

# OVERVIEW

## HOW TO USE THIS BUDGET DOCUMENT

This budget document is designed to provide concise and readable information about the 1991 Budget for Public Utilities. It summarizes anticipated revenues and expenses and displays the major business plans and capital programs for 1991 with forecasts for years 1992-1996.

The document is divided by Utility:

- **Financial Overview** - Provides key summary data for each utility - 1986 through 1996.
- **Business Plans** highlight the utility's mission, goals, objectives and planning assumptions.
- **1991 Budget Assumptions** include benefit rates, inflation factors, interest rates, and intragovernmental charges used in the financial statements.
- **Resource and Workforce Impacts** include projected manning levels.
- **Reconciliations** summarize major programmatic and functional changes from the 1990 revised budget to the 1991 proposed budget.
- **Projected Rate Adjustments** forecast rates for five years with major reasons for those adjustments.
- **Current Year Operating Budgets** summarize anticipated revenues and expenses for 1991 with pro forma comparisons for 1990 and actual data for 1989. Statement of Changes in Fund Equity, Statement of Sources and Uses of Cash, Debt Service Coverage and Net Profit Margin are also included.
- **Annual Operating Budget Expense Comparisons** summarize changes in operating budget expenses such as personnel, professional services, travel, and other expense categories.
- **Current Year Capital Improvement Budgets** summarize projects by category and funding source followed by a detailed report of individual projects.
- **Long-Range Capital Improvement Programs** summarize projects for 1992-96. Details of individual projects give a long-range perspective of capital requirements.

A separate document, the 1991 Fiscal Trends Report, also has information pertaining to Public Utilities.

ANCHORAGE TELEPHONE UTILITY  
1991 Operating Budget  
(\$ in thousands)

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FINANCIAL OVERVIEW	Actual 1985	Actual 1986	Actual 1987	Actual 1988	Actual 1989	Forecast 1990	Forecast 1991	Forecast 1992	Forecast 1993	Forecast 1994	Forecast 1995	Forecast 1996
Revenues	\$123,843	\$117,725	\$104,633	\$98,452	\$101,615	\$98,350	\$92,980	\$95,101	\$93,629	\$99,544	\$102,069	\$103,576
Expenses	\$104,121	\$108,473	\$105,138	\$94,237	\$94,313	\$95,278	\$88,937	\$86,775	\$86,759	\$88,500	\$90,709	\$91,879
Net Income (before Extra. Items)	\$19,722	\$9,252	(\$505)	\$4,215	\$7,302	\$3,072	\$4,043	\$8,326	\$6,870	\$11,044	\$11,360	\$11,697
Extraordinary and/or Unusual Items	\$0	(\$12,042)	\$0	\$0	(\$21,748)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income	\$19,722	(\$2,790)	(\$505)	\$4,215	(\$14,446)	\$3,072	\$4,043	\$8,326	\$6,870	\$11,044	\$11,360	\$11,697
Local Rate Change (%)	n/a	n/a	n/a	20.50%	-11.08%	0.00%	0.00%	15.00%	0.00%	15.00%	0.00%	0.00
Local Rate Change (\$)	n/a	n/a	n/a	\$2,900	(\$2,057)	\$0	\$0	\$3,742	\$0	\$4,466	\$0	\$0
Workforce-Authorized per Budget	959	918	1098	843	686	689	663	663	632	632	632	632
Workforce - Year End (On Board)	871	1047	865	777	657	655	630	630	600	600	600	600
Capital Spending	\$41,129	\$33,369	\$25,866	\$7,891	\$8,288	\$16,613	\$15,030	\$14,043	\$13,805	\$12,639	\$12,271	\$12,899
Cellular	\$0	\$0	\$0	\$877	\$558	\$152	\$202	\$282	\$332	\$327	\$322	\$320
Net Plant	\$201,986	\$216,138	\$224,296	\$215,505	\$202,586	\$203,961	\$203,003	\$200,869	\$198,519	\$193,519	\$189,429	\$183,677
Retained Earnings	\$122,606	\$114,317	\$106,811	\$106,026	\$88,997	\$88,069	\$89,612	\$95,483	\$99,853	\$108,397	\$117,257	\$126,454
Bond Sales	\$0	\$10,000	\$0	\$0	\$0	\$15,000	\$0	\$20,000	\$0	\$15,000	\$0	\$15,000
Bond Redemption Cash	\$13,527	\$16,017	\$16,424	\$18,538	\$19,509	\$22,511	\$23,868	\$25,882	\$25,882	\$27,393	\$27,393	\$28,904
Bond Cash	\$15,231	\$17,773	\$12,459	\$532	\$0	\$0	\$0	\$3,171	\$0	\$155	\$0	\$0
Equity - Gen'l Cash Pool	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Toll Settlement Res.	\$0	\$0	\$0	\$11,107	\$20,028	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capt. Res.	\$64,642	\$54,099	\$35,137	\$27,874	\$24,379	\$16,852	\$6,564	\$13,645	\$8,699	\$17,558	\$15,271	\$24,566
Total Cash	\$93,400	\$87,889	\$64,020	\$58,051	\$63,916	\$39,363	\$30,432	\$42,698	\$34,581	\$45,106	\$42,664	\$53,470
IGC - Gen'l Govt.	\$4,053	\$3,740	\$3,614	\$2,558	\$7,488	\$8,192	\$7,954	\$8,272	\$8,603	\$8,947	\$9,305	\$9,677
Residual Equity Transfer	\$1,570	\$0	\$0	\$1,344	\$309	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utility Revenue Distr.	\$0	\$5,500	\$7,000	\$5,000	\$2,583	\$4,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
MUSA - Dividend	n/a	n/a	n/a	n/a	\$1,096	\$1,052	\$1,010	\$955	\$964	\$938	\$1,012	\$1,030
MUSA - Net Plant	\$1,524	\$1,657	\$2,439	\$3,185	\$3,677	\$3,641	\$3,594	\$3,762	\$3,981	\$4,149	\$4,274	\$4,416
Total MUSA	\$1,524	\$1,657	\$2,439	\$3,185	\$4,773	\$4,693	\$4,604	\$4,717	\$4,945	\$5,087	\$5,286	\$5,446
Rate of Return	14.30%	10.60%	5.50%	7.20%	7.70%	6.45%	6.56%	6.97%	6.17%	7.72%	7.47%	7.13
TOTAL DEBT	\$178,155	\$193,655	\$184,185	\$173,890	\$162,975	\$166,215	\$153,302	\$159,512	\$144,337	\$143,283	\$125,874	\$122,424
Debt service	\$20,484	\$21,660	\$21,972	\$22,027	\$22,159	\$22,926	\$23,861	\$23,862	\$25,872	\$25,876	\$27,371	\$27,491
Debt Service Coverage	2.62	2.05	1.49	1.78	1.84	1.65	1.60	1.71	1.54	1.72	1.68	1.67
Debt/Equity Ratio	59/41	63/37	63/37	62/38	64/36	65/35	63/37	62/38	59/41	57/43	52/48	49/51

## ANCHORAGE WATER UTILITY FINANCIAL OVERVIEW

(\$ Thousands)	1987	1988	1989	1990B	1990P	1991	1992	1993	1994	1995	1996
Revenues	21,304	20,390	24,060	26,454	24,030	23,570	25,353	25,712	29,366	29,416	30,877
Expenses	20,913	20,464	24,076	24,743	25,029	25,677	26,523	27,704	28,598	29,264	30,046
Net Income (Regulatory)	391	(74)	(16)	711	(999)	(2,107)	(1,170)	(1,992)	768	152	831
Workforce	330	312	285	285	285	286	286	285	285	285	285
Net Plant	163,469	165,234	286,900	285,167	288,359	288,810	291,732	288,170	285,952	290,257	284,280
Retained Earnings	19,205	19,131	19,115	19,106	18,116	16,074	15,276	13,784	14,995	15,465	16,650
Total Cash	37,177	22,371	19,657	11,341	15,407	9,811	8,288	11,174	11,656	11,762	11,764
General Cash Pool	8,076	6,840	7,492	6,078	6,307	2,859	1,536	1,088	1,451	1,207	1,360
Capital Spending	54,346	15,735	3,663	14,111	11,273	15,732	8,075	9,630	13,125	2,250	13,275
IGC General Government	875	734	807	1,088	891	1,106	1,161	1,219	1,280	1,344	1,412
Utility Revenue Distribution	0	0	0	0	0	0	0	0	0	0	0
MISA	2,156	2,661	1,265	2,040	1,669	1,760	1,758	1,818	1,843	1,811	1,777
Allowable Reg ROR (weighted)	DSC	DSC	DSC	DSC	DSC	DSC	DSC	DSC	DSC	DSC	DSC
Achieved Regulated ROR	2.65	5.47	6.45	10.00%	8.31%	7.43%	9.82%	8.90%	9.49%	8.97%	9.87%
Debt Service Amount	9,800	9,836	7,789	9,873	8,115	8,635	8,633	8,634	9,119	9,115	10,279
Revenue Bond DSC	1.41	1.76	2.56	2.83	3.09	2.24	2.73	2.39	2.78	2.58	2.67
Overall Debt Coverage	0.97	1.03	1.39	1.26	1.26	1.02	1.25	1.17	1.42	1.24	1.28
Debt/Equity Ratio	84/16	84/16	85/15	83/17	85/15	87/13	87/13	88/12	88/12	87/13	87/13
Personnel Costs											
Salaries	5,056	4,675	5,043	5,245	5,149	5,242	5,530	5,629	5,887	5,977	6,069
Benefits	2,484	2,200	2,484	2,702	2,652	2,640	2,786	2,835	2,966	3,011	3,057
Total	7,540	6,875	7,527	7,947	7,801	7,882	8,316	8,464	8,853	8,988	9,126
\$ Increase Single Family Rate	\$3.95	(\$1.35)	\$5.10	\$0.00	\$0.00	\$0.00	\$2.10	\$0.00	\$3.80	\$0.00	\$1.50
% Rate Increases	25.11%	-6.89%	28.00%	\$0.00%	0.00%	0.00%	9.00%	0.00%	15.00%	0.00%	5.00%
Single Family Rate	\$19.60	\$18.25	\$23.35	\$23.35	\$23.35	\$23.35	\$25.45	\$25.45	\$29.25	\$29.25	\$30.75

(1)

NOTE: (1) DSC/Debt Service Coverage.

ANCHORAGE WASTEWATER UTILITY FINANCIAL OVERVIEW

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(\$ Thousands)	1987	1988	1989	1990B	1990P	1991	1992	1993	1994	1995	1996
Revenues	20,872	19,550	21,067	21,890	20,971	22,169	21,873	25,427	25,704	28,602	28,628
Expenses	22,160	21,496	20,265	20,770	20,780	22,402	23,509	23,838	24,359	24,709	25,205
Net Income	(1,288)	(1,946)	802	1,120	191	(233)	(1,636)	1,589	1,345	3,892	3,424
Workforce (Combined AWWU)	330	312	285	285	285	286	286	285	285	285	285
Net Plant	188,160	221,471	221,319	224,640	236,883	233,963	232,427	232,771	230,039	238,476	235,034
Retained Earnings	1,854	(91)	711	1,127	902	669	(966)	622	1,967	5,859	9,283
Total Cash	23,785	16,466	12,270	8,148	11,034	7,200	3,863	3,152	6,265	4,521	3,676
General Cash Pool	11,126	3,378	3,049	1,526	4,689	5,149	2,791	2,415	1,113	1,454	1,194
Capital Spending	35,420	9,399	9,220	22,799	19,128	12,597	5,497	6,171	5,197	7,295	13,296
IGC General Government	1,014	807	1,089	1,371	1,185	1,425	1,496	1,571	1,650	1,732	1,819
Utility Revenue Distribution	0	0	0	0	0	0	0	0	0	0	0
MUSA	2,082	2,832	1,134	1,151	830	1,030	1,094	1,075	1,055	1,040	1,059
Allowable Reg ROR (weighted)	8.73%	8.73%	8.73%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Achieved Regulated ROR	3.78%	3.49%	8.90%	9.00%	9.31%	6.30%	9.22%	8.26%	9.62%	8.12%	8.94%
Debt Service Amount	11,688	11,470	9,802	11,340	9,448	9,448	9,899	10,333	10,386	10,564	10,688
Revenue Bond DSC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Overall Debt Coverage	1.00	1.00	1.10	1.08	1.00	1.00	1.00	1.00	1.00	1.13	1.07
Debt/Equity Ratio	98/2	100/-0	99/1	98/2	99/1	99/1	101/-1	99/1	97/3	91/9	85/15
Personnel Costs											
Salaries	5,261	4,715	4,624	5,217	4,778	4,995	5,257	5,337	5,596	5,681	5,768
Benefits	2,586	2,219	2,278	2,570	2,461	2,516	2,649	2,689	2,819	2,862	2,906
Total	7,847	6,934	6,902	7,787	7,239	7,511	7,906	8,026	8,415	8,543	8,674
\$ Increase Single Family Rate	\$0.00	\$3.00	\$0.00	\$2.75	\$1.70	\$0.00	\$0.00	\$4.10	\$0.00	\$2.95	\$0.00
% Rate Increases	0%	0%	0.00%	14.50%	9.00%	0.00%	0.00%	20.00%	0.00%	12.00%	0.00%
Single Family Rate	\$15.85	\$18.85	\$18.85	\$21.60	\$20.55	\$20.55	\$20.55	\$24.65	\$24.65	\$27.60	\$27.60

(1)

NOTE: (1) \$3.00 single family rate increase in 1988 was the result of a cost-of-service study. Single family rates increased and commercial rates decreased. Overall revenues to the Utility did not increase.

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## Municipal Light and Power

December 31, 1990

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Revenues	68,112,249	65,989,435	69,231,526	72,417,027	(1) 71,195,000	71,375,000	76,500,000	81,000,000	85,500,000	87,400,000	92,000,000
Expenses	68,102,882	67,152,221	67,767,113	70,779,514	(2) 70,575,000	70,485,300	74,500,000	77,250,000	80,100,000	83,000,000	85,800,000
Extraordinary Item Gain(Loss)	(19,697,578)	1,517,644	19,697,578	2,053,997	810,000	0	0	0	0	0	0
Net Income	(19,688,211)	354,858	21,163,991	3,691,510	1,400,000	889,700	2,000,000	3,750,000	5,400,000	4,400,000	6,200,000
Work Force (Budgeted Positions)	213	203	194	198	203	207	210	212	214	217	220
Net Electric Plant (Excludes Intangible plant)	137,929,804	136,986,325	138,049,627	133,521,840	132,000,000	132,000,000	137,500,000	139,000,000	141,000,000	143,000,000	145,000,000
Retained Earnings	9,406,453	10,128,915	31,735,600	35,874,316	(3) 37,500,000	38,300,000	40,300,000	44,000,000	49,500,000	53,900,000	60,100,000
Equity Gen'l Cash Pool (4)	12,644,725	21,228,933	24,400,348	14,868,763	16,100,000	14,400,000	15,500,000	17,200,000	19,600,000	21,200,000	25,100,000
Equity Bond Cash Pool	34,270,624	29,785,542	30,015,774	32,477,314	26,000,000	25,000,000	20,200,000	20,300,000	20,400,000	20,500,000	20,600,000
Capital Spending	14,809,316	8,769,745	6,305,528	6,307,528	8,500,000	10,500,000	17,000,000	13,500,000	15,000,000	15,000,000	17,000,000
IGC	2,861,084	2,063,400	1,416,650	1,501,000	1,480,000	1,395,000	1,400,000	1,500,000	1,600,000	1,675,000	1,750,000
MUSA	1,024,755	1,479,748	1,787,686	2,754,236	2,000,000	1,900,000	2,200,000	2,300,000	2,340,000	2,380,000	2,425,000
Debt Service Coverage	1.47	1.41	1.57	1.68	1.58	1.68	1.73	1.87	1.99	1.95	2.07
LT Debt/Equity	93.0/7	92.0/8	86.1/13.9	84.3/15.7	83.4/16.6	82.8/17.2	81.8/18.2	80.0/20.0	77.7/22.3	75.6/24.4	73.0/27.0
Debt Service	17,796,854	18,455,674	18,451,988	17,272,388	18,045,949	17,159,395	17,159,712	17,155,252	17,158,863	17,153,244	17,157,645
Personnel Cost	7,793,533	8,543,171	8,293,400	8,565,924	8,500,000	8,380,000	8,290,000	8,415,000	8,600,000	8,780,000	9,000,000
Personnel Benefits	3,795,172	4,322,844	4,243,609	4,211,495	4,300,000	4,050,000	4,000,000	4,050,000	4,125,000	4,200,000	4,320,000
Percent of Rate Increase(permanent only) (5)	13.53	8.45	-0-	-0-	3.23 (1)	.91 (1)	6.3	5.5	4.4	1.0	4.6
Residential Customer (6) charge per 500 kWh	\$35.51	\$41.90	\$41.40	\$47.28	\$45.78	\$45.13	\$47.26	\$49.26	\$50.92	\$51.31	\$53.15

(1) 1990 assumes the Interim 3.23% base rate increase approved effective October 1, 1990 for the last quarter of 1990. Projections for 1991 assume the full 4.14% rate increase requested in July 1990.

(2) Return of 1989 1.25% gross receipts portion of MUSA as required by APUC order.

(3) 1990 and all future years assume no payment of the 1.25% gross receipts portion of MUSA as a dividend.

(4) Equity in bond cash pool in 1990 and 1991 include \$5.1 million for Eklutna purchase. The \$5.1 million for Eklutna was previously included in general cash pool.

(5) Effective permanent rate granted.

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

REFUSE COLLECTIONS UTILITY	ACTUAL 1986	ACTUAL 1987	ACTUAL 1988	ACTUAL 1989	PRO-FORMA 1990	BUDGET 1991	PROJECTED 1992	PROJECTED 1993	PROJECTED 1994	PROJECTED 1995	PROJECTED 1996
Total Revenues	\$5,947,961	\$5,491,750	\$4,941,042	\$5,223,123	\$5,357,300	\$5,516,400	\$5,515,580	\$5,556,780	\$5,587,620	\$5,835,750	\$5,897,370
Salaries & Benefits	\$1,550,071	\$1,452,516	\$1,349,417	\$1,279,508	\$1,370,000	\$1,325,700	\$1,429,500	\$1,393,200	\$1,469,600	\$1,469,600	\$1,537,830
Other Expenses	526,867	218,515	300,206	190,227	269,200	280,475	283,500	294,840	306,630	318,900	331,660
Landfill Fees	969,961	1,335,594	1,680,256	2,004,997	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000	2,025,000
Depreciation	431,540	467,893	464,215	497,970	430,000	430,000	414,000	441,500	467,000	494,000	510,000
MUSA	24,527	32,175	64,933	69,154	65,500	68,800	72,240	75,850	79,650	83,630	87,810
Debt Interest Cost	238,404	238,200	222,946	217,185	209,700	201,300	192,300	182,700	172,200	160,760	148,250
Equipment Costs	486,408	605,980	472,870	406,877	441,900	464,660	473,950	483,430	507,600	517,760	528,110
IGC's From	818,766	627,627	568,629	593,735	662,300	654,010	659,540	665,280	695,150	701,360	707,820
IGC's To	(6,733)	(8,000)	(6,373)	(7,377)	(6,100)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Total Expense	\$5,039,811	\$4,970,500	\$5,117,099	\$5,252,276	\$5,467,500	\$5,424,945	\$5,525,030	\$5,536,800	\$5,697,830	\$5,746,010	\$5,851,480
Extra Ordinary Cost		\$608,285									
Net Income	\$908,150	(\$87,035)	(\$176,057)	(\$29,153)	(\$110,200)	\$91,455	(\$9,450)	\$19,980	(\$110,210)	\$89,740	\$45,890
Capital Improvements	\$415,000	\$2,057,000	\$224,000	\$275,417	\$221,000	\$335,700	\$521,900	\$459,500	\$338,500	\$340,900	\$459,400
Bond Sales		\$3,710,000									
Net Plant (12/31)	\$2,426,439	\$4,013,136	\$3,773,479	\$3,549,439	\$3,340,439	\$3,246,139	\$3,354,039	\$3,372,039	\$3,243,539	\$3,090,439	\$3,039,839
Debt Principle Pmt.	\$25,000	\$0	\$105,000	\$145,000	\$155,000	\$160,000	\$170,000	\$175,000	\$185,000	\$195,000	\$210,000
Utility Revenue Dist.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings (12/31)	\$3,787,566	\$3,700,531	\$3,524,474	\$3,495,321	\$3,385,121	\$3,476,576	\$3,467,126	\$3,487,106	\$3,376,896	\$3,466,636	\$3,512,526
Total Cash (12/31)	\$2,571,541	\$2,833,210	\$2,941,363	\$2,954,920	\$2,898,720	\$2,924,175	\$2,636,825	\$2,463,805	\$2,297,095	\$2,344,935	\$2,231,425
Debt Service Coverage	6.06	4.85	1.79	2.09	1.63	2.20	1.90	2.04	1.75	2.39	2.29
Debt/Equity Ratio	31/69	48/52	50/50	50/50	50/50	50/50	49/51	48/52	47/53	44/56	42/58
Profit Margin	15.27%	-1.58%	-3.76%	-0.56%	-2.06%	1.66%	-0.17%	0.36%	-1.97%	1.54%	0.78%
Budgeted Positions	28(FT)/2(T)	28(FT)/2(T)	26(FT)/3(T)	24(FT)/1(T)	23(FT)/2(T)	23(FT)/2(T)	23(FT)/2(T)	23(FT)/2(T)	23(FT)/2(T)	23(FT)/2(T)	23(FT)/2(T)
Tons Collected	46,153	43,961	43,083	44,524	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Rate Change Percent	15.00%			5.10%	8.15%				5.00%		
Residential Cost/month	\$13.60			\$14.30	\$15.00				\$15.75		
Comerc'l (3yd-1x/wk)/mo.	\$43.30			\$45.50	\$50.50				\$53.03		

22-Jan-91

SOLID WASTE DISPOSAL UTILITY	ACTUAL 1986	ACTUAL 1987	ACTUAL 1988	ACTUAL 1989	PRO-FORMA 1990	PROJECTED 1991	PROJECTED 1992	PROJECTED 1993	PROJECTED 1994	PROJECTED 1995	PROJECTED 1996
Total Revenues	\$6,153,157	\$7,586,265	\$8,434,722	\$10,335,565	\$10,605,800	\$10,909,700	\$11,014,450	\$11,120,250	\$11,227,100	\$11,335,020	\$11,444,020
Salaries & Benefits	\$2,473,926	\$1,148,658	\$1,966,344	\$1,979,100	\$2,076,300	\$2,000,750	\$2,112,350	\$2,073,780	\$2,163,210	\$2,163,210	\$2,271,370
Other Expenses	2,435,181	1,303,306	1,175,354	1,588,035	2,422,580	2,532,375	2,600,230	2,748,240	2,760,690	2,843,510	2,651,990
Depreciation	687,473	699,372	1,312,500	1,381,314	1,475,000	1,643,000	1,899,430	2,077,080	2,045,460	2,100,520	2,253,830
MUSA	0	0	0	419,252	404,100	474,700	495,630	515,270	535,850	557,400	579,980
Debt Interest Cost	1,191,714	1,973,901	1,961,303	2,037,184	2,134,600	2,122,300	2,244,260	2,151,140	2,093,990	2,345,770	2,229,940
Equipment Costs	502,703	346,904	708,077	837,499	913,600	960,670	979,890	999,490	1,039,470	1,060,260	1,081,470
Landfill Closure Costs	0	0	0	2,779,382	480,000	498,800	513,770	529,180	545,050	561,400	578,240
IGC's From	544,148	623,056	613,304	582,948	704,600	720,210	725,880	731,730	764,300	770,500	776,900
IGC's To	(117,824)	(136,845)	(141,975)	(147,309)	(199,200)	(183,100)	(187,450)	(191,930)	(196,550)	(201,300)	(206,200)
Total Expense	7,717,321	5,958,352	7,594,907	11,457,405	10,411,580	10,769,705	11,383,990	11,633,980	11,751,470	12,201,270	12,217,520
Net Income Govt.	(1,564,164)	1,627,913	839,815	(1,121,840)	194,220	139,995	(369,540)	(513,730)	(524,370)	(866,250)	(773,500)
Amortization Contributions	46,514	100,479	113,275	138,490	140,000	140,000	140,130	132,630	132,630	131,730	131,730
Net Income Reg.	(\$1,517,650)	\$1,728,392	\$953,090	(\$983,350)	\$334,220	\$279,995	(\$229,410)	(\$381,100)	(\$391,740)	(\$734,520)	(\$641,770)
Capital Improvements	\$18,000	\$23,806,000	\$1,218,255	\$1,005,601	\$6,033,000	\$7,672,900	\$2,360,800	\$920,700	\$7,583,100	\$958,800	\$1,206,000
Bond Sales	\$18,000,000	\$0	\$700,000	\$3,916,180	\$0	\$7,000,000	\$1,500,000	\$0	\$6,500,000	\$0	\$0
Grants Awarded	\$415,500		\$284,450		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Plant (12/31)	\$3,808,690	\$26,728,743	\$26,525,927	\$28,517,885	\$33,075,885	\$39,105,785	\$39,567,155	\$38,410,775	\$43,948,415	\$42,806,695	\$41,758,865
Debt Principle Pmt.	\$968,623	\$550,000	\$550,000	\$600,000	\$640,000	\$765,000	\$700,000	\$897,500	\$622,500	\$672,500	\$820,000
Utility Revenue Dist	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings (12/31)	\$2,931,857	\$4,660,248	\$5,645,798	\$4,662,448	\$4,996,668	\$5,276,663	\$5,047,253	\$4,666,153	\$4,274,413	\$3,539,893	\$2,898,123
Total Cash (12/31)	\$23,957,839	\$7,254,176	\$6,503,798	\$9,193,396	\$4,189,616	\$4,534,711	\$4,503,801	\$4,248,951	\$4,064,441	\$3,667,411	\$3,121,741
Revenue Bond Coverage	N.A.	N.A.	N.A.	8.12	6.85	7.25	6.63	6.68	6.56	5.80	6.57
Debt/Equity Ratio	83/17	74/26	71/29	74/26	75/25	77/23	77/23	77/23	80/20	80/20	81/19
Profit Margin	-25.42%	21.46%	9.96%	-10.85%	1.83%	1.28%	-3.36%	-4.62%	-4.67%	-7.64%	-6.76%
Budgeted Positions	40(FT)/10(T)	38(FT)/10(T)	34(FT)/11(T)	34(FT)/8(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)
Tons Disposed	246,729	220,698	222,222	230,936	239,991	249,401	251,895	254,414	256,958	259,528	262,123
Rate Change Percent		57.14%	18.18%	15.38%							
User Rate/Ton		\$33.00	\$39.00	\$45.00							
Pickup Rate		\$5.00	\$5.00	\$5.00							
Car Rate		\$5.00	\$5.00	\$5.00							



PORT OF ANCHORAGE

		1986	1987	1988	1989	1990 PRO- FORMA	1991 PROPOSED	1992 EST	1993 EST	1994 EST	1995 EST	1996 EST	NOTES
Revenues	(000)	\$7,843	\$7,644	\$7,285	\$7,941	\$7,806	\$7,864	\$7,835	\$8,136	\$8,520	\$8,859	\$9,479	
Expenses	(000)	\$5,917	\$6,171	\$5,326	\$5,589	\$5,674	\$6,009	\$6,392	\$6,532	\$6,530	\$6,566	\$6,595	
Extraordinary Item	(000)	\$0	\$403	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Income	(000)	\$1,926	\$1,070	\$1,959	\$2,352	\$2,132	\$1,855	\$1,443	\$1,604	\$1,990	\$2,293	\$2,884	(a)
Workforce		18	19	19	21	21	21	21	21	21	21	21	
Salaries	(000)	\$599	\$664	\$702	\$760	\$827	\$838	\$863	\$889	\$916	\$943	\$971	
Benefits	(000)	\$270	\$327	\$326	\$360	\$418	\$370	\$381	\$393	\$404	\$416	\$429	
Total	(000)	\$869	\$991	\$1,028	\$1,120	\$1,245	\$1,208	\$1,244	\$1,282	\$1,320	\$1,360	\$1,400	
Total Cash	(000)	42,692	26,053	24,361	21,648	13,952	5,202	5,954	5,792	5,953	6,581	10,005	(b)
Revenue Distribution	(000)	-0-	-0-	-0-	1,000	178	178	-0-	-0-	-0-	-0-	-0-	
Retained Earnings	(000)	23,875	24,729	27,173	29,017	31,412	33,756	35,718	37,836	40,340	43,178	46,607	
Net Plant	(000)	24,079	25,619	25,027	30,352	39,345	56,905	63,887	69,864	78,372	82,381	85,766	
Rate of Return		8.31%	7.56%	6.66%	6.55%	5.74%	4.66%	4.25%	4.33%	4.23%	4.32%	4.74%	
Capital Spending	(000)	2,685	7,121	3,800	1,406	10,297	19,008	8,710	7,705	10,240	5,775	5,160	
Bond Sales	(000)	-0-	-0-	-0-	1,000	1,000	10,600	3,000	4,500	8,000	3,500	5,000	
Debt - Gen Obligation	(000)	9,925	8,679	7,413	6,067	4,661	3,782	2,818	1,836	1,138	700	432	
Debt - Revenue	(000)	27,190	18,870	17,360	16,635	16,170	20,770	21,130	22,450	27,200	29,850	33,950	
Debt Total	(000)	37,115	27,549	24,773	22,702	20,831	24,552	23,948	24,286	28,338	30,550	34,382	
Debt Service Amount	(000)	2,354	2,565	1,914	1,916	1,914	2,166	2,456	2,624	2,637	2,679	2,710	
Debt Service Coverage		2.63	2.18	2.54	2.85	2.70	2.41	2.07	2.01	2.11	2.16	2.32	
Debt/Equity Ratio		47/53	37/63	34/66	29/71	24/76	22/78	20/80	19/81	20/80	20/80	21/79	
Tonnage	(000)	1,620	1,743	1,906	2,308	2,751	3,209	3,712	4,210	4,669	5,043	5,290	
Revenue/Ton		\$2.75	\$2.72	\$2.57	\$2.30	\$2.07	\$1.95	\$1.80	\$1.68	\$1.61	\$1.56	\$1.61	(c)
Preferential Use Rates		19.25%	-0-	-0-	-0-	-0-	(6.0%)	-0-	-0-	-0-	-0-	10.00%	(d)
IGC - Gen Gov't		145,140	182,425	198,367	225,366	248,000	257,400	265,000	270,000	275,000	280,000	285,000	

PORT OF ANCHORAGE

- (a) 1991-1993 reduction in non-operating revenues as a result of a decrease of interest income on funds previously on deposit being expended in the 1990-1991 Capital Improvement Program contributes significantly to the reduction in 1991-1993 Net Income.
- (b) Decrease in total cash, 1989-1991, due to expenditures on 1990-1991 Capital Improvement Program.
- (c) The increasing petroleum portion of total tonnage causes the rate per ton to decrease.
- (d) Decrease in 1991 FUA rates is offset by increased revenues from Port Industrial Park leases and the new long term lease of Transit Area "D". The net effect is that total combined revenues, from both leases and preferential use agreements, will increase 3.3% through a combined 1,000,000 tons shipped by TOTE and SeaLand. Above 1,000,000 tons, revenues will increase due to higher tonnage volume.

**MERRILL FIELD AIRPORT**  
Additional Financial Data  
(Dollars In Thousands)

Description	1986 Actual	1987 Actual	1988 Actual	1989 Actual	1990 Pro-Forma	1991 Approved	1992 Projected	1993 Projected	1994 Projected	1995 Projected	1996 Projected
Total Revenues	781	872	1,049	1,092	1,144	1,181	1,234	1,324	1,442	1,532	1,605
Less: Total Expenses	957	992	1,484	1,631	1,819	1,870	2,009	2,086	2,196	2,274	2,336
Income (Loss) Governmental <sup>a</sup>	-176	-120	-435	-539	-675	-689	-775	-762	-754	-742	-731
Plus: Depr Contrib Plant	266	288	637	718	727	740	859	871	887	902	925
Net Income Regulatory <sup>b</sup>	90	168	202	179	52	51	84	109	133	160	194
Salary Expense	320	303	341	360	455	456	468	524	544	570	603
Fringe Benefits	137	159	176	165	209	181	183	216	225	238	253
Total Personnel Costs <sup>c</sup>	457	462	517	525	664	637	651	740	769	808	856
Intragovernmental Charges <sup>d</sup>	81	83	57	62	81	90	92	96	99	103	108
Retained Earnings <sup>e</sup>	1,490	1,658	1,859	2,039	1,364	675	738	789	816	873	936
Total Cash <sup>f</sup>	-2,415	-268	218	334	355	297	351	419	510	628	780
Rate Increase Revenue	29	7	-0-	-0-	28	-0-	51	14	14	14	14
Rate Increase Percent	8.0%	3.7%	-0-	-0-	7.1%	-0-	*	3.2%	3.1%	3.0%	2.9%
* Lease/Access Fees = 3.3%    Transient Parking = 33.3%    Permanent Parking = 11.3%											
Workforce, End of Year <sup>g</sup>	9	8	9	9	9	9	9	10	10	10	10
Capital Spending	6,696	4,241	2,441	822	791	982	1,068	842	1,066	1,230	1,270
Net Plant In Service	13,039	15,101	26,960	26,946	26,921	27,071	27,174	27,038	27,108	27,325	27,556
Debt Service Amount <sup>h</sup>	5	5	5	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service Coverage	26.28	29.76	1.25	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt/Equity Ratio	.1%	.1%	.1%	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

See Accompanying Document for Footnotes

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FOOTNOTES FOR ACCOMPANYING DOCUMENT

- a While revenues are expected to increase as Anchorage recovers from the recession, expenses will initially increase at a higher rate due to Depreciation Expense on those capital improvements completed in the mid-1980's and then level off as we acquire land which is not depreciated. Revenues will eventually gain ground, if the proposed rate increases are approved, and our Income (Loss) For Governmental Reporting will begin to improve in the early 1990's.
- b After considerable fluctuations in the late 1980's because of Depreciation on Contributed Plant, we anticipate Net Income Regulatory will return to a gradual increase in the 1990's.
- c We anticipate reduced wage and benefit increases until 1993 when a significant increase will occur as we add another Maintenance employee. Note that 1986-89 do not include Annual Leave Taken but in 1990-96 it has been included.
- d In 1988 we secured an agreement with FAA to pay a portion of our IGC expenses as Direct Administrative Charges for grant administration, causing the reduction in that year. Otherwise, we anticipate gradual increases in Intragovernmental Charges will continue into the 1990's.
- e During 1990 and 1991 non-FAA grant eligible capital expenditures will cause a reduction in Retained Earnings but gradual increases should return in the mid-1990's.
- f FAA requires we purchase land at our expense, submit a grant application for the exact known amount and reimburse ourselves after the grant is received. During 1986 & 1987 it was necessary for the Airport to borrow funds from the Municipal Cash Pool to accomplish this objective, leaving a deficit balance during those years.
- g In 1987 we did not fill the position of Operations Engineer but waited until early 1988. In 1993 we anticipate hiring another Maintenance employee because of increased demand for maintenance of airport equipment and facilities.
- h During 1989 we paid the final installment on our 1969 General Obligation Bonds, leaving no long-term debt for future years.