

2014 Budget Presentation

Municipal Utility/Enterprise Activity

Operating and Capital Budgets

Presented by:

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October 18, 2013

Anchorage Water Utility



Anchorage Water Utility – Key Indicators

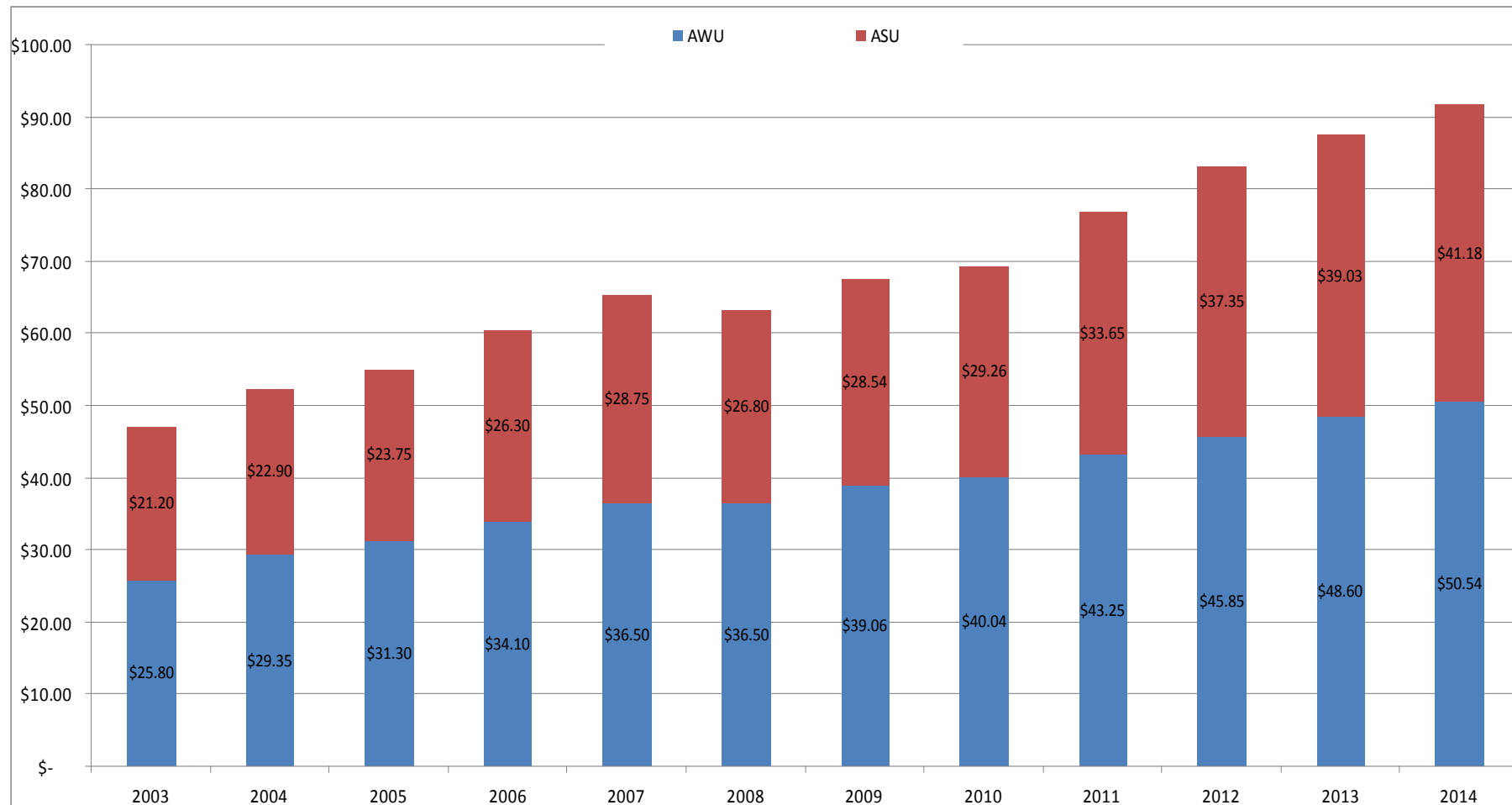
\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017	2018	2019
				Forecast				
Revenues	55,901	58,516	61,101	64,341	67,941	72,041	72,071	73,631
Expenses and Transfers	47,707	49,069	51,899	56,633	58,793	59,983	64,708	65,771
Net Income (Loss) - Regulatory	8,194	9,447	9,202	7,708	9,148	12,058	7,363	7,860
Dividend to General Government	-	-	-	-	-	-	-	-
Increase in Net Assets	8,194	9,447	9,202	7,708	9,148	12,058	7,363	7,860
Workforce Authorized per Budget*	281.0	278.5	277.0	277.0	277.0	277.0	277.0	277.0
Capital Improvement Program	38,760	33,240	33,399	31,700	32,226	33,080	32,218	33,000
New Debt	1,628	2,600	20,000	73,700	4,800	4,900	4,800	4,900
Net Plant (12/31)	502,967	522,695	537,561	557,015	572,230	588,354	602,802	617,114
Net Assets (12/31)	103,316	111,467	120,622	128,330	137,478	149,536	156,899	164,759
Operating Cash	3,826	22,254	21,747	23,490	22,595	22,269	17,021	18,993
Construction Cash Pool	3,445	377	341	48,747	32,899	18,848	5,800	-
Restricted Cash	5,031	-	-	-	-	-	-	-
Total Cash	12,302	22,631	22,088	72,237	55,494	41,117	22,821	18,993
IGCs - General Government	935	1,307	1,378	1,378	1,378	1,378	1,378	1,378
MUSA	7,368	7,440	7,640	7,960	8,240	8,470	8,710	8,920
CCP Borrowings from Gen'l Govt.	-	-	-	-	-	-	-	14,182
Total Outstanding LT Debt	216,681	228,090	235,989	300,539	292,501	283,934	274,920	265,620
Total Annual Debt Service	18,140	18,731	19,907	19,298	24,163	24,305	24,429	24,386
Debt Service Coverage (Bond)	2.10	2.24	2.27	2.67	1.96	2.16	2.11	2.17
Debt Service Coverage (Total)	1.37	1.41	1.42	1.57	1.36	1.48	1.43	1.45
Debt/Equity Ratio	67 / 33	67 / 33	66 / 34	70 / 30	68 / 32	66 / 34	64 / 36	62 / 38
Rate Change Percent	6.0%	6.0%	4.0%	4.7%	5.2%	6.0%	0.0%	2.1%
Single Family Rate	45.85	48.60	50.54	52.92	55.67	59.01	59.01	60.25
Statistical/Performance Trends								
Number of Accounts	55,362	55,500	55,639	55,778	55,918	56,057	56,198	56,338
Average Treatment (GPD) (000)	22,100	22,155	22,211	22,266	22,322	22,378	22,434	22,490
Miles of Water Lines	837	839	841	843	845	847	850	852
Number of Hydrants	7,265	7,283	7,301	7,320	7,338	7,356	7,375	7,393

* Workforce Authorized per Budget is for both Water and Wastewater utilities.

†Reflects (S) Version

Anchorage Water and Waste Historical Single Family Rates



Anchorage Water Utility – Key Data

Income Statement

Revenues

	2013 Revised	2014 Proposed	% Chg	Impact
Charges for Services	57,550,000	59,800,000	3.9%	2,250,000
Misc	894,000	981,000	9.7%	87,000
Non Operating Rev	275,000	320,000	16.4%	45,000
Total	\$ 58,719,000	\$ 61,101,000	4.1%	\$ 2,382,000

Expenses

	2013 Revised	2014 Proposed	% Chg	Impact
Labor	15,559,453	16,145,590	3.8%	586,137
Non Labor	8,332,000	7,887,400	-5.3%	(444,600)
Travel	68,000	68,000	0.0%	-
Debt Service	8,700,000	8,280,000	-4.8%	(420,000)
Depreciation	10,623,000	10,500,000	-1.2%	(123,000)
MUSA	7,461,682	7,640,000	2.4%	178,318
Charges by others	1,604,498	1,378,234	-14.1%	(226,264)
Total Expenses	52,348,633	51,899,224	-0.9%	(449,409)
Net Profit	\$ 6,370,367	\$ 9,201,776	44.4%	\$ 2,831,409

Less: Non Cash -10,570,000

2014 Proposed Budget 41,329,224

FTE			
2013		2014	
FT	PT/Temp	FT	PT/Temp
277	1	275	2

Impacts

- Rate Increase 4%
- Eliminated vacant positions; Assistant General Manager & AP Clerk, add back PT Courier
- GIS Center of Excellence

Rates	2011	2012	2013	2014 Proposed
Customer Charge	\$11.44	\$12.13	\$12.86	\$13.37
Flat Residential Usage Charge/Unit	\$31.81	\$33.72	\$35.74	\$37.17
Metered Volume/1,000 gallons	\$ 4.42	\$ 4.69	\$ 4.97	\$ 5.17

Anchorage Water Utility – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Equipment	4,548	4,082	4,178	2,812	2,708	2,050	20,378
Plant	8,723	2,420	1,270	4,198	4,760	2,235	23,606
Pipe	20,128	25,198	26,818	26,070	24,750	28,715	151,679
Total	33,399	31,700	32,266	33,080	32,218	33,000	195,663

Funding Source	2014	2015	2016	2017	2018	2019	Total
Debt	23,399	21,700	20,766	19,080	17,718	25,000	127,663
Grants	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Equity/Operations	8,000	8,000	9,500	12,000	12,500	6,000	56,000
Total	33,399	31,700	32,266	33,080	32,218	33,000	195,663

2014 Capital Projects – **\$33.4M**

- ADOT MOA Emergency \$3.6M
- Reservoir Rehabilitation \$3.2M
- West Airpark Water Extension \$2.2M
- Alaska Railroad Corp Yard 12" Water Rehab \$1.7M
- SCADA Equipment \$1.5M
- SCWTF Process Mechanical Operation \$2.7M

Anchorage Wastewater Utility

Anchorage Waste Utility – Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017	2018	2019
				Forecast				
Revenues	47,279	49,117	51,515	53,305	56,575	60,415	64,155	69,685
Expenses and Transfers	39,767	42,221	44,916	48,458	51,638	55,348	59,578	62,328
Net Income (Loss) - Regulatory	7,512	6,896	6,599	4,847	4,937	5,067	4,577	7,357
Dividend to General Government	-	-	-	-	-	-	-	-
Increase in Net Assets	7,512	6,896	6,599	4,847	4,937	5,067	4,577	7,357
Workforce Authorized per Budget*	281.0	278.5	277.0	277.0	277.0	277.0	277.0	277.0
Capital Improvement Program	30,381	31,863	31,863	33,345	34,200	35,150	36,000	37,000
New Debt	3,896	22,000	9,000	74,000	6,000	105,000	6,000	6,000
Net Plant (12/31)	353,058	371,076	380,620	402,145	418,964	435,560	499,215	522,052
Net Assets (12/31)	70,445	76,373	83,095	87,942	92,879	97,946	102,523	109,880
Operating Cash	13,381	18,845	19,959	21,452	20,654	23,244	20,202	20,108
Construction Cash Pool	-	-	-	46,679	20,677	75,400	50,527	23,977
Restricted Cash	-	-	-	-	-	-	-	-
Total Cash	13,381	18,845	19,959	68,131	41,331	98,644	70,729	44,085
IGCs - General Government	923	1,292	1,720	1,720	1,720	1,720	1,720	1,720
MUSA	5,342	5,376	5,530	5,670	5,990	6,240	6,490	7,440
CCP Borrowings from Gen'l Govt.	14,670	342	258	-	-	-	-	-
Total Outstanding LT Debt	136,550	137,039	137,155	224,078	220,845	316,261	309,354	302,305
Total Annual Debt Service	9,757	9,938	10,490	12,463	17,101	19,513	24,816	24,627
Debt Service Coverage (Bond)	4.82	4.86	5.19	3.63	2.34	2.14	1.65	1.90
Debt Service Coverage (Total)	1.87	1.86	1.88	1.62	1.31	1.28	1.12	1.27
Debt/Equity Ratio	66 / 34	64 / 36	62 / 38	72 / 28	70 / 30	76 / 24	75 / 25	73 / 27
Rate Change Percent	11.00%	4.50%	5.50%	2.50%	5.70%	6.50%	5.80%	8.80%
Single Family Rate	37.36	39.04	41.19	42.22	44.62	47.52	50.28	54.70
Statistical/Performance Trends								
Number of Accounts	56,251	56,392	56,533	56,674	56,816	56,958	57,100	57,243
Average Treatment (GPD) (000)	29,600	29,674	29,748	29,822	29,897	29,972	30,047	30,122
Miles of Wastewater Lines	762	764	766	768	770	772	774	776

* Workforce Authorized per Budget is for both Water and Wastewater utilities.

† Reflects (S) Version

Anchorage Waste Utility – Key Data

Revenues

	2013 Revised	2014 Proposed	% Chg	Impact
Charges for Services	47,700,000	50,500,000	5.9%	2,800,000
Misc	1,021,000	970,000	-5.0%	(51,000)
Non Operating Rev	45,000	45,000	0.0%	-
Total	\$ 48,766,000	\$ 51,515,000	5.6%	\$ 2,749,000

Expenses

	2013 Revised	2014 Proposed	% Chg	Impact
Labor	15,104,208	16,543,292	9.5%	1,439,084
Supplies	8,632,000	8,354,557	-3.2%	(277,443)
Travel	68,000	68,000	0.0%	-
Debt Service	4,880,000	4,500,000	-7.8%	(380,000)
Depreciation	7,968,000	8,200,000	2.9%	232,000
MUSA	5,386,686	5,530,000	2.7%	143,314
Charges by others	1,596,940	1,720,415	7.7%	123,475
Total Expenses	43,635,834	44,916,264	2.9%	1,280,430
Net Profit	\$ 5,130,166	\$ 6,598,736	28.6%	\$ 1,468,570

Less: Non Cash -7,560,000

2014 Proposed Budget **37,356,264**

FTE			
2013		2014	
FT	PT/Temp	FT	PT/Temp
277	1	275	2

Impacts

- Eliminated vacant positions; Assistant General Manager & AP Clerk, add back PT Courier

Rates	2011	2012	2013	2014 Proposed
Customer Charge	\$ 6.43	\$ 7.14	\$ 7.46	\$ 7.87
Flat Residential Usage Charge/Unit	\$27.22	\$30.21	\$31.57	\$33.31
Metered Volume/1,000 gallons	\$ 4.26	\$ 4.73	\$ 4.94	\$ 5.21
Commercial Low Strength	\$ 3.74	\$ 4.15	\$ 4.34	\$ 4.58
Commercial Medium Strength	\$ 4.97	\$ 5.52	\$ 5.77	\$ 6.09
Commercial High Strength	\$ 5.80	\$ 6.44	\$ 6.73	\$ 7.10

Anchorage Waste Utility – Capital Program *\$ in thousands*

Project Category	2014	2015	2016	2017	2018	2019	Total
Equipment	4,080	3,907	4,253	2,812	2,748	2,050	19,850
Plant	18,832	19,744	14,870	9,053	7,953	13,545	83,997
Pipe	8,951	9,694	15,077	23,285	25,299	21,405	103,711
Total	31,863	33,345	34,200	35,150	36,000	37,000	207,558

Funding Source	2014	2015	2016	2017	2018	2019	Total
Debt	21,863	24,845	25,700	29,650	27,500	27,500	157,058
Grants	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Equity/Operations	8,000	6,500	6,500	3,500	6,500	7,500	38,500
Total	31,863	33,345	34,200	35,150	36,000	37,000	207,558

2014 Capital Projects – **\$31.8M**

■ ADOT MOA Emergency	\$1.2M
■ Fish Creek Gravity Interceptor	\$3.5M
■ Girdwood Outfall	\$5.2M
■ Girdwood Wastewater Treatment Facility	\$6.9M
■ Interceptor Upgrades	\$2.0M

Merrill Field Airport

Merrill Field– Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017	2018	2019
				Forecast				
Total Revenues	6,363	4,396	6,382	5,941	7,058	8,113	7,478	5,821
Total Expenses	4,097	3,942	4,080	5,371	5,467	5,619	5,838	6,000
Net Income (Loss)	2,266	454	2,302	570	1,591	2,494	1,640	(179)
Budgeted Positions	9.0	9.0	9.5	9.5	9.5	9.5	9.5	9.5
Capital Program	2,998	3,648	4,702	4,580	5,050	5,300	6,016	4,438
Bond Sales	-	-	-	-	-	-	-	-
Net Plant (12/31)	58,618	59,831	62,185	63,164	65,123	68,190	70,258	70,628
Utility Revenue Distribution	-	-	-	-	-	-	-	-
Net Assets (12/31)	64,966	65,420	67,722	68,292	69,883	72,377	74,017	73,838
Cash and Cash Equivalents	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction Cash Pool	6,289	5,146	4,854	4,614	4,439	4,080	3,892	3,608
Bond Redemption Cash	-	-	-	-	-	-	-	-
Total Cash	6,289	5,146	4,854	4,614	4,439	4,080	3,892	3,608
IGCs from General Government	174	264	271	276	282	288	294	300
MESA	40	41	40	43	45	45	47	49
Total Debt	-	-	-	-	-	-	-	-
Debt/Equity Ratio	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Rate Change Percent	11.8%	0.0%	4.4%	2.5%	2.4%	2.4%	2.3%	2.3%
Lease Rate/Square Foot/Year	\$0.190	\$0.190	\$0.200	\$0.205	\$0.210	\$0.215	\$0.220	\$0.225
Tail-In Space Per Month	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Drive-Through Space Per Month	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70
Statistical/Performance Trends								
Based Aircraft	833	830	830	830	830	830	830	830
Municipal Tiedowns	523	523	523	523	523	523	523	523
Flight Operations/Calendar Year	125,425	126,000	126,000	126,000	126,000	126,000	126,000	126,000
National Airport Ranking by Calendar	105th	105th	105th	105th	105th	105th	105th	105th

Merrill Field – Key Data

Revenues

	2013	2014		
	Revised	Proposed	% Chg	Impact
Airport Lease Fees	629,000	662,000	5.2%	33,000
Property Rental Fees	424,000	429,000	1.2%	5,000
Parking Fees	307,000	328,000	6.8%	21,000
Fuel Fees	61,000	70,000	14.8%	9,000
Medevac Taxiway Fees	50,000	50,000	0.0%	-
Misc	2,000	2,000	0.0%	-
Non Operating Rev	5,311,000	4,841,000	-8.8%	(470,000)
Total	\$ 6,784,000	\$ 6,382,000	-5.9%	\$ (402,000)

Expenses

	2013	2014		
	Revised	Proposed	% Chg	Impact
Labor	1,093,454	1,132,121	3.5%	38,667
Non Labor	1,184,000	863,789	-27.0%	(320,211)
Travel	-	-	0.0%	-
Debt Service	-	-	0.0%	-
Depreciation	2,435,000	2,348,000	-3.6%	(87,000)
MUSA	40,588	40,000	-1.4%	(588)
Charges by others	(311,291)	(303,574)	-2.5%	7,717
Total Expenses	4,441,751	4,080,336	-8.1%	(361,415)
Net Profit	\$ 2,342,249	\$ 2,301,664	-1.7%	\$ (40,585)

Less: Non Cash	-2,348,000
2014 Proposed Budget	1,732,336

FTE			
2013		2014	
FT	PT/Temp	FT	PT/Temp
9	0	9	2

Impacts -

- Debt Free
- Reduce Master Plan Development \$300k

Rates -

	2012	2013	2014
Lease Rate/Square Foot/Year	\$.19	\$.19	\$.20
Tail-In Space /Month	\$60	\$60	\$60
Drive Through Space/Month	\$70	\$70	\$70

Merrill Field – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Runways and Taxiways	2,600	2,688	4,416	4,416	4,416	2,688	21,224
Buildings and Equipment	1,150	1,492	1,200	822	-	150	4,814
Land Improvements	552	-	-	1,600	1,600	1,600	5,352
Land Acquisition	400	400	-	-	-	-	800
Total	4,702	4,580	5,616	6,838	6,016	4,438	32,190

Funding Source	2014	2015	2016	2017	2018	2019	Total
Federal Grants	4,268	4,200	5,265	6,270	5,640	4,020	29,663
State Grants	142	140	176	209	188	134	989
Equity/Operations	292	240	175	359	188	284	1,538
Total	4,702	4,580	5,616	6,838	6,016	4,438	32,190

2014 Capital Projects – \$4.7M

- Rehabilitation TWY Quebec and Apron PH 4 \$2.6M
- Snow Removal Equipment \$1.0M

Port of Anchorage



Port – Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017	2018	2019
				Forecast				
Revenues	12,063	12,116	12,288	12,595	13,910	14,119	14,331	14,545
Expenses	12,374	16,786	14,504	14,084	14,648	15,087	15,389	15,543
Net Income(Loss)	(311)	(4,670)	(2,216)	(1,489)	(737)	(968)	(1,058)	(997)
Depreciation	3,994	4,516	4,516	4,516	4,607	5,250	7,350	7,450
Available to Service Debt	3,683	(154)	2,300	3,027	3,870	4,282	6,292	6,453
Budgeted Positions	23	23	23	23	23	23	23	23
Capital Program	79,810	54,550	255,172	5,298	5,430	5,568	5,710	5,858
Short Term Debt (**)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Net Plant (12/31)	25,771	25,796	27,796	29,796	30,551	30,551	30,551	30,551
MESA	516	673	673	675	710	746	776	779
Total Net Assets	74,747	79,200	81,200	83,200	83,955	83,955	83,955	83,955
General Cash Pool	10,466	10,312	8,912	5,939	4,809	3,090	382	10,000
Construction Cash Pool	7,882	12,755	10,755	8,755	8,000	8,000	8,000	8,000
Bond & Other Loan Reserve Cash	-	-	-	-	-	-	-	-
Total Cash	18,348	23,067	19,667	14,694	12,809	11,090	8,382	18,000
IGC's - General Government	398	708	793	556	456	479	503	528
Total Outstanding Debt 12/31 - (Short Term Debt)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Debt Service - Cm'l Paper Cost - Capitalized	-	-	-	-	-	-	-	-
Debt Service Coverage (Short Term Note Interest)	745	788	456	456	456	456	456	456
Debt/Equity Ratio (12/31)	20/80	20/80	21/79	21/79	21/79	22/78	22/78	22/78
Tariff Wharfage Rates (01/11):**								
1250 Petroleum, Bulk / Barrel	\$0.135	\$0.135	\$0.135	\$0.135	\$0.135	\$0.149	\$0.149	\$0.149
1250 Cement, Bulk / Ton	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	\$1.51	\$1.51	\$1.51
Statistical/Performance Trends								
Tonnage (in thousands)	3,754	3,407	3,458	3,510	3,676	3,731	3,787	3,844
Operating Revenue/Ton	3.08	3.53	3.56	3.37	3.35	3.41	3.43	3.41

**Tariff Review to be completed in Fall 2013 and tariff rates may change in 2014 upon Commission and Assembly approval.

Port – Key Data

Revenues

	2013	2014		
	Revised	Proposed	% Chg	Impact
Dock Fees	5,780,898	5,791,810	0.2%	10,912
Industrial Park Fees	4,142,836	4,242,599	2.4%	99,763
Other Operating Rev	805,824	550,204	-31.7%	(255,620)
Non Operating Rev	1,846,017	1,703,725	-7.7%	(142,292)
Total	\$ 12,575,575	\$ 12,288,338	-2.3%	\$ (287,237)

Expenses

	2013	2014		
	Revised	Proposed	% Chg	Impact
Labor	2,720,422	2,801,664	3.0%	81,242
Non Labor	5,600,049	5,234,047	-6.5%	(366,002)
Travel	30,000	30,000	0.0%	-
Debt Service	788,560	456,400	-42.1%	(332,160)
Depreciation	4,515,597	4,515,598	0.0%	1
MUSA	672,975	672,975	0.0%	-
Charges by others	708,585	793,488	12.0%	84,903
Total Expenses	15,036,188	14,504,172	-3.5%	(532,016)
Net Profit	\$ (2,460,613)	\$ (2,215,834)	-9.9%	\$ 244,779

Less: Non Cash	-4,515,598
2014 Proposed Budget	9,988,574

FTE			
2013		2014	
FT	PT/Temp	FT	PT/Temp
22	2	22	2

Impacts -

- Port Intermodal Expansion Program

Rates -	2012	2013	2014
1250 Petroleum, Bulk/Barrel	\$.135	\$.135	\$.135
1250 Cement, Bulk/Ton	\$1.37	\$1.37	\$1.37
Revenue/Ton	\$3.08	\$3.53	\$3.56

Port – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Port Expansion	251,500	2,000	2,000	2,000	2,000	2,000	261,500
Port Security	500	-	-	-	-	-	500
Wharf Pile Enhancements	3,172	3,298	3,430	3,568	3,710	3,858	21,036
Total	255,172	5,298	5,430	5,568	5,710	5,858	283,036

Funding Source	2014	2015	2016	2017	2018	2019	Total
State/Fed Grants	252,000	2,000	2,000	2,000	2,000	2,000	262,000
Equity/Operations	3,172	3,298	3,430	3,568	3,710	3,858	21,036
Total	255,172	5,298	5,430	5,568	5,710	5,858	283,036

2014 Capital Projects – \$255M

- Wharf Pile Enhancements \$3M
- Port Security \$.5M
- Port Expansion \$251.5M

Solid Waste Services Disposal

SWS Disposal – Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017 Forecast	2018	2019
Revenues	22,467	23,516	22,664	22,777	22,891	23,006	23,121	23,236
Expenses	18,894	17,460	20,386	20,999	21,629	22,277	22,946	23,634
Net Income (Loss)	3,573	6,056	2,278	1,779	1,263	728	175	(398)
Workforce Authorized per Budget FT*	48(116)	55(117)	55(117)	55(117)	55/(117)	55/(117)	55/(117)	55/(117)
* Total number of Utility FT and (all SWS Employees). In 2013, 4 Vehicle Maintenance Employees shifted into Disposal. SWS total includes SWS Admin (21), Refuse (28)								
Capital Improvement Program	2,727	10,180	9,273	8,477	7,057	8,551	7,122	8,594
Bond Sales/ New Debt	-	-	-	3,957	10,574	16,657	15,740	15,740
Net Plant (12/31)	52,410	59,897	66,115	71,186	74,346	78,096	80,061	84,137
Utility Revenue Distribution	-	-	-	-	-	-	-	-
Net Assets (12/31)	47,025	46,085	45,163	44,260	43,374	42,507	41,657	40,824
General/Construction Cash Pool	(7,818)	(5,567)	(6,901)	(7,147)	(6,883)	(6,611)	(6,331)	(4,880)
Future Landfill Closure Liability	23,724	25,491	27,231	29,023	30,869	32,770	34,728	34,728
Landfill Closure Cash Reserve**	6,625	11,777	11,777	13,066	14,912	16,813	18,771	19,933
**In 2008, a restricted account to fund landfill closure & post-closure was approved by the MOA Assembly. August 31, 2013 balance is \$9.3 million								
Bond Redemption Cash	-	-	-	-	-	-	-	-
Total Cash	9,281	8,147	8,553	8,810	9,074	9,346	9,626	9,915
IGC's - General Government	3,515	2,521	1,943	2,001	2,061	2,123	2,187	2,252
MUSA - 1.25%	211	244	257	258	260	262	264	266
MUSA - Regular	699	803	908	915	922	968	993	1,043
Total Outstanding Debt	16,745	15,027	15,027	13,308	15,547	20,467	25,369	23,291
Total Annual Debt Service	1,958	1,967	1,942	2,125	2,278	2,396	2,710	2,764
Debt Coverage	4.56	5.43	4.11	3.92	3.70	3.47	3.20	2.92
Debt/Equity Ratio	35/65	28/72	27/73	23/77	26/74	34/66	42/58	39/61
Rate Percentage Change (CTS /ARL)								
Tipping Fee Rate per Ton (ARL / CTS)	\$58/\$68	\$58/\$68	\$58/\$68	\$58/\$68	\$58/\$68	\$58/\$68	\$58/\$68	\$58/\$69
Pickup Rate per Load	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16
Car Rate per Load	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6
Statistical/Performance Trends								
Tons Disposed	331,413	301,171	326,442	326,442	326,442	326,442	326,442	326,442
Vehicle Count	256,479	239,273	264,173	264,173	264,173	264,173	264,173	264,173

Certain actual financial figures above will not match the Comprehensive Annual Financial Report; the CAFR combines Disposal with Administrative and Vehicle Maintenance figures.

SWS Disposal – Key Data

Revenues

	2013	2014		
	Revised	Proposed	% Chg	Impact
Landfill Disposal Fees	19,962,509	19,962,509	0.0%	0
Hazardous Waste Fees	257,675	257,675	0.0%	0
Area Wide Recycling Surch	446,174	446,174	0.0%	0
Landfill Methane Gas Sales	1,351,118	1,351,118	0.0%	0
Other	272,001	272,001	0.0%	0
Non Operating Revenues	375,000	375,000	0.0%	0
Total	\$ 22,664,477	\$ 22,664,477	0.0%	\$ -

Expenses

	2013	2014		
	Revised	Proposed	% Chg	Impact
Labor	5,960,339	6,149,219	3.2%	188,880
Non Labor	5,149,661	5,405,261	5.0%	255,600
Travel	11,808	5,000	-57.7%	(6,808)
Landfill Closure	1,689,225	1,689,225	0.0%	-
Debt Service	233,671	233,671	0.0%	-
Depreciation	4,053,302	4,053,302	0.0%	-
MUSA	908,057	908,057	0.0%	-
Charges to/from Others	1,946,942	1,943,197	-0.2%	(3,745)
Total Expenses	19,953,005	20,386,932	2.2%	437,672
Net Profit	\$ 2,711,472	\$ 2,277,545	-16.0%	\$ (433,927)

Less: Non Cash	-4,053,302
2014 Proposed Budget	16,333,630

Total Positions			
2013		2014	
FT	PT/Temp	FT	PT/Temp
55	12	55	12

Impacts -

- New land fill cells by 2020
- Landfill Gas to Energy project

Rates -

	2012	2013	2014
Tipping Fee Rate/Ton	\$58/68	\$58/68	\$58/68
Pickup Rate per Load	\$16	\$16	\$16
Car Rate per Load	\$6	\$6	\$6

SWS Disposal – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Equipment	1,938	4,952	4,192	1,739	3,927	2,989	19,737
ARL Improvements	6,985	3,220	2,640	6,707	3,170	5,500	28,222
CTS Improvements	325	280	200	80	-	80	965
Office Equipment	25	25	25	25	25	25	150
Total	9,273	8,477	7,057	8,551	7,122	8,594	49,074

Funding Source	2014	2015	2016	2017	2018	2019	Total
Clean Water Loan	6,835	4,185	2,800	6,537	2,000	3,614	25,971
Commercial Loan	-	-	-	-	-	-	-
Equity/Operations	2,438	4,292	4,257	2,014	5,122	4,980	23,103
Total	9,273	8,477	7,057	8,551	7,122	8,594	49,074

2014 Capital Projects – \$9.2M

- Construct Cell 12 Lining \$4.2M
- Construct Cell 8B Lining \$2.5M
- Equipment \$1.9M

Solid Waste Services Refuse

SWS- Refuse– Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017	2018	2019
	Forecast							
Revenues	8,951	8,976	11,722	11,781	11,840	11,899	11,958	12,018
Expenses	8,646	8,828	9,384	9,666	9,955	10,254	10,562	10,879
Net Income (Loss)	305	148	2,338	2,115	1,884	1,645	1,396	1,139
Workforce Authorized per Budget FT*	23 (117)	23(116)	28 (117)	28 (117)	28 (117)	28 (117)	28 (117)	28 (117)
* Total number of Utility FT and (all SWS Employees). In 2013, 5 Vehicle Maintenance Employees shifted into Refuse Collection. SWS total includes SWS Admin (21), Disposal (67)								
Capital Improvement Program	1,206	1,703	997	1,619	1,512	1,650	997	1,201
Bond Sales	-	-	-	-	-	-	-	-
Net Plant (12/31)	4,575	3,950	4,645	4,634	5,139	5,425	5,810	5,530
Utility Revenue Distribution	-	-	-	-	-	-	-	-
Net Assets (12/31)	10,685	10,833	11,288	11,304	10,909	10,190	9,229	8,146
General/Construction Cash Pool	5,752	5,870	5,136	4,495	3,612	2,439	1,385	1,275
IGC's - General Government	1,123	1,335	1,742	1,794	1,848	1,904	1,961	2,019
MUSA - 1.25%	-	-	-	-	-	-	-	-
MUSA - Regular	55	59	70	70	77	81	87	82
Total Outstanding Debt	-	-	-	-	-	-	-	-
Total Annual Debt Service	-	-	-	-	-	-	-	-
Debt Service Coverage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt/Equity Ratio	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Rate Change Percentage			16.69%					
Residential Rate per month**			\$14.10 - \$36.50 pay as you throw variable residential rates					
Commercial Rate (3Yd-1 per wk)	\$85.70	\$85.70	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
**Phasing in automated collection: changing from flat rates to variable pay-as-you-throw rates eliminates the \$18.25 flat fee and allows choices for rates ranging from \$14.10 - \$36.50 per month, depending upon roll cart size selection. Final phase roll out in 2013.								
Statistical/Performance Trends								
Waste Collected (Tons)	36,566	37,000	37,500	37,500	37,500	37,500	37,500	37,500
Average Residential Services	12,120	12,120	12,120	12,120	12,120	12,120	12,120	12,120
Average Dumpsters Services	4,063	4,063	4,063	4,063	4,063	4,063	4,063	4,063

SWS Refuse – Key Data

Revenues

	2013	2014		
	Revised	Proposed	% Chg	Impact
Residential	3,277,253	3,277,253	0.0%	-
Commercial/Industrial	5,605,386	7,855,386	40.1%	2,250,000
Dumpster Container Rental	460,436	460,436	0.0%	-
Other	123,000	88,000	-28.5%	(35,000)
Non Operating Rev	5,500	40,500	636.4%	35,000
Total	\$ 9,471,575	\$ 11,721,575	23.8%	\$ 2,250,000

Expenses

	2013	2014		
	Revised	Proposed	% Chg	Impact
Labor	2,843,742	2,925,707	2.9%	81,965
Non Labor	3,560,856	3,691,154	3.7%	130,298
Travel	3,163	3,163	0.0%	-
Debt Service	-	-	0.0%	-
Depreciation	949,166	949,166	0.0%	-
MUSA	71,456	71,456	0.0%	-
Charges to/from Others	1,680,135	1,742,951	3.7%	62,816
Total Expenses	9,108,518	9,383,597	3.0%	212,263
Net Profit	\$ 363,057	\$ 2,337,978	544.0%	\$ 1,974,921

Less: Non Cash -949,166

2014 Proposed Budget

8,434,431

Total Positions			
2013		2014	
FT	PT/Temp	FT	PT/Temp
28	1	28	1

Impacts -

- Rate increase - phased

SWS Refuse – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Vehicle Replacement	612	1,234	1,127	1,265	612	816	5,666
Containers	350	350	350	350	350	350	2,100
Office Equipment	5	5	5	5	5	5	30
Data Processing	30	30	30	30	30	30	180
Total	997	1,619	1,512	1,650	997	1,201	7,976

Funding Source	2014	2015	2016	2017	2018	2019	Total
Equity/Operations	997	1,619	1,512	1,650	997	1,201	7,976
Total	997	1,619	1,512	1,650	997	1,201	7,976

2014 Capital Projects – \$997k

- Commercial Front-loader Truck \$612k
- Dumpsters \$275k

Municipal Light & Power

27



MLP – Key Indicators

\$ in thousands

Financial Overview	2012 Actuals	2013 Proforma	2014 Budget	2015	2016	2017 Forecast	2018	2019
Revenues	122,974	121,134	139,270	160,318	163,380	199,223	202,806	177,821
Expenses	107,712	117,501	+ 121,619	128,512	142,850	185,951	188,875	165,095
Net Income (Loss) - Regulatory	15,262	3,633	+ 17,651	31,806	20,530	13,272	13,931	12,726
Work Force Authorized per Budget - FTE	225	269	268	268	268	268	268	268
Capital Improvements	95,507	127,646	56,313	57,147	46,608	32,235	27,754	25,946
Bond Sales/ Commercial Paper	50,000	45,000	114,500	20,500	275,000	-	-	-
Net Non-Contributed Plant (12/31) (REG)	479,957	513,019	592,943	682,615	695,800	673,766	659,882	652,375
Net Contributed Plant (12/31)	73,044	70,096	90,726	104,216	106,219	102,159	94,110	88,228
Net Plant (12/31) (GAAP)	553,001	583,114	683,669	786,832	802,019	775,925	753,992	740,603
Retained Earnings (12/31)	248,074	245,688	257,720	282,693	295,338	300,570	304,670	307,387
General and Restricted Cash	99,353	93,946	94,369	2,844	1,677	27,768	39,638	43,440
Bond Construction Cash	2,358	-	-	-	-	-	-	-
Bond Redemption Investment	31,123	30,245	30,233	30,060	29,866	29,528	29,528	24,649
Debt Service Account	2,519	2,470	2,476	2,457	2,376	2,355	2,422	2,058
Operating Fund Investment & Customer Deposits	10,771	12,271	12,871	14,771	15,671	18,271	18,071	17,471
Total Cash & Investments	146,124	138,932	139,949	50,132	49,590	77,922	89,659	87,618
IGCs - General Government	3,498	3,922	+ 3,985	3,752	3,827	3,903	3,981	4,061
Dividend	6,786	6,018	5,927	6,833	7,886	8,039	9,831	10,010
MUSA and Gross Receipts	5,550	5,540	7,588	7,988	8,341	13,048	13,573	13,747
Total Outstanding Debt	223,635	251,550	348,140	350,065	387,750	380,340	372,530	369,231
Total Annual Debt Service	30,868	30,229	30,232	29,957	20,481	29,492	29,528	24,649
Debt Service Coverage	1.59	1.48	1.78	1.93	2.74	2.60	2.60	2.74
LT Debt/Equity Ratio	47.4/52.6	50.6/49.4	57.5/42.5	55.3/44.7	56.7/43.3	55.9/44.1	55.0/45.0	54.6/45.4
Rate Change Percent	0.00%	7.78%	16.54%	7.20%	0.00%	25.00%	0.00%	6.50%
Electric Statistical/Performance Trends								
Residential Customer (500 kWh)	\$61.12	\$65.51	\$72.89	\$84.37	\$86.02	\$105.19	\$106.08	\$94.25
Total Residential Sales (kWh)	146,789	144,000	144,358	144,716	145,074	145,434	145,794	146,156
Commercial & Industrial Sales (kWh)	754,622	755,077	759,531	764,011	768,518	773,050	777,611	782,197
Total Residential, Commercial and Industrial kWh Sales	901,411	899,077	903,889	908,727	913,592	918,484	923,405	928,353
Total Retail Sales Revenue	\$101,421	\$113,730	\$130,447	\$150,421	\$154,752	\$189,110	\$191,937	\$166,232

NOTE: Rate increases are shown in the out years 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. Utilities will continue to strive to find ways to avoid projected rate increases.

* Reflects (S) Version

MLP – Key Data

Revenues

	2013 Revised	2014 Proposed	% Chg	Impact
Residential	19,047,000	21,045,000	10.5%	1,998,000
Commercial/Industrial	79,330,000	92,611,000	16.7%	13,281,000
Highway & Street Lighting	1,194,000	1,435,000	20.2%	241,000
Military	13,583,000	15,356,000	13.1%	1,773,000
Sales for Resale	21,667,000	4,524,000	-79.1%	(17,143,000)
Miscellaneous Serv Rev	1,664,000	1,411,000	-15.2%	(253,000)
Non Operating Rev	4,434,376	2,888,000	-34.9%	(1,546,376)
Total	\$ 140,919,376	\$ 139,270,000	-1.2%	\$ (1,649,376)

Expenses

	2013 Revised	2014 Proposed	% Chg	Impact
Labor	29,559,000	30,298,000	2.5%	739,000
Non Labor	45,633,080	43,691,000	-4.3%	(1,942,080)
Travel	130,000	100,000	-23.1%	(30,000)
Debt Service	-	-	0.0%	-
Depreciation	30,481,909	30,584,000	0.3%	102,091
MUSA	5,540,000	7,588,000	37.0%	2,048,000
Charges by Others	3,922,000	3,985,297	1.6%	63,297
Non Operating Expenses	8,890,810	5,373,000	-39.6%	(3,517,810)
Total Expenses	124,156,799	121,619,297	-2.0%	917,011
Net Profit	\$ 16,762,577	\$ 17,650,703	5.3%	\$ 888,126
Less: Non Cash		-20,012,000		
2014 Proposed Budget		101,607,297		

Total Positions			
2013		2014	
FT	PT/Temp	FT	PT/Temp
256	23	256	23

Impacts -

- SouthCentral Power Project goes into Production
- Plant 2A project continues along with retiring aging infrastructure

Rates

	2012	2013	2014
Residential /kWh	\$61.12	\$65.51	\$72.89

MLP – Capital Program

\$ in thousands

Project Category	2014	2015	2016	2017	2018	2019	Total
Production	18,485	14,605	11,085	3,605	7,905	2,355	58,040
Transmission	1,676	1,715	2,090	1,730	1,765	4,630	13,606
Distribution	11,800	10,927	10,665	10,915	10,540	10,641	65,488
General Plant	3,903	2,538	2,963	3,125	2,065	2,543	17,137
Beluga River Gas Field	20,449	27,362	19,805	12,860	5,479	5,777	91,732
Total	56,313	57,147	46,608	32,235	27,754	25,946	246,003

Funding Source	2014	2015	2016	2017	2018	2019	Total
Equity/Operations	18,514	15,790	16,290	14,748	17,624	15,950	98,916
Revenue Bond/Commercial Pay	11,000	11,000	7,500	1,000	1,000	1,000	32,500
Contribution in Aid of Constructi	6,350	2,995	3,013	3,627	3,651	3,219	22,855
Beluga Contributed	20,449	27,362	19,805	12,860	5,479	5,777	91,732
Total	56,313	57,147	46,608	32,235	27,754	25,946	246,003

2014 Capital Projects –

\$56.3M

■ Plant 2A	\$11M
■ Beluga River Gas Field	\$20.4M
■ Underground Lines	\$5M
■ Distribution Equipment	\$2.4M
■ Plant 2 Projects	\$4.1M
■ Transmission Stations	\$1.1M
■ Meters	\$800k
■ Transformer Services	\$2.2M