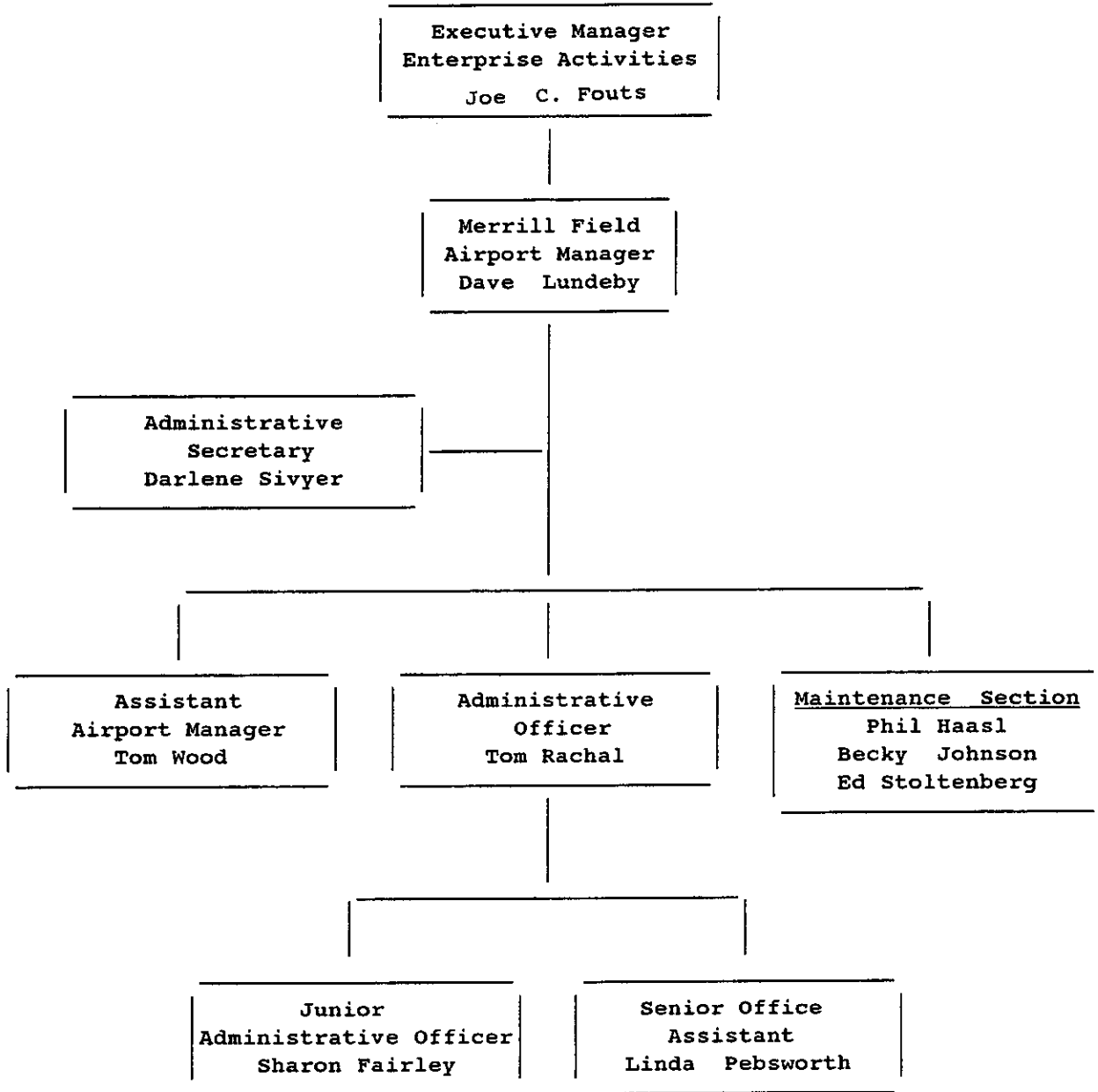


MERRILL FIELD AIRPORT

MERRILL FIELD AIRPORT
Organization Chart



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MERRILL FIELD AIRPORT UTILITY PROFILE

ORGANIZATION

Six staff members manage all operational and financial affairs of Merrill Field. Three maintenance personnel are responsible for maintenance of the operating surfaces of the airport - runways, taxiways, roads and aircraft tiedown areas that are not on leased property - including snow removal, sanding, resurfacing, and maintenance of the 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 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.

A Public Aviation Facility is planned for Merrill Field. It will contain passenger related facilities such as: flight planning space, an aviation theme restaurant, lounge, lobbies, waiting areas, concessions, restrooms and other functional areas necessary to provide for passenger and visitor convenience.

SERVICE

Merrill Field serves as the general aviation link between all Southcentral Alaska communities, including the rural areas, and Anchorage. Intrastate air traffic to and from Anchorage is increasing. Kenai alone sends 55,000 passengers a year to Anchorage; most 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; hanger 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 (APUC). 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, American 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
- 1,434 tiedown spaces; leaseholders have 744; Municipality has 632 plus 58 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

Sixty-fourth Busiest Airport in Nation -

- Located one mile from downtown Anchorage
- Hub for intrastate travel
- 225,713 flight operations in Federal Year 1992
- 8,998 general aviation aircraft in Alaska; 943 based at Merrill Field
- 5,464 private pilots in Alaska; 2,618 reside in Anchorage

Economic Stimulus -

- 24 leaseholders lease 2,774,102 square feet
- 32 fair market value rental properties
- 62 aviation related businesses operate at Merrill Field
- 1,217 transient aircraft stayed a total of 4,553 days last year
- 800,956 gallons of fuel were sold in 1992

Net Airport Plant is \$32,408,754

MERRILL FIELD AIRPORT
 WORK FORCE PROJECTION

<u>CATEGORY</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</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	2	2	3	3	3	3	3
Light Equipment Operator	1	1	1	1	1	1	1
Heavy Equip Operator (Temp)	2	2	2	2	2	2	2
Airport Maint Assts (Temp)	4	4	4	4	4	4	4
Public Aviation Facility	0	[To Be Determined -----]					

Total (Permanent)	9	9	10	10	10	10	10
Total (Temporary)	6	6	6	6	6	6	6

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Merrill Field Airport

1994

Operating Budget

MERRILL FIELD AIRPORT
Reconciliation of 1993 Budget to 1993 Pro-Forma (000)

	<u>1993</u> <u>BUDGET</u>	<u>1993</u> <u>PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	<u>1,547</u>	<u>1,552</u>	<u>5</u>
OPERATING EXPENSE			
Labor	744	708	(36) ^a
Supplies	65	65	-0-
Charges To Others	(105)	(105)	-0-
Charges From Others	90	80	(10)
Other Services	241	198	(43) ^b
Other Expenses	<u>960</u>	<u>986</u>	<u>26</u> ^c
SUBTOTAL	<u>1,995</u>	<u>1,932</u>	<u>(63)</u>
NON-OPERATING REVENUE	<u>459</u>	<u>403</u>	<u>(56)</u> ^d
NON-OPERATING EXPENSE	-0-	-0-	-0-
NET INCOME (REGULATORY)	<u>11</u>	<u>23</u>	<u>12</u>
ADJUSTMENTS FOR GAAP	(845)	(845)	-0-
NET INCOME (LOSS) GAAP	<u>(834)</u>	<u>(822)</u>	<u>12</u>

Explanation of Significant Variances:

- ^a Reduction made possible by labor group concessions.
- ^b Savings on professional services and insurance.
- ^c Increased depreciation expense.
- ^d Less than anticipated Orca Street revenues.

MERRILL FIELD AIRPORT
Reconciliation of 1993 Pro-Forma To 1994 Budget (000)

	<u>1993</u> <u>PRO-FORMA</u>	<u>1994</u> <u>BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	<u>1,552</u>	<u>1,612</u>	<u>60</u> ^a
OPERATING EXPENSE			
Labor	708	648	(60) ^b
Supplies	65	70	5
Charges To Others	(105)	(85)	20 ^c
Charges From Others	80	80	-0-
Other Services	198	220	22 ^d
Other Expenses	986	1,054	68 ^e
SUBTOTAL	<u>1,932</u>	<u>1,987</u>	<u>55</u>
NON-OPERATING REVENUE	<u>403</u>	<u>430</u>	<u>27</u> ^f
NON-OPERATING EXPENSE	-0-	-0-	-0-
NET INCOME (REGULATORY)	<u>23</u>	<u>55</u>	<u>32</u>
ADJUSTMENTS FOR GAAP	(845)	(900)	(55)
NET INCOME (LOSS) GAAP	<u>(822)</u>	<u>(845)</u>	<u>(23)</u>

Explanation of Significant Variances:

- ^a Increased Contributed Depreciation Expense.
- ^b Environmental Manager position eliminated.
- ^c Environmental Manager position no longer chargeable to others.
- ^d Increased Public Utilities and Orca Street maintenance.
- ^e Increased Total Depreciation Expense.
- ^f Increased Medevac Taxiway revenue and Interest Income.

MERRILL FIELD AIRPORT
Statement of Revenues and Expenses

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
OPERATING REVENUE			
Lease Fees	411,497	417,000	417,000
MOA Aviation Fuel Fees	43,172	45,000	47,000
Transient Parking Fees	14,485	15,000	15,000
Permanent Parking Fees	194,695	230,000	233,000
Contributed Depreciation	<u>796,971</u>	<u>845,000</u>	<u>900,000</u>
TOTAL OPERATING REVENUE	1,460,820	1,552,000	1,612,000
OPERATING EXPENSE			
Labor	633,403	708,000	648,000
Supplies	68,715	65,000	70,000
Charges To Others	(91,810)	(105,000)	(85,000)
Charges From Others	61,518	80,000	80,000
Other Services	149,463	198,000	220,000
Other Expenses	<u>918,400</u>	<u>986,000</u>	<u>1,054,000</u>
TOTAL OPERATING EXPENSE	1,739,689	1,932,000	1,987,000
OPERATING INCOME (LOSS)	<u>(278,869)</u>	<u>(380,000)</u>	<u>(375,000)</u>
NON-OPERATING REVENUE			
Miscellaneous Permits	27,088	30,000	34,000
SOA Aviation Fuel Fees	19,805	20,000	20,000
Airport Property Rental	269,614	275,000	282,000
Interest Income	7,148	2,000	30,000
FAA Service Fees	23,389	20,000	20,000
Other Revenue	<u>58,860</u>	<u>56,000</u>	<u>44,000</u>
TOTAL NON-OPERATING REVENUE	405,904	403,000	430,000
NON-OPERATING EXPENSE			
TOTAL NON-OPERATING EXPENSE	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NON-OPERATING INCOME	<u>405,904</u>	<u>403,000</u>	<u>430,000</u>
NET INCOME (REGULATORY)	<u>127,035</u>	<u>23,000</u>	<u>55,000</u>
ADJUSTMENTS FOR GAAP	(796,971)	(845,000)	(900,000)
NET INCOME (LOSS) GAAP	<u>(669,936)</u>	<u>(822,000)</u>	<u>(845,000)</u>

MERRILL FIELD AIRPORT
Statement of Sources and Uses of Cash Funds

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
SOURCES OF CASH FUNDS:			
Net Income (Loss) GAAP	(669,936)	(822,000)	(845,000)
Total Depreciation	903,214	960,000	1,025,000
Grants	2,213,000	2,450,000	2,025,000
Bonds	-0-	-0-	-0-
Net Effect of Changes in Balance Sheet Which Affect Cash	<u>167,970</u>	<u>152,000</u>	<u>155,000</u>
TOTAL SOURCES OF CASH FUNDS	2,614,248	2,740,000	2,360,000
USES OF CASH FUNDS:			
Additions to Plant	3,968,609	1,250,000	2,300,000
Bond Principal Payment	-0-	-0-	-0-
Other	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL USES OF CASH FUNDS	3,968,609	1,250,000	2,300,000
NET INCREASE (DECREASE) IN CASH FUNDS	<u>(1,354,361)</u>	<u>1,490,000</u>	<u>60,000</u>
CASH BALANCE, JANUARY 1,	313,867	(1,040,000)	450,000
CASH BALANCE, DECEMBER 31,	<u>(1,040,494)</u>	<u>450,000</u>	<u>510,000</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	(3,085,731)	(3,063,000)	(3,008,000)
Equity In Construction Cash Pool	2,045,237	3,513,000	3,518,000
Bond Redemption Cash	-0-	-0-	-0-
TOTAL CASH, DECEMBER 31,	<u>(1,040,494)</u>	<u>450,000</u>	<u>510,000</u>

MERRILL FIELD AIRPORT
1994 OPERATING BUDGET DETAIL

	1992 ACTUAL	1993 PRO-FORMA	1994 BUDGET
Labor			
Wages	415,714	458,000	416,000
Overtime	21,083	25,000	25,000
Benefits	196,289	224,000	206,000
Other	317	1,000	1,000
Subtotal	<u>633,403</u>	<u>708,000</u>	<u>648,000</u>
Supplies			
Office Supplies	3,587	5,000	6,000
Operating Supplies	34,932	35,000	37,000
Repair & Maint Supplies	30,196	25,000	27,000
Subtotal	<u>68,715</u>	<u>65,000</u>	<u>70,000</u>
Intragovernmental Charges			
Charges To Others	(91,810)	(105,000)	(85,000)
Charges From Others	61,518	80,000	80,000
Subtotal	<u>(30,292)</u>	<u>(25,000)</u>	<u>(5,000)</u>
Other Services			
Professional Services	11,051	18,000	23,000
Other Contractual Services	27,946	55,000	67,000
Utilities	110,466	125,000	130,000
Subtotal	<u>149,463</u>	<u>198,000</u>	<u>220,000</u>
Other Expenses			
Total Depreciation	903,214	960,000	1,025,000
Other	15,186	26,000	29,000
Subtotal	<u>918,400</u>	<u>986,000</u>	<u>1,054,000</u>
TOTAL EXPENSES	<u><u>1,739,689</u></u>	<u><u>1,932,000</u></u>	<u><u>1,987,000</u></u>

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Merrill Field Airport

1994 - 1999

**Capital Improvement
Budget/Program**

MERRILL FIELD AIRPORT
1994-1999 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY (000)

<u>PROJECT CATEGORY</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
Apron Improvements	1,500	350	---	---	980	---	2,830
Runways/Taxiways	---	---	---	700	---	950	1,650
Buildings & Equipment	5,126	5,800	---	---	---	---	10,926
Land Improvements	---	---	20	---	---	---	20
Land Acquisition	<u>500</u>	<u>1,500</u>	<u>500</u>	<u>500</u>	<u>---</u>	<u>---</u>	<u>3,000</u>
TOTAL CIP PROGRAM	<u>7,126</u>	<u>7,650</u>	<u>520</u>	<u>1,200</u>	<u>980</u>	<u>950</u>	<u>18,426</u>

<u>SOURCE OF FUNDING</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
Revenue Bonds	---	---	---	---	---	---	---
General Bonds	---	---	---	---	---	---	---
Operations	213	116	51	75	61	59	575
State Grants	4,850	---	---	---	---	---	4,850
Federal Grants	<u>2,063</u>	<u>7,534</u>	<u>469</u>	<u>1,125</u>	<u>919</u>	<u>891</u>	<u>13,001</u>
TOTAL FUNDING	<u>7,126</u>	<u>7,650</u>	<u>520</u>	<u>1,200</u>	<u>980</u>	<u>950</u>	<u>18,426</u>