0	0	0	0	0
4,920	4,930	4,890	4,890	4,900	4,950
3,381	3,208	2,767	2,631	2,480	2,371
540	540	540	540	540	540
360	360	360	360	360	360
4,281	4,108	3,667	3,531	3,380	3,271
138	143	149	154	160	166
0	0	0	0	0	0
55	57	60	62	64	67
2,420	2,210	1,990	1,755	1,505	1,240
352	355	352	353	353	352
1.81	1.78	1.85	1.89	1.95	2.00
32/68	30/70	28/72	26/74	23/77	19/81
45,500	45,500	45,500	45,500	45,500	45,500
11,970	11,970	11,970	11,970	11,970	11,970
4,750	4,750	4,750	4,750	4,750	4,750

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
	Financial Overview	Actual 1990	Actual 1991	Actual 1992	Actual 1993
Revenues	\$ 11,388	\$ 11,483	\$ 11,792	\$ 12,332	12,281
Expenses	10,370	10,370	11,276	10,462	11,073
Net Income (Regulatory)	1,018	1,113	516	1,870	1,208
WorkForce Authorized per Budget	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	32(FT)/10(T)	32(FT)/10(T)
Capital Improvement Program	4,922	2,133	4,476	1,297	11,894
Bond Sales	0	0	0	0	10,000
Net Plant (12/31)	31,978	32,464	35,453	35,127	45,256
Utility Revenue Distribution	85	0	0	0	0
Retained Earnings (12/31)	5,684	6,794	7,322	9,192	10,400
General Cash Pool	4,590	4,043	4,877	6,893	7,327
Construction Cash Pool	1,453	2,809	(563)	25	25
Bond Redemption Cash	401	404	406	409	409
Total Cash (12/31)	6,444	7,256	4,720	7,327	7,761
IGC's - General Government	118	170	175	201	159
MUSA - 1.25%	117	128	130	131	143
MUSA - Regular	287	300	305	274	324
Total Outstanding Debt	28,020	27,510	26,810	27,910	36,445
Total Annual Debt Service	2,779	2,866	2,717	3,295	2,994
Revenue Bond Coverage	8.72	9.59	7.61	15.86	15.86
Debt/Equity Ratio	74/26	71/29	67/33	63/37	68/32
Rate Change Percent					
User Rate/Ton				\$45.00	
Pick Up Rate				\$10.00	
Car Rate				\$ 5.00	
Statistical/Performance Trends:					
Tons Disposed	250,419	260,993	279,806	275,540	274,000
Vehicle Count	163,944	175,839	200,261	205,007	204,286

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL UTILITY FORMAT -- 1995 OPERATING BUDGET (\$ In Thousands)					
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
13,058	12,787	12,913	13,041	13,169	13,299
15,203	11,979	12,023	12,107	12,232	12,357
(2,145)	808	891	933	937	942
32(FT)/11(T)	32(FT)/11(T)	32(FT)/11(T)	32(FT)/11(T)	32(FT)/11(T)	32(FT)/11(T)
1,391	1,210	1,133	1,221	4,375	1,257
4,000	0	0	0	3,041	0
44,688	43,826	42,846	41,897	43,991	42,850
0	0	0	0	0	0
8,254	9,062	9,953	10,886	11,823	12,765
7,963	7,208	6,534	5,760	4,861	4,471
25	25	25	25	25	25
409	409	409	409	409	409
8,397	7,642	6,968	6,194	5,295	4,905
211	219	227	236	244	254
147	149	150	152	153	155
337	349	363	376	391	405
38,363	35,643	32,781	29,784	29,678	26,817
3,843	4,671	4,664	4,667	4,665	4,216
5.85	14.86	14.56	14.48	14.42	14.19
72/28	69/31	66/34	62/38	60/40	60/40
284,000	286,840	289,708	292,605	295,532	298,487
206,329	208,392	210,476	212,581	214,707	216,854

PORT OF ANCHORAGE

PORT OF ANCHORAGE	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
Financial Overview	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Revenues	\$ 7,723	\$ 6,927	\$ 7,268	\$ 7,123	\$ 7,465
Expenses	4,789	5,256	6,027	5,678	6,427
Net Income (Regulatory)	2,934	1,671	1,241	1,445	1,038
WorkForce Authorized per Budget	21	21	21	21	21
Capital Improvement Program	9,563	4,364	1,830	2,533	8,385
Bond Sales	0	0	0	0	0
Net Plant (12/31)	50,559	53,203	53,054	53,302	59,223
Utility Revenue Distribution	178	178	179	179	179
Retained Earnings (12/31)	31,773	33,267	33,952	35,218	36,077
General Cash Pool	3,715	1,750	3,421	2,921	2,987
Construction Cash Pool	7,377	6,340	3,752	6,702	5,071
Bond Redemption Cash	2,971	2,979	2,915	2,916	2,916
Total Cash (12/31)	14,063	11,069	10,088	12,539	10,974
IGC's - General Government	234	220	281	151	230
Total Outstanding Debt	20,832	19,453	17,754	16,215	14,892
Total Annual Debt Service	3,605	3,017	3,057	3,037	2,719
Debt Service Coverage (Rev Bonds)	2.80	2.38	2.42	2.43	2.28
Debt/Equity Ratio	26/74	22/78	20/80	17/83	15/85
Rate Change % - Pref. Use Agree.		(6.00%)			
Rate Change % - Indus Park Leases		3.5%			
Rate Change % - Tariff			4.4%		
Statistical/Performance Trends:					
Tonnage	2,195	2,313	2,372	2,623	2,653
Revenue/Ton	\$2.50	\$2.35	\$2.38	\$2.30	\$2.41

PORT OF ANCHORAGE

PORT OF ANCHORAGE		UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)			
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
\$ 7,599	\$ 8,581	\$ 8,956	\$ 9,060	\$ 9,053	\$ 9,087
6,264	6,545	6,733	6,750	6,762	6,779
1,335	2,036	2,223	2,310	2,291	2,308
21	21	21	21	21	21
9,501	2,477	6,980	739	2,471	2,181
2,000	0	0	0	0	0
64,453	68,747	68,499	70,280	70,420	69,815
358	326	356	460	490	487
37,054	38,764	40,631	42,481	44,282	46,103
1,788	977	3,759	4,150	5,188	6,497
5,071	5,996	4,571	5,996	5,071	4,571
2,916	3,088	3,088	3,088	3,088	3,088
9,775	10,061	11,418	13,234	13,347	14,156
215	219	223	227	232	237
15,769	14,706	13,560	12,463	11,437	10,317
2,490	2,414	2,417	2,279	2,119	2,119
2.33	2.68	2.82	2.84	2.80	2.77
14/86	13/87	12/88	10/90	9/91	8/92
	9%				
2,668	2,710	2,753	2,796	2,841	2,886
\$2.43	\$2.80	\$2.90	\$2.87	\$2.80	\$2.77

NOTE: Rate increases are shown in the outyears for purposes of projections only and have not been approved for implementation.

MERRILL FIELD AIRPORT

MERRILL FIELD AIRPORT	UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)				
Financial Overview	Actual 1990	Actual 1991	Actual 1992	Actual 1993	Proforma 1994
Revenues	\$ 1,795	\$ 1,800	\$ 1,867	\$ 1,941	1,954
Expenses	1,602	1,608	1,740	1,862	1,871
Net Income (Regulatory)	193	192	127	79	83
WorkForce Authorized per Budget	9(FT)/5(T)	9(FT)/5(T)	10(FT)/5(T)	9(FT)/6(T)	10(FT)/5(T)
Capital Improvement Program	468	807	1,816	1,868	2,048
Bond Sales	0	0	0	0	0
Net Plant (12/31)	29,352	29,343	32,409	31,942	33,990
Utility Revenue Distribution	0	0	0	0	0
Retained Earnings (12/31)	2,232	2,424	2,551	2,630	2,713
General Cash Pool	(577)	(861)	(3,086)	(3,033)	(3,020)
Construction Cash Pool	967	1,175	2,045	2,012	3,810
Bond Redemption Cash	0	0	0	0	0
Total Cash (12/31)	390	314	(1,041)	(1,021)	790
IGC's - General Government	57	55	62	62	85
Total Outstanding Debt	0	0	0	0	
Total Annual Debt Service	0	0	0	0	
Debt Service Coverage	n/a	n/a	n/a	n/a	
Debt/Equity Ratio	0	0	0	0	
Rate Change Percent	7.1%	0	0	0	0
Rate Charge:					
- Lease Rate (Sq. Ft./Year)	\$0.150	\$0.150	\$0.150	\$0.150	\$0.150
- Tail-In Space/Month	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
- Drive-Thru Space/Month	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Statistical/Performance Trends:					
Based Aircraft	1,003	1,008	943	916	910
Municipal Tiedowns	626	632	632	632	632
Flight Ops/Federal Year	252,137	253,697	225,713	230,156	235,000
National Airport Ranking	57th	53rd	64th	57th	56th

MERRILL FIELD AIRPORT

MERRILL FIELD AIRPORT UTILITY FORMAT - 1995 OPERATING BUDGET (\$ In Thousands)					
Budget 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999	Forecast 2000
2,035	2,149	2,237	2,308	2,398	2,466
1,962	2,204	2,089	2,134	2,202	2,243
73	125	148	174	196	223
10(F)/5(T)	10(F)/5(T)	10(F)/5(T)	10(F)/5(T)	10(F)/5(T)	10(F)/5(T)
2,402	6,020	7,152	1,500	980	950
0	0	0	0	0	0
36,392	37,562	38,914	40,414	41,394	42,344
0	0	0	0	0	0
2,786	2,911	3,059	3,233	3,429	3,652
(2,947)	(2,822)	(2,674)	(2,500)	(2,304)	(2,081)
3,738	3,598	3,438	3,257	3,182	3,057
0	0	0	0	0	0
791	776	764	757	878	976
95	110	115	119	125	131
0	3.3%	3.2%	3.1%	3.0%	2.9%
\$0.150	\$0.155	\$0.160	\$0.165	\$0.170	\$0.175
\$40.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
\$50.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
935	965	1,005	1,035	1,075	1,095
632	632	632	632	824	824
245,000	259,000	272,000	278,000	285,000	291,000
48th	43rd	39th	38th	35th	33rd

NOTE: Rate increases are shown in the outyears for purposes of projections only and have not been approved for implementation.

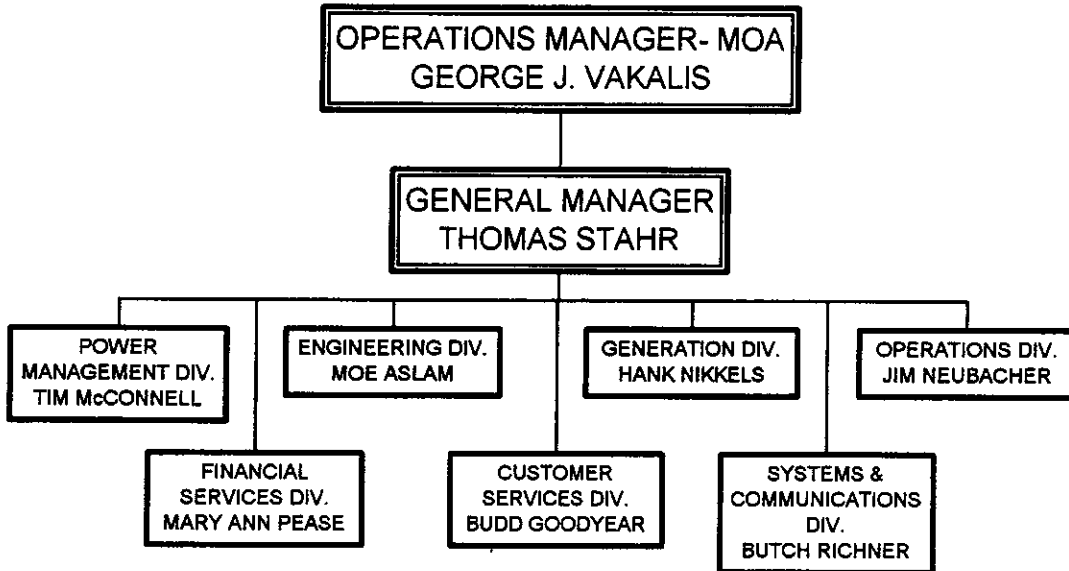
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**MUNICIPAL LIGHT
AND POWER**



Municipal Light & Power

ORGANIZATION CHART



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MUNICIPAL LIGHT & POWER UTILITY PROFILE

ORGANIZATION

Municipal Light & Power (ML&P) is divided into seven divisions under the direction of the General Manager. The divisions include Generation, Engineering, Operations, Power Management (Dispatch), Customer Service, Systems, and Finance.

ML&P had 216 employees as of December 31, 1993 and a 1993 operating payroll cost of approximately \$12.2 million. Of these employees, 147 were covered by a labor agreement with IBEW and 69 were non-represented (i.e., covered by the Municipal Personnel Rules).

HISTORY

The first electric system serving Anchorage was installed in 1916 by the Alaska Engineering Commission, the agency of the U.S. Department of the Interior which constructed the Alaska Railroad. A small steam plant and diesel power generators supplied Anchorage with electricity until 1929 when the private Anchorage Power & Light Company began supplying the community with electricity from a hydroelectric power plant on the Eklutna River, 25 miles northeast of downtown Anchorage.

The City purchased the Alaska Engineering Commission distribution system in 1932 and acquired the Eklutna Plant from the Anchorage Power & Light Company in 1943. In 1955, the City contracted for 16,000 kilowatts ("kW") of the generating capacity of a new Eklutna Hydroelectric power project of the U.S. Bureau of Reclamation and transferred its Eklutna Plant to that federal agency. Since then, beginning in 1962, ML&P has installed seven turbine generating units fired by natural gas and one heat recovery steam turbine generating unit.

SERVICES

ML&P's service area encompasses 19.9 contiguous square miles including a large portion of the commercial and high density residential areas of the Municipality. In 1993, the average number of residential and commercial customers was 23,680 and 5,558 respectively. One-sixth of ML&P's customer base consumes four-sixths of its output. 1993 sales totaled 825,831 MWh and earned revenues of \$67,683,000.

ML&P has agreements to supply the Fort Richardson Army Base and the Elmendorf Air Force Base with interruptible wholesale electric service. In 1985, ML&P and the Golden Valley Electric Association, Inc. (GVEA), a cooperative utility headquartered in Fairbanks, entered into a "Memorandum of Understanding" under which ML&P sells economy energy to GVEA on an interruptible basis utilizing the Anchorage-Fairbanks Intertie.

REGULATION

ML&P is subject to economic regulation by the Alaska Public Utilities Commission (APUC). The APUC is composed of five members appointed to six-year staggered terms by the Governor and confirmed by the State Legislature. The APUC regulation covers service areas, service quality, tariff rules and regulations, monthly rates and charges and certain other utility charges.

The Utility is also subject to advisement by the ML&P Commission which was created in 1963 and is composed of seven members appointed to staggered three-year terms by the Mayor with the approval of

the Assembly. The General Manager of ML&P serves ex officio as Executive Secretary of the Commission.

The Commission reviews electric service policies and practices and reviews the budget and operations of ML&P and annually submits recommendations to the Mayor. It conducts public hearings on matters pertaining to electric rates, regulations and related matters and makes recommendations to the Mayor and Assembly. It normally holds one meeting per month and calls special meetings as the need arises.

ENVIRONMENTAL MANDATES

Mandates from the Federal and State Governments continue to have a large impact on ML&P. The Federal Clean Air Act and the Oil Pollution Act add to the financial burden by significantly increasing the cost of power plant operating permits and by adding requirements covering spill prevention and control of ML&P's emergency fuel oil supply. It is anticipated that over the next few years an estimated \$1.3 million in modifications to electric plant will be necessary to meet spill prevention requirements.

PHYSICAL PLANT

ML&P generates, purchases, transmits and distributes electric power.

- Power Generated/Purchased in 1993

• ML&P Generated -	651,584 MWh	77%
• Purchased:		
Eklutna Hydroelectric Project -	88,809 MWh	10%
Bradley Lake Project -	111,183 MWh	13%

- Generation capacity is 328 Megawatts (MW)

- Seven gas-fired turbines
- One heat recovery turbine
- All equipped to use No. 2 fuel oil as an alternate fuel

- Power Plant No. One: four turbines, capacity 85 MW

- Power Plant No. Two: four turbines, capacity 243 MW

- Reserve Capacity Margin is 150 MW

- Transmission/Distribution System

- 201 miles underground cable
- 171.3 miles overhead lines and cable
- 20 substations

- Assets as of December 31, 1993

- Net Plant in Service: \$160,054,893

MUNICIPAL LIGHT & POWER WORK FORCE PROJECTIONS

<u>DIVISION</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
ADMINISTRATION	16	16	16	17	17	17	17
SYSTEMS & COMMUNICATIONS	14	14	15	15	15	16	16
PRODUCTION (GENERATION)(1)	47	51	51	51	51	52	52
CUSTOMER SERVICE(2)	37	37	38	38	38	38	39
FINANCIAL SERVICES	23	23	23	23	24	24	24
POWER MANAGEMENT	10	10	10	11	11	11	11
OPERATIONS	46	47	47	47	48	48	48
ENGINEERING	<u>24</u>	<u>24</u>	<u>24</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
SUBTOTAL	<u>217</u>	<u>222</u>	<u>224</u>	<u>227</u>	<u>229</u>	<u>231</u>	<u>232</u>
TEMPS	<u>29</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>31</u>	<u>31</u>
TOTAL	<u>246</u>	<u>252</u>	<u>254</u>	<u>257</u>	<u>259</u>	<u>262</u>	<u>263</u>

(1) Four operator/mechanics will be required with the purchase of the Eklutna Hydro Electric project in 1995.

(2) The four part-time Customer Service positions have been combined and treated as two position

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**Municipal Light
and Power**

1995

Operating Budget

MUNICIPAL LIGHT & POWER
RECONCILIATION OF 1994 BUDGET TO 1994 PROFORMA

	<u>1994 BUDGET</u>	<u>1994 PROFORMA</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	
OPERATING REVENUE	69,050,000	67,487,000	(1,563,000)	A
OPERATING EXPENSE				
Operations	43,125,000	41,880,000	1,245,000	B
Depreciation(1)	9,735,000	10,070,000	(335,000)	
MUSA	<u>1,835,000</u>	<u>1,883,000</u>	<u>(48,000)</u>	
SUBTOTAL	<u>54,695,000</u>	<u>53,833,000</u>	<u>862,000</u>	
NON-OPERATING REVENUE	2,700,000	2,348,000	(352,000)	
NON-OPERATING EXPENSE	<u>14,821,000</u>	<u>14,789,000</u>	<u>32,000</u>	
NET INCOME (REGULATORY)	2,234,000	1,213,000	(1,021,000)	
ADJUSTMENTS FOR GAAP	<u>(550,000)</u>	<u>(550,000)</u>	<u>0</u>	
NET INCOME GAAP	<u><u>1,684,000</u></u>	<u><u>663,000</u></u>	<u><u>(1,021,000)</u></u>	

1994 Proforma as of 5/31/94

(1) Excludes Contributed Plant. Depreciation is calculated using the proposed 24 year life which has been filed with the APUC and is pending approval, retroactive to 1/1/94.

Explanation of Significant Variances:

- A. Revenues are less than projected due to late implementation of the proposed rate increase, originally assumed to be 1/1/94. In addition, warmer weather conditions have led to a reduction in sales.
- B. Operating costs are down due to sales being less than projected.

Explanation of parenthesis:

Increases in revenues are positive, increases in expenses are negative, ().

MUNICIPAL LIGHT & POWER
RECONCILIATION OF 1994 PROFORMA TO 1995 BUDGET

	<u>1994 PROFORMA</u>	<u>1995 BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	
OPERATING REVENUE	67,487,000	71,750,000	4,263,000	A
OPERATING EXPENSE				
Operations	41,880,000	43,763,000	(1,883,000)	B
Depreciation(1)	10,070,000	10,771,000	(701,000)	C
MUSA	1,883,000	2,161,000	(278,000)	
SUBTOTAL	<u>53,833,000</u>	<u>56,695,000</u>	<u>(2,862,000)</u>	
NON-OPERATING REVENUE	2,348,000	2,238,000	(110,000)	
NON-OPERATING EXPENSE	<u>14,789,000</u>	<u>14,757,000</u>	<u>32,000</u>	
NET INCOME (REGULATORY)	1,213,000	2,536,000	1,323,000	
ADJUSTMENTS FOR GAAP	<u>(550,000)</u>	<u>(442,000)</u>	<u>108,000</u>	
NET INCOME GAAP	<u><u>663,000</u></u>	<u><u>2,094,000</u></u>	<u><u>1,431,000</u></u>	

1994 Proforma as of 5/31/94

(1) Excludes Contributed Plant. Depreciation is calculated using the proposed 24 year life which has been filed with the APUC and is pending approval, retroactive to 1/1/94.

Explanation of Significant Variances:

- A. Increase in revenues is due to 1% growth, projected 3.97% rate increase, and increase in the cost of power.
- B. Increase in operating costs is due to inflation and increased fuel cost.
- C. Function of capital program.

Explanation of parenthesis:

Increases in revenues are positive, increases in expenses are negative, ().

MUNICIPAL LIGHT & POWER
STATEMENT OF REVENUE AND EXPENSES

	<u>1993</u> <u>ACTUAL</u>	<u>1994</u> <u>PROFORMA</u>	<u>1995</u> <u>BUDGET</u>
OPERATING REVENUE			
Residential Sales	14,067,256	13,778,000	14,507,000
Commercial & Industrial	51,372,965	50,720,000	54,122,000
Public Highway & Street Lighting	1,112,359	1,075,000	1,122,000
Public Authority	544,205	526,000	556,000
Sales for Resale	391,951	424,000	438,000
Misc. Service Revenue	146,038	196,000	205,000
Rent from Electric Property	103,849	140,000	146,000
Miscellaneous Revenue	<u>466,831</u>	<u>628,000</u>	<u>654,000</u>
TOTAL OPERATING REVENUE	68,205,454	67,487,000	71,750,000
OPERATING EXPENSE			
Production Expense	29,439,890	28,660,000	29,601,000
Transmission Expense	537,507	583,000	705,000
Distribution Expense	5,047,261	4,935,000	5,384,000
Customer Account Expense	2,860,494	2,882,000	3,066,000
Customer Service & Information	100,871	109,000	124,000
Administrative & General Expense	2,763,279	2,721,000	2,789,000
Regulatory Compliance	1,130,327	1,200,000	1,300,000
Depreciation(1)	10,586,103	10,070,000	10,771,000
Amort. Intangible Plant	400,155	415,000	415,000
Amort. Plant Acquisition	111,184	111,000	111,000
Municipal Utility Service Assmt.	1,706,208	1,883,000	2,161,000
APUC-Gross Revenue Fee	<u>0</u>	<u>264,000</u>	<u>268,000</u>
TOTAL OPERATING EXPENSE	<u>54,683,279</u>	<u>53,833,000</u>	<u>56,695,000</u>
OPERATING INCOME	13,522,175	13,654,000	15,055,000

(1) Excludes Contributed Plant

1994 Proforma as of 5/31/94

MUNICIPAL LIGHT & POWER
STATEMENT OF REVENUE AND EXPENSES

	1993 <u>ACTUAL</u>	1994 <u>PROFORMA</u>	1995 <u>BUDGET</u>
NON-OPERATING REVENUE			
Interest From Operating Reserve	164,470	120,000	114,000
Interest From Bond Redemption Cash	1,732,061	1,261,000	1,260,000
Interest From General Cash Pool	554,424	404,000	320,000
Interest From Debt Service Account	193,926	141,000	141,000
Misc. Non-Operating Revenue	<u>580,817</u>	<u>422,000</u>	<u>403,000</u>
TOTAL NON-OPERATING REVENUE	3,225,698	2,348,000	2,238,000
NON-OPERATING EXPENSE			
Community	58,650	134,000	134,000
Interest on Bonded Debt	12,209,873	12,026,000	12,217,000
Amortization of Bond Discount/Premium	(39,757)	(36,000)	(29,000)
Amort of Bond Sale Cost & Ins.	314,045	307,000	298,000
Amort Loss on Refunded Debt	2,853,081	2,783,000	2,699,000
Other Interest Expense	57,710	0	10,000
Interest During Construction	<u>(390,227)</u>	<u>(425,000)</u>	<u>(572,000)</u>
TOTAL NON-OPERATING EXPENSE	<u>15,063,375</u>	<u>14,789,000</u>	<u>14,757,000</u>
NET INCOME (REGULATORY)	1,684,498	1,213,000	2,536,000
ADJUSTMENTS FOR GAAP			
Depreciation of Contributed Plant	(526,443)	(550,000)	(550,000)
Restricted Interest Income	<u>945</u>	<u>0</u>	<u>108,000</u>
NET INCOME GAAP	<u><u>1,159,000</u></u>	<u><u>663,000</u></u>	<u><u>2,094,000</u></u>

1994 Proforma as of 5/31/94

MUNICIPAL LIGHT & POWER
STATEMENT OF SOURCES AND USES OF CASH

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
SOURCES OF CASH FUNDS			
Net Income GAAP	1,159,000	663,000	2,094,000
Depreciation	11,112,546	10,620,000	11,321,000
Amortized Bond Discount/Premium	(39,757)	(36,000)	(29,000)
Amort & Acquisition Adjustment	511,339	526,000	526,000
Amortization of Bond Sale Costs	314,045	307,000	298,000
Amortization on Refunded Debt	2,853,081	2,783,000	2,699,000
Bond Proceeds	72,796,509	948,000	6,633,000
Other Long Term Debt	1,289,892	0	0
Contributions	609,642	500,000	500,000
TOTAL SOURCES OF CASH FUNDS	90,606,297	16,311,000	24,042,000
USES OF CASH FUNDS			
Additions to Plant	15,289,629	16,526,000	23,774,000
Debt Retirement Long Term	4,740,000	5,224,000	5,687,000
Bond Refunding	75,982,388	0	0
Other	609,642	0	0
TOTAL USES OF CASH FUNDS	96,621,659	21,750,000	29,461,000
NET INCREASE (DECREASE) IN CASH FUND	(6,015,362)	(5,439,000)	(5,419,000)
CASH BALANCE JANUARY 1,	47,916,589	41,901,000	36,462,000
CASH BALANCE DECEMBER 31,	41,901,227	36,462,000	31,043,000
DETAIL OF CASH BALANCE			
Equity in General Cash Pool	20,830,718	16,106,000	9,919,000
Bond Restricted Cash	21,070,509	20,356,000	21,124,000
CASH BALANCE DECEMBER 31,	41,901,227	36,462,000	31,043,000

1994 Proforma as of 5/31/94

MUNICIPAL LIGHT & POWER
1995 OPERATING BUDGET DETAIL

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
Labor			
Personnel Costs	8,703,030	8,838,000	9,123,000
Benefit Costs	<u>3,507,321</u>	<u>3,562,000</u>	<u>3,677,000</u>
Subtotal	12,210,351	12,400,000	12,800,000
Intergovernmental Charges			
Finance Department	250,101	260,000	260,000
MIS/FIS	213,710	225,000	310,000
Human Resources Department	189,787	290,000	260,000
Purchasing	103,830	120,000	120,000
Self Insurance	372,485	300,000	280,000
Mayor	37,478	40,000	220,000
Enterprise/Operations Manager	109,004	120,000	140,000
Other IGC Charges	<u>203,198</u>	<u>245,000</u>	<u>260,000</u>
Subtotal	<u>1,479,593</u>	<u>1,600,000</u>	<u>1,850,000</u>
Other Expenses			
Professional Services	276,235	400,000	400,000
Depreciation & Amortization	14,751,254	14,200,000	14,815,000
MUSA	1,706,208	1,890,000	2,160,000
Interest on Long-term Debt	12,210,431	12,050,000	12,220,000
Interest During Construction	(390,227)	(425,000)	(570,000)
Purchased Power (1)	5,177,863	5,300,000	3,800,000
Hydroelectric Generation (1)	0	0	1,450,000
Fuel	17,411,446	16,100,000	17,000,000
APUC Regulatory Fee	0	265,000	270,000
Regulatory Compliance	1,130,327	1,200,000	1,300,000
Other Expenses	<u>4,309,616</u>	<u>4,192,000</u>	<u>4,507,000</u>
Subtotal	<u>56,583,153</u>	<u>55,172,000</u>	<u>57,352,000</u>
TOTAL EXPENSES	<u><u>70,273,097</u></u>	<u><u>69,172,000</u></u>	<u><u>72,002,000</u></u>

(1) Assumes purchase of Eklutna in late 1994 or early 1995 and a shift in related costs.

1994 Proforma as of 5/31/94

**Municipal Light
and Power**

1995 - 2000

**Capital Improvement
Budget/Program**

MUNICIPAL LIGHT & POWER

1995 - 2000 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (\$000)

<u>PROJECT CATEGORY:</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
PRODUCTION (GEN)	5,155	5,705	5,055	5,130	4,520	4,610	30,175
TRANSMISSION	770	655	530	550	795	825	4,125
DISTRIBUTION	6,545	7,615	7,940	8,645	8,785	10,055	49,585
GENERAL PLANT	4,138	3,507	2,831	2,941	2,826	2,575	18,818
ENVIRONMENTAL	2,455	1,030	355	1,605	1,825	100	7,370
ENERGY STORAGE *	9,500	0	0	0	0	0	9,500
INTERTIES **	7,000	0	0	8,000	0	0	15,000
TOTAL BUDGET	<u>35,563</u>	<u>18,512</u>	<u>16,711</u>	<u>26,871</u>	<u>18,751</u>	<u>18,165</u>	<u>134,573</u>

<u>SOURCE OF FUNDING:</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
G.O. BONDS	0	0	0	0	0	0	0
REVENUE BONDS	7,000	15,000	10,000	10,000	7,500	7,500	57,000
LOAN	0	0	0	0	0	0	0
EQUITY/OPERATIONS	28,063	3,512	6,711	16,871	11,251	10,665	77,073
STATE GRANT	500	0	0	0	0	0	500
FEDERAL GRANT	0	0	0	0	0	0	0
DIRECT APPROPRIATION	0	0	0	0	0	0	0
TOTAL BUDGET	<u>35,563</u>	<u>18,512</u>	<u>16,711</u>	<u>26,871</u>	<u>18,751</u>	<u>18,165</u>	<u>134,573</u>

* SMES must be firmly committed for in 1995, the majority of the funding will not be required until it is installed in 1997 or 1998.

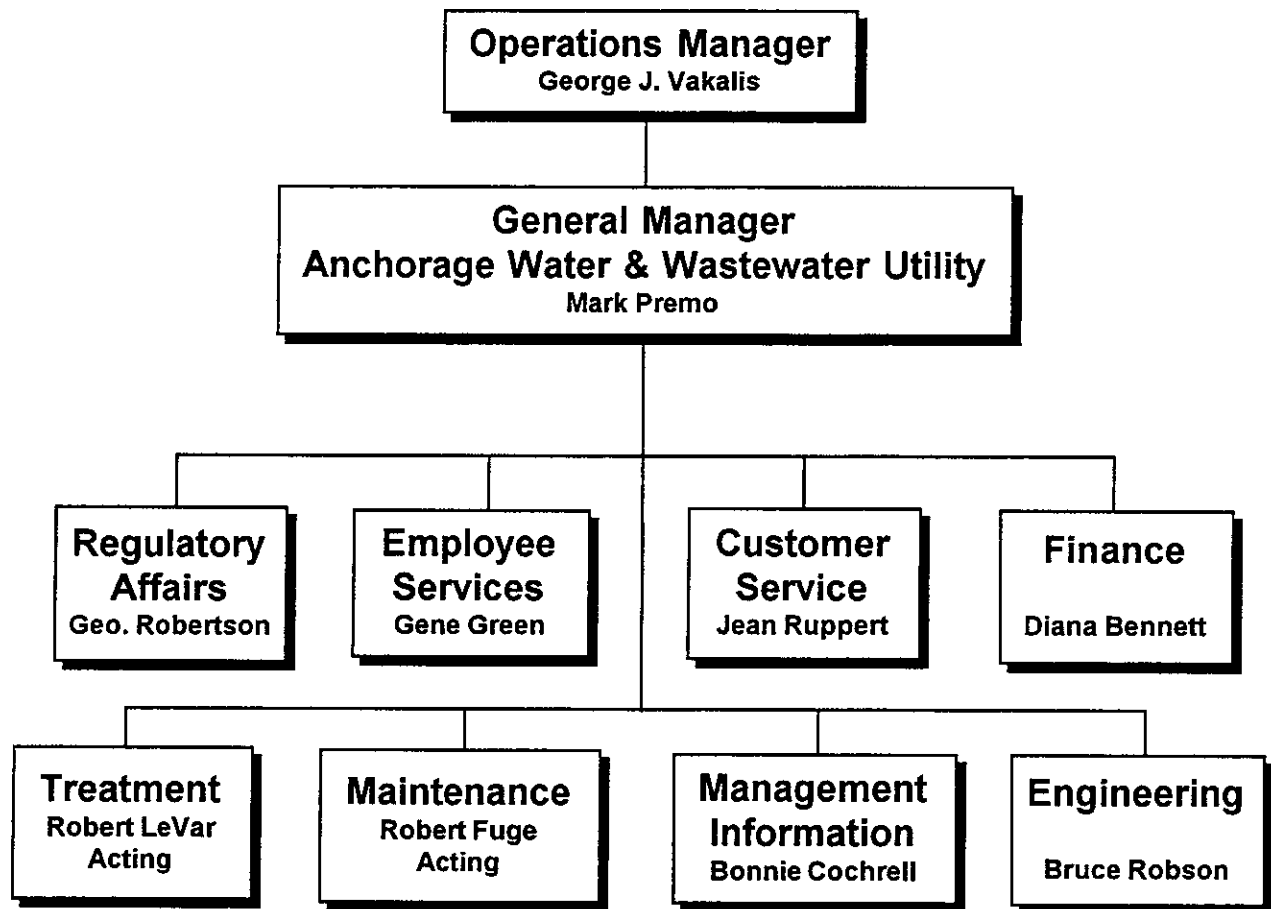
** Interties may be financed by AIDEA and only require annual debt service payments.

Approximately \$7.6 Million in personnel costs will be spent on Capital Projects during 1995.

**ANCHORAGE WATER AND
WASTEWATER UTILITY**

ANCHORAGE WATER & WASTEWATER UTILITY

ORGANIZATION CHART



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ANCHORAGE WATER & WASTEWATER UTILITY PROFILE

ORGANIZATION: The Anchorage Water and Wastewater Utility (AWWU) is the largest water and wastewater utility in Alaska and serves 125 square miles of metropolitan Anchorage from Eklutna to Girdwood. The Utility collects water from two major surface watersheds and many deep underground wells and distributes it to over 43,000 residential, commercial, military, and industrial customers throughout the urban areas of Anchorage. The Utility's wastewater facilities serve 46,000 residential, commercial and military customers. As water is consumed and used, treatment plants operate 24 hours per day, discharging treated wastewater into Cook Inlet, Eagle River and Glacier Creek. The public investment in these systems – for treatment plants, mains and sewers, laboratories, and reservoirs – totals nearly \$700 million. More than 265 employees operate the system, and the Utility spends approximately \$50 million annually to ensure that the water and wastewater systems perform efficiently. Through education, training, certification programs, field experience and longevity of service, the people who run the system are a dedicated team: Treatment plant operators, engineers, laboratory technicians, maintenance craftsmen, accountants, customer service representatives and field personnel working together, ensure that the water and wastewater systems perform efficiently.

Although they share one workforce, the utilities are separate economic entities. A profile of each utility is shown below:

ANCHORAGE WATER UTILITY

HISTORY: From the first water intake in Lower Ship Creek (and a few miles of woodstave water mains downtown) more than 75 years ago, Anchorage's public water utility has grown to a third-of-a-billion-dollar enterprise that delivers nearly 26 million gallons of water to its customers each day, for less than \$1 per household. The original water system for Anchorage was installed by the Alaska Railroad in 1917. In 1921, the City purchased the water system and associated water rights from the Alaska Engineering Commission. As the City expanded by annexation, the water system was extended into new areas and independent water systems previously serving the annexed areas were acquired by the City. The entire service area is now governed by the Municipality of Anchorage as a result of unification of the City of Anchorage and the Greater Anchorage Area Borough on September 15, 1975.

SERVICE: In the Tent City days of Anchorage, Ship Creek supplied water for Anchorage's first settlers, conveyed with buckets. Today, Ship Creek remains an important water source, captured up-stream in the Chugach foothills for treatment and distribution. From spring through fall, the headwaters of Ship Creek provide up to 24 million gallons of water each day. When stream flow is low during the winter, the Eklutna Water Treatment Plant

and deep wells are relied upon to supplement the Ship Creek water supply. The 35 million gallon Eklutna Plant north of Eagle River, completed in 1988, will supply Anchorage's water needs into the next century. The Eklutna water supply originates at Eklutna Lake, a body of water that is a drought-resistant natural reservoir. Fed by the runoff from Eklutna Glacier and the annual snow-pack, the eight mile long lake can supply up to 100 million gallons of water each day. The Girdwood community is served from a system of wells.

During 1995 the Anchorage Water Utility (AWU) proposes a construction program that will emphasize repair and rehabilitation of the existing system and resources, and continue efforts to maximize water availability to South Anchorage. To accomplish the latter objective, AWU proposed initiating the design and construction of the Anchorage Loop Water Transmission Main, phases I - III. This involves construction of a main from the Ship Creek Water Treatment Plant to the reservoirs at Tudor Road and Patterson Street.

REGULATION: Since December 1970, the Anchorage Water Utility has been economically regulated by the Alaska Public Utilities Commission (APUC). All rates and tariffs must be approved by this body prior to implementation. They also regulate service areas and service quality. The APUC is composed of five members appointed to six-year staggered terms by the Governor and confirmed by the State Legislature.

In addition to the APUC, the Anchorage Water and Wastewater Utility Advisory Commission acts as an oversight body to advise the Mayor and Assembly on Utility matters. The seven members of this Commission are appointed to staggered three-year terms by the Mayor and approved by the Assembly. The Commission annually elects one of its members as Chair and another as Vice-Chair. The General Manager of AWWU serves as Executive Secretary of the Commission.

The Commission normally meets once a month to review service policies and practices and reviews the budgets and operations of AWWU and annually submits recommendations to the Mayor.

ENVIRONMENTAL MANDATES: In recent years there have been several federally mandated programs that directly impact the Water Utility's operating costs. The Clean Water Act, Americans with Disabilities Act, Community Right-to-Know, Underground Storage Tank Regulations and the Clean Air Act are some of the current and ongoing laws that impact the Utility.

PHYSICAL PLANT: AWU operates two treatment plants and has twenty-two wells that are operated on an as-needed basis. Only one well is operated full-time. Average treatment plant production is 25,000,000 gallons per day (gpd). Treatment plant capacity is 59,000,000 gpd. Average well production is 5,000,000 gpd. The transmission system has approximately 680 miles of mains and 5,800 fire hydrants. Net Plant value as of December 1993: \$301,000,000.

ANCHORAGE WASTEWATER UTILITY

HISTORY: Sewers were first installed in Anchorage during 1916 along the lower bluff from the Alaska Railroad Depot, west to the inlet, by the Alaska Engineering Commission. As Anchorage grew, construction of sewers continued and, by the end of World War II, sewers were available to most of the area between Ship Creek and Chester Creek to the West of Cordova Street. The Greater Anchorage Area Borough (GAAB) was created in 1964, and soon after was granted areawide sewer powers. The last major private sewer utility was acquired by the GAAB in 1972. The Utility is now governed by the Municipality of Anchorage as a result of unification of the City of Anchorage and the Greater Anchorage Area Borough on September 15, 1975.

SERVICE: Anchorage's enjoyment of drinking water is just one part of the AWWU system. After the day's 30 million gallons of water is used, it must be treated for its return to the environment. The creeks and inlets downstream from Anchorage's wastewater treatment plants are not adversely impacted by treated effluent, which is the principal measure of success. The Anchorage community benefits from the superior operation of the three wastewater treatment plants that serve its growing population.

For every contaminant that finds its way into the water from the activities of man or natural forces, there is a process to remove it, although some processes are so costly that the contaminants must be controlled at the source. Toxic chemical compounds -- Floating sediments and particles -- Human waste -- Grease and oils -- Debris -- Bacteria. None are acceptable in public waters.

Like thousands of utilities across the nation, the Anchorage Wastewater Utility is achieving higher levels of treatment more efficiently and more effectively than was possible even 10 years ago. While the technology of screening the waste, employing "specialized" bacteria to absorb dissolved solids, and disinfecting the "final product" remains the same, treatment standards have become more stringent.

At Eagle River, Girdwood and Point Woronzof, the utility has continued to invest in the highest and most reliable technology practicable. Anchorage in the 1990's is assured that the city's wastewater treatment plant output protects the receiving water to which it is returned.

REGULATION: Since 1971, the Anchorage Wastewater Utility has been economically regulated by the Alaska Public Utilities Commission (APUC) and holds a Certificate of Convenience and Necessity for serving the Anchorage Bowl, Eagle River, and Girdwood. All rates and tariffs must be approved by this body prior to implementation. They also regulate service areas and service quality. The APUC is composed of five members appointed to six-year staggered terms by the Governor and confirmed by the State Legislature.

In addition to the APUC, the Anchorage Water and Wastewater Utility Advisory Commission acts as an oversight body to advise the Mayor and Assembly on Utility matters. The seven members of this Commission are appointed to staggered three-year terms by the Mayor and approved by the Assembly. The Commission annually elects one of its members as Chair and another as Vice-Chair. The General Manager of AWWU serves as Executive Secretary of the Commission.

The Commission normally meets once a month to review service policies and practices and reviews the budgets and operations of AWWU and annually submits recommendations to the Mayor.

ENVIRONMENTAL MANDATES: In recent years there have been several federally mandated programs that directly impact the Wastewater Utility's operating costs. The Clean Water Act, Americans with Disabilities Act, Community Right-to-Know, Underground Storage Tank Regulations and the Clean Air Act are some of the current and on-going laws that impact the Utility.

The Point Woronzof Wastewater Treatment Plant uses primary treatment techniques. The extreme tides and natural water flow of Cook Inlet enable these wastewater discharges to be diluted with no adverse effect to the environment. The dynamics of Cook Inlet's currents and tides – coupled with primary treatment and chlorination – have enabled Anchorage to receive a waiver from secondary treatment standards from the U.S. Environmental Protection Agency (EPA). To continue operating under the waiver, AWWU maintains an extensive marine monitoring program that makes certain that there are no negative environmental impacts to the receiving waters of Cook Inlet.

PHYSICAL PLANT: The Wastewater Utility operates three treatment plants. Average flow was 33,300,000 gallons per day (gpd) in 1993. Treatment plant capacity is 61,130,000 gpd. The collection system has approximately 670 miles of lines. Net plant value as of December 1993: \$253,000,000. In Girdwood and Eagle River, the wastewater utility's plants are modern, tertiary (three-stage) plants that discharge effluent of virtual drinking water quality into Glacier Creek and Eagle River. With its expansion in 1991, the Eagle River Plant has the capacity to provide for growth to the year 2005. The Girdwood Plant is scheduled for upgrade in 1995.

The Point Woronzof Treatment Plant, built in 1972, is Alaska's largest. As wastewater treatment technology and the demands of community growth have developed over the last two decades, utility operators and engineers have kept pace. The Point Woronzof plant was upgraded in 1982, and expanded and upgraded again in 1989. Ingenuity and vigilant maintenance have consistently enabled the Utility to operate this facility at its optimum level.

**ANCHORAGE WATER and WASTEWATER UTILITY
WORK FORCE PROJECTIONS**

DIVISIONS	1994	1995	1996	1997	1998	1999	2000
MANAGER	5	5	5	5	5	5	5
EMPLOYEE SERVICES	7	7	7	7	7	7	7
M.I.S.	12	12	13	13	13	13	13
MAINTENANCE	84	85	85	85	85	85	85
TREATMENT	62	64	64	64	64	64	64
FINANCE	15	15	15	15	15	15	15
REGULATORY AFFAIRS	4	4	4	4	4	4	4
ENGINEERING	33	33	33	33	33	33	33
CUSTOMER SERVICE	48	47	47	47	47	47	47
TOTAL	270	272	273	273	273	273	273

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Anchorage Water Utility

1995

Operating Budget

**ANCHORAGE WATER UTILITY
RECONCILIATION OF 1994 BUDGET TO 1994 PROFORMA**

	1994 BUDGET	1994 PROFORMA	VARIANCE	
REVENUE				
OPERATING REVENUES	26,180,000	26,319,000	139,000	A
NON-OPERATING REVENUES	1,362,000	1,572,000	210,000	B
TOTAL REVENUES	27,542,000	27,891,000	349,000	
OPERATING EXPENSES				
OPERATIONS	14,668,000	14,158,000	(510,000)	C
DEPRECIATION	3,494,000	3,155,000	(339,000)	D
MUSA	1,376,000	1,376,000	0	
TOTAL OPERATING EXPENSES	19,538,000	18,689,000	(849,000)	
NON-OPERATING EXPENSES	7,574,000	7,542,000	(32,000)	E
TOTAL EXPENSES	27,112,000	26,231,000	(881,000)	
NET INCOME REGULATORY	430,000	1,660,000	1,230,000	
ADJUSTMENT FOR GAAP METHOD	(4,433,000)	(4,427,000)	6,000	
NET INCOME GAAP	(4,003,000)	(2,767,000)	1,236,000	

Explanation of Significant Variances:

A: Customer growth 0.15% over bgt, 35k; hydrant use 74k; misc 30k.

B: Combination of changes to 7 factors. All but one (int & penalties on assessments, 105k) under 100k.

C: Labor (81k); Supplies (82k); Other Services (34k); Contingency (450k); IGC's + 137k.

D: Function of the capital program.

E: Net decrease in long-term debt expense.

**ANCHORAGE WATER UTILITY
RECONCILIATION OF 1994 PROFORMA TO 1995 BUDGET**

	1994 PROFORMA	1995 BUDGET	VARIANCE	
REVENUE				
OPERATING REVENUES	26,319,000	26,674,000	355,000	A
NON-OPERATING REVENUES	1,572,000	1,566,000	(6,000)	
TOTAL REVENUES	27,891,000	28,240,000	349,000	
OPERATING EXPENSES				
OPERATIONS	14,158,000	14,691,000	533,000	B
DEPRECIATION	3,155,000	3,234,000	79,000	C
MUSA	1,376,000	1,417,000	41,000	C
TOTAL OPERATING EXPENSES	18,689,000	19,342,000	653,000	
NON-OPERATING EXPENSES	7,542,000	7,326,000	(216,000)	D
TOTAL EXPENSES	26,231,000	26,668,000	437,000	
NET INCOME REGULATORY	1,660,000	1,572,000	(88,000)	
ADJUSTMENT FOR GAAP METHOD	(4,427,000)	(4,538,000)	(111,000)	C
NET INCOME GAAP	(2,767,000)	(2,966,000)	(199,000)	

Explanation of Significant Variances:

A: Customer growth 1.5%.

B: Labor +61k; Supplies +65k; Other Services (177k); Contingency +300k; IGC's +284k.

C: Function of the capital program.

D: Interest expense +24k; Capitalized interest increase of 240k.

**ANCHORAGE WATER UTILITY
STATEMENT OF REVENUE AND EXPENSES**

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
OPERATING REVENUE			
RESIDENTIAL SALES	17,400,750	17,662,000	17,927,000
COMMERCIAL SALES	5,884,537	5,973,000	6,063,000
PUBLIC FIRE PROTECTION	2,240,000	2,240,000	2,240,000
HYDRANT USE CHARGE	163,725	264,000	264,000
MISCELLANEOUS	180,874	180,000	180,000
TOTAL OPERATING REVENUE	25,869,886	26,319,000	26,674,000
OPERATING EXPENSES			
SOURCE OF SUPPLY	2,261,650	2,307,000	2,400,000
TREATMENT	2,328,338	2,466,000	2,424,000
TRANSMISSION	3,497,556	3,528,000	3,506,000
CUSTOMER ACCOUNTS	1,678,480	1,697,000	1,814,000
GENERAL & ADMINISTRATIVE	4,057,686	4,160,000	4,547,000
DEPRECIATION *	3,063,006	3,155,000	3,234,000
MUSA	1,273,140	1,376,000	1,417,000
TOTAL OPERATING EXPENSE	18,159,856	18,689,000	19,342,000
OPERATING INCOME	7,710,030	7,630,000	7,332,000

* DEPRECIATION OF CONTRIBUTED
PLANT NOT INCLUDED

**ANCHORAGE WATER UTILITY
STATEMENT OF REVENUE AND EXPENSES**

NON-OPERATING REVENUE	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
RENTAL INCOME	247,464	245,000	233,000
INTEREST - GENERAL CASH POOL	300,467	335,000	310,000
INTEREST - BOND CASH POOL	120,102	180,000	81,000
INTEREST - BOND REDEMPT RESERVE	202,921	170,000	195,000
INTEREST - BOND SINKING FUND	51,027	74,000	75,000
INTEREST - EKLUTNA RESERVE	285,936	417,000	512,000
INTEREST & PENALTIES	177,138	150,000	140,000
MISC INCOME	114,786	1,000	20,000
TOTAL NON-OPERATING REVENUE	1,499,841	1,572,000	1,566,000
 NON-OPERATING EXPENSE			
AMORT OF DEFERRED DEBITS/DISCOUNT	718,541	720,000	640,000
INTEREST - LONG TERM DEBT	7,272,834	6,912,000	7,016,000
INTEREST - OTHER	0	0	0
CAPITALIZED INTEREST	(74,914)	(90,000)	(330,000)
TOTAL NON-OPERATING EXPENSE	7,916,461	7,542,000	7,326,000
NON-OPERATING INCOME	(6,416,620)	(5,970,000)	(5,760,000)
 NET INCOME (REGULATORY)	 1,293,410	 1,660,000	 1,572,000
 ADJUSTMENT FOR GAAP	 4,340,066	 4,427,000	 4,538,000
NET INCOME (LOSS) GAAP	(3,046,656)	(2,767,000)	(2,966,000)

**ANCHORAGE WATER UTILITY
STATEMENT OF SOURCES AND USES OF CASH**

	1993	1994	1995
	ACTUAL	PROFORMA	BUDGET
SOURCES OF CASH:			
NET INCOME (LOSS) GAAP	(3,046,656)	(2,767,000)	(2,966,000)
DEPRECIATION	7,403,072	7,582,000	7,772,000
BOND PROCEEDS	3,000,000	0	3,000,000
ASSESSMENT BONDS	0	0	0
GRANTS	5,462,224	3,929,000	11,710,000
LOANS	0	0	0
ASSESSMENTS	638,465	500,000	300,000
OTHER	1,299,873	0	0
TOTAL SOURCES OF CASH FUNDS	14,756,978	9,244,000	19,816,000
USES OF CASH:			
ADDITIONS TO PLANT	9,123,393	11,109,000	19,630,000
BOND PRINCIPAL PAYMENT	1,329,900	1,555,000	1,842,000
OTHER	1,912,033	(693,671)	(610,000)
TOTAL USES OF CASH FUNDS	12,365,326	11,970,329	20,862,000
NET INCREASE(DECREASE) IN CASH FUNDS	2,391,652	(2,726,329)	(1,046,000)
CASH BALANCE JANUARY 1	19,744,677	22,136,329	19,410,000
CASH BALANCE DECEMBER 31	22,136,329	19,410,000	18,364,000
DETAIL OF CASH BALANCE:			
EQUITY IN CONSTRUCTION CASH POOL	5,977,160	3,297,000	1,877,000
REVENUE BOND REDEMPTION RESERVE	2,436,883	2,840,000	3,243,000
REVENUE BOND SINKING FUND RESERVE	2,193,607	2,172,000	2,184,000
RESERVE FOR DEBT	4,714,378	5,955,000	7,314,000
EQUITY IN GENERAL CASH POOL	6,814,301	5,146,000	3,746,000
TOTAL CASH DECEMBER 31	22,136,329	19,410,000	18,364,000

**ANCHORAGE WATER UTILITY
1995 OPERATING BUDGET DETAIL**

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
LABOR			
Wages	5,439,267	5,497,000	5,536,000
Overtime	170,169	170,000	173,000
Benefits	2,313,496	2,429,000	2,448,000
Subtotal	<u>7,922,932</u>	<u>8,096,000</u>	<u>8,157,000</u>
SUPPLIES			
Chemicals	170,349	214,000	215,000
Other	747,341	740,000	804,000
Subtotal	<u>917,690</u>	<u>954,000</u>	<u>1,019,000</u>
INTRAGOVERNMENTAL CHARGES			
Finance Dept	282,723	262,000	312,000
Mgmt Information Systems Dept	368,237	302,000	456,000
Employee Relations Dept	135,448	180,000	165,000
Other	509,439	589,000	684,000
Subtotal	<u>1,295,847</u>	<u>1,333,000</u>	<u>1,617,000</u>
OTHER SERVICES			
Professional Services	106,397	108,000	108,000
Rent/Leases	911,227	863,000	632,000
Utilities	1,631,962	1,759,000	1,702,000
Other	1,037,655	1,045,000	1,456,000
Subtotal	<u>3,687,241</u>	<u>3,775,000</u>	<u>3,898,000</u>
OTHER EXPENSES			
Depreciation & Amortization	7,403,072	7,582,000	7,772,000
MUSA	1,273,140	1,376,000	1,417,000
Interest on Long-Term Debt	7,272,834	6,912,000	7,016,000
Other	643,627	630,000	310,000
Subtotal	<u>16,592,673</u>	<u>16,500,000</u>	<u>16,515,000</u>
TOTAL EXPENSES	<u><u>30,416,383</u></u>	<u><u>30,658,000</u></u>	<u><u>31,206,000</u></u>

Anchorage Water Utility

1995 - 2000

**Capital Improvement
Budget/Program**

Anchorage Water Utility
1995-2000 Capital Improvement Budget Financial Summary

Project Category	1995	1996	1997	1998	1999	2000
General Plant	\$1,785	\$1,625	\$1,510	\$1,580	\$1,245	\$1,545
Improvement District	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Rehab	\$1,925	\$1,620	\$1,675	\$1,295	\$840	\$800
Transmission/Distrib	\$6,070	\$3,000	\$13,200	\$5,100	\$14,600	\$5,870
Well, Tank, PRV	\$640	\$1,000	\$1,990	\$10,200	\$350	\$5,000
Total	\$10,420	\$7,245	\$18,375	\$18,175	\$17,035	\$13,215

Source of Funding	1995	1996	1997	1998	1999	2000
Debt	\$4,070	\$0	\$0	\$0	\$0	\$0
Equity	\$4,000	\$4,245	\$3,900	\$2,730	\$3,535	\$4,115
State Grant	\$850	\$800	\$775	\$395	\$0	\$0
Federal Grant	\$0	\$0	\$0	\$0	\$0	\$0
Direct Appropriation	\$1,500	\$2,200	\$13,700	\$15,050	\$13,500	\$9,100
Total	\$10,420	\$7,245	\$18,375	\$18,175	\$17,035	\$13,215

* Approximately \$1.7 million dollars of in-house labor will be spent on capital projects in 1995

**Budget Year Projects
1995**

Utility **Water**
Category **General Plant**

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
Equipment Engineering DP	\$0	\$30	\$0 SG \$0 FG \$0 DA	\$30	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Finance DP	\$0	\$40	\$0 SG \$0 FG \$0 DA	\$40	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Maintenance DP	\$0	\$60	\$0 SG \$0 FG \$0 DA	\$60	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment New Water Connects	\$0	\$80	\$0 SG \$0 FG \$0 DA	\$80	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Office/Shop	\$0	\$175	\$0 SG \$0 FG \$0 DA	\$175	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC -
Equipment Treatment DP	\$0	\$70	\$0 SG \$0 FG \$0 DA	\$70	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Utilitywide DP (Total)	\$0	\$185	\$0 SG \$0 FG \$0 DA	\$185	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Water Meters	\$0	\$400	\$0 SG \$0 FG \$0 DA	\$400	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Fac RR Backhoe	\$0	\$135	\$0 SG \$0 FG \$0 DA	\$135	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC

**Budget Year Projects
1995**

Utility **Water**
Category **General Plant**

Project Title	Funding			Total	House/Senate/Assembly Community Councils
	Debt	Equity	Grants		
Fac RR Loader	\$0	\$90	\$0 SG \$0 FG \$0 DA	\$90	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Fac RR Maintenance R&R	\$0	\$360	\$0 SG \$0 FG \$0 DA	\$360	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Fac RR Treatment R&R	\$0	\$60	\$0 SG \$0 FG \$0 DA	\$60	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Studies GIS Development	\$0	\$100	\$0 SG \$0 FG \$0 DA	\$100	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC

**Budget Year Projects
1995**

Utility **Water**
Category **R and R**

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
6th Ave: Pine > Boniface	\$0	\$300	\$200 SG \$0 FG \$0 DA	\$500	Hse 14 Sen G Asm 5 CC Russian Jack CC
ADOT-MOA-Emergency	\$0	\$250	\$150 SG \$0 FG \$0 DA	\$400	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Arctic Blvd: 70/72	\$0	\$100	\$50 SG \$0 FG \$0 DA	\$150	Hse 11 Sen F Asm 3 CC Taku/Campbell CC
College Gate	\$0	\$225	\$150 SG \$0 FG \$0 DA	\$375	Hse 22 Sen K Asm 5 CC University Area CC
So. Addition WS - Ph I	\$0	\$300	\$200 SG \$0 FG \$0 DA	\$500	Hse 15 Sen H Asm 1 CC South Addition CC

**Budget Year Projects
1995**

Utility **Water**
Category **Transmission/Dist**

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
Alyeska Hwy - Ph I	\$0	\$0	\$0 SG \$0 FG \$300 DA	\$300	Hse 18 Sen 1 Asm 6 CC Girdwood CC
Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification					
Anchorage Loop Ph IV	\$0	\$200	\$100 SG \$0 FG \$0 DA	\$300	Hse 19,22 Sen J,K Asm 5,6 CC Tudor Area CC
Anchorage Loop WTM Ph II	\$1,620	\$0	\$0 SG \$0 FG \$0 DA	\$1,620	Hse 22,24 Sen L,K Asm 5 CC Mountain View CC Scenic Park Area
State Grants previously appropriated by State Legislature (1993 & 1994)					
Anchorage Loop WTM Ph III	\$2,450	\$0	\$0 SG \$0 FG \$0 DA	\$2,450	Hse 22 Sen K Asm 5 CC Northeast CC Scenic Park Area
State Grants previously appropriated by State Legislature (1993 & 1994)					
Arctic: 76th > Dimond	\$0	\$0	\$0 SG \$0 FG \$1,200 DA	\$1,200	Hse 11 Sen F Asm 3,4 CC Taku/Campbell CC
Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification					
Jewel Lake Main	\$0	\$100	\$0 SG \$0 FG \$0 DA	\$100	Hse 12 Sen F Asm 3 CC Sand Lake CC
Private Dev Oversizing	\$0	\$100	\$0 SG \$0 FG \$0 DA	\$100	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC

**Budget Year Projects
1995**

Utility **Water**
Category **Well, Tank, PRV**

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
Chevigny N/S Paint	\$0	\$420	\$0 SG	\$420	Hse 11
			\$0 FG		Sen F
			\$0 DA		Asm 3 CC Sand Lake CC
DeBarr Rd Connect (Loop)	\$0	\$170	\$0 SG	\$170	Hse 24
			\$0 FG		Sen L
			\$0 DA		Asm 5 CC Northeast CC
Emergency Fill Station	\$0	\$50	\$0 SG	\$50	Hse 10-26
			\$0 FG		Sen E-M
			\$0 DA		Asm 1-6 CC Area-Wide CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **General Plant**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Equipment 800 Trunking <small>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</small>	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	250	0	0	CC
Equipment Engineering DP	Debt	0	0	0	0	0	Hse 10-26
	Equity	40	55	30	40	35	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Maintenance DP	Debt	0	0	0	0	0	Hse 10-26
	Equity	35	30	30	30	30	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment New Water Connects	Debt	0	0	0	0	0	Hse 10-26
	Equity	80	80	80	80	80	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Office/Shop	Debt	0	0	0	0	0	Hse 10-26
	Equity	170	160	160	160	160	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC --
Equipment Treatment DP	Debt	0	0	0	0	0	Hse 10-26
	Equity	90	40	40	40	40	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Utilitywide DP (Total)	Debt	0	0	0	0	0	Hse 10-26
	Equity	165	65	65	65	70	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Water Meters	Debt	0	0	0	0	0	Hse 10-26
	Equity	400	400	400	400	400	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Backhoe	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	135	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Dump Truck	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	75	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **General Plant**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Fac RR Maintenance R&R	Debt	0	0	0	0	0	Hse 10-26
	Equity	360	360	415	370	370	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Treatment R&R	Debt	0	0	0	0	0	Hse 10-26
	Equity	60	60	60	60	60	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies Cost of Service Study	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	100	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies Facilities SCADA Plan	Debt	0	0	0	0	0	Hse 10-26
	Equity	75	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies GIS Development	Debt	0	0	0	0	0	Hse 10-26
	Equity	100	50	50	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies On-site/Public Systems	Debt	0	0	0	0	0	Hse 10-26
	Equity	50	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies Water Master Plan Update	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	200	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **R and R**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
10/11 Alley WS	Debt	0	0	0	0	0	Hse 13
	Equity	0	0	370	0	0	Sen G
	S Grant	0	0	200	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
15th Ave WS	Debt	0	0	0	0	0	Hse 15
	Equity	0	150	0	0	0	Sen H
	S Grant	0	100	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
16th Avenue WS Ph I	Debt	0	0	0	0	0	Hse 15
	Equity	0	275	0	0	0	Sen H
	S Grant	0	150	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
16th Avenue WS Ph II	Debt	0	0	0	0	0	Hse 15
	Equity	0	0	230	0	0	Sen H
	S Grant	0	0	195	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
6th Avenue WS	Debt	0	0	0	0	0	Hse 13
	Equity	0	350	0	0	0	Sen G
	S Grant	0	150	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC Downtown
	Dir App	0	0	0	0	0	CC
ADOT-MOA-Emergency	Debt	0	0	0	0	0	Hse 10-26
	Equity	400	300	300	300	800	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
E. 41st Ave & Allen	Debt	0	0	0	0	0	Hse 20
	Equity	145	0	0	0	0	Sen J
	S Grant	75	0	0	0	0	Asm 4
	F Grant	0	0	0	0	0	CC Tudor Area
	Dir App	0	0	0	0	0	CC
K Street WS	Debt	0	0	0	0	0	Hse 15
	Equity	0	125	0	0	0	Sen H
	S Grant	0	75	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
Medfra Street WS	Debt	0	0	0	0	0	Hse 16
	Equity	0	0	0	220	0	Sen H
	S Grant	0	0	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC Mountain View
	Dir App	0	0	0	0	0	CC
Miscellaneous Alleys WS	Debt	0	0	0	0	0	Hse 16
	Equity	0	0	0	120	0	Sen H
	S Grant	0	0	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC Mountain View
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **R and R**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
S & R Streets WS	Debt	0	0	0	0	0	Hse 13
	Equity	0	0	0	200	0	Sen G
	S Grant	0	0	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
So. Addition WS - Ph II	Debt	0	0	0	0	0	Hse 15
	Equity	325	0	0	0	0	Sen H
	S Grant	250	0	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
Sunny Slopes W. (Ph III)	Debt	0	0	0	0	0	Hse 25
	Equity	250	0	0	0	0	Sen M
	S Grant	175	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility Water
Category Transmission/Dist

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
36th Avenue Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 13,15
	Equity	0	0	0	0	0	Sen G,H
	S Grant	0	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Turnagain
	Dir App	0	0	0	0	3100	CC
6th Ave Mains (Loop)	Debt	0	0	0	0	0	Hse 23
	Equity	200	600	0	0	0	Sen L
	S Grant	0	300	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Northeast
	Dir App	0	0	0	0	0	CC
Alyeska Hwy - Ph I Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 18
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	1200	0	0	0	0	CC
Alyeska Hwy - Ph II Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 18
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	0	0	500	1400	0	CC
Anch Loop WTM-Ph V-VII Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 17-19
	Equity	0	0	0	0	0	Sen F,I,J
	S Grant	0	0	0	0	0	Asm 3,6
	F Grant	0	0	0	0	0	CC Abbott Loop
	Dir App	0	500	2000	12100	0	CC Sand Lake
Anchorage Loop Ph IV	Debt	0	0	0	0	0	Hse 19,22
	Equity	0	0	0	0	0	Sen J,K
	S Grant	0	0	0	0	0	Asm 5,6
	F Grant	0	0	0	0	0	CC Tudor Area
	Dir App	500	9200	0	0	0	CC
Chugiak/Ptrs Ck Crossings	Debt	0	0	0	0	0	Hse 25,26
	Equity	0	0	0	500	500	Sen M
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Chugiak
	Dir App	0	0	0	0	0	CC
ER Reservoir Intertie Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 24
	Equity	0	0	0	0	0	Sen L
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River Valley
	Dir App	0	0	2500	0	0	CC
Eagle River Lane	Debt	0	0	0	0	0	Hse 24
	Equity	0	0	0	0	770	Sen L
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River Valley
	Dir App	0	0	0	0	0	CC
Jewel Lake Main	Debt	0	0	0	0	0	Hse 12
	Equity	500	0	0	0	0	Sen F
	S Grant	0	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Sand Lake
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **Transmission/Dist**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Private Dev Oversizing	Debt	0	0	0	0	0	Hse 10-26
	Equity	100	100	100	100	100	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Timberlane: Klatt/Huffman	Debt	0	0	0	0	0	Hse 10
	Equity	0	0	0	500	0	Sen E
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Bayshore/Klatt
	Dir App	0	0	0	0	0	CC
Turnagain View E. Trans Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 10
	Equity	0	0	0	0	0	Sen E
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Huffman/OMalley
	Dir App	500	2500	0	0	0	CC
Virgin Creek Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 18
	Equity	0	0	0	0	0	Sen 1
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	0	0	0	0	1400	CC

**Future Capital Projects
1996-2000**

Utility **Water**
Category **Well, Tank, PRV**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Booster Station Upgrade	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	200	0	200	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Boston Booster (Loop)	Debt	0	0	0	0	0	Hse 24
	Equity	80	0	0	0	0	Sen L
	S Grant	50	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Northeast
	Dir App	0	0	0	0	0	CC
ER 720 Reservoir <small>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</small>	Debt	0	0	0	0	0	Hse 23
	Equity	0	0	0	0	0	Sen L
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	0	0	0	3400	CC
ER Heights N - Paint	Debt	0	0	0	0	0	Hse 23
	Equity	0	200	0	0	0	Sen L
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	0	0	0	0	CC
ER Heights S. Res <small>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</small>	Debt	0	0	0	0	0	Hse 23
	Equity	0	0	0	0	0	Sen L
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	500	1800	0	0	CC
Hanshew Res - Paint	Debt	0	0	0	0	0	Hse 10
	Equity	0	0	0	200	0	Sen E
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Abbott Loop
	Dir App	0	0	0	0	0	CC
Muldoon Booster (Loop)	Debt	0	0	0	0	0	Hse 23
	Equity	70	0	0	0	0	Sen L
	S Grant	50	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Northeast
	Dir App	0	0	0	0	0	CC
Res 2 Paint + Chlorine	Debt	0	0	0	0	0	Hse 24
	Equity	450	0	0	0	0	Sen L
	S Grant	150	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Northeast
	Dir App	0	0	0	0	0	CC
Res 3 - Paint	Debt	0	0	0	0	0	Hse 22
	Equity	0	0	0	0	200	Sen K
	S Grant	0	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Scenic Park Area
	Dir App	0	0	0	0	0	CC University Area
Res 4 Roof - Paint	Debt	0	0	0	0	0	Hse 22
	Equity	0	0	200	0	0	Sen K
	S Grant	0	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Scenic Park Area
	Dir App	0	0	0	0	0	CC University Area

**Future Capital Projects
1996-2000**

Utility **Water**
Category **Well, Tank, PRV**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Santa Maria Booster (ER)	Debt	0	0	0	0	0	Hse 23
	Equity	100	0	0	0	0	Sen L
	S Grant	50	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	0	0	0	0	CC
Service High Reservoir Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 19
	Equity	0	0	0	0	0	Sen J
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Mid-Hillside
	Dir App	0	500	4100	0	0	CC
Tudor Res Connect (Loop)	Debt	0	0	0	0	0	Hse 22
	Equity	0	140	0	0	0	Sen K
	S Grant	0	0	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Scenic Park Area
	Dir App	0	0	0	0	0	CC
Turnagain View Reservoir Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 10
	Equity	0	0	0	0	0	Sen E
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Huffman/OMalley
	Dir App	0	500	3900	0	0	CC
Virgin Creek Reservoir Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 18
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	0	0	0	0	1200	CC
Well Standby Power	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	150	0	150	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

Anchorage Wastewater Utility

1995

Operating Budget

**ANCHORAGE WASTEWATER UTILITY
RECONCILIATION OF 1994 BUDGET TO 1994 PROFORMA**

	1994 BUDGET	1994 PROFORMA	VARIANCE	
REVENUE				
OPERATING REVENUES	21,980,000	22,224,000	244,000	A
NON-OPERATING REVENUES	1,572,000	1,713,000	141,000	B
TOTAL REVENUES	23,552,000	23,937,000	385,000	
OPERATING EXPENSES				
OPERATIONS	14,084,000	13,600,000	(484,000)	C
DEPRECIATION	3,075,000	2,548,000	(527,000)	D
MUSA	1,117,000	1,117,000	0	
TOTAL OPERATING EXPENSES	18,276,000	17,265,000	(1,011,000)	
NON-OPERATING EXPENSES	4,753,000	4,689,000	(64,000)	E
TOTAL EXPENSES	23,029,000	21,954,000	(1,075,000)	
NET INCOME REGULATORY	523,000	1,983,000	1,460,000	
ADJUSTMENT FOR GAAP METHOD	(5,141,000)	(5,000,000)	141,000	D
NET INCOME GAAP	(4,618,000)	(3,017,000)	1,601,000	

Explanation of Significant Variances:

A: Customer growth 1.4% over bgt, +288k; Public Authorities (118k); Other +74k.

B: Increase in interest income +141k.

C: Labor (91k); supplies +100k; other svc (202k); Contingency (450k); igc's +159k.

D: Function of capital construction program.

E: Decrease in interest expense (66k); decrease in capitalized interest +2k.

**ANCHORAGE WASTEWATER UTILITY
RECONCILIATION OF 1994 PROFORMA TO 1995 BUDGET**

	1994 PROFORMA	1995 BUDGET	VARIANCE	
REVENUE				
OPERATING REVENUES	22,224,000	22,547,000	323,000	A
NON-OPERATING REVENUES	1,713,000	1,486,000	(227,000)	B
TOTAL REVENUES	23,937,000	24,033,000	96,000	
OPERATING EXPENSES				
OPERATIONS	13,600,000	14,263,000	663,000	C
DEPRECIATION	2,548,000	2,612,000	64,000	D
MUSA	1,117,000	1,162,000	45,000	D
TOTAL OPERATING EXPENSES	17,265,000	18,037,000	772,000	
NON-OPERATING EXPENSES	4,689,000	4,695,000	6,000	
TOTAL EXPENSES	21,954,000	22,732,000	778,000	
NET INCOME REGULATORY	1,983,000	1,301,000	(682,000)	
ADJUSTMENT FOR GAAP METHOD	(5,000,000)	(5,125,000)	(125,000)	D
NET INCOME GAAP	(3,017,000)	(3,824,000)	(807,000)	

Explanation of Significant Variances:

A: Customer growth 1.5%.

B: Decrease in interest income (243k); increase in rental income +56k; decrease in int & penalty (40k).

C: Labor (31k); supplies +84k; other svc +14k; Contingency +300k; igc's +296k.

D: Function of capital construction program.

**ANCHORAGE WASTEWATER UTILITY
STATEMENT OF REVENUE AND EXPENSES**

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
OPERATING REVENUES			
RESIDENTIAL SALES	16,368,148	16,614,000	16,863,000
COMMERCIAL SALES	4,832,038	4,904,000	4,978,000
PUBLIC AUTHORITIES	461,928	462,000	462,000
MISCELLANEOUS	244,373	244,000	244,000
TOTAL OPERATING REVENUE	21,906,487	22,224,000	22,547,000
OPERATING EXPENSES			
COLLECTION	2,704,240	2,773,000	2,776,000
TREATMENT	5,082,072	5,291,000	5,403,000
CUSTOMER ACCOUNTS	1,470,363	1,510,000	1,649,000
GENL & ADMINISTRATIVE	3,964,892	4,026,000	4,435,000
DEPRECIATION *	2,494,974	2,548,000	2,612,000
MUSA	1,051,092	1,117,000	1,162,000
TOTAL OPERATING EXPENSES	16,767,633	17,265,000	18,037,000
OPERATING INCOME	5,138,854	4,959,000	4,510,000

*DEPRECIATION OF CONTRIBUTED
PLANT NOT INCLUDED

**ANCHORAGE WASTEWATER UTILITY
STATEMENT OF REVENUE AND EXPENSES**

NON-OPERATING REVENUE	1993 <u>ACTUAL</u>	1994 <u>PROFORMA</u>	1995 <u>BUDGET</u>
INT PENALTIES / ASSESSMENTS	318,197	365,000	325,000
INT GENL CASH POOL	245,623	397,000	173,000
INT CONST CASH POOL	0	10,000	(9,000)
PROPERTY RENTAL	1,041,001	941,000	997,000
AMORT OF GAIN	0	0	0
OTHER NON-OPER REVENUE	88,767	0	0
TOTAL NON-OPERATING REVENUE	1,693,588	1,713,000	1,486,000
NON-OPERATING EXPENSE			
INTEREST - LONG TERM DEBT	4,534,539	4,086,000	4,075,000
INTEREST - OTHER	0	0	0
AMORT DEFERRED DEBITS/DISCOUNTS	621,062	650,000	650,000
CAPITALIZED INTEREST	(61,687)	(47,000)	(30,000)
TOTAL NON-OPERATING EXPENSE	5,093,914	4,689,000	4,695,000
 NON-OPERATING INCOME	 (3,400,326)	 (2,976,000)	 (3,209,000)
 NET INCOME (REGULATORY)	 1,738,528	 1,983,000	 1,301,000
ADJUSTMENT FOR GAAP	4,965,972	5,000,000	5,125,000
NET INCOME (LOSS) GAAP	(3,227,444)	(3,017,000)	(3,824,000)

**ANCHORAGE WASTEWATER UTILITY
STATEMENT OF SOURCES AND USES OF CASH**

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
SOURCES OF CASH:			
NET INCOME (LOSS) GAAP	(3,227,444)	(3,017,000)	(3,824,000)
DEPRECIATION	7,460,946	7,548,000	7,737,000
STATE LOANS	3,432,855	2,237,000	6,000,000
BOND PROCEEDS	0	0	0
GRANTS	847,699	825,000	2,339,000
ASSESSMENTS	1,220,326	1,000,000	1,000,000
OTHER	309,545	0	0
TOTAL SOURCES OF CASH FUNDS	10,043,927	8,593,000	13,252,000
USES OF CASH:			
ADDITIONS TO PLANT	2,473,498	6,141,000	10,784,000
BOND PRINCIPAL PAYMENT	5,165,000	5,536,000	5,618,000
OTHER	(627,877)	(666,694)	(674,000)
TOTAL USES OF CASH FUNDS	7,010,621	11,010,306	15,728,000
NET INCREASE(DECREASE) IN CASH FUND	3,033,306	(2,417,306)	(2,476,000)
CASH BALANCE JANUARY 1	6,795,000	9,828,306	7,411,000
CASH BALANCE DECEMBER 31	9,828,306	7,411,000	4,935,000
DETAIL OF CASH BALANCE:			
EQUITY IN CONSTRUCTION CASH POOL	1,974,069	838,000	393,000
RESERVE FOR DEBT PAYMENT	0	0	0
EQUITY IN GENERAL CASH POOL	7,854,237	6,573,000	4,542,000
TOTAL CASH DECEMBER 31	9,828,306	7,411,000	4,935,000

**ANCHORAGE WASTEWATER UTILITY
1995 OPERATING BUDGET DETAIL**

	1993 ACTUAL	1994 PROFORMA	1995 BUDGET
LABOR			
Wages	5,344,268	5,396,000	5,347,000
Overtime	78,966	94,000	82,000
Benefits	2,236,701	2,353,000	2,383,000
Subtotal	7,659,935	7,843,000	7,812,000
SUPPLIES			
Chemicals	284,045	258,000	320,000
Other	768,307	847,000	869,000
Subtotal	1,052,352	1,105,000	1,189,000
INTRAGOVERNMENTAL CHARGES			
Finance Dept	274,609	240,000	284,000
Mgmt Information Systems Dept	384,675	328,000	462,000
Employee Relations Dept	128,885	170,000	162,000
Other	865,091	965,000	1,090,000
Subtotal	1,653,260	1,703,000	1,998,000
OTHER SERVICES			
Professional Services	373,566	375,000	425,000
Rent/Leases	457,374	448,000	241,000
Utilities	1,187,341	1,328,000	1,225,000
Other	837,739	798,000	1,372,000
Subtotal	2,856,020	2,949,000	3,263,000
OTHER EXPENSES			
Depreciation & Amortization	7,460,946	7,548,000	7,737,000
MUSA	1,051,092	1,117,000	1,162,000
Interest on Long-Term Debt	4,534,539	4,086,000	4,075,000
Other	559,375	603,000	620,000
Subtotal	13,605,952	13,354,000	13,594,000
TOTAL EXPENSES	26,827,519	26,954,000	27,856,000

Anchorage Wastewater Utility

1995 - 2000

**Capital Improvement
Budget/Program**

Anchorage Wastewater Utility
1995-2000 Capital Improvement Budgets Financial Summary

Project Category	1995	1996	1997	1998	1999	2000
General Plant	\$1,905	\$3,010	\$3,260	\$8,320	\$7,825	\$1,430
Sewer Districts	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Rehab	\$2,200	\$2,100	\$5,200	\$1,560	\$1,890	\$2,140
Trunk & Interceptor	\$100	\$550	\$3,100	\$1,400	\$1,400	\$4,140
Total	\$4,205	\$5,660	\$11,560	\$11,280	\$11,115	\$7,710

Source of Funding	1995	1996	1997	1998	1999	2000
Debt	\$2,145	\$2,425	\$3,915	\$2,610	\$2,100	\$3,540
Equity	\$610	\$785	\$595	\$500	\$1,015	\$620
State Grant	\$250	\$450	\$550	\$920	\$1,000	\$1,050
Federal Grant	\$0	\$0	\$0	\$0	\$0	\$0
Direct Appropriation	\$1,200	\$2,000	\$6,500	\$7,250	\$7,000	\$2,500
Total	\$4,205	\$5,660	\$11,560	\$11,280	\$11,115	\$7,710

* Approximately \$.9 million dollars of in-house labor will be spent on capital projects in 1995

**Budget Year Projects
1995**

Utility **Wastewater**
Category **General Plant**

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
Equipment Engineering DP	\$0	\$30	\$0 SG \$0 FG \$0 DA	\$30	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Finance DP	\$0	\$40	\$0 SG \$0 FG \$0 DA	\$40	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Maintenance DP	\$0	\$60	\$0 SG \$0 FG \$0 DA	\$60	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Office/Shop	\$0	\$175	\$0 SG \$0 FG \$0 DA	\$175	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Equipment Utilitywide DP (total)	\$0	\$205	\$0 SG \$0 FG \$0 DA	\$205	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC -
Fac RR Fuel Tank Replace	\$250	\$0	\$0 SG \$0 FG \$0 DA	\$250	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Fac RR Maintenance R&R	\$445	\$0	\$0 SG \$0 FG \$0 DA	\$445	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Fac RR PS 10 Upgrade	\$250	\$0	\$0 SG \$0 FG \$0 DA	\$250	Hse 13 Sen G Asm 3 CC Turnagain CC
Fac RR Sewer Jet/Vactor	\$250	\$0	\$0 SG \$0 FG \$0 DA	\$250	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC

**Budget Year Projects
1995**

Utility **Wastewater**
 Category **General Plant**

Project Title	Funding			Total	House/Senate/Assembly Community Councils
	Debt	Equity	Grants		
Fac RR Treatment R&R	\$100	\$0	\$0 SG	\$100	Hse 10-26
			\$0 FG		Sen E-M
			\$0 DA		Asm 1-6 CC Area-Wide CC
Studies GIS Development	\$0	\$100	\$0 SG	\$100	Hse 10-26
			\$0 FG		Sen E-M
			\$0 DA		Asm 1-6 CC Area-Wide CC

Budget Year Projects 1995

Utility Wastewater
Category R and R

Project Title	Funding				House/Senate/Assembly Community Councils
	Debt	Equity	Grants	Total	
ADOT-MOA-Emergency	\$300	\$0	\$0 SG \$0 FG \$0 DA	\$300	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
C-5-7 (Campbell Lake)	\$0	\$0	\$0 SG \$0 FG \$250 DA	\$250	Hse 17 Sen I Asm 6 CC Bayshore/Klatt CC
Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification					
Girdwood I/I R&R	\$50	\$0	\$0 SG \$0 FG \$0 DA	\$50	Hse 18 Sen I Asm 6 CC Girdwood CC
Middle Fish Ck - Ph I	\$0	\$0	\$0 SG \$0 FG \$950 DA	\$950	Hse 13 Sen G Asm 3 CC Spenard CC
Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification					
Misc Sewer R&R	\$250	\$0	\$150 SG \$0 FG \$0 DA	\$400	Hse 10-26 Sen E-M Asm 1-6 CC Area-Wide CC
Mt View & Arnes	\$150	\$0	\$100 SG \$0 FG \$0 DA	\$250	Hse 16 Sen H Asm 1 CC Mountain View CC

**Budget Year Projects
1995**

Utility **Wastewater**
 Category **Trunk and Int**

Project Title	Funding			Total	House/Senate/Assembly Community Councils
	Debt	Equity	Grants		
D-6-B (ADOT) (Dowling)	\$100	\$0	\$0 SG	\$100	Hse 17,20
			\$0 FG		Sen I,J
			\$0 DA		Asm 4
					CC Taku/Campbell
				CC	

**Future Capital Projects
1996-2000**

Utility Wastewater
Category General Plant

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Equipment 800 Trunking <small>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</small>	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	250	0	0	CC
Equipment Engineering DP	Debt	0	0	0	0	0	Hse 10-26
	Equity	40	55	30	40	35	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Maintenance DP	Debt	0	0	0	0	0	Hse 10-26
	Equity	35	30	30	30	30	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Office/Shop	Debt	0	0	0	0	0	Hse 10-26
	Equity	170	160	160	160	160	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Equipment Utilitywide DP (total)	Debt	0	0	0	0	0	Hse 10-26
	Equity	190	85	90	85	95	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC -
Fac RR ER WWTF Warm Stg Bldg	Debt	250	0	0	0	0	Hse 24,25
	Equity	0	0	0	0	0	Sen L,M
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Eagle River
	Dir App	0	0	0	0	0	CC Eklutna Valley
Fac RR Fuel Tank Replace	Debt	250	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Fuel Tank Testing	Debt	50	0	0	0	0	Hse 10-26
	Equity	0	0	50	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Gdwd WWTF Fac Plan	Debt	0	0	0	0	300	Hse 18
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	0	0	0	0	0	CC
Fac RR King Street Warehouse	Debt	0	1750	0	0	0	Hse 17
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Bayshore/Klatt
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Wastewater**
Category **General Plant**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Fac RR MS 1 Upgrade	Debt	50	0	0	0	0	Hse 14
	Equity	0	0	0	0	0	Sen G
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Russian Jack
	Dir App	0	0	0	0	0	CC Northeast
Fac RR Maintenance R&R	Debt	450	450	460	460	460	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR PS 13 Upgrade	Debt	0	250	0	0	0	Hse 10
	Equity	0	0	0	0	0	Sen E
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Old
	Dir App	0	0	0	0	0	CC
Fac RR PS 2/12 Elec Upgrade	Debt	0	15	150	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Pt Woronzof Incinerator <small>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</small>	Debt	0	0	0	0	0	Hse 13
	Equity	0	0	0	0	0	Sen G
	S Grant	0	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Sand Lake
	Dir App	1000	0	7000	7000	0	CC Turnagain
Fac RR Sewer Jet	Debt	0	0	0	0	0	Hse 10-26
	Equity	125	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Sludge Tanker	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	125	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR TV Van	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	90	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Treatment R&R	Debt	50	200	50	50	50	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Fac RR Vactor	Debt	0	0	0	0	0	Hse 10-26
	Equity	125	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Wastewater**
Category **General Plant**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Studies Cost of Service Study	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	100	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies Facilities SCADA Plan	Debt	75	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies GIS Development	Debt	0	0	0	0	0	Hse 10-26
	Equity	100	50	50	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies On-site/Public Systems	Debt	50	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
Studies WW Master Plan Update	Debt	0	0	0	0	0	Hse 10-26
	Equity	0	0	0	0	200	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility **Wastewater**
Category **R and R**

Project Title	Budget By Year					House/Senate/Assembly Community Councils	
	1996	1997	1998	1999	2000		
10/11 Alley Sewer R&R	Debt	0	0	250	0	0	Hse 15
	Equity	0	0	0	0	0	Sen H
	S Grant	0	0	150	0	0	Asm 1
	F Grant	0	0	0	0	0	CC Mountain View
	Dir App	0	0	0	0	0	CC
15th & S Sewer R&R	Debt	0	0	0	0	0	Hse 13
	Equity	0	0	90	0	0	Sen G
	S Grant	0	0	70	0	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
82nd Ave @ Old Seward Hwy	Debt	0	0	250	0	0	Hse 17
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	150	0	0	Asm 4
	F Grant	0	0	0	0	0	CC Taku/Campbell
	Dir App	0	0	0	0	0	CC
ADOT-MOA-Emergency	Debt	300	300	200	200	200	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC
AK Industrial Sewer R&R	Debt	0	300	0	0	0	Hse 16
	Equity	0	0	0	0	0	Sen H
	S Grant	0	200	0	0	0	Asm 1
	F Grant	0	0	0	0	0	CC Mountain View
	Dir App	0	0	0	0	0	CC
B-12 (Mt. View & Meyer)	Debt	0	0	0	0	0	Hse 16
	Equity	0	0	0	450	0	Sen H
	S Grant	0	0	0	250	0	Asm 1
	F Grant	0	0	0	0	0	CC Mountain View
	Dir App	0	0	0	0	0	CC
B-5-G, Ph I: 15th & U St	Debt	0	0	0	440	0	Hse 13
	Equity	0	0	0	0	0	Sen G
	S Grant	0	0	0	150	0	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
B-5-G, Ph II: 15th > 19th	Debt	0	0	0	0	1050	Hse 13,15
	Equity	0	0	0	0	0	Sen G,H
	S Grant	0	0	0	0	350	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
B-6-E (15th > 17th)	Debt	0	0	0	0	90	Hse 13,15
	Equity	0	0	0	0	0	Sen G,H
	S Grant	0	0	0	0	50	Asm 1
	F Grant	0	0	0	0	0	CC South Addition
	Dir App	0	0	0	0	0	CC
C-5-7 (Campbell Lake) Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 17
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Bayshore/Klatt
	Dir App	0	3000	0	0	0	CC

**Future Capital Projects
1996-2000**

Utility Wastewater
Category R and R

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
Girdwood I/ R&R	Debt	125	0	0	0	0	Hse 18
	Equity	0	0	0	0	0	Sen 1
	S Grant	75	0	0	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Girdwood
	Dir App	0	0	0	0	0	CC
Jones Lake/Hood Court	Debt	125	0	0	0	0	Hse 13
	Equity	0	0	0	0	0	Sen G
	S Grant	75	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Turnagain
	Dir App	0	0	0	0	0	CC
Middle Fish Ck - Ph II Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 11
	Equity	0	0	0	0	0	Sen F
	S Grant	0	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Spenard
	Dir App	1000	0	0	0	0	CC
Middle Fish Ck - Ph III Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification	Debt	0	0	0	0	0	Hse 13
	Equity	0	0	0	0	0	Sen G
	S Grant	0	0	0	0	0	Asm 3
	F Grant	0	0	0	0	0	CC Spenard
	Dir App	0	1000	0	0	0	CC
Misc Sewer R&R	Debt	250	250	250	0	250	Hse 10-26
	Equity	0	0	0	250	0	Sen E-M
	S Grant	150	150	150	150	150	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

**Future Capital Projects
1996-2000**

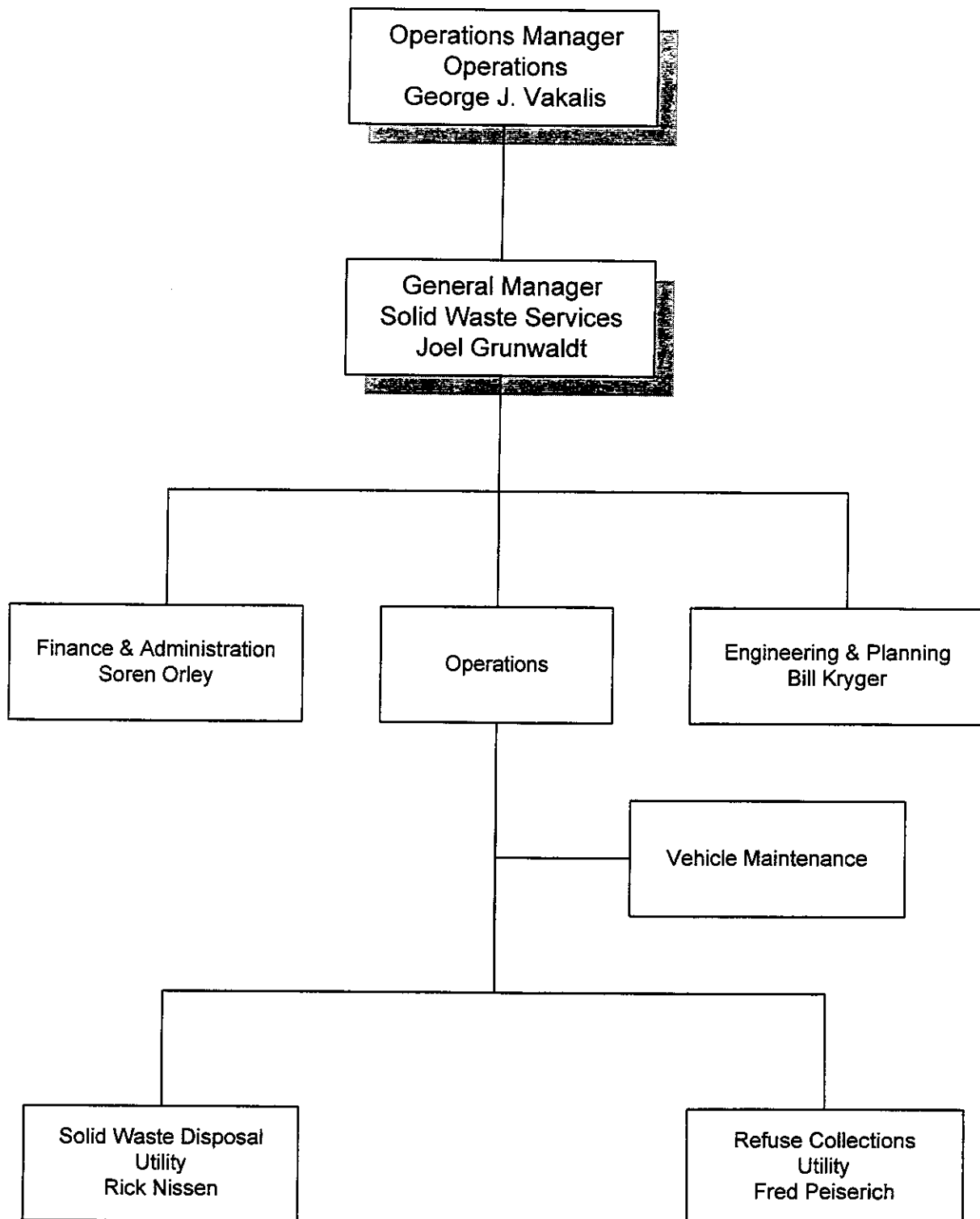
Utility **Wastewater**
Category **Trunk and Int**

Project Title		Budget By Year					House/Senate/Assembly Community Councils
		1996	1997	1998	1999	2000	
A-4-B (Minnesota/Dowling)	Debt	0	0	0	0	560	Hse 11
	Equity	0	0	0	0	0	Sen F
	S Grant	0	0	0	0	300	Asm 3
	F Grant	0	0	0	0	0	CC Campbell Park
	Dir App	0	0	0	0	0	CC Taku/Campbell
B-5-7(C) -DeBarr/Arpt Hts	Debt	0	0	0	200	480	Hse 21
	Equity	0	0	0	0	0	Sen K
	S Grant	0	0	0	0	200	Asm 4
	F Grant	0	0	0	0	0	CC Airport Heights
	Dir App	0	0	0	0	0	CC
C-6 (104th/Cordova)	Debt	0	195	600	0	0	Hse 17
	Equity	0	0	0	0	0	Sen I
	S Grant	0	125	400	0	0	Asm 6
	F Grant	0	0	0	0	0	CC Bayshore/Klatt
	Dir App	0	0	0	0	0	CC
C-7 (Klatt Rd)	Debt	0	0	300	650	0	Hse 17
	Equity	0	0	0	0	0	Sen I
	S Grant	0	0	0	450	0	Asm 6
	F Grant	0	0	0	0	0	CC Bayshore/Klatt
	Dir App	0	0	0	0	0	CC
D-2-7 (Patterson/20th)	Debt	0	105	0	0	0	Hse 22
	Equity	0	0	0	0	0	Sen K
	S Grant	0	75	0	0	0	Asm 5
	F Grant	0	0	0	0	0	CC Northeast
	Dir App	0	0	0	0	0	CC
D-6-B (ADOT) (Dowling)	Debt	300	0	0	0	0	Hse 17,20
	Equity	0	0	0	0	0	Sen I,J
	S Grant	150	0	0	0	0	Asm 4
	F Grant	0	0	0	0	0	CC Taku/Campbell
	Dir App	0	0	0	0	0	CC
ER/Birchwood - Ph I <i>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</i>	Debt	0	0	0	0	0	Hse 25
	Equity	0	0	0	0	0	Sen M
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Chugiak
	Dir App	0	2500	0	0	0	CC
ER/Birchwood - Ph II <i>Direct Appropriation from State will be requested; if not obtained, funds dependent upon availability and project justification</i>	Debt	0	0	0	0	0	Hse 25
	Equity	0	0	0	0	0	Sen M
	S Grant	0	0	0	0	0	Asm 2
	F Grant	0	0	0	0	0	CC Chugiak
	Dir App	0	0	0	0	2500	CC
Private Dev Oversizing	Debt	100	100	100	100	100	Hse 10-26
	Equity	0	0	0	0	0	Sen E-M
	S Grant	0	0	0	0	0	Asm 1-6
	F Grant	0	0	0	0	0	CC Area-Wide
	Dir App	0	0	0	0	0	CC

SOLID WASTE SERVICES

SOLID WASTE SERVICES

Organizational Chart



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SOLID WASTE SERVICES UTILITY PROFILE

ORGANIZATION: Solid Waste Services (SWS) is composed of two separate utilities. The Refuse Collections Utility provides refuse collection service to residential and commercial customers in the City of Anchorage Service Area. The Solid Waste Disposal Utility operates multiple transfer stations and a regional landfill providing affordable and environmentally responsible services for the entire Municipality. SWS is divided into four organizations. The organizations include Refuse Collections and Solid Waste Disposal, which are separate operating utilities, and Vehicle Maintenance and Administration, which are support organizations that fully charge out to Refuse Collections and Disposal Utilities.

The profile for both Refuse Collections Utility and Solid Waste Disposal are shown separately below:

REFUSE COLLECTIONS UTILITY

HISTORY: Refuse Collections Utility was originally owned by the former City of Anchorage. When the City and Borough merged in 1975 the Municipality of Anchorage became the new owner. Since at least 1952 there has been mandatory service for all residents who live in Refuse Collections Utility service area.

SERVICE: Refuse Collections Utility serves the service area of the former City of Anchorage, which is approximately 25% of the population of the Municipality of Anchorage. The Refuse Collections Utility has three main types of collection vehicles. They are frontload, rearload, and sideload respectively. The frontload vehicles are used to empty dumpsters and normally handle commercial or multifamily residential. Rearload vehicles service mainly can/bag residential and a few two yard dumpsters. Sideload vehicles service residential can/bag only. Refuse Collections Utility services approximately 4,730 dumpsters per week, and 12,025 can/bag pickups per week. Refuse Collection Utility operates six dumpster routes per day M-F and two routes on Saturday, five sideload routes per day M-F, one rearload route per day M-F, and ½ rearload route on Saturday.

REGULATION: Refuse Collections Utility is regulated by the Alaska Public Utilities as having the right to collect solid waste, but is not economically regulated.

Refuse Collections Utility as a part of Solid Waste Services also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital budget, rules, regulations, and administrative guidelines at Refuse Collections Utility.

ENVIRONMENTAL MANDATES: Although there are no special state or federally mandated regulations for refuse collections there are a number of federal and state mandated regulations that the Refuse Collections Utility must comply with. These regulations include but are not limited to the Federal Clean Air Act and The Clean Water Act. These regulations have and will continue to have an economic and operational impact on Refuse Collections Utility.

PHYSICAL PLANT:

Specialized truck fleet

- 8 frontload trucks for dumpster collection
- 3 rearload trucks for curbside pickup and small dumpsters
- 7 sideload trucks for curbside pickup only

Refuse Collections warm storage building, a 27,000 square foot building that contains vehicle storage space and administrative offices.

SOLID WASTE DISPOSAL

HISTORY: The Municipal landfill at Merrill Field was closed during 1987 following approximately 50 years of usage. This brings the total of closed official landfill sites within the Municipality of Anchorage sites to five. The Anchorage Regional Landfill(ARL), an award winning "state of the art" fully lined modern landfill, was built in 1987 and is the only operating landfill in MOA.

SERVICE: ARL services the entire MOA. These services include the disposal of solid waste and collection of household hazardous waste. Normal solid waste is received at any of the four transfer stations located within MOA. The waste is then transported by the Disposal Utility to ARL for final disposal.

ARL has a total land area of approximately 275 acres and is being developed in phases called cells. Currently 3 out of a total of 21 cells have been constructed. ARL is projected to have a total capacity in excess of 48 million cubic yards. It is estimated that ARL will reach full capacity in the year 2050. In 1993, 275,540 tons were deposited in ARL

Solid Waste Disposal Utility also operates four transfer stations. They are located at Girdwood, Midtown Anchorage (CTS), next to Fort Richardson, and ARL. They allow Solid Waste Disposal Utility to restrict access to the face of the landfill. CTS, by far, receives the largest amount of solid waste, having received over 214,000 tons in 1992. CTS has a total capacity of 1,600 tons per day. The Solid Waste Disposal Utility operates a fleet of 20 transfer tractor and trailers that transport the solid waste from CTS. The trailers have a capacity of 120 yards each.

Household hazardous waste can be dropped off at CTS or the Hazardous Waste Facility located at ARL. The hazardous waste is then handled by a contractor who puts the hazardous waste in proper containers and safely ships the containers out of state to federally approved hazardous waste disposal sites.

Solid Waste Disposal Utility had a 6,000 square foot household hazardous waste collection facility built in 1989. The facility located at ARL is operated by a private contractor. In 1990 the facility collected the same amount of hazardous waste as the city of San Francisco, which has approximately three times the population. In 1992 the facility was the only Hazardous Waste facility in North America to receive Solid Waste Association of North America's "System Excellence" award. Thru 1993 the facility has collected a total of 3.9 million pounds of hazardous waste that otherwise would have been improperly disposed of in the landfill, storm drain system or people's backyards.

REGULATION: The Disposal Utility is not economically regulated by any non municipal agencies. However the Disposal Utility operates under numerous permits and many EPA regulations. ARL is operated under a permit issued by the Alaska Department of Conservation. This permit must be renewed every five years. The Disposal Utility operates under two permits from AWWU for industrial water discharge. ARL has permits from the US Department of Fish and Wildlife and the Alaska Department of Fish and Game for bird predation. ARL construction and certain operations must comply with the EPA Resource Conservation and Recovery Act (RCRA) subtitle D.

The Disposal Utility as a part of Solid Waste Services also has a seven member advisory commission. The members are appointed by the mayor and confirmed by the assembly. The commission normally meets monthly and when necessary holds special meetings. The advisory commission advises and makes recommendations to the administration and assembly on matters pertaining to the operating budget, capital budget, rules, regulations, and administrative guidelines at the Disposal Utility.

ENVIRONMENTAL MANDATES: The Disposal Utility must operate under and comply with numerous environmental mandates. These mandates have a significant economic impact on the cost of operations and construction for the Disposal Utility. The main environmental mandates that have a significant impact on the Disposal Utility are RCRA subtitle D, Clean Air Act, Clean Water Act, SARA Title 3, NESAP (asbestos), and NPDES (storm water discharge). It is projected that in the future the environmental mandates regarding operating and constructing a landfill will become even more stringent.

PHYSICAL PLANT:

Anchorage Regional Landfill

- 275 acres, estimated to last thru the year 2050
- 48 million cubic yard capacity

- phased construction of cells lasting three to four years each
- currently have constructed a total of three cells
- located on municipal land within a military reservation
- scale house and 22,000 sq. ft shop and storage facility
- heavy equipment fleet: dozers, loaders, dump trucks, boom truck, water truck, leachate trucks, tankers, lube trucks, grader and compactors

Four transfer stations provide intermediate disposal, easy access for public
Girdwood, Central midtown, Ft. Richardson and ARL
20 transfer tractor and trailers haul from stations to landfill

Hazardous waste management

6000 sq. ft collection facility for household hazardous waste
opened in 1989, operated by private contractor
received only "System Excellence Award" in North America from Solid Waste
Association of North America

SOLID WASTE SERVICES WORK FORCE PROJECTIONS

<u>BUDGET UNIT</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
ADMINISTRATION	17	17	17	17	17	17	17
COLLECTIONS	23	23	23	23	23	23	23
DISPOSAL	42	43	43	43	43	43	43
VEHICLE MAINTENANCE	9	9	9	9	9	9	9
TOTAL	<u>91</u>	<u>92</u>	<u>92</u>	<u>92</u>	<u>92</u>	<u>92</u>	<u>92</u>

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Refuse Collections

1995

Operating Budget

REFUSE COLLECTIONS UTILITY RECONCILIATION OF 1994 BUDGET TO 1994 PRO-FORMA

	<u>1994 BUDGET</u>	<u>1994 PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	5,497,680	5,498,680	1,000
OPERATING EXPENSE			
Labor	1,399,760	1,399,760	0
Supplies	43,500	41,000	(2,500)
IGC'S	1,199,150	1,187,660	(11,490)
Other Services	94,660	95,750	1,090
Other Expenses	<u>2,670,360</u>	<u>2,635,590</u>	<u>(34,770)</u>
OPERATING EXPENSE	5,407,430	5,359,760	(47,670)
NON-OPERATING REVENUE	191,860	206,300	14,440
NON-OPERATING EXPENSE	<u>173,410</u>	<u>173,410</u>	<u>0</u>
NET INCOME (REGULATORY)	108,700	171,810	63,110
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>108,700</u></u>	<u><u>171,810</u></u>	<u><u>63,110</u></u>

No Significant Variances Noted

REFUSE COLLECTIONS UTILITY RECONCILIATION OF 1994 PRO-FORMA TO 1995 BUDGET

	<u>1994 PRO-FORMA</u>	<u>1995 BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	5,498,680	5,508,100	9,420
OPERATING EXPENSE			
Labor	1,399,760	1,431,330	31,570 (A)
Supplies	41,000	43,500	2,500
IGC'S	1,187,660	1,296,200	108,540 (B)
Other Services	95,750	94,600	(1,150)
Other Expenses	2,635,590	2,662,280	26,690
OPERATING EXPENSE	<u>5,359,760</u>	<u>5,527,910</u>	<u>168,150</u>
NON-OPERATING REVENUE	206,300	206,860	560
NON-OPERATING EXPENSE	<u>173,410</u>	<u>161,960</u>	<u>(11,450)</u>
NET INCOME (REGULATORY)	171,810	25,090	(146,720)
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>171,810</u></u>	<u><u>25,090</u></u>	<u><u>(146,720)</u></u>

Explanation of Significant Variances:

A) Increase due to increase in PERS rate and health insurance

B) Increase due to increase in IGC's from general government

REFUSE COLLECTIONS UTILITY STATEMENT OF REVENUE AND EXPENSES

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
OPERATING REVENUE			
Commercial Collections	3,056,096	3,072,420	3,039,200
Residential Collections	2,184,929	2,170,560	2,213,200
Other Collections	22,158	22,000	22,000
Container Rental Fees	231,287	233,700	233,700
TOTAL OPERATING REVENUE (NET)	<u>5,494,470</u>	<u>5,498,680</u>	<u>5,508,100</u>
OPERATING EXPENSE			
Labor	1,327,665	1,399,760	1,431,330
Supplies	38,396	41,000	43,500
IGC'S	1,136,736	1,187,660	1,296,200
Other Services	81,399	95,750	94,600
Other Expenses	2,609,644	2,635,590	2,662,280
TOTAL OPERATING EXPENSE	<u>5,193,840</u>	<u>5,359,760</u>	<u>5,527,910</u>
OPERATING INCOME	300,630	138,920	(19,810)
NON-OPERATING REVENUE			
Sale of Assets	59	0	60
Interest Income	159,530	185,000	185,000
Other Revenue	21,903	21,300	21,800
TOTAL NON-OPERATING REVENUE	<u>181,492</u>	<u>206,300</u>	<u>206,860</u>
NON-OPERATING EXPENSE			
Interest on Long-term Debt	184,134	173,410	161,960
TOTAL NON-OPERATING EXPENSE	<u>184,134</u>	<u>173,410</u>	<u>161,960</u>
NET INCOME (REGULATORY)	297,988	171,810	25,090
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>297,988</u></u>	<u><u>171,810</u></u>	<u><u>25,090</u></u>

REFUSE COLLECTIONS UTILITY STATEMENT OF SOURCES AND USES OF CASH

	<u>1993</u> <u>ACTUAL</u>	<u>1994</u> <u>PRO-FORMA</u>	<u>1995</u> <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income GAAP	297,988	171,810	25,090
Depreciation	384,015	382,500	396,430
Grants	0	0	0
Bonds	0	0	0
Other	0	0	0
TOTAL SOURCES OF CASH FUNDS	682,003	554,310	421,520
USES OF CASH FUNDS:			
Additions to Plant	493,505	423,000	333,770
Bond Principal Payment	175,000	185,000	195,000
Other	12,766	0	0
TOTAL USES OF CASH FUNDS	681,271	608,000	528,770
NET INCREASE (DECREASE) IN CASH FUNDS	732	(53,690)	(107,250)
CASH BALANCE JANUARY 1,	4,441,175	4,441,910	4,388,220
CASH BALANCE DECEMBER 31,	4,441,907	4,388,220	4,280,970
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	3,291,816	3,488,129	3,380,879
Equity In Construction Cash Pool	789,844	539,844	539,844
Bond Redemption Cash	360,247	360,247	360,247
TOTAL CASH DECEMBER 31,	4,441,907	4,388,220	4,280,970

REFUSE COLLECTIONS UTILITY 1995 OPERATING BUDGET DETAIL

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
Labor			
Wages	844,320	961,110	964,850
Overtime	96,308	85,000	93,960
Benefits	386,888	353,650	372,520
Other	149	0	0
Subtotal	<u>1,327,665</u>	<u>1,399,760</u>	<u>1,431,330</u>
Supplies			
Office supplies	3,454	4,000	4,500
Operating Supplies	22,185	23,000	24,000
Repair and Maintenance Supplies	12,757	14,000	15,000
Subtotal	<u>38,396</u>	<u>41,000</u>	<u>43,500</u>
Intragovernmental Charges			
Solid Waste Administration	548,483	606,660	655,740
Solid Waste Vehicle Maintenance	434,626	467,860	489,520
Solid Waste Disposal	38,100	38,100	38,100
Other IGC's	140,527	100,040	137,840
Charges to Others	(25,000)	(25,000)	(25,000)
Subtotal	<u>1,136,736</u>	<u>1,187,660</u>	<u>1,296,200</u>
Other Services			
Professional Services	2,550	6,500	2,500
Other Contractual Services	12,327	19,250	20,000
Utilities	66,522	70,000	72,100
Subtotal	<u>81,399</u>	<u>95,750</u>	<u>94,600</u>
Other Expenses			
Depreciation	384,015	382,500	396,430
MUSA	47,637	53,280	55,300
Interest on Long-term Debt	184,134	173,410	161,960
SWS Disposal Charges	2,038,039	2,038,500	2,047,500
Other	139,953	161,310	163,050
Subtotal	<u>2,793,778</u>	<u>2,809,000</u>	<u>2,824,240</u>
TOTAL EXPENSES	<u><u>5,377,974</u></u>	<u><u>5,533,170</u></u>	<u><u>5,689,870</u></u>

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Refuse Collections

1995 - 2000

**Capital Improvement
Budget/Program**

**REFUSE COLLECTIONS UTILITY
1995-2000 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT TITLE	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
VEHICLE REPLACEMENT	275	329	443	328	359	334	2,068
CONTAINERS	24	24	24	24	24	24	144
OFFICE EQUIPMENT	10	10	10	10	10	10	60
DATA PROCESSING	25	25	200	25	25	25	325
TOTAL	<u>334</u>	<u>388</u>	<u>677</u>	<u>387</u>	<u>418</u>	<u>393</u>	<u>2,597</u>
SOURCE OF FUNDING	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS							
LOAN							
EQUITY/OPERATIONS	334	388	677	387	418	393	2,597
STATE GRANT							
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	<u>334</u>	<u>388</u>	<u>677</u>	<u>387</u>	<u>418</u>	<u>393</u>	<u>2,597</u>

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Solid Waste Disposal

1995

Operating Budget

SOLID WASTE DISPOSAL UTILITY RECONCILIATION OF 1994 BUDGET TO 1994 PRO-FORMA

	<u>1994 BUDGET</u>	<u>1994 PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	11,681,780	12,093,200	411,420 (A)
OPERATING EXPENSE			
Labor	2,364,450	2,343,640	(20,810)
Supplies	81,500	72,700	(8,800)
IGC'S	1,689,500	1,662,950	(26,550)
Other Services	2,830,130	2,280,210	(549,920) (B)
Other Expenses	2,755,900	2,901,340	145,440 (C)
OPERATING EXPENSE	<u>9,721,480</u>	<u>9,260,840</u>	<u>(460,640)</u>
NON-OPERATING REVENUE	187,000	188,000	1,000
NON-OPERATING EXPENSE	1,909,210	1,812,480	(96,730) (D)
NET INCOME (REGULATORY)	<u>238,090</u>	<u>1,207,880</u>	<u>969,790</u>
ADJUSTMENTS FOR GAAP	(184,620)	(184,620)	0
NET INCOME (LOSS) GAAP	<u><u>53,470</u></u>	<u><u>1,023,260</u></u>	<u><u>969,790</u></u>

Explanation of Significant Variances:

- A) Increase due to increase in tonnages
- B) Decrease due to Merrill Field Leachate System Upgrade Project being delayed
- C) Increase due to increase in depreciation, landfill closure costs and MUSA
- D) Decrease due to savings from bond refunding

SOLID WASTE DISPOSAL UTILITY RECONCILIATION OF 1994 PRO-FORMA TO 1995 BUDGET

	<u>1994 PRO-FORMA</u>	<u>1995 BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	12,093,200	12,469,950	376,750 (A)
OPERATING EXPENSE			
Labor	2,343,640	2,404,860	61,220
Supplies	72,700	74,700	2,000
IGC'S	1,662,950	1,814,690	151,740 (B)
Other Services	2,280,210	5,731,220	3,451,010 (C)
Other Expenses	2,901,340	3,142,850	241,510 (D)
OPERATING EXPENSE	<u>9,260,840</u>	<u>13,168,320</u>	<u>3,907,480</u>
NON-OPERATING REVENUE	188,000	588,000	400,000 (E)
NON-OPERATING EXPENSE	1,812,480	2,035,070	222,590 (F)
NET INCOME (REGULATORY)	<u>1,207,880</u>	<u>(2,145,440)</u>	<u>(3,353,320)</u>
ADJUSTMENTS FOR GAAP	(184,620)	(184,620)	0
NET INCOME (LOSS) GAAP	<u><u>1,023,260</u></u>	<u><u>(2,330,060)</u></u>	<u><u>(3,353,320)</u></u>

Explanation of Significant Variances:

A) Increase due to increase in tonnages

B) Increase due to increase in IGC's from general government

C) Increase due to Merrill Field Leachate Collection System Upgrade Project

D) Increase due to increase in depreciation, landfill closure costs and MUSA

E) Increase due to Grant revenue on the Merrill Field Leachate Collection System Upgrade Project

F) Increase due to new debt added

SOLID WASTE DISPOSAL UTILITY STATEMENT OF REVENUE AND EXPENSES

	<u>1993</u> <u>ACTUAL</u>	<u>1994</u> <u>PRO-FORMA</u>	<u>1995</u> <u>BUDGET</u>
OPERATING REVENUE			
Disposal Fees	11,426,072	11,444,000	11,803,100
Reimbursed Costs	303,497	314,580	332,230
Hazardous Waste Fees	151,841	150,000	150,000
Amortization of Contributed Plant	191,266	184,620	184,620
TOTAL OPERATING REVENUE	<u>12,072,676</u>	<u>12,093,200</u>	<u>12,469,950</u>
OPERATING EXPENSE			
Labor	2,277,049	2,343,640	2,404,860
Supplies	91,148	72,700	74,700
IGC'S	1,587,606	1,662,950	1,814,690
Other Services	1,816,340	2,280,210	5,731,220
Other Expenses	2,777,580	2,901,340	3,142,850
TOTAL OPERATING EXPENSE	<u>8,549,723</u>	<u>9,260,840</u>	<u>13,168,320</u>
OPERATING INCOME (LOSS)	3,522,953	2,832,360	(698,370)
NON-OPERATING REVENUE			
Sale of Assets	(8,345)	0	0
Interest Income	216,729	180,000	180,000
Other Revenue	50,712	8,000	408,000
TOTAL NON-OPERATING REVENUE	<u>259,096</u>	<u>188,000</u>	<u>588,000</u>
NON-OPERATING EXPENSE			
Interest on Long-term Debt	1,912,149	1,812,480	2,035,070
TOTAL NON-OPERATING EXPENSE	<u>1,912,149</u>	<u>1,812,480</u>	<u>2,035,070</u>
NET INCOME (REGULATORY)	1,869,900	1,207,880	(2,145,440)
ADJUSTMENTS FOR GAAP	(191,266)	(184,620)	(184,620)
NET INCOME (LOSS) GAAP	<u>1,678,634</u>	<u>1,023,260</u>	<u>(2,330,060)</u>

SOLID WASTE DISPOSAL UTILITY STATEMENT OF SOURCES AND USES OF CASH

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income (Loss) GAAP	1,678,634	1,023,260	(2,330,060)
Depreciation (Includes Contributed Plant)	1,801,543	1,764,830	1,959,070
Future Landfill Closure Costs	385,757	454,990	479,960
Grants	1,198,701	549,740	0
Bonds	0	10,000,000	4,000,000
Other	(350,843)	0	0
TOTAL SOURCES OF CASH FUNDS	<u>4,713,792</u>	<u>13,792,820</u>	<u>4,108,970</u>
USES OF CASH FUNDS:			
Additions to Plant	1,297,317	11,894,000	1,391,000
Bond Principal Payment	810,000	1,465,000	2,082,260
Other	0	0	0
TOTAL USES OF CASH FUNDS	<u>2,107,317</u>	<u>13,359,000</u>	<u>3,473,260</u>
NET INCREASE (DECREASE) IN CASH FUNDS	2,606,475	433,820	635,710
CASH BALANCE JANUARY 1,	4,720,174	7,326,650	7,760,470
CASH BALANCE DECEMBER 31,	<u>7,326,649</u>	<u>7,760,470</u>	<u>8,396,180</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	6,892,870	7,326,690	7,962,400
Equity In Construction Cash Pool	24,685	24,680	24,680
Bond Redemption Cash	409,094	409,090	409,090
TOTAL CASH DECEMBER 31,	<u>7,326,649</u>	<u>7,760,460</u>	<u>8,396,170</u>

SOLID WASTE DISPOSAL UTILITY 1995 OPERATING BUDGET DETAIL

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
Labor			
Wages	1,498,679	1,621,690	1,638,890
Overtime	89,092	95,000	95,000
Benefits	687,436	626,950	669,170
Other	1,842	0	1,800
Subtotal	<u>2,277,049</u>	<u>2,343,640</u>	<u>2,404,860</u>
Supplies			
Office supplies	3,361	3,500	3,500
Operating Supplies	63,483	50,000	50,000
Fuel(Kerosine)	979	1,200	1,200
Repair and Maintenance Supplies	23,325	18,000	20,000
Subtotal	<u>91,148</u>	<u>72,700</u>	<u>74,700</u>
Intragovernmental Charges			
Solid Waste Administration	592,644	645,380	697,610
Solid Waste Vehicle Maintenance	977,045	1,041,380	1,089,580
Other IGC's	201,017	159,290	210,600
Charges to Others	(183,100)	(183,100)	(183,100)
Subtotal	<u>1,587,606</u>	<u>1,662,950</u>	<u>1,814,690</u>
Other Services			
Professional Services	151,351	430,500	444,000
Utilities	284,508	289,200	300,450
Other Contractual Services	1,380,481	1,560,510	4,986,770
Subtotal	<u>1,816,340</u>	<u>2,280,210</u>	<u>5,731,220</u>
Other Expenses			
Depreciation	1,801,543	1,764,830	1,959,070
MUSA	274,402	324,180	336,500
Gross Receipts Tax	130,853	142,790	147,200
Landfill Closure Costs	385,757	454,990	479,960
Other	185,025	214,550	220,120
Interest on Long-term Debt	1,912,149	1,812,480	2,035,070
Subtotal	<u>4,689,729</u>	<u>4,713,820</u>	<u>5,177,920</u>
TOTAL EXPENSES	<u><u>10,461,872</u></u>	<u><u>11,073,320</u></u>	<u><u>15,203,390</u></u>

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Solid Waste Disposal

1995 - 2000

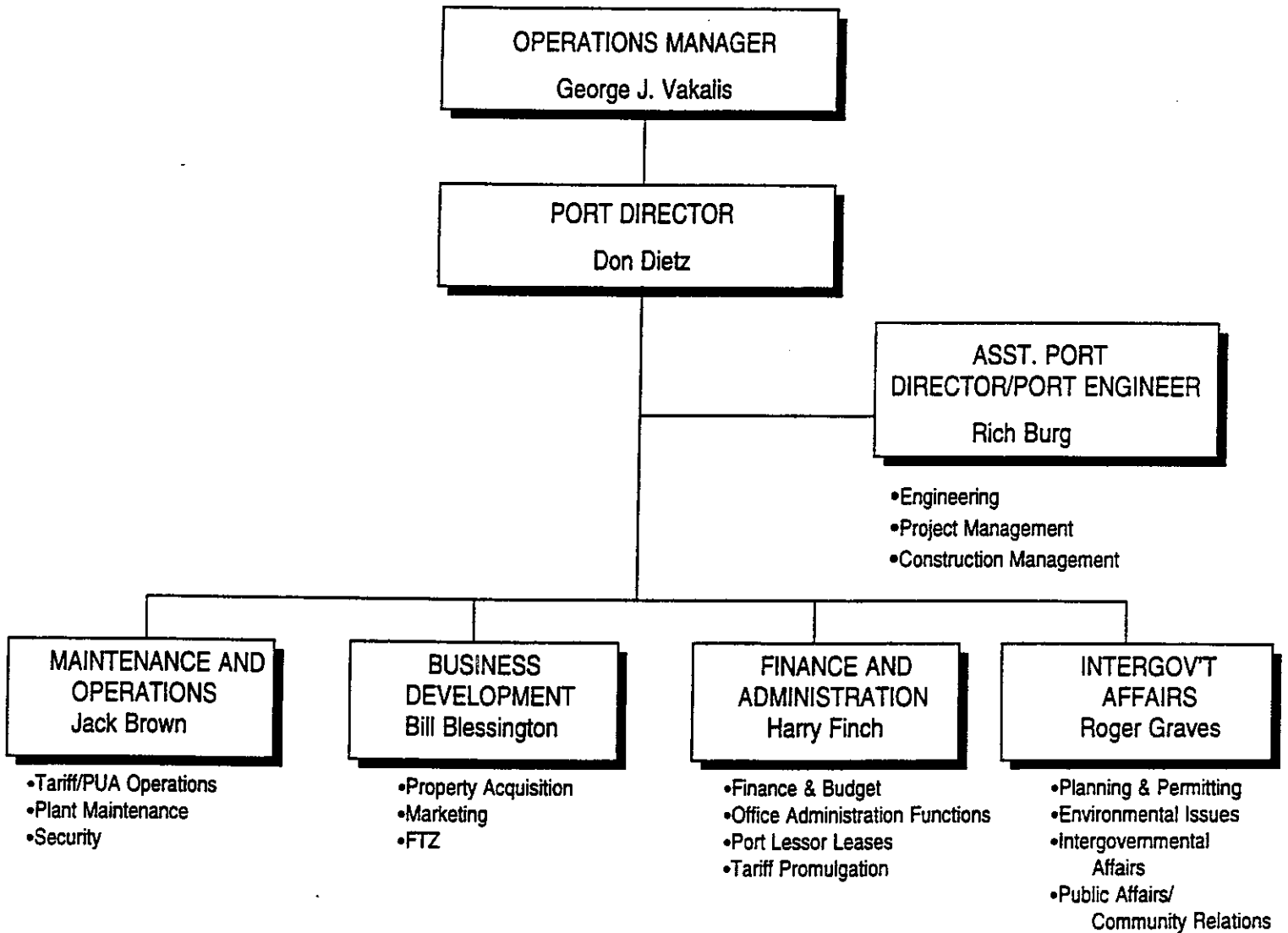
**Capital Improvement
Budget/Program**

**SOLID WASTE DISPOSAL UTILITY
1995-2000 CAPITAL IMPROVEMENT BUDGETS
FINANCIAL SUMMARY (000)**

PROJECT TITLE	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
EQUIPMENT	1,391	1,210	1,133	1,221	1,334	1,257	7,546
ARL IMPROVEMENTS					3,041		3,041
TOTAL	<u>1,391</u>	<u>1,210</u>	<u>1,133</u>	<u>1,221</u>	<u>4,375</u>	<u>1,257</u>	<u>10,587</u>
SOURCE OF FUNDING	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS					3,041		3,041
LOAN							
EQUITY/OPERATIONS	1,391	1,210	1,133	1,221	1,334	1,257	7,546
STATE GRANT							
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	<u>1,391</u>	<u>1,210</u>	<u>1,133</u>	<u>1,221</u>	<u>4,375</u>	<u>1,257</u>	<u>10,587</u>

PORT OF ANCHORAGE

PORT OF ANCHORAGE ORGANIZATION CHART



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PORT OF ANCHORAGE UTILITY PROFILE

ORGANIZATION

The Port of Anchorage is organized into three primary divisions: Administration, Port Development and Operations & Maintenance. The Administrative Division is responsible for day-to-day business functions and management, construction management and engineering, and real estate management. The Port Development Division is involved with planning and permitting, marketing, Foreign Trade Zone management, environmental issues and public and intergovernmental affairs tasks. The Operations & Maintenance Division is responsible for Port customer relations, management of vessel movements and dockside activities, general upkeep and operation of the facilities and equipment, and security.

HISTORY

The Port of Anchorage commenced operation in September 1961 with a single berth. 38,000 tons of cargo crossed the Port's dock that first year. 2,623,000 tons crossed the dock in 1993 and this ranked the Port as 16th in the nation in 1993 for the movement of container TEUs (twenty foot equivalent units). Today this regional Port is a major economic factor and the strongest link in the transportation chain which enables Alaskan residents west of Yakutat to take full advantage of the benefits of inexpensive waterborne commerce.

SERVICES

Cargo handling services and facilities at the Port serve 80% of Alaska's population living west of Yakutat. Approximately 90% of the consumer goods and foodstuffs sold within the Railbelt move through this facility on a year-round basis. Container service is provided twice weekly from Puget Sound by two domestic ocean carriers and is augmented seasonally by one additional container vessel per week and barge activities. Bulk shipments are both domestic and international, involving imports of basic commodities such as cement, refined petroleum products, automobiles and construction materials. The Port serves as the primary export facility for the state's largest petroleum refinery in North Pole and as the major export terminal for frozen and canned seafood products that are packed in Anchorage, Valdez and on the Kenai Peninsula.

REGULATION

Port of Anchorage Dock Revenue rates are established in the Port of Anchorage Terminal Tariff #4 and Terminal Preferential Use Agreements. Changes to the tariff and rate adjustments to the Preferential Usage Agreements require approval by the Anchorage Port Commission, the Anchorage Assembly and the Federal Maritime Commission.

Port Industrial Park Revenue is derived from long-term leases of properties in the Port Industrial Park. The leases provide for five-year rate adjustments. Leases and lease options are subject to Municipal Assembly approval.

ENVIRONMENTAL MANDATES

The Port complies with a broad range of local, state and federal environmental standards, including all provisions of the Clean Water Act, Clean Air Act, National Pollution Discharge Elimination System (NPDES), Endangered Species Act and Coastal Zone Management Plan.

PHYSICAL PLANT

Real Estate:

- 103 acres of developed uplands
- 400 acres of economically developable tidelands to the north and south of the existing Industrial Park and dock area
- 1,000 acres of submerged lands offshore from tidelands holdings
- 1,503 total acres

Terminals:

- Three general cargo terminals, 2,109 ft. of dock face, container, roll on\roll off, bulk cement and breakbulk capabilities
- Two Bulk Petroleum Product Terminals with 600 feet each of berthing space and 2,000 bbl./hr. pipelines
- Operating depth at all facilities: -35' MLLW
- Maximum vessel tonnage: 60,000 DWT
- Maximum length and breadth: No limit
- On-dock Transit Shed with 27,000 square foot heated storage/office space

Cargo Handling Equipment:

- Rail mounted, electric Container Cranes:
 - 30 ton (2)
 - 40 ton (1)
- Portable Cranes to 150 tons available
- Forklifts to 30 tons available

U.S. Port of Entry: Foreign Trade Zone service available

**PORT OF ANCHORAGE
WORKFORCE PROJECTIONS**

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
<u>DIVISION</u>							
Administration/Engineering	7	7	7	7	7	7	7
Operations/Maintenance	12	12	12	12	12	12	12
Port Development	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>

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Port of Anchorage

1995

Operating Budget

**PORT OF ANCHORAGE
RECONCILIATION OF 1994 BUDGET TO 1994 PRO-FORMA**

	1994 <u>BUDGET</u>	1994 <u>PRO-FORMA</u>	<u>VARIANCE</u>	
OPERATING REVENUE	6,022,000	6,381,000	359,000	A
OPERATING EXPENSE				
Labor	1,429,000	1,429,000	0	
Supplies	92,000	94,000	2,000	
Other Services & Charges	1,125,000	1,367,000	242,000	B
IGC's	230,000	230,000	0	
Depreciation/Amortization	<u>1,902,000</u>	<u>1,911,000</u>	<u>9,000</u>	
Subtotal	4,778,000	5,031,000	253,000	
NON-OPERATING REVENUE	1,116,000	1,084,000	(32,000)	C
NON-OPERATING EXPENSE	1,396,000	1,396,000	0	
NET INCOME (REGULATORY)	<u>964,000</u>	<u>1,038,000</u>	<u>74,000</u>	
ADJUSTMENTS FOR GAAP	(572,000)	(553,000)	19,000	D
NET INCOME GAAP	<u><u>392,000</u></u>	<u><u>485,000</u></u>	<u><u>93,000</u></u>	

Explanation of Significant Variances:

- A) 1994 Petroleum Wharfage revenue, based on 1993 figures, now estimated to be greater than originally anticipated; initiation of user charges (new tariff item effective 2/94) for land side Petroleum Valve Yard transfers; and, appraisals for Port Industrial Park land rental rate adjustments and customer demand for additional cargo storage space higher than anticipated.
- B) Unanticipated Legal Services expense on ICC rate case.
- C) Tesoro Pipeline Right-of-Way Fee and interest on deposits less than anticipated.
- D) Adjustments in depreciation schedules resulting from the Ship Creek/South Tidelands leasehold exchange.

**PORT OF ANCHORAGE
RECONCILIATION OF 1994 PRO-FORMA TO 1995 BUDGET**

	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>	<u>VARIANCE</u>	
OPERATING REVENUE	6,381,000	6,493,000	112,000	A
OPERATING EXPENSE				
Labor	1,429,000	1,438,000	9,000	
Supplies	94,000	99,000	5,000	
Other Services & Charges	1,367,000	1,177,000	(190,000)	B
IGC's	230,000	215,000	(15,000)	
Depreciation/Amortization	<u>1,911,000</u>	<u>1,968,000</u>	<u>57,000</u>	C
Subtotal	5,031,000	4,897,000	(134,000)	
NON-OPERATING REVENUE	1,084,000	1,106,000	22,000	
NON-OPERATING EXPENSE	1,396,000	1,367,000	(29,000)	D
NET INCOME (REGULATORY)	<u>1,038,000</u>	<u>1,335,000</u>	<u>297,000</u>	
ADJUSTMENTS FOR GAAP	(553,000)	(553,000)	0	
NET INCOME GAAP	<u><u>485,000</u></u>	<u><u>782,000</u></u>	<u><u>297,000</u></u>	

Explanation of Significant Variances:

- A) Increase in General Cargo Wharfage combined with 1994 changes in Petroleum Valve Yard fees and land rental rates being in effect for a full year in 1995.
- B) No Legal Services expense anticipated for ICC rate case in 1995.
- C) Depreciation adjusted to reflect anticipated plant in-service.
- D) Reduction in interest portion of debt service and retirement of certain long-term obligations in 1995.

**PORT OF ANCHORAGE
STATEMENT OF REVENUE AND EXPENSES**

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
OPERATING REVENUE			
Dock Revenue	4,395,106	4,644,000	4,685,000
Industrial Park Revenue	1,555,817	1,652,000	1,723,000
Crane Lease/Rental Revenue	79,778	79,000	79,000
Other Operating Revenue	<u>5,787</u>	<u>6,000</u>	<u>6,000</u>
TOTAL OPERATING REVENUE	6,036,488	6,381,000	6,493,000
OPERATING EXPENSE			
Labor	1,388,134	1,429,000	1,438,000
Supplies	87,046	94,000	99,000
Other Services & Charges	844,759	1,367,000	1,177,000
IGC's	151,474	230,000	215,000
Depreciation/Amortization	<u>1,730,235</u>	<u>1,911,000</u>	<u>1,968,000</u>
TOTAL OPERATING EXPENSE	4,201,648	5,031,000	4,897,000
OPERATING INCOME	1,834,840	1,350,000	1,596,000
NON-OPERATING REVENUE			
Interest Income	961,583	974,000	996,000
Pipeline Right-Of-Way Fee	99,919	110,000	110,000
Other Non-Operating Revenue	6,320	0	0
Prior Year Expense Recovery	<u>19,013</u>	<u>0</u>	<u>0</u>
TOTAL NON-OPERATING REVENUE	1,086,835	1,084,000	1,106,000
NON-OPERATING EXPENSE			
Interest on Long-Term Debt	1,475,242	1,396,000	1,367,000
Other Non-Operating Expense	<u>1,000</u>	<u>0</u>	<u>0</u>
TOTAL NON-OPERATING EXPENSE	1,476,242	1,396,000	1,367,000
NON-OPERATING INCOME	(389,407)	(312,000)	(261,000)
NET INCOME (REGULATORY)	1,445,433	1,038,000	1,335,000
ADJUSTMENTS FOR GAAP	552,884	553,000	553,000
NET INCOME GAAP	<u>892,549</u>	<u>485,000</u>	<u>782,000</u>

**PORT OF ANCHORAGE
STATEMENT OF SOURCES AND USES OF CASH**

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income GAAP	892,549	485,000	782,000
Depreciation/Amortization	2,283,119	2,464,000	2,521,000
Grants	1,630,000	4,930,000	2,371,000
Bonds	0	0	2,000,000
Amortization of Debt Discount	30,597	31,000	31,000
Principal Payments, Financing Leases	243,300	263,000	284,000
Principal Payments, Interfund Receivable	243,900	83,000	0
Other	0	66,000	44,000
TOTAL SOURCES OF FUNDS	<u>5,323,465</u>	<u>8,322,000</u>	<u>8,033,000</u>
USES OF CASH FUNDS:			
Additions to Plant	1,116,586	8,385,000	7,751,000
Bond Principal Payments	1,561,906	1,323,000	1,123,000
Equity Transfer Out	178,500	179,000	358,000
Net Effect of Changes in Balance Sheet Which Affect Cash	71,642	0	0
TOTAL USES OF FUNDS	<u>2,928,634</u>	<u>9,887,000</u>	<u>9,232,000</u>
NET INCREASE/(DECREASE) IN CASH FUNDS	2,394,831	(1,565,000)	(1,199,000)
CASH BALANCE JANUARY 1,	<u>10,144,318</u>	<u>12,539,000</u>	<u>10,974,000</u>
CASH BALANCE DECEMBER 31,	<u>12,539,149</u>	<u>10,974,000</u>	<u>9,775,000</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	2,921,583	2,987,000	1,788,000
Equity In Construction Cash Pool	6,701,571	5,071,000	5,071,000
Revenue Bond Reserve	2,915,995	2,916,000	2,916,000
TOTAL CASH DECEMBER 31,	<u>12,539,149</u>	<u>10,974,000</u>	<u>9,775,000</u>
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Plant Contributed From Other Funds	<u>1,416,767</u>	<u>0</u>	<u>0</u>

**PORT OF ANCHORAGE
1995 OPERATING BUDGET DETAIL**

	1993 <u>ACTUAL</u>	1994 <u>PRO-FORMA</u>	1995 <u>BUDGET</u>
LABOR			
Wages	911,982	919,000	925,000
Overtime	29,817	33,000	33,000
Benefits	440,418	469,000	472,000
Other	<u>5,917</u>	<u>8,000</u>	<u>8,000</u>
Subtotal	1,388,134	1,429,000	1,438,000
SUPPLIES			
Office & Operating Supplies	14,724	18,000	19,000
Fuel	4,249	7,000	7,000
Repair & Maintenance Supplies	66,632	66,000	70,000
Other	<u>1,441</u>	<u>3,000</u>	<u>3,000</u>
Subtotal	87,046	94,000	99,000
INTRAGOVERNMENTAL CHARGES			
IGC's From Others	233,927	254,000	230,000
IGC's To Others	<u>(82,453)</u>	<u>(24,000)</u>	<u>(15,000)</u>
Subtotal	151,474	230,000	215,000
OTHER SERVICES			
Professional Services	151,387	215,000	297,000
Legal Services	0	268,000	0
Repairs & Maintenance-Contracted	68,936	101,000	89,000
Advertising/Marketing	40,213	60,000	60,000
Contract Services	158,796	175,000	181,000
Rentals/Leases	21,439	95,000	97,000
Utilities	295,817	315,000	315,000
Other	<u>108,171</u>	<u>138,000</u>	<u>138,000</u>
Subtotal	844,759	1,367,000	1,177,000
OTHER EXPENSES			
Depreciation/Amortization	2,283,119	2,464,000	2,521,000
Interest on Long Term Debt	1,475,242	1,396,000	1,367,000
Other	<u>1,000</u>	<u>0</u>	<u>0</u>
Subtotal	3,759,361	3,860,000	3,888,000
TOTAL EXPENSES	<u><u>6,230,774</u></u>	<u><u>6,980,000</u></u>	<u><u>6,817,000</u></u>

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Port of Anchorage

1995 - 2000

**Capital Improvement
Budget/Program**

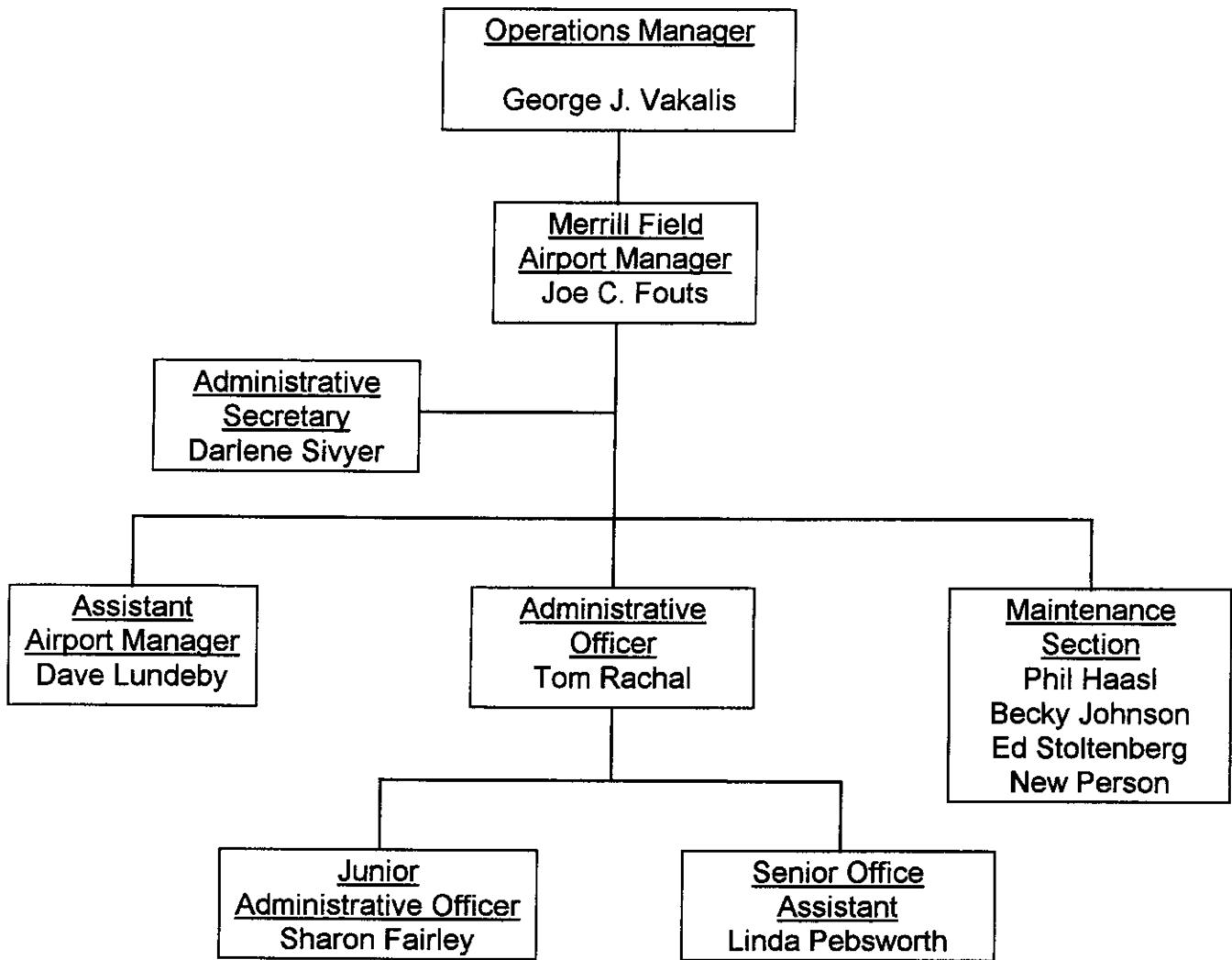
PORT OF ANCHORAGE
1995-2000 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)

<u>PROJECT CATEGORY</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
LAND DEVELOPMENT	6,000		6,000	250	2,000		14,250
TERMINAL DEVELOPMENT	2,100	1,200	200	300	300	2,000	6,100
HARBOR DEVELOPMENT			448				448
REPAIRS & RENOVATIONS	1,212	1,150	150	150	150	150	2,962
EQUIPMENT	189	127	182	39	21	31	589
TOTAL	<u>9,501</u>	<u>2,477</u>	<u>6,980</u>	<u>739</u>	<u>2,471</u>	<u>2,181</u>	<u>24,349</u>

<u>SOURCE OF FUNDING</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
G.O. BONDS							0
REVENUE BONDS	2,000						2,000
EQUITY/OPERATIONS	3,301	1,477	2,780	739	2,471	2,181	12,949
STATE GRANT	4,200		4,200				8,400
FEDERAL GRANT							0
LOAN							0
DIRECT APPROPRIATION							0
PVT INDUST PARTICIPATION		1,000					1,000
TOTAL	<u>9,501</u>	<u>2,477</u>	<u>6,980</u>	<u>739</u>	<u>2,471</u>	<u>2,181</u>	<u>24,349</u>

MERRILL FIELD AIRPORT

**MERRILL FIELD AIRPORT
ORGANIZATION CHART**



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MERRILL FIELD AIRPORT UTILITY PROFILE

ORGANIZATION

Six office staff manage the operational and financial affairs of Merrill Field, and four maintenance personnel provide maintenance for 19 airport buildings and property. The maintenance function includes all operating surfaces of the airport - runways, taxiways, roads and aircraft tiedown areas that are not on leased property. This includes snow removal, sanding, resurfacing, and maintenance of facilities and equipment.

HISTORY

Merrill Field Airport, originally known as "Aviation Field", was the first real airport in Anchorage. Located one mile east of the downtown area, it opened on July 4, 1930 and was dedicated in September 1932 to honor the late Russel Hyde Merrill, an early Alaskan aviator. Merrill Field is a "General Aviation Airport" and is restricted to aircraft that weigh 12,500 pounds or less.

In 1984 Merrill Field recorded 384,314 aircraft operations, ranked as the 15th busiest airport in the nation and had 1,019 based aircraft. In 1993, Merrill Field recorded 230,156 aircraft operations, ranked as the 57th busiest airport in the nation and had 916 based aircraft. While the states' economic slump has taken its toll on Merrill Field's operations, the Airport continues to be an integral part of Alaska's transportation network.

SERVICE

Merrill Field serves as the general aviation link between all Southcentral Alaskan communities, including the rural areas, and Anchorage. Intrastate air traffic to and from Anchorage is increasing. Kenai alone sends 110,000 passengers a year to Anchorage; 38,500 are destined for the downtown/midtown areas that are more conveniently reached from Merrill Field.

Some of the many services provided at Merrill Field are: sale of aircraft fuel; hangar rental; flightseeing; flight and ground school instruction; aircraft maintenance and repair; sale of parts, supplies, equipment and accessories; aerial photography; propeller repair; aviation electronics; aircraft sales, rentals and charters; power plant and airframe training; and college courses for aviation degree-seeking students.

REGULATION

Merrill Field, unlike most other Municipal utilities, is not regulated by the Alaska Public Utilities Commission. Rather, it is required to meet Federal Aviation Administration, Alaska Department of Transportation and Public Facilities, and Municipal regulations. Additionally, the Municipal Airports Aviation Advisory Commission advises and makes recommendations to the Administration and Assembly on all matters pertaining to the operating budget, rules, regulations and administrative guidelines at Merrill Field.

ENVIRONMENTAL MANDATES

In recent years there have been many federally mandated programs which have had a direct impact on the Airport's operating costs. The Clean Water Act, Americans With Disabilities Act, Community Right To Know, Underground Storage Tank Regulations and Clean Air Act are some of the current and ongoing laws which have and will continue to impact the Airport.

PHYSICAL PLANT

General Aviation Airport

Restricted to aircraft weighing 12,500 pounds or less.
436 acre land area; elevation 136 feet; fee simple title.
1,441 tiedown spaces; leaseholders have 732; Municipality has 632 plus 77 for transient aircraft.
Runway 6/24 is 4,000 feet; Runway 15/33 is 2,650 feet.
Five taxiways; 102 acres of tiedown aprons.
Control Tower leased to Federal Aviation Administration.

Fifty-seventh Busiest Airport in Nation

Located one mile from downtown Anchorage.
Hub for intra-Alaska travel.
230,156 flight operations in Federal Year 1993.
8,951 general aviation aircraft in Alaska; 916 based at Merrill.
9,679 active pilots in Alaska; 4,684 reside in Anchorage.

Economic Stimulus

24 leaseholders lease 2,774,102 square feet.
32 fair market value rental properties.
62 aviation related businesses operate on the airport.
1,246 transient aircraft stayed a total of 4,350 days last year.
Approximately 785,000 gallons of fuel were sold in 1993.

Net Airport Plant is \$31,942,146

**MERRILL FIELD AIRPORT
WORK FORCE PROJECTIONS**

<u>CATEGORY</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Airport Manager	1	1	1	1	1	1	1
Assistant Airport Manager	1	1	1	1	1	1	1
Financial Administration	1	1	1	1	1	1	1
Office Operations	3	3	3	3	3	3	3
Airport Maintenance Tech	3	3	3	3	3	3	3
Light Equipment Operator	1	1	1	1	1	1	1
Heavy Equip Operator (Temp)	1	1	1	1	1	1	1
Airport Maint Assts (Temp)	4	4	4	4	4	4	4
Public Aviation Facility	0	0	[To Be Determined]		-	-	-

Total (Permanent)	10	10	10	10	10	10	10
Total (Temporary)	5	5	5	5	5	5	5

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Merrill Field Airport

1995

Operating Budget

MERRILL FIELD AIRPORT
RECONCILIATION OF 1994 BUDGET TO 1994 PRO FORMA

	<u>1994 Budget</u>	<u>1994 Pro Forma</u>	<u>Variance</u>
OPERATING REVENUE	<u>1,611,666</u>	<u>1,542,000</u>	<u>(69,666)</u> ^(a)
OPERATING EXPENSE			
Labor	648,000	650,000	2,000
Supplies	70,000	75,000	5,000
Charges To Others	(85,000)	(179,000)	(94,000)
Charges From Others	80,000	85,000	5,000
Other Services	219,700	225,000	5,300
Other Expenses	1,054,300	1,015,000	(39,300)
SUBTOTAL	<u>1,987,000</u>	<u>1,871,000</u>	<u>(116,000)</u>
NON-OPERATING REVENUE	<u>430,334</u>	<u>412,000</u>	<u>(18,334)</u> ^(d)
NON-OPERATING EXPENSE	0	0	0
NET INCOME (REGULATORY)	<u>55,000</u>	<u>83,000</u>	<u>28,000</u>
ADJUSTMENTS FOR GAAP	(900,000)	(878,000)	22,000
NET INCOME (LOSS) GAAP	<u>(845,000)</u>	<u>(795,000)</u>	<u>50,000</u>

Explanation of Significant Variances:

- a) Less permanent parking revenue and contributed depreciation than anticipated.
- b) APD & MISD use agreements provide additional revenues.
- c) Total depreciation (Contributed and Non-Contributed) is lower than anticipated.
- d) Interest income reduced due to late receipt of Nye Import Center grant funds.

MERRILL FIELD AIRPORT
RECONCILIATION OF 1994 PRO FORMA TO 1995 BUDGET

	<u>1994</u> <u>Pro Forma</u>	<u>1995</u> <u>Budget</u>	<u>Variance</u>
OPERATING REVENUE	<u>1,542,000</u>	<u>1,567,021</u>	<u>25,021</u> (a)
OPERATING EXPENSE			
Labor	650,000	722,000	72,000 (b)
Supplies	75,000	105,000	30,000 (c)
Charges To Others	(179,000)	(255,000)	(76,000) (d)
Charges From Others	85,000	95,000	10,000
Other Services	225,000	242,900	17,900 (e)
Other Expenses	1,015,000	1,052,100	37,100 (f)
SUBTOTAL	<u>1,871,000</u>	<u>1,962,000</u>	<u>91,000</u>
NON-OPERATING REVENUE	<u>412,000</u>	<u>467,979</u>	<u>55,979</u> (g)
NON-OPERATING EXPENSE	0	0	0
NET INCOME (REGULATORY)	<u>83,000</u>	<u>73,000</u>	<u>(10,000)</u>
ADJUSTMENTS FOR GAAP	(878,000)	(900,000)	(22,000)
NET INCOME (LOSS) GAAP	<u>(795,000)</u>	<u>(827,000)</u>	<u>(32,000)</u>

Explanation of Significant Variances:

- a) Contributed depreciation delayed in 1994 will appear in 1995.
- b) One additional airport maintenance person and more use of temporary labor.
- c) Additional expenses associated with APD and MISD use agreements.
- d) Reduced expenses [7000's] associated with APD and MISD use agreements.
- e) Increases in Orca Street property repairs and public utilities.
- f) Total depreciation (Contributed and Non-Contributed) delayed from 1994.
- g) We anticipate increases in Orca Street rental and interest income.

MERRILL FIELD AIRPORT
1995 STATEMENT OF REVENUES AND EXPENSES

	1993 <u>Actual</u>	1994 <u>Pro Forma</u>	1995 <u>Budget</u>
OPERATING REVENUE			
Lease Fees	416,206	417,000	417,235
MOA Aviation Fuel Fees	39,491	41,000	42,000
Transient Parking Fees	15,990	16,000	16,038
Permanent Parking Fees	184,551	190,000	191,748
Contributed Depreciation	844,303	878,000	900,000
TTL OPERATING REVENUE	1,500,541	1,542,000	1,567,021
OPERATING EXPENSE			
Labor	656,290	650,000	722,000
Supplies	59,869	75,000	105,000
Charges To Others	(95,953)	(179,000)	(255,000)
Charges From Others	61,935	85,000	95,000
Other Services	165,784	225,000	242,900
Other Expenses	971,721	1,015,000	1,052,100
TTL OPERATING EXPENSE	1,819,646	1,871,000	1,962,000
OPERATING INCOME (LOSS)	(319,105)	(329,000)	(394,979)
NON-OPERATING REVENUE			
Miscellaneous Permits	28,874	30,000	31,875
SOA Aviation Fuel Fees	18,280	20,000	18,624
Airport Property Rental	313,428	290,000	330,000
Interest Income	(42,118)	15,000	38,380
FAA Service Fees	17,726	17,000	17,367
Other Revenue	62,284	40,000	31,733
TTL NON-OPER REVENUE	398,474	412,000	467,979
NON-OPERATING EXPENSE			
TTL NON-OPER EXPENSE	0	0	0
NON-OPERATING INCOME	398,474	412,000	467,979
NET INCOME (REGULATORY)	79,369	83,000	73,000
ADJUSTMENTS FOR GAAP	(844,303)	(878,000)	(900,000)
NET INCOME (LOSS) GAAP	(764,934)	(795,000)	(827,000)

MERRILL FIELD AIRPORT
1995 STATEMENT OF SOURCES AND USES OF CASH

	<u>1993</u> <u>Actual</u>	<u>1994</u> <u>Pro Forma</u>	<u>1995</u> <u>Budget</u>
SOURCES OF CASH FUNDS:			
Net Income (Loss) GAAP	(764,934)	(795,000)	(827,000)
Total Depreciation	959,707	1,005,000	1,025,000
Grants	292,719	1,981,600	1,989,000
Bonds	0	0	0
Net Effect of Changes In Balance Sheet Which Affect Cash	24,841	1,667,661	216,000
TOTAL SOURCES OF CASH	512,333	3,859,261	2,403,000
USES OF CASH FUNDS:			
Additions to Plant	493,100	2,048,000	2,402,000
Bond Principal Payment	0	0	0
Other	0	0	0
TOTAL USES OF CASH	493,100	2,048,000	2,402,000
NET INCREASE (DECREASE)	<u>19,233</u>	<u>1,811,261</u>	<u>1,000</u>
CASH BALANCE, JANUARY 1,	(1,040,494)	(1,021,261)	790,000
CASH BALANCE, DECEMBER 31,	<u>(1,021,261)</u>	<u>790,000</u>	<u>791,000</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	(3,032,836)	(3,020,000)	(2,947,000)
Equity In Construction Cash Pool	2,011,575	3,810,000	3,738,000
Bond Redemption Cash Pool	0	0	0
TOTAL CASH, DECEMBER 31,	<u>(1,021,261)</u>	<u>790,000</u>	<u>791,000</u>

MERRILL FIELD AIRPORT
1995 OPERATING BUDGET DETAIL

	<u>1993</u> <u>Actual</u>	<u>1994</u> <u>Pro Forma</u>	<u>1995</u> <u>Budget</u>
LABOR			
Wages	438,017	420,000	465,715
Overtime	20,866	25,000	25,750
Benefits	197,407	205,000	230,063
Other	0	0	472
Subtotal	656,290	650,000	722,000
SUPPLIES			
Office Supplies	3,544	5,000	5,500
Operating Supplies	29,645	40,000	40,000
Repair & Maint Supplies	26,680	30,000	59,500
Subtotal	59,869	75,000	105,000
INTRAGOVERNMENTAL CHARGES			
Charges To Others	(95,953)	(179,000)	(255,000)
Charges From Others	61,935	85,000	95,000
Subtotal	(34,018)	(94,000)	(160,000)
OTHER SERVICES			
Professional Services	5,332	25,000	38,900
Other Contractual Services	41,737	70,000	69,000
Utilities	118,715	130,000	135,000
Subtotal	165,784	225,000	242,900
OTHER EXPENSES			
Depreciation/Amortization	959,707	1,005,000	1,025,000
Other	12,014	10,000	27,100
Subtotal	971,721	1,015,000	1,052,100
TOTAL EXPENSES	1,819,646	1,871,000	1,962,000

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Merrill Field Airport

1995 - 2000

**Capital Improvement
Budget/Program**

MERRILL FIELD AIRPORT
1995-2000 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY (000)

<u>PROJECT CATEGORY</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
Apron Improvements	1,127	--	852	--	980	--	2,959
Runways/Taxiways	430	--	--	--	--	950	1,380
Buildings & Equipment	200	4,850	5,800	--	--	--	10,850
Land Improvements	45	670	--	--	--	--	715
Land Acquisition	<u>600</u>	<u>500</u>	<u>500</u>	<u>1,500</u>	--	--	<u>3,100</u>
TOTAL CIP PROGRAM	<u>2,402</u>	<u>6,020</u>	<u>7,152</u>	<u>1,500</u>	<u>980</u>	<u>950</u>	<u>19,004</u>

<u>SOURCE OF FUNDING</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>TOTAL</u>
Revenue Bonds	--	--	--	--	--	--	--
General Bonds	--	--	--	--	--	--	--
Operations	192	73	85	94	61	59	564
State Grants	--	1,213	--	--	--	--	1,213
Federal Grants	<u>2,210</u>	<u>4,734</u>	<u>7,067</u>	<u>1,406</u>	<u>919</u>	<u>891</u>	<u>17,227</u>
TOTAL FUNDING	<u>2,402</u>	<u>6,020</u>	<u>7,152</u>	<u>1,500</u>	<u>980</u>	<u>950</u>	<u>19,004</u>