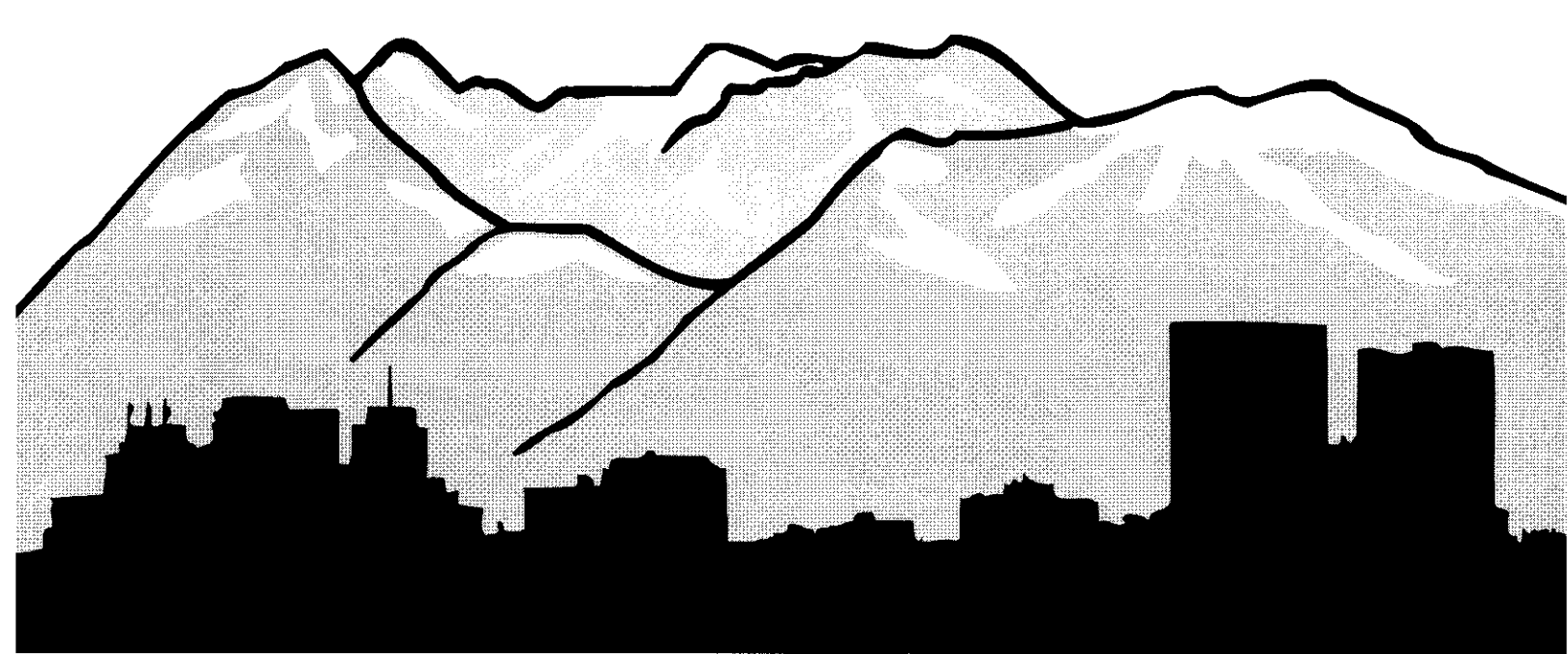


Municipality of Anchorage

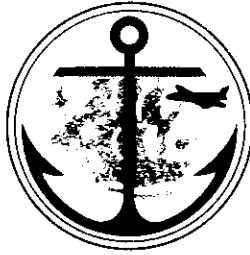


Tom Fink
Mayor



1994 Approved Public Utilities Operating and Capital Budgets

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
TELEPHONE: (907) 343-4431
FAX: (907) 343-4991

Tom Fink, Mayor

OFFICE OF THE MAYOR

December 20, 1993

Dear Residents of Anchorage:

Enclosed is the Approved 1994 Public Utilities Operating and Capital Improvement Budget and 1994-1999 Capital Improvement Program for all Municipal Utilities, except the Anchorage Telephone Utility (ATU).

The Approved 1994 Public Utilities Operating Budget document has been designed to provide detailed information on the revenue, expenditure, net income and rate structure of each of the Municipal Utilities. The operating budget and the capital budget/program represent the fiscal plan for the operation of our utilities during 1994 and into the outyears. Furthermore, this budget document contains no overall rate increases while preserving the financial integrity and the operational effectiveness of each utility. In the case of Municipal Light and Power, favorable fuel costs in 1993 will actually lead to a net decrease in customers' overall rate for 1994.

Assembly action on November 30, 1993 added \$132,000 to the original Utility appropriations for support of the Anchorage Economic Development Corporation (AEDC). Additionally, the Assembly added \$1,984,000 to AWWU's capital budget for support of the Old Girdwood Sewer project and Jewel Mine LID.

Each utility prepared its plan from the lowest organization level upward, following consistent planning assumptions and guidelines provided. The administrative review process was comprehensive and included a detailed review of each Utility's financial plan as well as their operating and capital budget.

The Utilities continue to be managed in a cost-effective manner. Each of the Utility managers is committed to providing the best possible service at the most reasonable rates. Customers are of primary concern to the Utilities and in 1994 the focus continues to be on providing quality service and maintaining the most reasonable rates.

Sincerely,

A handwritten signature in black ink that reads "Tom Fink". The signature is written in a cursive, slightly slanted style.

Tom Fink
Mayor

CLERK'S OFFICE
AMENDED AND APPROVED

Date: 11-30-93

Voted 12/7/93

Overridden 12/7/93

Submitted by: Chairman of the Assembly at
the Request of the Mayor

Prepared by: Office of Management and
Budget

For Reading: October 12, 1993

ANCHORAGE, ALASKA
AO NO. 93-181 (As Amended)

AN ORDINANCE ADOPTING AND APPROPRIATING FUNDS FOR THE 1994 PUBLIC UTILITIES
OPERATING AND CAPITAL BUDGETS FOR THE MUNICIPALITY OF ANCHORAGE

WHEREAS, the Mayor has presented his recommended 1994 Public Utilities Operating Budget and Capital Improvement Budget for the Municipality of Anchorage to the Assembly in accordance with Article XIII of the Municipal Charter; and

WHEREAS, the Assembly reviewed the budgets as presented; and

WHEREAS, on November 9 and November 16, 1993 duly advertised public hearings were held in accordance with Article XIII, Section 13.04 of the Municipal Charter; and

WHEREAS, the 1994 funds are now ready for appropriation by ordinance.

NOW, THEREFORE, the Assembly hereby ordains:

Section 1. That the 1994 Public Utilities Operating and Capital Improvement Budgets are hereby adopted for the Municipality of Anchorage.

Section 2. The 1994 appropriations for Utility Operating Budgets are:

Fund No.		As Proposed Appropriation	Assembly Addition AEDC	Amount
0530	Municipal Light and Power	\$ 70,012,000	\$ 54,000	\$ 70,066,000
0540	Anchorage Water Utility	31,535,000	10,000	31,545,000
0550	Anchorage Wastewater Utility	28,160,000	10,000	28,170,000
0560	Refuse Collection	5,565,840	15,000	5,580,840
0562	Solid Waste Disposal	11,615,690	15,000	11,630,690
0570	Port of Anchorage	6,718,000	28,000	6,746,000
0580	Merrill Field	2,072,000	0	2,072,000
	Total Utility Operating Funds	<u>\$155,678,530</u>	<u>\$ 132,000</u>	<u>\$155,810,530</u>

Submitted by: Chairman of the Assembly at
the Request of the Mayor
Prepared by: Office of Management and
Budget
For Reading: October 12, 1993

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 11-30-93

Voted 12-7-93
Overridden 12-7-93

ANCHORAGE, ALASKA
AR NO. 93- 310

A RESOLUTION ADOPTING THE 1994-1999 PUBLIC UTILITIES CAPITAL IMPROVEMENT PROGRAM

WHEREAS, the Assembly has reviewed the 1994-1999 Public Utilities
Capital Improvement Program submitted by the Mayor; and


WHEREAS, on November 9 and November 16, 1993 duly advertised public
hearings were held on the 1994-1999 Public Utilities Capital Improvement Program.

NOW, THEREFORE, the Assembly hereby resolves:

Section 1. That the 1994-1999 Public Utilities Capital Improvement
Program, as summarized on the attached table, is hereby adopted.

Section 2. That this resolution shall become effective immediately
upon approval.

PASSED AND APPROVED by the Anchorage Assembly this 30th day of
November, 1993.


Chairperson

ATTEST:


Municipal Clerk

assembly\ardm04

**1994-1999 PUBLIC UTILITIES
PROPOSED CAPITAL IMPROVEMENT PROGRAM BY UTILITY
(As Amended)
(000's)**

<u>Title</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
Municipal Light and Power	\$16,986	\$18,426	\$20,429	\$20,933	\$22,792	\$23,909	\$123,475
Anchorage Water Utility	18,143	21,247	10,936	11,779	6,464	2,246	70,815
Anchorage Wastewater Utility	11,011	15,367	9,464	9,224	3,294	2,106	50,466
Refuse Collection	173	178	673	387	212	415	2,038
Solid Waste Disposal	11,894	1,484	1,126	727	4,552	1,186	20,969
Port of Anchorage	16,608	1,964	5,132	6,160	6,520	3,000	39,384
Merrill Field Airport	7,126	7,650	520	1,200	980	950	18,426
TOTAL	\$81,941	\$66,316	\$48,280	\$50,410	\$44,814	\$33,812	\$325,573

*Oversight - unanimous
12/7*

MUNICIPALITY OF ANCHORAGE

CLERK'S OFFICE

Dec 7 3 23 PM '93

MEMORANDUM

DATE: December 7, 1993
TO: Municipal Clerk for Assembly
FROM: Mayor Tom Fink *Tom Fink*
SUBJECT: Line Item Veto of Assembly Action Amending AO 93-181 - An Ordinance Adopting and Appropriating Funds for the 1994 Public Utilities Operating Budgets for the Municipality of Anchorage

I hereby line item veto the Assembly appropriations amending AO 93-181, attached, made on November 30, 1993 to each of the following Public Utility Operating Budgets for 1994:

<u>Fund</u>	<u>Utility</u>
0530	Municipal Light and Power
0540	Anchorage Water Utility
0550	Anchorage Wastewater Utility
0560	Refuse Collection
0562	Solid Waste Disposal
0570	Port of Anchorage

Anchorage Economic Development Corporation (AEDC) is a private, non-profit organization which has been provided start-up capital by the Municipal utilities for six consecutive years. The corporation should stand on its own from private sector dollars.

The \$132,000 added by the Assembly to the Utilities budgets is enormously greater than that contributed by non-Municipal utilities. Namely, in 1993 Chugach Electric contributed \$2,000 to AEDC while Enstar contributed only \$4,500. The AEDC contribution from Municipal utilities is clearly inequitable.

Since 1989, General Government has contributed \$910,000 to AEDC, while Municipal Utilities have contributed \$1,090,000, not including the 1994 contributions just approved by the Assembly. This annual subsidy of a private, non-profit organization represents an undue burden on Municipal utility ratepayers and it should be eliminated.

util\vetol

*Overridden - unanimous
12/7*

MUNICIPALITY OF ANCHORAGE CLERK'S OFFICE
MEMORANDUM Dec 7 3 25 PM '93

DATE: December 7, 1993
TO: Municipal Clerk for Assembly
FROM: Mayor Tom Fink *Tom Fink*
SUBJECT: Line Item Veto of Assembly Action Amending AO 93-181, and AR 93-310, Adopting and Appropriating Funds for the 1994 Public Utilities Capital Budget and 1994-1999 Capital Improvement Program

1 I hereby line item veto the Assembly action of November 30, 1993 amending
2 AO 93-181 and AR 93-310, attached, the 1994 Public Utilities Capital Budgets and
3 1994-1999 Capital Improvement Program for the Municipality of Anchorage by
4 providing for an additional \$1,074,000 for Jewel Mine LID. This veto is in
5 accordance with current policy regarding assessment districts which is documented
6 in AIM 264-93. In general, my policy requires districts to be offered a petition
7 based on the full cost of the project, and not to include in the petition any
8 amount of grant subsidy.

9
10 As a long-standing policy, AWWU has not pursued direct State appropriations to
11 subsidize assessment districts. I have vetoed the Jewel Mine LID because it is
12 a newly requested assessment district which does not fall within the assessment
13 district policy guidelines I have set. Old Girdwood Sewer, on the other hand,
14 will not be vetoed because this project has already received a 1993 State grant
15 and because the project is far enough along to exempt it from current policy.
16 As stated in my assessment district policy, ADEC grants (or direct Legislative
17 grants requested) are intended for facilities and system rehabilitation and
18 replacement and planning needs with priorities as established by AWWU. ADEC
19 grants for assessment districts will only be considered upon declaration of a
20 health emergency by the MOA. The benefitted property owners of Jewel Mine LID
21 should be assessed 100% of the project cost as others have had to do in the past.

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PUBLIC UTILITIES
APPROVED
1994
OPERATING AND
CAPITAL IMPROVEMENT BUDGET

APPROVED
1994 - 1999
CAPITAL IMPROVEMENT PROGRAM

TOM FINK, MAYOR

ASSEMBLY

Mark Begich, Chairman

Pat Abney

Cheryl Clementson

Joe Murdy

Bob Bell

Bill Faulkner

Dick Traini

Craig Campbell

Chuck Landers

Charles Wohlforth

Kevin Meyer

ADMINISTRATION

Larry D. Crawford Municipal Manager

Joe C. Fouts Executive Manager, Enterprise Activities

Richard L. McVeigh Municipal Attorney

Jerry Anderson Chief Fiscal Officer

**PUBLIC UTILITIES
APPROVED
1994 OPERATING AND CAPITAL BUDGETS**

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BUDGET ASSUMPTIONS

**PUBLIC UTILITIES
1994
OPERATING AND CAPITAL BUDGET ASSUMPTIONS**

Below are general and specific budget assumptions/guidelines provided to Utilities for preparation of their 1994 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 1994.

RATE INCREASES:

No overall rate increases projected for 1994. In the case of ML&P, favorable fuel costs in 1993 have actually lead to a decrease in customers' overall rate. The only other exception to additional rate increases in 1994 would be if one of the following were to occur:

- Debt service coverage borders on technical default
- Projected cash reserves fall below that required to maintain a 45 day 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 (1995-1999) 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. Utilities will continue to strive to find ways to avoid projected rate increases.

MUNICIPAL UTILITY SPECIAL ASSESSMENT (MUSA):

Assume mill rates for MUSA (in lieu of taxes) to be same as 1993 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 \$178,500 - the same as 1993.

INTEREST:

Assume debt service for new G.O. bonds and Revenue bonds at 5.75%. Interest income is assumed at an overall rate of 3.5%.

INTRAGOVERNMENTAL CHARGES (IGC's):

In general, no significant net IGC increases over prior year are expected.

POPULATION:

Assume a 1.0% growth rate for Anchorage in 1994.

INFLATION:

Inflation, in general, is anticipated to approximate 3.8% in 1994. Each utility, however, has applied specific inflation rates to the commodities they use.

COMPENSATION COSTS (Salaries and Benefits):

Assume a pay freeze for all labor groups in 1994. 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 \$5 million in revenue bonds to be issued by the Water Utility. Additionally, the Wastewater Utility intends to borrow \$2 million in 1994 from the State loan program. Construction of Phases I-III for the Water Loop Transmission Main is scheduled to begin in 1994.

Municipal Light and Power (ML&P):

The 1994 ML&P budget reflects a reduction in fuel cost of \$1,725,000. Each year's cost of fuel is based on the price of light sweet crude oil futures contracts during the third quarter of the prior year. For 1993, third quarter futures prices were lower than in previous years. Customers will benefit from this reduction via the Cost of Power Adjustment (COPA) shown on their bill each billing cycle. This will equate to a savings of approximately 2.6% for the average customer.

Also reflected in the 1994 ML&P budget is a base rate increase of 1.3%, which will increase revenues by approximately \$860,000. The customers' overall rate will actually decrease in 1994.

Solid Waste Services (SWS):

In the 1994 SWS Capital Improvement Budget (CIB) for the Solid Waste Disposal division, revenue bonds totalling \$10.962 million are anticipated to be sold for purposes of funding improvements to the Anchorage Regional Landfill (ARL).

PORT OF ANCHORAGE (PORT):

Rental/Lease expense for the Port is budgeted to increase due to the cost of leasing Tracts "A" & "EE" for a full year period in 1994. Also in 1994, depreciation expense is expected to increase substantially due to Port projects being completed and booked to plant.

MERRILL FIELD AIRPORT (MF):

None.

**HIGHLIGHTS AND
FUTURE EVENTS**

ANCHORAGE WATER AND WASTEWATER UTILITY HIGHLIGHTS AND FUTURE EVENTS

HIGHLIGHTS

Completion of the Airport Water Project. The final phases of the project were completed in 1993, including 1.5 miles of 48, 30, and 12-inch diameter water mains and construction of the 5 million gallon Kincaid Water Reservoir. This \$11 million water transmission and storage project will provide the Anchorage International Airport area with sufficient water supply, pressure and fire flows for existing and proposed development.

AWWU Headquarters Building Remodel. Initiated the construction of a major remodel to the AWWU Headquarters which will provide 36,000 square feet of space and includes structural upgrades, an elevator, new partitions, upgrade of the mechanical, electrical and roof systems, required Americans with Disabilities Act upgrades, and parking upgrades.

This project will upgrade a 25 year old facility and will provide the necessary space to centralize all remaining remote AWWU administrative functions (Engineering, Customer Service, and MIS) into one location. The project will be complete in early 1995.

Pt. Woronzof WWTF Incinerator/New EPA Sludge Regulations. In February 1993, EPA issued new regulations for disposal of wastewater sludge. As required, AWWU has completed performance testing and filed a sludge disposal permit application for the sludge incinerator at the Point Woronzof WWTF. Upgrades to the incinerator and installation of additional monitoring and control equipment will be completed by year end.

Utility Reorganization Plan. With expenses increasing at a greater rate than revenues and the commitment to maintain rates at current levels, AWWU implemented a major reorganization in 1993 to decrease labor expenses.

The planning and implementation effort affected every division. Overall, the reorganization: deleted one division; elevated two sections to division level; deleted twenty-three positions; affected forty-one positions through reclassification; downgraded six positions; upgraded four positions and created five positions. Overall, seventy-five positions, or twenty-six percent, of the Utility's employees were affected.

On-going Maintenance of Existing Plant. An estimated \$70,000 per year in pump maintenance cost has been saved by replacing two progressive cavity units that handle sludge at the Point Woronzof Treatment Plant with two plunger pumps. Eleven hydraulic valve control systems are being replaced along the Eklutna pipeline to ensure safe, reliable control of mainline valves. The possibility of structurally damaging the pipeline during valve closures will be eliminated.

AWWU successfully completed the scheduled 1993 architectural barrier improvements laid out in the Utility's three-year Americans with Disabilities Act (ADA) transition plan. Full implementation of the plan is still scheduled for completion by January 26, 1995.

Customer Service. A customer service survey was mailed in January 1993 to all Utility customers and 20% or 8,573 questionnaires were returned. Of those responding, 90% expressed an overall satisfaction that the Utility is meeting its commitment to water quality and customer service. The comments received will be utilized to further improve out services wherever possible.

Requests for Water and Wastewater permits, inspections, and locates increased significantly in 1993, reflecting the increased construction activity within the Municipality.

Management Information. The MIS division developed a six-year data processing and system integration plan that includes a one-year tactical plan which represents the combined vision of both the Utility management and work force.

AWWU has begun implementing Geographical Information Systems (GIS) this year. The first phase is a pilot project on a sub-section of the Anchorage bowl. It uses the Continuing Property Records (CPR) database, converting it to GIS format and avoiding much time and effort required to input the information manually. GIS will be used to replace manually produced hard copy system maps with GIS-based automatic electronic versions. GIS applications are being developed for the pilot project area that will automate assessment calculation, operations/maintenance management scheduling and tracking, hydraulic water and sanitary sewer modeling, and other functions. Application developed for the pilot project will be usable on the entire service area during full GIS implementation next year. The pilot project lays the groundwork for use of electronic imaging for frequently used documents such as engineering record drawings, service connect cards, and fire hydrant cards. During the pilot project, AWWU is also performing the preliminary design to automate the water and wastewater connect permits.

Financial. Where beneficial, AWWU restructured debt to more closely match the asset lives of various utility plant categories. The Wastewater Utility issued \$21,770,000 of General Obligation Refunding Bonds at a net effective interest rate of 4.9% to advance refund \$19,805,000 of 1986 G.O. Bonds that had a net interest rate of 7.2%. The refunding resulted in debt service payments which will be approximately \$2.8 million less than those of the refunded bonds over the next 17 years.

The Water Utility has proposed issuing \$19,473,000 of Senior Lien Revenue Refunding Bonds at a net effective interest rate of 4.9% to advance refund \$15,690,000 of 1986 Senior Lien Water Revenue Bonds that have a net effective interest rate of 7.2%. This refunding would result in net present value savings of approximately \$920,000.

Major Studies. AWWU initiated the following four major studies and/or plans in 1993, which will put AWWU in a strong position as we move into the next century: a six-year Data Processing and System Integration Plan; a Telemetry and SCADA Master Plan for water and wastewater treatment, water distribution and wastewater collection systems; a long-range Water Master Plan; and a long-range Wastewater Master Plan.

FUTURE EVENTS

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

Anchorage Loop Water Transmission Main. The Anchorage Loop Water Transmission Main (Loop) is a \$52 million dollar project of which approximately \$18 million has been completed. Anchorage has the water supply to serve its needs into the future, however the water distribution system has not kept pace with the growth in South and West Anchorage.

As a result, during record high water demands caused by the hot and dry summer of 1993, water outages were experienced by more than 500 homes in South Anchorage on three separate days for durations of up to 8 hours. The Loop will provide an additional 45 million gallons per day of gravity water supply to South and West Anchorage.

The final design of Phases I, II and III and construction of Phases I & II will be initiated subsequent to receipt of \$9,122,000 of state grants and should be operational by 1996. The remainder will be financed by \$2,774,000 in revenue bonds and an additional state grant of \$7,004,000 will be sought from the 1994 legislature for the construction of Phase III.

Girdwood Wastewater Treatment Facility Upgrade. The Girdwood Wastewater Treatment Facility requires an upgrade to the original plant constructed in 1977. Upgrading the facility would include surge lagoon rehabilitation, and improved solids handling through the upgrading of the electrical, heating, and ventilation systems, and expansion of laboratory and operator facilities.

Present development patterns and growth rates in Girdwood have made expansion of this facility essential. Upgrading the facility will increase the hydraulic capacity of major plant components and improve reliability as well as increase labor efficiency. This project is estimated to cost \$2.5 million and will support growth until the year 2000.

Eagle River Reservoir. The Eagle River area, though tied into the Eklutna water transmission main, does not have the water storage reserve capacity to support system reliability and fire protection in certain areas of Upper Eagle River Valley. A water storage reservoir at an elevation of 1,000 feet or greater is planned. The reservoir(s) is estimated to cost approximately \$4 million. The update currently under way to the Anchorage Water Master Plan will identify potential acceptable sites for this facility and site acquisition will begin in 1994. A \$4 million state grant was received for the project in 1993.

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 are now being conducted. These studies are scheduled to be completed prior to December 31, 1993. However, implementation of the results of these studies is tentatively scheduled for January 1, 1995, as it is believed that it will take the Alaska Public Utilities Commission (APUC) 9 to 12 months to review and approve them. These studies will result in changes to the various service rates but will not result in an increase in the total amount of revenue generated by the utilities.

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MUNICIPAL LIGHT AND POWER HIGHLIGHTS AND FUTURE EVENTS

HIGHLIGHTS

ML&P continues to grow at a steady pace. Several new commercial buildings have been added to the service area including Eagle Hardware, Comfort Inn and the Alaska Railroad headquarters. In addition, WalMart, State Farm, Sears, K Mart, and the Alaska Native Hospital are all in various stages of construction.

In March, ML&P completed a Bond Refinancing in which \$67,300,000 of outstanding revenue bonds, having an average coupon of 7.69%, were refunded and replaced with bonds having a net interest cost of 6.37%. The refinancing provided \$450,000 in short term savings, and will save ML&P \$16.1 million over the life of the bonds.

ML&P's long-term Natural Gas Contracts, combined with a Gas Transportation Agreement with Enstar Natural Gas Company continued to provide significant cost savings to ML&P rate payers. In April, these savings helped ML&P achieve its long-time goal of having the lowest residential rates in the State. An ML&P residential customer using an average of 500 kilowatt hours of electricity would have paid \$49.36 during the second quarter of 1993.

ML&P has installed 1,000 electronic meters in accordance with their plan to replace old and obsolete meters with new electronic meters. The Automatic Meter Reading System (ARM) allows a mobile unit to read the meters at the local posted speed limit, without distortion. During a recent test, the 1,000 installed meters were read in 39 minutes. To read the same meters using current manual reads would have required approximately 24 man hours.

The utility is continuing its program to replace failed underground cable using a new horizontal boring machine method, which has proved very efficient and cost effective. Additionally, this method does not disrupt customers landscaping or asphalt as compared with open trenching approaches to cable replacement.

ML&P is continuing to participate in a research and development project with General Electric on the LOW DRY NOx combustor system used with ML&P's Generation Unit #8. Earlier this year, hardware and software changes were made and the unit is now available for operation using either liquid or gas fuel. Previously, it used gas fuel only. The changes have lowered emissions and made the unit more efficient.

The "TRADE-A-TREE" Program which was implemented in 1992 continues to be a success. Customers that have trees growing in or near ML&P line easements are encouraged to have the trees removed at the Utility's expense and replaced with a tree of their choice from a local nursery. Over 100 certificates for new trees have been issued through mid-year. Studies of utilities that provide this service in other areas show a significant reduction of tree damage during heavy storms.

FUTURE EVENTS

The State Legislature appropriated \$90 million during the 1993 session for the construction of two major transmission interties. Of the total amount, \$43.2 million was appropriated from the Railbelt interties reserve fund for the benefit

of all the utilities participating in the intertie for design and construction of a power transmission line of at least 138 kilovolts between Healy and Fairbanks. \$46.8 million was appropriated for the intertie between Anchorage and Kenai. There are numerous benefits associated with the new transmission lines. These new lines would provide reliability by replacing the oldest and weakest sections of the grid. In addition to preventing some power outages, the new interties would help keep electricity cost down by allowing utilities to generate power at the lowest cost locations and transfer it to other areas.

ML&P has been selected by the federal government, the U.S. Army Corps of Engineers and the Air Force to provide normal and alternate electric power to the new Composite Medical Facility (CMF) to be constructed on Elmendorf Air Force Base. The CMF will consist of a 110 bed hospital, an outpatient medical center and a dental clinic, designed to serve as the major medical facility for military personnel in Alaska. ML&P will construct a substation adjacent to Bartlett High School to provide electrical service to the new hospital and to reduce ML&P's existing electrical power losses that are caused by the existing long electrical circuits. Construction of the substation is scheduled for 1994 with completion in 1995.

On July 23, 1993, ML&P and Babcock & Wilcox (B&W), a major defense contractor and utility generation equipment manufacturer, submitted a joint proposal to the federal government under the Technology Reinvestment Program (TRP) for a grant towards the cost of Superconducting Magnetic Energy Storage (SMES) device to be installed in ML&P's system. SMES stores energy and supplies it as needed to enhance system reliability, allowing greater utilization of hydro and slower responding generation, reducing loadshed outage events to customers and reduction of fuel costs to ML&P by cutting back on the on-line (spin) reserves supplied by combustion turbines. ML&P has projected annual fuel cost savings up to \$800,000 and direct customer outage savings of \$1,200,000. The pay back on the project cost is about 5-10 years. The federal government will have a decision on the grant award by year end 1993. There are other alternate government programs under DOE, DOD, NSF, etc., that could also be approached by ML&P and B&W if the TRP proposal does not succeed.

SOLID WASTE SERVICES HIGHLIGHTS AND FUTURE EVENTS

DECEMBER 1992 - Construction of Cell three at the Anchorage Regional Landfill was completed and filling operations began. This \$4.5 million project was constructed without the use of bonds and was \$1.3 million lower than engineers' estimates.

MARCH 1993 - A gas extraction system was installed at the former Merrill Field Landfill in order to protect adjacent properties from the effect of migrating landfill gases caused by the decaying waste. An analysis to determine if the gases being generated might have an economical beneficial use was started and will be completed in 1993.

JUNE 1993 - The Anchorage Regional Landfill Comprehensive Plan was completed and printed.

AUGUST 1993 - A study of the Merrill Field leachate collection system was started in 1993 and is expected to be completed in 1994. After the study is completed, the design and construction of a new and improved leachate collection system will begin.

SEPTEMBER 1993 - The Girdwood Transfer Station construction was completed and began operation. This project was constructed using State of Alaska DEC matching capital grant monies.

1994 - Design for cells four and five will be completed in early 1994. After the design work is complete construction of cells 4 and 5 will commence with completion expected to be in early 1995.

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PORT OF ANCHORAGE HIGHLIGHTS AND FUTURE EVENTS

LATE 1992

Acquired patent from the State of Alaska to 1,300 acres of tideland located north of and adjacent to the Port.

LATE 1992

Anchorage was Host Port for the annual 1992 AAPA Convention. This three year Port project brought over \$1 million into the Anchorage economy at a cost to the Port of only \$8,600.

FEBRUARY 1993

Completed Port Area Transportation Analysis to identify Port access problems and potential solutions.

JUNE 1993

The Port of Anchorage successfully marketed itself to ARCO Alaska, Inc. as one of the logistical support bases for Upper Cook Inlet oil exploration.

JULY 1993

Cargo flow through the Port increased significantly during the first half of 1993. 1.2 million tons is the highest mid-year tonnage total since the Trans-Alaska pipeline construction boom in the mid-1970's. Year-to-date petroleum tonnage increased 42% and total tonnage increased 15% over 1992.

July 1993

The Port of Anchorage received two legislative grants from the State of Alaska:

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

AUGUST 1993

The Port of Anchorage Petroleum Users Group (PUG) completed a Risk Assessment Feasibility Study 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.

SPRING 1994

Commence construction on New Port Fendering System Project.

SPRING 1994

Commence construction on "A" & "EE" Land Development Project.

MAY - SEPTEMBER 1994

Significant increase in the utilization of the Port as a logistical support base for Upper Cook Inlet oil exploration.

MERRILL FIELD AIRPORT HIGHLIGHTS AND FUTURE EVENTS

FEBRUARY 1993

Merrill Field Airport received a Certificate of Commendation from the Federal Aviation Administration in recognition of the outstanding contribution management staff made in reducing runway incursions and improving airport safety. Completion of an Airport Improvement Project, which included security fencing and remote control capabilities for vehicle access gates, was primarily responsible for reducing runway incursions.

DECEMBER 1992 & FEBRUARY 1993

The Airport acquired two land parcels located in the runway clear zones. These acquisitions will alleviate flight safety hazards and ensure compatible land use in accordance with Master Plan Update recommendations. A large monetary donation by the Eastridge III Homeowners Association provided the initiative in acquiring one of the parcels.

MARCH 1993

The Airport compiled its Storm Water Pollution Prevention Plan in accordance with the Environmental Protection Agency National Pollutant Discharge Elimination System (NPDES) General Permit. The plan was prepared by Airport staff which resulted in a large cost savings. Staff also provided assistance to the leaseholders to ensure their compliance with storm water discharge regulations.

JULY 1993

Successfully completed the demolition/removal of a large structure located within the runway clear zone thereby improving operational safety of the Airport.

SUMMER 1993

Through a joint Municipal effort between Solid Waste Services (SWS), Anchorage Water & Wastewater Utility (AWWU) and the Airport, 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 that were not usable for utility trench backfill while SWS graded the site to properly drain after the material was placed on site. The result was quality work at minimum cost for a project required to meet Federal storm water discharge regulations.

FALL 1993

A Pilot Controlled Lighting and an Automated Surface Observing System are being installed at the Airport as a result of the relocation of the Anchorage Flight Service Station from Merrill Field Airport to Kenai Airport. These improvements will provide pilots with information previously provided by the Anchorage Flight Service Station.

ROADWAY VEHICLE TRAFFIC COUNTS

5,000/Weekday; 3,000/Saturday; 2,000/Sunday. 90% for Airport activities and 10% for pass-through to surrounding streets.

AIRCRAFT OPERATIONS

Up 8% for January 1 thru June 30 (123,882 operations).

TOWER FREQUENCY CHANGE

A higher frequency was commissioned to eliminate FM radio interference from tower/aircraft communications.

UNIVERSITY OF ALASKA ANCHORAGE, PHASE II

UAA is planning an addition to the Merrill Field Aviation Complex in order to provide a more comprehensive aviation education program for domestic and international students.

BUDGET OVERVIEW

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ANCHORAGE WATER UTILITY

WATER UTILITY	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
	Financial Overview	Actual 1989	Actual 1990	Actual 1991	Actual 1992
Revenues	\$ 24,060	\$ 25,206	\$ 25,452	\$ 26,880	\$ 27,209
Expenses	24,076	23,462	25,325	26,570	26,746
Net Income (Regulatory)	(16)	1,744	126	309	463
WorkForce Authorized per Budget	285	285	285	285	275
Capital Improvements Program	2,872	10,388	21,315	14,556	17,897
New Debt (Bonds, Loan Fund)	0	0	0	0	2,780
Net Plant (12/31)	286,900	291,173	292,740	291,893	291,680
Retained Earnings (12/31)	19,115	20,860	20,986	21,296	21,763
Operating Cash	7,492	5,493	6,002	7,416	6,178
Construction Cash Pool	8,664	7,660	5,749	4,078	5,607
Cash Reserves	3,501	6,659	7,567	8,250	8,761
Total Cash	19,657	19,812	19,318	19,745	20,546
IGC's - General Government	807	941	1,154	1,129	1,419
MUSA - Regular	1,265	1,527	1,561	1,371	1,273
Total Outstanding Debt	105,644	106,333	105,289	104,124	105,390
Total Annual Debt Service	7,789	8,115	8,635	8,766	8,634
Debt Service Coverage (overall)	1.39	1.41	1.36	1.40	1.40
Debt/Equity Ratio	85/15	84/16	83/17	83/17	83/17
Rate Change \$-Single Family Rate	\$5.10		\$1.40		
Rate Change %-Single Family Rate	28.00%		6.00%		
Single Family Rate	\$23.35	\$23.35	\$24.75	\$24.75	\$24.75
Statistical/Performance Trends:					
Number of Customers	40,187	40,549	41,224	41,636	42,052
Average Treatment (gpd)	18,558	21,666	21,624	22,329	24,000
Miles of Water Lines	622	650	655	670	674
Number of Hydrants	5,201	5,288	5,307	5,333	5,357

ANCHORAGE WATER UTILITY

WATER UTILITY UTILITY FORMAT - 1994 OPERATING BUDGET (In Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999
\$ 27,542	\$ 29,393	\$ 29,593	\$ 29,774	\$ 32,580	\$ 32,894
27,112	27,956	28,838	29,673	30,241	31,126
430	1,437	755	101	2,339	1,768
269	273	275	275	275	275
18,143	21,247	10,936	11,779	6,464	2,246
5,000	0	0	0	0	0
290,010	284,830	279,070	274,700	269,930	264,590
22,193	23,640	24,395	24,497	26,836	28,605
4,978	5,195	4,499	2,362	2,587	3,137
4,607	727	27	27	27	27
10,444	12,198	14,046	16,000	18,069	20,253
20,029	18,120	18,572	18,389	20,683	23,417
1,196	1,279	1,343	1,410	1,481	1,555
1,376	1,439	1,492	1,546	1,470	1,449
108,890	107,150	105,300	103,330	101,240	99,010
8,891	9,316	9,317	9,309	9,295	9,298
1.37	1.44	1.37	1.30	1.55	1.52
83/17	82/18	81/19	81/19	79/21	77/23
	\$1.48			\$2.35	
	6.00%			9.00%	
\$24.75	\$26.24	\$26.24	\$26.24	\$28.60	\$28.60
42,500	43,000	43,400	43,600	43,800	44,000
25,000	25,500	26,000	26,500	27,000	27,500
680	686	691	695	700	706
5,378	5,427	5,470	5,500	5,534	5,567

NOTE: Rate increases are shown in the outyears 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.

ANCHORAGE WASTEWATER UTILITY

WASTEWATER	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Financial Overview					
Revenues	\$ 21,067	\$ 21,321	\$ 22,614	\$ 22,867	\$ 23,137
Expenses	20,265	20,261	21,786	22,252	22,292
Net Income (Regulatory)	802	1,060	828	615	845
WorkForce Authorized per Budget	285	285	285	285	275
Capital Improvements Program	8,030	7,824	8,553	5,314	11,382
New Debt (Bonds, Loan Fund)	0	5,625	0	0	4,696
Net Plant (12/31)	221,319	233,734	252,177	250,341	249,203
Retained Earnings (12/31)	711	1,770	2,598	3,213	4,058
Operating Cash	3,049	5,325	7,951	7,695	6,923
Construction Cash Pool	4,662	5,760	1,026	(901)	1,761
Cash Reserves	4,559	2,873	1,447	0	0
Total Cash	12,270	13,958	10,424	6,795	8,684
IGC's - General Government	1,089	1,225	1,493	1,387	1,663
MUSA - Regular	1,134	831	1,031	1,101	894
Total Outstanding Debt	77,529	84,499	78,343	75,553	74,997
Total Annual Debt Service	9,802	9,012	9,563	9,519	9,462
Debt Service Coverage (overall)	1.10	1.17	1.27	1.02	1.05
Debt/Equity Ratio	99/1	91/9	90/10	88/12	87/13
Rate Change \$-Single Family Rate		\$1.30	\$0.95	\$0.55	
Rate Change %-Single Family Rate		7.00%	4.70%	3.19%	
Single Family Rate	\$18.85	\$20.15	\$21.10	\$21.65	\$21.65
Statistical/Performance Trends:					
Number of Customers	42,970	43,157	44,222	44,464	45,110
Average Treatment (gpd)	32,412	34,831	32,892	33,300	33,800
Miles of Wastewater Lines	638	644	655	664	670

ANCHORAGE WASTEWATER UTILITY

WASTEWATER UTILITY FORMAT - 1994 OPERATING BUDGET (In Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999
\$ 23,552	\$ 25,089	\$ 25,336	\$ 25,483	\$ 28,320	\$ 28,683
23,029	23,455	23,956	24,337	25,227	25,833
523	1,634	1,380	1,146	3,093	2,850
269	273	275	275	275	275
11,011	15,367	9,464	9,224	3,294	2,106
2,000	1,500	2,500	2,000	4,000	600
248,362	246,573	243,227	240,384	237,312	234,028
4,581	6,225	7,604	8,750	11,842	14,692
5,163	4,512	3,980	3,145	5,128	5,203
1,154	0	117	0	0	43
0	0	0	0	0	0
6,317	4,512	4,097	3,145	5,128	5,246
1,544	1,652	1,735	1,821	1,913	2,008
1,117	1,162	1,207	1,221	1,248	1,248
71,738	67,816	64,855	61,040	59,649	53,329
9,660	9,527	9,256	9,369	8,725	10,126
1.00	1.10	1.08	1.03	1.36	1.16
86/14	84/16	82/18	80/20	76/24	71/29
	\$1.30			\$2.52	
	6.00%			11.00%	
\$21.65	\$22.95	\$22.95	\$22.95	\$25.47	\$25.47
45,700	46,300	46,500	46,700	47,000	47,200
34,200	34,700	35,200	35,300	35,500	35,700
674	679	684	688	693	697

NOTE: Rate increases are shown in the outyears 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.

MUNICIPAL LIGHT AND POWER

MUNICIPAL LIGHT AND POWER	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
Financial Overview	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Revenues	\$ 71,713	\$ 72,900	\$ 73,031	\$ 70,650	\$ 71,365
Expenses	70,332	68,745	70,609	70,159	70,967
Extraord. Item Gain (Loss) (1)	2,054	0	0	0	0
Net Income (Regulatory)	3,435	4,155	2,422	491	398
W/Force Authorized per Budget (2)	198	203	209	216	216
Capital Improvement Expenditures	8,014	10,546	13,231	16,854	11,000
Bond Sales (3)	78,955	0	0	0	67,715
Net Plant (12/31) (Excludes Contrib. Plant)	133,968	133,494	135,237	140,803	142,850
Utility Revenue Distribution	0	0	0	0	0
Retained Earnings (12/31)	35,874	40,377	42,922	43,433	43,831
General Cash Pool	9,584	15,469	20,152	17,031	13,076
General Cash Pool/Eklutna	5,100	5,100	5,100	5,100	5,100
Construction Cash Pool	6,325	3,207	538	120	0
Revenue Bond Reserve Investment	18,076	17,236	17,258	17,279	17,157
Debt Service Cash Account	2,976	2,887	2,983	3,091	3,587
Operating Reserve Cash	5,285	5,839	5,598	5,295	5,489
Total Cash (12/31)	47,346	49,738	51,629	47,916	44,409
IGC's - General Government	1,466	1,299	1,234	1,224	1,642
MUSA - Regular (4)	2,754	967	1,747	1,760	1,705
Total Outstanding Debt	202,445	198,115	194,435	190,520	186,165
Total Annual Debt Service	17,500	18,046	17,159	17,160	16,950
Debt Service Coverage	1.68	1.67	1.65	1.67	1.60
Debt/Equity Ratio	84.3/15.7	82.4/17.6	81.2/18.8	80.7/19.3	80.3/19.7
Rate Change Percent (5)	0.51%	2.86%	1.29%	0.41%	
Statistical/Performance Trends:					
Resident. Customer (500 kWh) (6)	\$47.28	\$45.78	\$51.95	\$47.74	\$48.21
Total Residential Sales (kWh)	157,546	155,783	148,521	143,451	143,989
Commercial & Industr. Sales (kWh)	609,967	629,893	639,195	636,185	645,410
Total Kilowatt--Hour Sales	858,305	842,604	804,805	805,835	822,099
Total Sales Revenue (in dollars)	\$69,616	\$66,824	\$69,668	\$65,818	\$67,341

(1) 1989--Gain resulting from liquidated 1983 Junior Lien Redemption Reserve.

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

(3) 1989 and 1993 were refinancing issues.

(4) Includes return of 1989 1.25% gross receipts portion of MUSA as required by APUC order.

(5) 1989 and 1992 were permanent rate increases. 1990 and 1991 were interim rate increases.

(6) Rate charged to residential customers as of March 31 each year assuming 500 kWh and including the Cost of Power Adjustment.

MUNICIPAL LIGHT AND POWER

REVISED 10/93

MUNICIPAL LIGHT AND POWER UTILITY FORMAT - 1994 OPERATING BUDGET (In Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999
\$ 71,750	\$ 73,885	\$ 77,205	\$ 80,545	\$ 83,970	\$ 87,355
69,516	71,925	74,545	77,275	79,915	82,385
0	0	0	0	0	0
2,234	1,960	2,660	3,270	4,055	4,970
217	220	223	225	227	229
15,200	17,800	18,800	19,800	20,900	22,100
0	0	10,000	10,000	11,000	10,500
148,175	155,231	162,555	170,235	178,340	187,073
0	0	0	0	0	0
46,065	48,060	50,720	54,000	58,040	63,010
8,127	1,111	6,009	5,613	5,294	3,558
5,100	5,100	0	0	0	0
0	0	0	0	0	0
17,157	17,157	18,190	19,228	20,365	21,455
3,702	3,835	3,969	4,122	4,276	4,454
5,499	5,752	5,938	6,148	6,346	6,553
39,585	32,955	34,106	35,111	36,281	36,020
1,600	1,664	1,731	1,800	1,872	1,947
1,835	1,916	2,019	2,127	2,240	2,362
180,965	175,475	179,450	182,800	186,500	189,000
17,157	17,157	18,190	19,225	20,365	21,455
1.60	1.60	1.60	1.60	1.60	1.60
79.0/21.0	77.8/22.2	77.2/22.8	76.5/23.5	75.5/24.5	74.3/25.7
1.30%*	1.00%	3.10%	3.20%	3.50%	3.30%
\$47.63	\$48.11	\$49.60	\$51.18	\$52.98	\$54.72
146,935	147,908	148,186	148,835	148,506	148,420
658,560	670,627	680,850	689,674	696,281	702,819
838,695	859,736	870,236	879,709	885,987	892,440
\$67,800	\$70,220	\$73,230	\$76,395	\$79,600	\$82,800

NOTE: Rate increases are shown in the outyears 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.

* Favorable fuel costs in 1993 which equate to a savings of approximately 2.6% for the average customer will actually lead to a net decrease in rates in 1994.

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
Financial Overview	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Revenues	\$ 5,223	\$ 5,395	\$ 5,683	\$ 5,701	\$ 5,682
Expenses	5,252	5,278	5,262	5,315	5,570
Net Income (Regulatory)	(29)	117	421	386	112
WorkForce Authorized per Budget	24(FT)/1(T)	23(FT)/2(T)	23(FT)/2(T)	20(FT)/3(T)	20(FT)/3(T)
Capital Improvements	275	316	180	86	220
Bond Sales	0	0	0	0	0
Net Plant (12/31)	3,549	3,438	3,166	2,879	2,717
Utility Revenue Distribution	0	0	0	0	0
Retained Earnings (12/31)	3,495	3,613	4,034	4,416	4,530
General Cash Pool	2,048	2,270	2,598	3,009	3,108
Construction Cash Pool	907	808	963	1,075	1,075
Bond Redemption Cash	361	366	372	357	357
Total Cash (12/31)	3,316	3,444	3,933	4,441	4,540
IGC's - General Government	100	97	114	134	148
MUSA - 1.25%	0	0	0	0	0
MUSA - Regular	69	65	62	58	48
Total Outstanding Debt	3,460	3,305	3,145	2,975	2,800
Total Annual Debt Service	356	360	356	349	355
Debt Service Coverage	2.09	2.28	3.19	2.86	2.47
Debt/Equity Ratio	49/51	47/53	42/58	39/61	39/61
Rate Change Percent	5.10%	8.15%			
Residential Cost/Month	\$ 14.30	\$ 15.00			
Commercial (3Yd-1x/Wk)/Month	\$ 45.50	\$ 50.50			
Statistical/Performance Trends:					
Waste Collected (Tons)	44,524	43,435	42,875	44,356	45,500
Average Residential Services	11,538	11,520	11,589	11,746	11,890
Average Dumpster Services	4,616	4,686	4,813	4,872	4,880

SOLID WASTE SERVICES - REFUSE COLLECTIONS

REFUSE COLLECTIONS UTILITY FORMAT -- 1994 OPERATING BUDGET (\$ in Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999
\$ 5,690	\$ 5,775	\$ 5,830	\$ 5,887	\$ 5,944	\$ 6,001
5,581	5,570	5,599	5,683	5,703	5,740
109	204	231	204	241	261
20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)	20(FT)/3(T)
173	178	673	387	212	415
0	0	0	0	0	0
2,527	2,365	2,696	2,685	2,506	2,519
0	0	0	0	0	0
4,635	4,850	5,080	5,280	5,520	5,780
3,222	3,408	3,098	3,093	3,278	3,276
1,075	1,075	1,075	1,075	1,075	1,075
357	357	357	357	357	357
4,654	4,840	4,530	4,525	4,710	4,708
100	104	110	112	121	192
0	0	0	0	0	
49	51	53	55	57	60
2,615	2,420	2,210	1,990	1,755	1,505
355	355	355	355	355	355
2.11	1.95	1.75	2.59	2.36	2.09
37/63	35/65	33/67	29/71	26/74	24/76
45,500	45,500	45,500	45,500	45,500	45,500
11,890	11,890	11,890	11,890	11,890	11,890
4,880	4,880	4,880	4,880	4,880	4,880

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Financial Overview					
Revenues	\$ 10,474	\$ 11,388	\$ 11,483	\$ 11,792	\$ 11,697
Expenses	11,457	10,370	10,370	11,276	10,719
Net Income (Regulatory)	(983)	1,018	1,113	516	978
WorkForce Authorized per Budget	34(FT)/8(T)	31(FT)/9(T)	31(FT)/9(T)	31(FT)/9(T)	32(FT)/10(T)
Capital Improvements	1,006	4,922	2,133	4,476	1,480
Bond Sales	3,916	0	0	0	0
Net Plant (12/31)	28,518	31,978	32,464	35,453	35,317
Utility Revenue Distribution	0	85	0	0	0
Retained Earnings (12/31)	4,662	5,684	6,794	7,322	8,300
General Cash Pool	4,012	4,590	4,043	4,877	4,743
Construction Cash Pool	5,181	1,453	2,809	(563)	828
Bond Redemption Cash	379	401	404	406	406
Total Cash (12/31)	9,572	6,444	7,256	4,720	5,977
IGC's - General Government	155	118	170	175	225
MUSA - 1.25%	124	117	128	130	131
MUSA - Regular	295	287	300	305	274
Total Outstanding Debt	28,660	28,020	27,510	26,810	25,170
Total Annual Debt Service	2,649	2,779	2,866	2,717	3,295
Revenue Bond Coverage	7.61	8.72	9.59	7.61	7.61
Debt/Equity Ratio	74/26	74/26	71/29	67/33	64/36
Rate Change Percent	15.38%				
User Rate/Ton	\$ 45.00			\$45.00	
Pick Up Rate	\$ 5.00			\$10.00	
Car Rate	\$ 5.00			\$ 5.00	
Statistical/Performance Trends:					
Tons Disposed	230,935	250,419	260,993	279,806	266,725
Vehicle Count	147,984	163,944	175,839	200,261	202,264

SOLID WASTE SERVICES - SOLID WASTE DISPOSAL

SOLID WASTE DISPOSAL UTILITY FORMAT -- 1994 OPERATING BUDGET (\$ in Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999
\$ 11,869	\$ 12,652	\$ 12,777	\$ 12,902	\$ 13,698	\$ 13,834
11,631	11,429	11,464	11,550	11,893	12,017
238	1,223	1,313	1,352	1,805	1,817
32(FT)/10(T)	32(FT)/10(T)	32(FT)/10(T)	32(FT)/10(T)	32(FT)/10(T)	32(FT)/10(T)
11,894	1,484	1,126	727	4,552	1,186
10,962	0	0	0	3,041	0
45,511	45,107	44,351	43,124	45,444	44,324
0	0	0	0	0	0
8,538	9,776	11,088	12,441	14,246	16,063
3,288	2,620	2,570	3,016	3,203	3,724
828	828	828	828	828	828
406	406	406	406	406	406
4,522	3,854	3,804	4,250	4,437	4,958
159	165	172	178	185	192
131	136	141	147	152	158
305	316	328	341	354	367
33,478	30,977	28,649	26,289	26,746	24,065
4,496	4,544	4,265	4,171	4,286	4,248
6.71	10.30	10.52	10.98	12.81	13.10
70/30	66/34	63/37	59/41	57/43	52/48
	7.00%				
	\$ 48.15				
	\$ 10.70				
	\$ 5.35				
269,225	271,917	274,636	277,383	280,157	282,958
204,286	206,329	208,392	210,476	212,581	214,707

NOTE: Rate increases are shown in the outyears 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.

PORT OF ANCHORAGE

PORT OF ANCHORAGE	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
Financial Overview	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Revenues	\$ 7,941	\$ 7,723	\$ 6,927	\$ 7,268	\$ 7,106
Expenses	5,097	4,789	5,256	6,027	6,055
Net Income (Regulatory)	2,844	2,934	1,671	1,241	1,051
WorkForce Authorized per Budget	21	21	21	21	21
Capital Improvement Expenditures	1,406	9,563	4,364	1,830	1,683
Bond Sales	0	0	0	0	0
Net Plant (12/31)	42,261	50,559	53,203	53,054	52,388
Utility Revenue Distribution	1,000	178	178	179	179
Retained Earnings (12/31)	29,017	31,773	33,267	33,952	34,824
General Cash Pool	6,589	3,715	1,750	3,421	1,906
Construction Cash Pool	12,287	7,377	6,340	3,752	6,694
Bond Redemption Cash	2,772	2,971	2,979	2,915	2,915
Total Cash (12/31)	21,648	14,063	11,069	10,088	11,515
IGC's - General Government	225	234	220	281	213
Total Outstanding Debt	22,702	20,832	19,453	17,948	16,192
Total Annual Debt Service	3,662	3,605	3,017	3,057	3,050
Debt Service Coverage (Rev Bonds)	2.85	2.80	2.38	2.42	2.26
Debt/Equity Ratio	31/69	26/74	22/78	20/80	18/82
Rate Change % - Pref. Use Agree.			(6.00%)		
Rate Change % - Indus Park Leases			3.5%		
Rate Change % - Tariff				4.4%	
Statistical/Performance Trends:					
Tonnage	2,308	2,195	2,313	2,372	2,416
Revenue/Ton	\$2.30	\$2.50	\$2.35	\$2.38	\$2.46

PORT OF ANCHORAGE

PORT OF ANCHORAGE						UTILITY FORMAT - 1994 OPERATING BUDGET (In Thousands)					
Budget 1994		Forecast 1995		Forecast 1996		Forecast 1997		Forecast 1998		Forecast 1999	
\$	7,138	\$	7,263	\$	8,224	\$	8,291	\$	8,389	\$	8,506
	6,174		6,113		6,184		6,326		6,303		6,281
	964		1,150		2,040		1,965		2,086		2,225
	21		21		21		21		21		21
	7,858		10,714		5,132		6,160		6,520		3,000
	0		0		2,000		1,000		0		0
	57,772		65,987		68,115		71,196		74,637		74,558
	179		179		179		179		179		179
	35,609		36,608		38,469		40,255		42,162		44,208
	3,365		1,286		3,145		2,941		3,029		4,025
	5,032		4,985		3,985		3,820		3,000		5,000
	2,915		2,915		2,915		2,915		2,915		2,915
	11,312		9,186		10,045		9,676		8,944		11,940
	230		237		244		251		259		267
	14,869		13,746		14,711		14,551		13,431		12,386
	2,719		2,399		2,319		2,447		2,317		2,152
	2.23		2.27		2.75		2.74		2.76		2.79
	15/85		13/87		13/87		12/88		11/89		10/90
					15%						
					9%						
	2,478		2,554		2,633		2,714		2,798		2,885
	\$2.43		\$2.41		\$2.68		\$2.65		\$2.63		\$2.60

NOTE: Rate increases are shown in the outyears 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.

MERRILL FIELD AIRPORT

MERRILL FIELD AIRPORT	UTILITY FORMAT - 1994 OPERATING BUDGET (\$ in Thousands)				
Financial Overview	Actual 1989	Actual 1990	Actual 1991	Actual 1992	Proforma 1993
Revenues	\$ 1,092	\$ 1,160	\$ 1,144	\$ 1,867	\$ 1,955
Expenses	913	967	952	1,740	1,932
Net Income (Regulatory)	179	193	192	127	23
WorkForce Authorized per Budget	9(FT)/6(T)	9(FT)/5(T)	9(FT)/5(T)	10(FT)/5(T)	9(FT)/6(T)
Capital Improvement Expenditures	822	468	807	1,816	3,680
Bond Sales	0	0	0	0	0
Net Plant (12/31)	29,591	29,352	29,343	32,409	36,089
Utility Revenue Distribution	0	0	0	0	0
Retained Earnings (12/31)	2,039	2,232	2,424	2,551	2,574
General Cash Pool	(576)	(577)	(861)	(3,086)	(3,063)
Construction Cash Pool	910	967	1,175	2,045	3,513
Bond Redemption Cash	0	0	0	0	0
Total Cash (12/31)	334	390	314	(1,041)	450
IGC's - General Government	62	57	55	62	80
Total Outstanding Debt	0	0	0	0	0
Total Annual Debt Service	0	0	0	0	0
Debt Service Coverage	n/a	n/a	n/a	n/a	n/a
Debt/Equity Ratio	0	0	0	0	0
Rate Change Percent	0	7.1%	0	0	0
Rate Charge:					
- Lease Rate (Sq. Ft./Year)	\$0.140	\$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	950	1,003	1,008	943	916
Municipal Tiedowns	626	626	632	632	632
Flight Ops/Federal Year	233,364	252,137	253,697	225,713	243,000
National Airport Ranking	61st	57th	53rd	64th	51st

util/airport

MERRILL FIELD AIRPORT

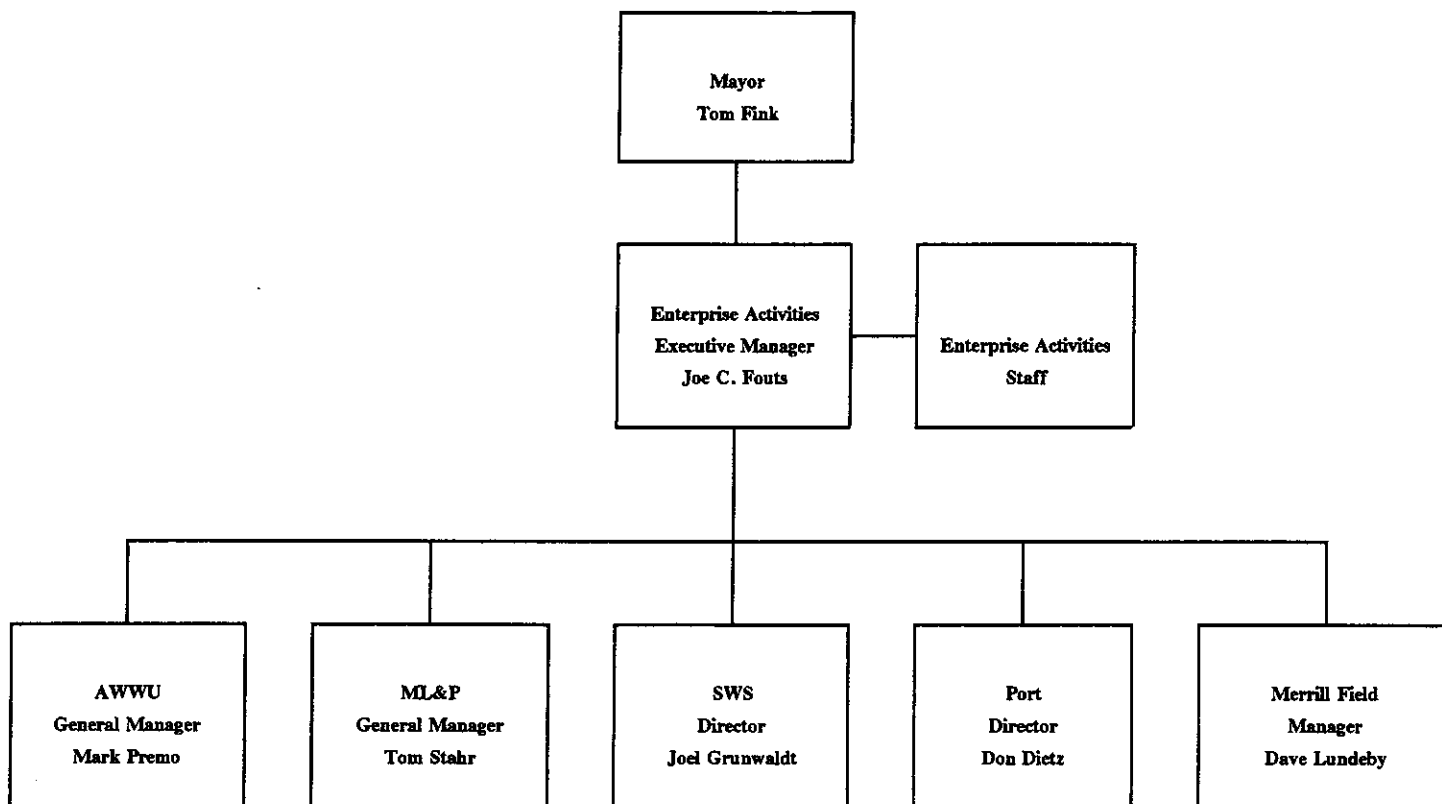
MERRILL FIELD AIRPORT						UTILITY FORMAT - 1994 OPERATING BUDGET (In Thousands)					
Budget 1994	Forecast 1995	Forecast 1996	Forecast 1997	Forecast 1998	Forecast 1999						
\$ 2,042	\$ 2,156	\$ 2,244	\$ 2,315	\$ 2,405	\$ 2,473						
1,987	2,049	2,114	2,159	2,227	2,268						
55	107	130	156	178	205						
9(FT)/6(T)	10(FT)/6(T)	10(FT)/6(T)	10(FT)/6(T)	10(FT)/6(T)	10(FT)/6(T)						
1,700	1,850	520	1,200	980	950						
0	0	0	0	0	0						
37,600	39,250	39,750	40,800	41,750	42,500						
0	0	0	0	0	0						
2,629	2,736	2,866	3,022	3,200	3,405						
(3,008)	(2,901)	(2,771)	(2,615)	(2,437)	(2,232)						
3,518	3,514	3,482	3,440	3,400	3,310						
0	0	0	0	0	0						
510	613	711	825	963	1,078						
80	95	100	104	110	116						
0	0	0	0	0	0						
0	0	0	0	0	0						
n/a	n/a	n/a	n/a	n/a	n/a						
0	0	0	0	0	0						
0	3.3%	3.2%	3.1%	3.0%	2.9%						
\$.150	\$.155	\$.160	\$.165	\$.170	\$.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						
950	980	1,020	1,050	1,090	1,110						
632	632	632	632	824	824						
260,000	274,000	290,000	296,000	303,000	309,000						
46th	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. 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.

util/airport

ENTERPRISE ACTIVITIES

**ENTERPRISE ACTIVITIES
ORGANIZATION CHART**



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ENTERPRISE ACTIVITIES
1994 OPERATING BUDGET DETAIL

<u>LINE ITEM DESCRIPTION</u>	<u>1992 ACTUAL</u>	<u>1993 PRO-FORMA</u>	<u>1994 BUDGET</u>
8100 LABOR			
Wages	178,901	182,857	180,211
Benefits	<u>64,669</u>	<u>66,358</u>	<u>63,984</u>
Subtotal	243,570	249,215	244,195
8200 SUPPLIES	3,000	2,800	2,750
8300 OTHER SERVICES/CHARGES			
Professional Services	2,500	3,500	3,500
Travel	3,800	2,800	3,600
Other	<u>3,850</u>	<u>2,850</u>	<u>1,750</u>
Subtotal	10,150	9,150	8,850
8700 INTRAGOVERNMENTAL CHARGES			
Finance	6,370	6,310	4,350
Employee Relations	4,110	3,970	3,810
Facility Maintenance	31,740	26,030	24,520
Other	<u>12,900</u>	<u>17,590</u>	<u>13,180</u>
Subtotal	55,120	53,900	45,860
TOTAL	311,840	315,065	301,655
8800 Intragovernmental Revenue	311,840	315,065	301,655

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ENTERPRISE ACTIVITIES

1994 DEPARTMENT GOALS AND OBJECTIVES

MISSION

To supervise Enterprise Activities and coordinate their efforts with general government so that Enterprise management can concentrate efforts on managing day to day operations. To provide guidance and supervision of strategic planning efforts in all Enterprise Activities. To coordinate and facilitate the flow of information from the Administration to the Assembly.

GOALS

- ° Assure that Enterprise Activities operations and planning efforts, including the preparation and execution of budgets, are consistent with goals and objectives of the Administration.
- ° Assure that all Enterprise Activities are using consistent operation and planning assumptions.
- ° Assure that all Enterprise Activities operations and planning efforts include the preparation and execution of a strategic on-going business plan.

EXTERNAL FACTORS/PLANNING ASSUMPTIONS

- ° Changing regulatory environment requires constant monitoring of assumptions used by Enterprise Activities in the preparation of rate cases and other issues before the Alaska Public Utilities Commission (APUC), the Assembly, and other regulatory entities.
- ° Budgets should provide as much information as possible while remaining summary-level tools to aid in management decision-making.
- ° General Government and Enterprise Activities will continue to operate in an environment where responsibility for various staff functions, including finance, procurement, employee relations, and data processing, is shared by both units of municipal government.
- ° Privatization of Utilities should continue to be considered and evaluated.
- ° The growth and operation of our utilities depends on successful relationships with external organizations, including private developers, the military community, federal regulators, the state administration, the Alaska Legislature and the APUC.

OBJECTIVES/PROGRAMS

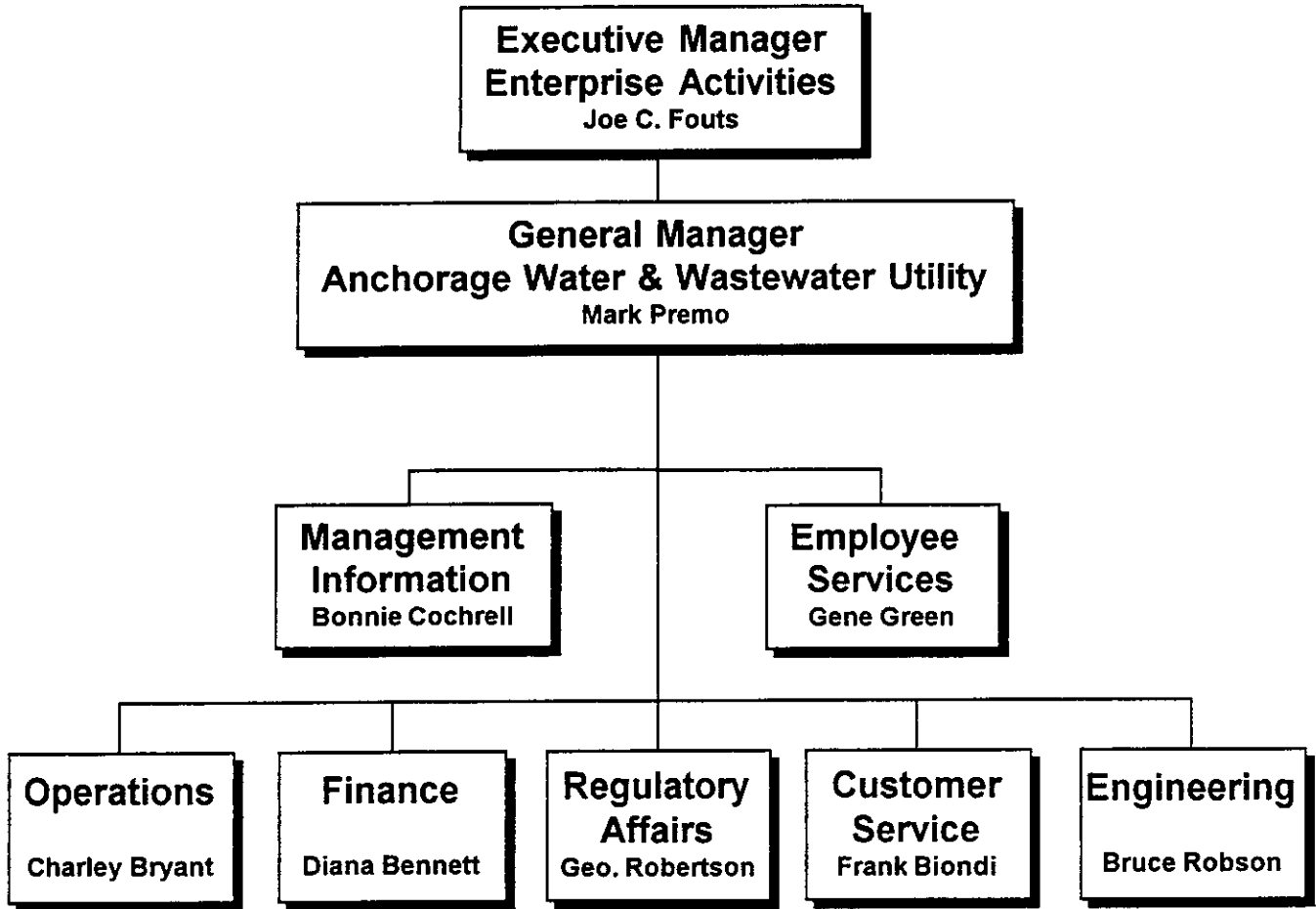
- Supervise and provide liaison functions between General Government and Enterprise Activities in administrative areas where functions overlap such as intragovernmental charges, labor relations, Municipal Utility Service Assessment (MUSA) issues, Utility Revenue Distribution issues, personnel management and budget coordination.
- Provide timely information to the Assembly so that they can make informed decisions.
- Develop assumptions to be used by Utilities in strategic planning efforts.
- Review and approve all Enterprise Activities operating and capital budgets. Assure that budgets are consistent with the Administration's goals and objectives.
- Establish and monitor administrative policies for all Enterprise Activities.
- Establish and maintain relationships with sectors of the community and outside organizations which have impact on successful operations of the enterprise activities, such as the military and other large employers.
- Continue to solicit support of the Alaska Legislature for capital improvements which require intense investment and provide areawide benefit.

BUDGET DETAIL

**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 42,000 residential, commercial, military, and industrial customers throughout the urban areas of Anchorage. The Utility's wastewater facilities serve 44,000 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 1994 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 22,329,000 gallons per day (gpd). Treatment plant capacity is 59,000,000 gpd. Average well production is 2,450,000 gpd. The transmission system has approximately 670 miles of mains and 5,300 fire hydrants. Net Plant value as of December 1992: \$297,000,000.

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 26 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 1992. Treatment plant capacity is 61,130,000 gpd. The collection system has approximately 664 miles of lines. Net plant value as of December 1992: \$255,000,000. 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 1994.

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**

<u>DIVISIONS</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
MANAGER	9	4	4	4	4	4	4
EMPLOYEE SERVICES	10	8	8	8	8	8	8
M.I.S.	8	11	12	13	13	13	13
OPERATIONS	150	146	149	150	150	150	150
FINANCE	15	15	15	15	15	15	15
REGULATORY AFFAIRS	4	4	4	4	4	4	4
ENGINEERING	30	33	33	33	33	33	33
CUSTOMER SERVICE	49	48	48	48	48	48	48
TOTAL	<u>275</u>	<u>269</u>	<u>273</u>	<u>275</u>	<u>275</u>	<u>275</u>	<u>275</u>

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Anchorage Water Utility

1994

Operating Budget

**ANCHORAGE WATER UTILITY
RECONCILIATION OF 1993 BUDGET TO 1993 PROFORMA**

	1993 BUDGET	1993 PROFORMA	VARIANCE	
REVENUE				
OPERATING REVENUES	25,290,000	25,830,000	540,000	A
NON-OPERATING REVENUES	1,617,000	1,379,000	(238,000)	B
TOTAL REVENUES	26,907,000	27,209,000	302,000	
OPERATING EXPENSES				
OPERATIONS	14,294,000	14,290,000	(4,000)	
DEPRECIATION	3,357,000	3,333,000	(24,000)	
MUSA	1,417,000	1,273,000	(144,000)	C
TOTAL OPERATING EXPENSES	19,068,000	18,896,000	(172,000)	
NON-OPERATING EXPENSES	7,778,000	7,850,000	72,000	D
TOTAL EXPENSES	26,846,000	26,746,000	(100,000)	
NET INCOME REGULATORY	61,000	463,000	402,000	
ADJUSTMENT FOR GAAP METHOD	(4,693,000)	(4,225,000)	468,000	E
NET INCOME GAAP	(4,632,000)	(3,762,000)	870,000	

Explanation of Significant Variances:

A: Customer growth 1.7%, +490k; Misc (40k); Hydrant use +90k.

B: Interest income. Bond cash +9k; General cash (354k); Other interest +175k;
Rental income (68k).

C: One-time reduction in mill rate to adjust for over collection in 1992.

D: Interest expense +43k; capitalized interest decrease +29K.

E: Function of the capital program.

**ANCHORAGE WATER UTILITY
RECONCILIATION OF 1993 PROFORMA TO 1994 BUDGET**

	1993 PROFORMA	1994 BUDGET VARIANCE		
REVENUE				
OPERATING REVENUES	25,830,000	26,180,000	350,000	A
NON-OPERATING REVENUES	1,379,000	1,362,000	(17,000)	
TOTAL REVENUES	27,209,000	27,542,000	333,000	
OPERATING EXPENSES				
OPERATIONS	14,290,000	14,668,000	378,000	B
DEPRECIATION	3,333,000	3,494,000	161,000	C
MUSA	1,273,000	1,376,000	103,000	D
TOTAL OPERATING EXPENSES	18,896,000	19,538,000	642,000	
NON-OPERATING EXPENSES	7,850,000	7,574,000	(276,000)	E
TOTAL EXPENSES	26,746,000	27,112,000	366,000	
NET INCOME REGULATORY	463,000	430,000	(33,000)	
ADJUSTMENT FOR GAAP METHOD	(4,225,000)	(4,433,000)	(208,000)	C
NET INCOME GAAP	(3,762,000)	(4,003,000)	(241,000)	

Explanation of Significant Variances:

A: Customer growth 1.5%, +350K.

B: Labor (28k); Supplies +125k; Other Services +504k; IGC's (223k).

C: Function of the capital program.

D: One-time reduction in mill rate to adjust for over collection in 1992.

E: Interest expense increase 38k; Capitalized interest increase of 314k.

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

	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
OPERATING REVENUE			
RESIDENTIAL SALES	17,058,511	17,360,000	17,620,000
COMMERCIAL SALES	5,765,874	5,890,000	5,980,000
PUBLIC FIRE PROTECTION	2,244,000	2,240,000	2,240,000
HYDRANT USE CHARGE	187,051	190,000	190,000
MISCELLANEOUS	73,921	150,000	150,000
TOTAL OPERATING REVENUE	25,329,357	25,830,000	26,180,000
OPERATING EXPENSES			
SOURCE OF SUPPLY	2,194,681	2,220,000	2,295,000
TREATMENT	2,441,353	2,443,000	2,475,000
TRANSMISSION	3,493,698	3,658,000	3,511,000
CUSTOMER ACCOUNTS	1,818,310	1,829,000	1,824,000
GENERAL & ADMINISTRATIVE	3,916,698	4,140,000	4,563,000
DEPRECIATION *	3,192,219	3,333,000	3,494,000
MUSA	1,371,311	1,273,000	1,376,000
TOTAL OPERATING EXPENSE	18,428,270	18,896,000	19,538,000
OPERATING INCOME	6,901,087	6,934,000	6,642,000

* DEPRECIATION OF CONTRIBUTED
PLANT NOT INCLUDED

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

	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
NON-OPERATING REVENUE			
RENTAL INCOME	261,145	252,000	216,000
INTEREST - BOND CASH POOL	229,575	218,000	230,000
INTEREST - GENERAL CASH POOL	296,002	286,000	257,000
INTEREST - BOND REDEMPT RESERVE	291,741	179,000	118,000
INTEREST - BOND SINKING FUND	57,870	116,000	116,000
INTEREST & PENALTIES	199,876	45,000	45,000
INTEREST - EKLUTNA RESERVE	214,246	283,000	380,000
TOTAL NON-OPERATING REVENUE	1,550,455	1,379,000	1,362,000
NON-OPERATING EXPENSE			
AMORT OF DEFERRED DEBITS/DISCOUNTS	643,142	640,000	640,000
INTEREST - LONG TERM DEBT	7,588,392	7,316,000	7,354,000
INTEREST - OTHER	0	0	0
CAPITALIZED INTEREST	(89,387)	(106,000)	(420,000)
TOTAL NON-OPERATING EXPENSE	8,142,147	7,850,000	7,574,000
NON-OPERATING INCOME	(6,591,692)	(6,471,000)	(6,212,000)
NET INCOME (REGULATORY)	309,395	463,000	430,000
ADJUSTMENT FOR GAAP	4,059,806	4,225,000	4,433,000
NET INCOME (LOSS) GAAP	(3,750,411)	(3,762,000)	(4,003,000)

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

	1992	1993	1994
	ACTUAL	PROFORMA	BUDGET
SOURCES OF CASH:			
NET INCOME (LOSS)	(3,750,411)	(3,762,000)	(4,003,000)
DEPRECIATION	7,252,025	7,558,000	7,927,000
BOND PROCEEDS	0	2,780,000	5,000,000
ASSESSMENT BONDS	0	0	0
GRANTS	2,279,032	4,806,000	915,000
LOANS	0	0	0
ASSESSMENTS	562,143	355,000	255,000
OTHER	654,772	650,000	640,000
TOTAL SOURCES OF CASH FUNDS	6,997,561	12,387,000	10,734,000
USES OF CASH:			
ADDITIONS TO PLANT	5,469,310	10,257,000	9,715,000
BOND PRINCIPAL PAYMENT	1,347,648	1,330,000	1,503,000
OTHER	(245,920)	(1,000)	33,000
TOTAL USES OF CASH FUNDS	6,571,038	11,586,000	11,251,000
NET INCREASE(DECREASE) IN CASH FUND	426,523	801,000	(517,000)
CASH BALANCE JANUARY 1	19,318,154	19,744,677	20,546,000
CASH BALANCE DECEMBER 31	19,744,677	20,546,000	20,029,000
DETAIL OF CASH BALANCE:			
EQUITY IN CONSTRUCTION CASH POOL	4,078,034	5,607,000	4,607,000
REVENUE BOND REDEMPTION RESERVE	2,386,281	1,592,000	1,952,000
REVENUE BOND SINKING FUND RESERVE	2,093,960	2,101,000	2,102,000
RESERVE FOR DEBT	3,770,000	5,068,000	6,390,000
EQUITY IN GENERAL CASH POOL	7,416,402	6,178,000	4,978,000
CASH BALANCE DECEMBER 31	19,744,677	20,546,000	20,029,000

**ANCHORAGE WATER UTILITY
1994 OPERATING BUDGET DETAIL**

	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
LABOR			
Wages	5,510,783	5,396,000	5,415,000
Overtime	115,066	183,000	145,000
Benefits	2,527,555	2,626,000	2,617,000
Subtotal	8,153,404	8,205,000	8,177,000
SUPPLIES			
Chemicals	194,454	201,000	210,000
Other	735,511	710,000	826,000
Subtotal	929,965	911,000	1,036,000
INTRAGOVERNMENTAL CHARGES			
Finance Dept	289,577	348,000	357,000
Mgmt Information Systems Dept	388,760	550,000	384,000
Employee Relations Dept	131,662	148,000	141,000
Other	319,329	373,000	314,000
Subtotal	1,129,328	1,419,000	1,196,000
OTHER SERVICES			
Professional Services	77,026	79,000	82,000
Rent/Leases	1,275,353	1,276,000	1,277,000
Utilities	1,654,774	1,697,000	1,748,000
Other	644,890	703,000	1,152,000
Subtotal	3,652,043	3,755,000	4,259,000
OTHER EXPENSES			
Depreciation & Amortization	7,252,025	7,558,000	7,927,000
MUSA	1,371,311	1,273,000	1,376,000
Interest on Long-Term Debt	7,588,392	7,316,000	7,354,000
Other	553,755	534,000	220,000
Subtotal	16,765,483	16,681,000	16,877,000
TOTAL EXPENSES	30,630,223	30,971,000	31,545,000

Anchorage Water Utility

1994 - 1999

**Capital Improvement
Budget/Program**

ANCHORAGE WATER UTILITY
1994-1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY

PROJECT CATEGORY	1994	1995	1996	1997	1998	1999
WATER DISTRICTS	0	0	0	0	0	0
GENERAL PLANT	2,513	1,247	1,286	1,154	1,169	1,106
REPAIR & REHAB	2,610	3,700	2,200	2,175	1,295	840
TRANS/DISTRIBUTION	12,235	12,600	6,950	4,750	3,800	100
WELLS, TANKS, PRV's	785	3,700	500	3,700	200	200
TOTAL PROGRAM	18,143	21,247	10,936	11,779	6,464	2,246

SOURCE OF FUNDING	1994	1995	1996	1997	1998	1999
G.O. BONDS	0	0	0	0	0	0
REVENUE BONDS	1,455	1,325	0	0	0	0
LOAN	0	0	0	0	0	0
EQUITY/OPERATIONS	4,303	3,167	2,696	2,814	2,239	1,906
STATE GRANT	4,115	11,155	740	915	525	340
FEDERAL GRANT	0	0	0	0	0	0
DIRECT APPROPRIATION	8,270	5,600	7,500	8,050	3,700	0
TOTAL	18,143	21,247	10,936	11,779	6,464	2,246

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WATER
Project Category: 12 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Bonds			Funding			Total
			G-GO Bonds	R-Rev Bonds	L-Loans	Funding	Grants	Total	
EQUIPMENT - Customer Service DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				42.5	F S D	42.5	
EQUIPMENT - Engr DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				40.0	F S D	40.0	
EQUIPMENT - Finance DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				50.0	F S D	50.0	
EQUIPMENT - Network Enhancements	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				50.0	F S D	50.0	
EQUIPMENT - New Water Connects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				60.0	F S D	60.0	
EQUIPMENT - Office-Shop	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				232.0	F S D	232.0	
EQUIPMENT - Operations DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				114.5	F S D	114.5	
EQUIPMENT - Operations Div Lab	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE				125.0	F S D	125.0	

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MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WATER
Project Category: 12 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Bonds G-Go Bonds R-Rev Bonds L-Loans	Funding			Total
				Equity	Grants F-Federal S-State D-Approate	Other	
EQUIPMENT - SAR Replacement	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	185.0	F S D		185.0
EQUIPMENT - Telemetry SCADA	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	600.0	F S D		600.0
EQUIPMENT - Utilitywide DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	169.0	F S D		169.0
EQUIPMENT - Water Meters	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	200.0	F S D		200.0
FACILITY R R - ADA Improvements	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	20.0	F S D		20.0
FACILITY R R - Water	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	400.0	F S D		400.0
STUDIES - Depreciation	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	125.0	F S D		125.0
STUDIES - GIS Development	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	100.0	F S D		100.0

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MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WATER
Project Category: 13 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Bonds			Funding			Total
			G=GO	R=Rev	L=Loans	MO	Equity	NO	
6th Ave at Pine R R	House: 14 Senate: G Assembly: 5	RUSSIAN JACK PARK					70.0		120.0
ADOT-MOA Related Projects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE					240.0		400.0
Emergency R R	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE					60.0		100.0
Government Hill East WS R R	House: 14 Senate: G Assembly: 1	GOVERNMENT HILL					400.0		640.0
Sullivan Arena Water R R	House: 15 Senate: H Assembly: 1	MOUNTAIN VIEW					210.0		350.0
Wood Stave Pipe Replacement	House: 14,15 Senate: G,H Assembly: 1	GOVERNMENT HILL DOWNTOWN							1,000.0
Requested by ROBERTA PIPER		Date Printed: 08/20/93	G	R	L		980.0		2,610.0
									F 630.0 S 1,000.0 D

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WATER
Project Category: 14 TRANS/DISTRIBUTION

Project Title	Legislative Districts	Community Councils	Funding			Total
			Bonds	Equity	Grants	
			G-GO Bonds R-Rev Bonds L-Loans	Federal State D-Appropr	Federal State D-Appropr	
Anchorage Loop WTM Phase I	House: 23,24 Senate: L Assembly: 5	NORTHEAST RUSSIAN JACK PARK	G R L 1,455.0		F S D 3,395.0	4,850.0
Anchorage Loop WTM Phase II	House: 22,24 Senate: L,K Assembly: 5	NORTHEAST SCENIC PARK	G R L		F S D 770.0	770.0
Anchorage Loop WTM Phase III	House: 22 Senate: K Assembly: 5	NORTHEAST SCENIC PARK	G R L		F S D 6,200.0	6,200.0
Denali-40th to Tudor	House: 20 Senate: J Assembly: 4	SPENARD	G R L	150.0	F S D 90.0	240.0
Private Development Oversizing	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	100.0	F S D	100.0
Schroeder Drive Water Main	House: 25 Senate: M Assembly: 2	EAGLE RIVER	G R L	75.0	F S D	75.0
Requested by ROBERTA PIPER	Date Printed: 08/20/93		G R L 1,455.0	325.0	F S D 3,485.0 6,970.0	12,235.0

3 --- Direct appropriation from the state will be requested; if not obtained, bond/grant/equity funding will be used.

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WATER

Project Category: 15 WELLS, TANKS & PRV'S

Project Title	Legislative Districts	Community Councils	Bonds G-GO Bonds R-Rev Bonds L-Loans	Funding			Total
				Equity	Grants F-Federal S-State D-Approat	Other	
Miscellaneous Well Abandonments	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE		75.0	F S D		75.0
PRV Vault Upgrades Flooding	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE		100.0	F S D		100.0
RES 44 S AND N PAINT Chevigny N and S	House: 11 Senate: F Assembly: 3	SAND LAKE		310.0	F S D		310.0
Service High Reservoir	House: 18 Senate: I Assembly: 6	ABBOTT LOOP			F S D	300.0	300.0
Requested by ROBERTA PIPER		Date Printed: 08/20/93		485.0	F S D	300.0	785.0

2 --- Direct appropriation from the State of Alaska will be requested; if not obtained, this project will not be built.

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 12 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
EQUIPMENT - Customer Service DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D
EQUIPMENT - Engr DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 30.0 E F S D	G R L E F S D 65.0 E F S D	G R L E F S D 65.0 E F S D	G R L E F S D 32.5 E F S D	G R L E F S D 2.5 E F S D
EQUIPMENT - Finance DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 12.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D	G R L E F S D 2.5 E F S D
EQUIPMENT - New Water Connects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 70.0 E F S D	G R L E F S D 80.0 E F S D	G R L E F S D 90.0 E F S D	G R L E F S D 100.0 E F S D	G R L E F S D 110.0 E F S D
EQUIPMENT - Office-Shop	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 150.0 E F S D	G R L E F S D 150.0 E F S D	G R L E F S D 150.0 E F S D	G R L E F S D 150.0 E F S D	G R L E F S D 150.0 E F S D

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 12 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
EQUIPMENT - Operations DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			79.5	42.5	42.5	30.0	30.0
EQUIPMENT - Utilitywide DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			102.0	143.8	46.3	46.3	46.3
EQUIPMENT - Water Meters	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			225.0	225.0	225.0	225.0	225.0
FACILITY R R - Water	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			475.0	475.0	480.0	530.0	490.0
STUDIES - GIS Development	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			100.0	100.0	50.0	50.0	50.0
Requested by ROBERTA PIPER			1,245.0	1,284.0	1,152.0	1,167.0	1,105.0
Date 08/20/93			1,245.0	1,284.0	1,152.0	1,167.0	1,105.0
GO BONDS REV BONDS LOAN EQUITY ST GRANTS FED GRANTS DIRECT APPROPRIATION PAGE TOTAL			1,245.0	1,284.0	1,152.0	1,167.0	1,105.0

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 13 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
10-11 ALLEY WS R R	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D
15TH AVENUE WS R R	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D
16TH AVENUE WS R R PHASE I	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D
16th Avenue WS R R Phase II	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D
6th Avenue WS R R	House: 13 Senate: G Assembly: 1	DOWNTOWN	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 13 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
ADOT-MOA Related Projects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 300.0 200.0	G R L E F S D 300.0 200.0	G R L E F S D 300.0 200.0	G R L E F S D 120.0 80.0	G R L E F S D 120.0 80.0
Arctic Blvd 70 to 72 Water R R	House: 11 Senate: F Assembly: 3	TAKU CAMPBELL	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0
College Gate R R	House: 22 Senate: K Assembly: 5	UNIVERSITY AREA	G R L E F S D 225.0 150.0	G R L E F S D 225.0 150.0	G R L E F S D 225.0 150.0	G R L E F S D 225.0 150.0	G R L E F S D 225.0 150.0
E 41st Avenue and Allan Drive	House: 20 Senate: J Assembly: 4	TUDOR AREA	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0	G R L E F S D 90.0 60.0
Emergency R R	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 60.0 40.0	G R L E F S D 60.0 40.0	G R L E F S D 60.0 40.0	G R L E F S D 60.0 40.0	G R L E F S D 60.0 40.0

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER

Project Category: 13 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year					
			1995	1996	1997	1998	1999	
X STREET WS R R	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	130.0
Medfia Street WS R R	House: 16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	90.0
Misc Alleys WS R R	House: 15,16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	70.0
S and R Streets WS R R	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	50.0
SOUTH ADDITION WS R R PHASE I	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	120.0
			G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	G R L L E E F S S D	80.0

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FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 13 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
SOUTH ADDITION WS R R PHASE II	House: 15 Senate: H Assembly: 1	SOUTH ADDITION	GRLEFFSD 345.0	GRLEFFSD 230.0	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0
Wood Stave Pipe Replacement	House: 14,15 Senate: G,H Assembly: 1	GOVERNMENT HILL DOWNTOWN	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0	GRLEFFSD 1,000.0
Requested by ROBERTA PIPER Date 08/20/93			1,620.0	720.0	700.0	770.0	500.0
GO BONDS			1,080.0	480.0	475.0	525.0	340.0
REV BONDS			1,000.0	1,000.0	1,000.0	1,295.0	840.0
LOAN			3,700.0	2,200.0	2,175.0	1,295.0	840.0
EQUITY							
ST GRANTS							
FED GRANTS							
DIRECT APPROPRIATION							
PAGE TOTAL							

2 --- Direct appropriation from the State of Alaska will be requested; if not obtained, this project will not be built.
3 --- Direct appropriation from the State will be requested; if not obtained, bond/grant/equity funding will be used.

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER

Project Category: 14 TRANS/DISTRIBUTION

Project Title	Legislative Districts	Community Councils	Budget by Year				1999
			1995	1996	1997	1998	
Anchorage Loop WTM Phase II	House: 22, 24 Senate: L, K Assembly: 5	NORTHEAST SCENIC PARK	G R 1,325.0 L E F S 3,875.0 D	G R L E F S D	G R L E F S D	G R L E F S D	
Anchorage Loop WTM Phase III	House: 22 Senate: K Assembly: 5	NORTHEAST SCENIC PARK	G R L E F S 6,200.0 D	G R L E F S D	G R L E F S D	G R L E F S D	
Anchorage Loop WTM Phase IV	House: 19, 22 Senate: J, K Assembly: 5, 6	TUDOR AREA	G R L E F S D 5,600.0	G R L E F S D	G R L E F S D	G R L E F S D	
Anchorage Loop WTM Phase V	House: 18, 19 Senate: I, J Assembly: 4-6	ABBOTT LOOP	G R L E F S D	G R L E F S D 600.0	G R L E F S D 1,700.0	G R L E F S D	
Anchorage Loop WTM Phase VI	House: 17 Senate: I Assembly: 6	BAYSHORE-KLATT TAKU CAMPBELL	G R L E F S D	G R L E F S D	G R L E F S D 500.0	G R L E F S D 1,500.0	

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER

Project Category: 14 TRANS/DISTRIBUTION

Project Title	Legislative Districts	Community Councils	Budget by Year				1999
			1995	1996	1997	1998	
Anchorage Loop WTM Phase VII	House: 12 Senate: F Assembly: 3,6	SAND LAKE	G R L E F S D	G R L E F S D 270.0	G R L E F S D	G R L E F S D 2,200.0	G R L E F S D
Jewel Lake Main	House: 12 Senate: F Assembly: 3	SAND LAKE	G R L E F S D	G R L E F S D 180.0	G R L E F S D	G R L E F S D	G R L E F S D
Muldoon Area Connections-Upgrades	House: 22,24 Senate: L Assembly: 5	NORTHEAST SCENIC PARK	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
Private Development Oversizing	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 600.0	G R L E F S D 100.0	G R L E F S D	G R L E F S D 100.0	G R L E F S D 100.0
Sixth Avenue Mains	House: 23 Senate: L Assembly: 5	NORTHEAST	G R L E F S D	G R L E F S D 120.0	G R L E F S D 480.0	G R L E F S D 320.0	G R L E F S D

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 14 TRANS/DISTRIBUTION

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
Timberlane - Klatt to Huffman	House: 10 Senate: E Assembly: 6	BAYSHORE-KLATT	G R L E P S D	G R L E P S D	G R L E P S D	G R L E P S D	G R L E P S D
Turnagain View East Transmission	House: 10 Senate: E Assembly: 6	HUFFMAN O'MALLEY	G R L E P S D	G R L E P S D	G R L E P S D 1,350.0	G R L E P S D	G R L E P S D
<p>Requested by ROBERTA PIPER Date 08/20/93</p> <p>GO BONDS 1,325.0</p> <p>REV BONDS 100.0</p> <p>LOAN 10,075.0</p> <p>EQUITY 490.0</p> <p>ST GRANTS 260.0</p> <p>FED GRANTS 760.0</p> <p>DIRECT APPROPRIATION 440.0</p> <p>PAGE TOTAL 3,700.0</p>			<p>4 D</p> <p>1,100.0</p> <p>12,600.0</p> <p>6,200.0</p> <p>6,950.0</p> <p>3,550.0</p> <p>4,750.0</p> <p>3,700.0</p> <p>3,800.0</p> <p>100.0</p> <p>100.0</p>				

4 --- Direct appropriation from the state will be requested; if not obtained this project will be constructed if funds are available.

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 15 WELLS, TANKS & PRV'S

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
RESERVOIR 20 PAINT - Creekside	House: 23 Senate: L Assembly: 5	NORTHEAST	G R L E F S D 200.0	G R L E F S D 200.0	G R L E F S D 200.0	G R L E F S D 200.0	G R L E F S D 200.0
RESERVOIR PAINT Eagle R Heights N	House: 25 Senate: M Assembly: 2	EAGLE RIVER	G R L E F S D	G R L E F S D	G R L E F S D 200.0	G R L E F S D	G R L E F S D
RESERVOIR PAINT Hanshaw	House: 18 Senate: I Assembly: 6	ABBOTT LOOP	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D 200.0	G R L E F S D
RESERVOIR PAINT Reservoir 4 Roof	House: 22 Senate: K Assembly: 5	SCENIC PARK UNIVERSITY AREA	G R L E F S D 200.0	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D 200.0
Reservoir Painting	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D 200.0

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2 --- Direct appropriation from the State of Alaska will be requested; if not obtained, this project will not be built.

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WATER
Project Category: 15 WELLS, TANKS & PRV'S

Project Title	Legislative Districts	Community Councils	Budget by Year			
			1995	1996	1997	1998
Service High Reservoir	House: 18 Senate: 1 Assembly: 6	ABBOTT LOOP	GRLEPSSD 3,500.0	GRLEPSSD	GRLEPSSD	GRLEPSSD
Turnagain View Reservoir	House: 10 Senate: E Assembly: 6	HUFFMAN O'MALLEY	GRLEPSSD 300.0	GRLEPSSD 3,500.0	GRLEPSSD	GRLEPSSD
Requested by ROBERTA PIPER			200.0	200.0	200.0	200.0
Date 08/20/93			3,500.0	300.0	3,500.0	3,500.0
Date 08/20/93			3,700.0	500.0	3,700.0	200.0
GO BONDS						
REV BONDS						
LOAN						
EQUITY						
ST GRANTS						
FED GRANTS						
DIRECT APPROPRIATION						
PAGE TOTAL						

2 --- Direct appropriation from the state of Alaska will be requested; if not obtained, this project will not be built.

Anchorage Wastewater Utility

1994

Operating Budget

**ANCHORAGE WASTEWATER UTILITY
RECONCILIATION OF 1993 BUDGET TO 1993 PROFORMA**

	1993 BUDGET	1993 PROFORMA	VARIANCE	
REVENUE				
OPERATING REVENUES	21,990,000	21,480,000	(510,000)	A
NON-OPERATING REVENUES	1,766,000	1,657,000	(109,000)	B
TOTAL REVENUES	23,756,000	23,137,000	(619,000)	
OPERATING EXPENSES				
OPERATIONS	14,436,000	13,619,000	(817,000)	C
DEPRECIATION	2,629,000	2,881,000	252,000	D
MUSA	1,169,000	894,000	(275,000)	E
TOTAL OPERATING EXPENSES	18,234,000	17,394,000	(840,000)	
NON-OPERATING EXPENSES	5,437,000	4,898,000	(539,000)	F
TOTAL EXPENSES	23,671,000	22,292,000	(1,379,000)	
NET INCOME REGULATORY	85,000	845,000	760,000	
ADJUSTMENT FOR GAAP METHOD	(5,255,000)	(4,929,000)	326,000	D
NET INCOME GAAP	(5,170,000)	(4,084,000)	1,086,000	

Explanation of Significant Variances:

A: Customers + 10k; Public Authorities (500k); Misc (20k);

B: Rental + 71k; Geni Cash Pool (89k); Bond cash pool (91).

C: Labor (202k); supplies (148k); other services (269k); IGC's (198k).

D: Function of capital program.

E: One-time reduction in mill rate to adjust for over collection in 1992.

F: Interest expense (548k); capitalized interest decrease + 9k.

**ANCHORAGE WASTEWATER UTILITY
RECONCILIATION OF 1993 PROFORMA TO 1994 BUDGET**

	1993 PROFORMA	1994 BUDGET	VARIANCE	
REVENUE				
OPERATING REVENUES	21,480,000	21,980,000	500,000	A
NON-OPERATING REVENUES	1,657,000	1,572,000	(85,000)	B
TOTAL REVENUES	23,137,000	23,552,000	415,000	
OPERATING EXPENSES				
OPERATIONS	13,619,000	14,084,000	465,000	C
DEPRECIATION	2,881,000	3,075,000	194,000	D
MUSA	894,000	1,117,000	223,000	E
TOTAL OPERATING EXPENSES	17,394,000	18,276,000	882,000	
NON-OPERATING EXPENSES	4,898,000	4,753,000	(145,000)	F
TOTAL EXPENSES	22,292,000	23,029,000	737,000	
NET INCOME REGULATORY	845,000	523,000	(322,000)	
ADJUSTMENT FOR GAAP METHOD	(4,929,000)	(5,141,000)	(212,000)	D
NET INCOME GAAP	(4,084,000)	(4,618,000)	(534,000)	

Explanation of Significant Variances:

A: Customer growth 1.5%, +320k; Public Authorities +180k.

B: Increase in interest income +15k; decrease in rental income (100k).

C: Labor 95k; supplies 5k; other svc 484k; igc's (119k).

D: Function of capital construction program.

E: One-time reduction in mill rate to adjust for over collection in 1992.

F: Decrease in interest expense (162k); decrease in capitalized interest +17k.

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

STATEMENT OF REVENUES & EXPENSES	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
OPERATING REVENUES			
RESIDENTIAL SALES	15,855,128	16,340,000	16,590,000
COMMERCIAL SALES	4,555,221	4,570,000	4,640,000
PUBLIC AUTHORITIES	565,377	400,000	580,000
MISCELLANEOUS	108,080	170,000	170,000
TOTAL OPERATING REVENUE	21,083,806	21,480,000	21,980,000
OPERATING EXPENSES			
COLLECTION	2,686,031	2,735,000	2,768,000
TREATMENT	5,015,359	5,178,000	5,250,000
CUSTOMER ACCOUNTS	1,580,329	1,626,000	1,632,000
GENL & ADMINISTRATIVE	3,867,536	4,080,000	4,434,000
DEPRECIATION *	2,520,292	2,881,000	3,075,000
MUSA	1,100,650	894,000	1,117,000
TOTAL OPERATING EXPENSES	16,770,197	17,394,000	18,276,000
OPERATING INCOME	4,313,609	4,086,000	3,704,000

*DEPRECIATION OF CONTRIBUTED
PLANT NOT INCLUDED

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

	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
NON-OPERATING REVENUE			
INT PENALTIES / ASSESSMENTS	353,113	365,000	365,000
INT GENL CASH POOL	405,471	292,000	187,000
INT CONST CASH POOL	(17,590)	(41,000)	79,000
PROPERTY RENTAL	1,041,830	1,041,000	941,000
AMORT OF GAIN	0	0	0
OTHER NON-OPER REVENUE	752	0	0
TOTAL NON-OPERATING REVENUE	1,783,576	1,657,000	1,572,000
 NON-OPERATING EXPENSE			
INTEREST - LONG TERM DEBT	4,903,104	4,439,000	4,277,000
INTEREST - OTHER	142,770	0	0
AMORT DEFERRED DEBITS/DISCOUNTS	505,361	525,000	525,000
CAPITALIZED INTEREST	(69,023)	(66,000)	(49,000)
TOTAL NON-OPERATING EXPENSE	5,482,212	4,898,000	4,753,000
 NON-OPERATING INCOME	(3,698,636)	(3,241,000)	(3,181,000)
 NET INCOME (REGULATORY)	614,973	845,000	523,000
 ADJUSTMENT FOR GAAP	4,969,006	4,929,000	5,141,000
NET INCOME (LOSS) GAAP	(4,354,033)	(4,084,000)	(4,618,000)

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

	1992	1993	1994
	ACTUAL	PROFORMA	BUDGET
SOURCES OF CASH:			
NET INCOME (LOSS)	(4,354,033)	(4,084,000)	(4,618,000)
DEPRECIATION	7,489,298	7,810,000	8,216,000
STATE LOANS	0	4,696,000	2,000,000
BOND PROCEEDS	0	0	0
GRANTS	2,657,153	1,484,000	1,365,000
ASSESSMENTS	1,382,465	1,200,000	1,000,000
OTHER	21,922	525,000	525,000
TOTAL SOURCES OF CASH FUNDS	7,196,805	11,631,000	8,488,000
USES OF CASH:			
ADDITIONS TO PLANT	4,959,198	4,718,000	5,472,000
BOND PRINCIPAL PAYMENT	4,239,862	5,252,000	5,258,000
OTHER	1,626,555	(228,000)	125,000
TOTAL USES OF CASH FUNDS	10,825,615	9,742,000	10,855,000
NET INCREASE(DECREASE) IN CASH FUND	(3,628,810)	1,889,000	(2,367,000)
CASH BALANCE JANUARY 1	10,423,649	6,795,000	8,684,000
CASH BALANCE DECEMBER 31	6,794,839	8,684,000	6,317,000
DETAIL OF CASH BALANCE:			
EQUITY IN CONSTRUCTION CASH POOL	(900,542)	1,761,000	1,154,000
RESERVE FOR DEBT PAYMENT	0	0	0
EQUITY IN GENERAL CASH POOL	7,695,381	6,923,000	5,163,000
CASH BALANCE DECEMBER 31	6,794,839	8,684,000	6,317,000

**ANCHORAGE WASTEWATER UTILITY
1994 OPERATING BUDGET DETAIL**

	1992 ACTUAL	1993 PROFORMA	1994 BUDGET
LABOR			
Wages	5,285,300	5,247,000	5,300,000
Overtime	94,112	84,000	95,000
Benefits	2,447,633	2,508,000	2,539,000
Subtotal	7,827,045	7,839,000	7,934,000
SUPPLIES			
Chemicals	235,046	243,000	259,000
Other	688,470	757,000	746,000
Subtotal	923,516	1,000,000	1,005,000
INTRAGOVERNMENTAL CHARGES			
Finance Dept	296,982	372,000	349,000
Mgmt Information Systems Dept	403,677	602,000	438,000
Employee Relations Dept	128,070	142,000	137,000
Other	558,591	547,000	620,000
Subtotal	1,387,320	1,663,000	1,544,000
OTHER SERVICES			
Professional Services	402,162	414,000	427,000
Rent/Leases	483,204	498,000	513,000
Utilities	1,288,167	1,327,000	1,367,000
Other	837,841	878,000	1,294,000
Subtotal	3,011,374	3,117,000	3,601,000
OTHER EXPENSES			
Depreciation & Amortization	7,489,298	7,810,000	8,216,000
MUSA	1,100,650	894,000	1,117,000
Interest on Long-Term Debt	4,903,104	4,439,000	4,277,000
Other	579,108	459,000	476,000
Subtotal	14,072,160	13,602,000	14,086,000
TOTAL EXPENSES	27,221,415	27,221,000	28,170,000

Anchorage Wastewater Utility

1994 - 1999

**Capital Improvement
Budget/Program**

**ANCHORAGE WASTEWATER UTILITY
1994-1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY**

PROJECT CATEGORY	1994	1995	1996	1997	1998	1999
GENERAL PLANT	5,067	9,813	2,259	2,644	814	881
SEWER DISTRICTS	1,984	0	0	0	0	0
REPAIR & REHAB	3,150	5,454	5,195	4,200	1,380	1,125
TRUNK & INTERCEPTOR	810	100	2,010	2,380	1,100	100
TOTAL PROGRAM	11,011	15,367	9,464	9,224	3,294	2,106

SOURCE OF FUNDING	1994	1995	1996	1997	1998	1999
G. O. BONDS	0	0	0	0	0	0
ASSESSMENT BONDS	992	0	0	0	0	0
REVENUE BONDS	0	0	0	0	0	0
LOAN	3,847	9,037	3,711	2,886	1,430	495
EQUITY/OPERATIONS	555	773	2,051	3,814	914	1,121
STATE GRANT	1,525	1,757	2,902	2,524	950	490
FEDERAL GRANT	0	0	0	0	0	0
DIRECT APPROPRIATION	4,092	3,800	800	0	0	0
TOTAL	11,011	15,367	9,464	9,224	3,294	2,106

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	P u n d i n g			Total
			Bonds	Equity	Grants	
			G-GO Bonds R-Rev Bonds L-Loans	O t e	F-Federal S-State D-Approat	N o t
EQUIPMENT - Customer Service DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	42.5		F S D	42.5
EQUIPMENT - Engr DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	40.0		F S D	40.0
EQUIPMENT - Finance DP Equip	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	50.0		F S D	50.0
EQUIPMENT - Network Enhancements	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	50.0		F S D	50.0
EQUIPMENT - Office-Shop	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	232.0		F S D	232.0
EQUIPMENT - Operations DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	93.0		F S D	93.0
EQUIPMENT - Operations Div Lab	House: 9-26 Senate: E4-M Assembly: 1-6	AREAWIDE	125.0		F S D	125.0
EQUIPMENT - SAR Replacement Proj	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	185.0		F S D	185.0

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MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Funding			Total
			Bonds	Equity	Grants	
			G-GO Bonds R-Rev Bonds L-Loans	Federal State Approat		
EQUIPMENT - Utilitywide DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 169.0 R L		F S D	169.0
FACILITY R R - ADA Improvements	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 20.0 R L		F S D	20.0
FACILITY R R - Emerg Incinerator	House: 13 Senate: G Assembly: 3	SAND LAKE TURNAGAIN	G 500.0 R L		F S D	500.0
FACILITY R R - Girdwood WWTY	House: 9 Senate: E Assembly: 6	GIRDWOOD VALLEY TURNAGAIN ARM	G 150.0 R L		F 100.0 S 2,300.0 D	2,550.0
FACILITY R R - Outfall Diffuser	House: 13 Senate: G Assembly: 3	SAND LAKE TURNAGAIN	G 120.0 R L		F S D	200.0
FACILITY R R - PS 2 and 12 Elec	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	15.0	F S D	15.0
FACILITY R R - Wastewater	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L	540.0	F S D	540.0
STUDIES - Depreciation	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 125.0 R L		F S D	125.0

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2 --- Direct appropriation from the State of Alaska will be requested; if not obtained, this project will not be built.
4 --- Direct appropriation from the State will be requested; if not obtained this project will be constructed if funds are available.

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WASTEWATER
Project Category: 22 SEWER DISTRICTS

Project Title	Legislative Districts	Community Councils	Bonds			Funding			Total
			G=GO Bonds	R=Rev Bonds	L=Loans	Federal	State	Local	
Jewel Mine LID	House: 9 Senate: E Assembly: 6	GIRWOOD VALLEY TURNAGAIN ARM	537.0			F	S	D	1,074.0
Old Girdwood Townsite LID	House: 9 Senate: E Assembly: 6	GIRWOOD VALLEY TURNAGAIN ARM	455.0			F	S	D	910.0
Requested by ROBERTA PIPER			G 992.0	R	L	F	S	D 992.0	1,984.0
Date Printed: 12/16/93									

1 --- Funding through Assessment bonds.

8 --- \$210 received to date from 93 Legislative Appropriations; \$245 required from Direct Appropriations for project to proceed.

9 --- \$537 required from Direct Appropriations for project to proceed.

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS
1994

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Funding				Total
			Bonds G-GO Bonds R-Rev Bonds L-Loans	Equity	Grants F-Federal S-State D-Appropriation	Other	
ADOT-MOA Related Projects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 240.0 R L		F 160.0 S D	400.0	
C-5-7 Trunk R R	House: 17 Senate: I Assembly: 6	BAYSHORE-KLATT	G 100.0 R L		F 200.0 S D	300.0	
E38th-Providence Sewer R R	House: 19 Senate: J Assembly: 4	UNIVERSITY AREA	G 120.0 R L		F 80.0 S D	200.0	
Emergency R R	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 60.0 R L		F 40.0 S D	100.0	
Middle Fish Creek Trunk Phase I	House: 11 Senate: F Assembly: 3	SPENARD	G R L		F 800.0 S D	800.0	
Misc Small Sewer R R	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 240.0 R L		F 160.0 S D	400.0	
North Star Sewer R R	House: 11 Senate: F Assembly: 3	SPENARD	G 480.0 R L		F 320.0 S D	800.0	
VC Pipe Replacement	House: 13,15 Senate: G-H Assembly: 1	DOWNTOWN	G 50.0 R L		F 100.0 S D	150.0	

3 --- Direct appropriation from the State will be requested; if not obtained, bond/grant/equity funding will be used. CONTINUED ON NEXT PAGE

MUNICIPALITY OF ANCHORAGE
 BUDGET YEAR PROJECTS
 1994

Utility: WASTEWATER
 Project Category: 24 TRUNK & INTERCEPTOR

Project Title	Legislative Districts	Community Councils	Funding			Total
			Bonds	Equity	Grants	
			G-Go Bonds R-Rev Bonds L-Loans	N Equity	F Federal S State D Approat	N Total
C2-C Trunk	House: 12 Senate: F Assembly: 3	SAND LAKE	G 425.0 R L		F 285.0 S D	710.0
Private Development Oversizing	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 100.0 R L		F S D	100.0
Requested by ROBERTA PIPER			G 525.0 R L		F 285.0 S D	810.0
Date Printed: 08/20/93						

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
EQUIPMENT - Customer Service DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	2.5 E F S S D	2.5 E F S S D	2.5 E F S S D	2.5 E F S S D	2.5 E F S S D
EQUIPMENT - Engr DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	30.0 E F S S D	65.0 E F S S D	65.0 E F S S D	32.5 E F S S D	
EQUIPMENT - Finance DP Equip	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	12.5 E F S S D	2.5 E F S S D	2.5 E F S S D	2.5 E F S S D	2.5 E F S S D
EQUIPMENT - Office-Shop	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	150.0 E F S S D	150.0 E F S S D	150.0 E F S S D	150.0 E F S S D	150.0 E F S S D
EQUIPMENT - Operations DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	60.5 E F S S D	42.5 E F S S D	42.5 E F S S D	30.0 E F S S D	30.0 E F S S D

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
EQUIPMENT - Utilitywide DP	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 102.0	G R L E F S D 146.3	G R L E F S D 46.3	G R L E F S D 46.3	G R L E F S D 46.3
FACILITY R R - ERWWTF Warm Stg Bldg	House: 24,25 Senate: L,M Assembly: 2	EAGLE RIVER EKLUTNA VALLEY	G R L E F S D 250.0	G R L E F S D 250.0	G R L E F S D 250.0	G R L E F S D 250.0	G R L E F S D 250.0
FACILITY R R - Emerg Incinerator	House: 13 Senate: G Assembly: 3	SAND LAKE TURNAGAIN	G R L E F S D 5,500.0	G R L E F S D 5,500.0	G R L E F S D 5,500.0	G R L E F S D 5,500.0	G R L E F S D 5,500.0
FACILITY R R - Fuel Tank Replace	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 450.0	G R L E F S D 450.0	G R L E F S D 450.0	G R L E F S D 450.0	G R L E F S D 450.0
FACILITY R R - Fuel Tank Testing	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D 35.0	G R L E F S D 35.0	G R L E F S D 35.0	G R L E F S D 35.0	G R L E F S D 35.0

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2 --- Direct appropriation from the State of Alaska will be requested; if not obtained, this project will not be built.
4 --- Direct appropriation from the State will be requested; if not obtained this project will be constructed if funds are available.

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year			
			1995	1996	1997	1998
FACILITY R R - Girdwood WWTF	House: 9 Senate: E Assembly: 6	GIRDWOOD VALLEY TURNAGAIN ARM	G 1,500.0 R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D
FACILITY R R - Operations Warehouse	House: 17 Senate: I Assembly: 6	BAYSHORE-KLATT	G 1,750.0 R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D
FACILITY R R - PS 10 Upgrade	House: 13 Senate: G Assembly: 3	TURNAGAIN	G 150.0 R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D
FACILITY R R - PS 2 and 12 Elec	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 150.0 R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D
FACILITY R R - Wastewater	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G 620.0 R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D	G R R L E E F F S S D D

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 21 GENERAL PLANT

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
STUDIES - GIS Development	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	100.0 R L E F S D	100.0 R L E F S D	50.0 R L E F S D	50.0 R L E F S D	50.0 R L E F S D
STUDIES - Sewer Master Plan	House: 9-26 Senate: E-M Assembly: 1-6	ANCHORAGE EAGLE RIVER GIRDWOOD VALLEY	60.0 R L E F S D	60.0 R L E F S D	60.0 R L E F S D	60.0 R L E F S D	40.0 R L E F S D
			8,220.0	600.0	1,750.0	812.0	840.0
GO BONDS							
REV BONDS							
LOAN							
EQUITY			491.0	1,257.0	892.0	812.0	840.0
ST GRANTS			1,100.0	400.0			40.0
FED GRANTS							
DIRECT APPROPRIATION			9,811.0	2,257.0	2,642.0	812.0	880.0
Requested by ROBERTA PIPER							
Date 08/20/93							
PAGE TOTAL							

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	
10th and 11th Alley Sewer R R	House: 15,16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	240.0
11th and P Street Sewer R R	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	30.0 G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	160.0
15th and S Street Sewer R R	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	G R L L E E F F S S D D	95.0 G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	20.0
3rd and 4th and E St Sewer R R	House: 13 Senate: G Assembly: 1	DOWNTOWN	G R L L E E F F S S D D	65.0 G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	90.0
5th and Ingra Sewer R R	House: 16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L L E E F F S S D D	60.0 G R L L E E F F S S D D	G R L L E E F F S S D D	G R L L E E F F S S D D	60.0
			G R L L E E F F S S D D			G R L L E E F F S S D D	40.0

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year					
			1995	1996	1997	1998	1999	
82nd Avenue Sewer R R	House: 17 Senate: I Assembly: 4	TAKU CAMPBELL	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	240.0
ADOT-MOA Related Projects	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	120.0
AK Industrial Sewer R R	House: 16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	300.0
B-12 Trunk	House: 16 Senate: H Assembly: 1	MOUNTAIN VIEW	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	200.0
B-5 G Trunk Phase I	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	360.0
			G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	230.0

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MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year					1998	1999
			1995	1996	1997	1998	1999		
B-5 G Trunk Phase II	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	120.0 G R L E E F S 80.0 S D D	720.0 G R L E E F S 480.0 S D D					G R L E E F S D D
B-5 H Trunk	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	102.0 G R L E E F S 68.0 S D D						G R L E E F S D D
B-6-E Trunk	House: 13 Senate: G Assembly: 1	SOUTH ADDITION	80.0 G R L E E F S 54.0 S D D	612.0 E E F S 408.0 S D D					G R L E E F S D D
C-5-7 Trunk R R	House: 17 Senate: I Assembly: 6	BAYSHORE-KLAFT							G R L E E F S D D
Cope and Dorbrant Sewer R R	House: 11 Senate: F Assembly: 3	TAKU CAMPBELL							G R L E E F S D D

3 --- Direct appropriation from the state will be requested; if not obtained, bond/grant/equity funding will be used. CONTINUED ON NEXT PAGE

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
Emergency R R	House: 9-26 Senate: F-M Assembly: 1-6	AREAWIDE	60.0 G R L E F S D	60.0 G R L E F S D	60.0 G R L E F S D	60.0 G R L E F S D	60.0 G R L E F S D
Middle Fish Creek Trunk Phase II	House: 11 Senate: F Assembly: 3	SPENARD	40.0 G R L E F S D	500.0 G R L E F S D	40.0 G R L E F S D	40.0 G R L E F S D	40.0 G R L E F S D
Middle Fish Creek Trunk Phase III	House: 11 Senate: F Assembly: 3	SPENARD	800.0 G R L E F S D	300.0 G R L E F S D	500.0 G R L E F S D	300.0 G R L E F S D	500.0 G R L E F S D
Mt View and Ames Sewer R R	House: 16 Senate: H Assembly: 1	MOUNTAIN VIEW	800.0 G R L E F S D	800.0 G R L E F S D	300.0 G R L E F S D	300.0 G R L E F S D	105.0 G R L E F S D
Sydnie Kay Street Sewer R R	House: 19 Senate: J Assembly: 5	UNIVERSITY AREA	110.0 G R L E F S D	110.0 G R L E F S D	110.0 G R L E F S D	110.0 G R L E F S D	70.0 G R L E F S D

3 --- Direct appropriation from the State will be requested; if not obtained, bond/grant/equity funding will be used. CONTINUED ON NEXT PAGE

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 23 REPAIR & REHAB

Project Title	Legislative Districts	Community Councils	Budget by Year					
			1995	1996	1997	1998	1999	
Wonder Park Sewer R R	House: 14 Senate: G Assembly: 5	RUSSIAN JACK PARK		45.0				
			G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D	G R L E F S D
			817.0	2,045.0	500.0	830.0	495.0	
			180.0	612.0	2,040.0		180.0	
			657.0	1,738.0	1,660.0	550.0	450.0	
			3,800.0	800.0	4,200.0	1,380.0	1,125.0	
			5,454.0	5,195.0	4,200.0	1,380.0	1,125.0	
		GO BONDS REV BONDS LOAN EQUITY ST GRANTS FED GRANTS DIRECT APPROPRIATION						
Requested by	ROBERTA PIPER	Date 08/20/93						

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER

Project Category: 24 TRUNK & INTERCEPTOR

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
A-4 B Trunk	House: 11 Senate: F Assembly: 3	CAMPBELL PARK TAKU CAMPBELL	G R L E E F S D	516.0 G R L E E F S D	G R L E E F S D	G R L E E F S D	G R L E E F S D
B-5-7 C Trunk	House: 21 Senate: K Assembly: 4	AIRPORT HEIGHTS	G R L E E F S D	120.0 G R L E E F S D	408.0 G R L E E F S D	G R L E E F S D	G R L E E F S D
C-6 Trunk	House: 17 Senate: I Assembly: 6	BAYSHORE-KLATT	G R L E E F S D	80.0 G R L E E F S D	272.0 G R L E E F S D	G R L E E F S D	600.0 G R L E E F S D
C-7 Trunk	House: 17 Senate: I Assembly: 6	BAYSHORE-KLATT	G R L E E F S D	180.0 G R L E E F S D	120.0 G R L E E F S D	G R L E E F S D	400.0 G R L E E F S D
D-2-7 Trunk	House: 22 Senate: K Assembly: 5	NORTHEAST	G R L E E F S D	120.0 G R L E E F S D	440.0 G R L E E F S D	G R L E E F S D	108.0 G R L E E F S D

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MUNICIPALITY OF ANCHORAGE

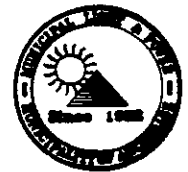
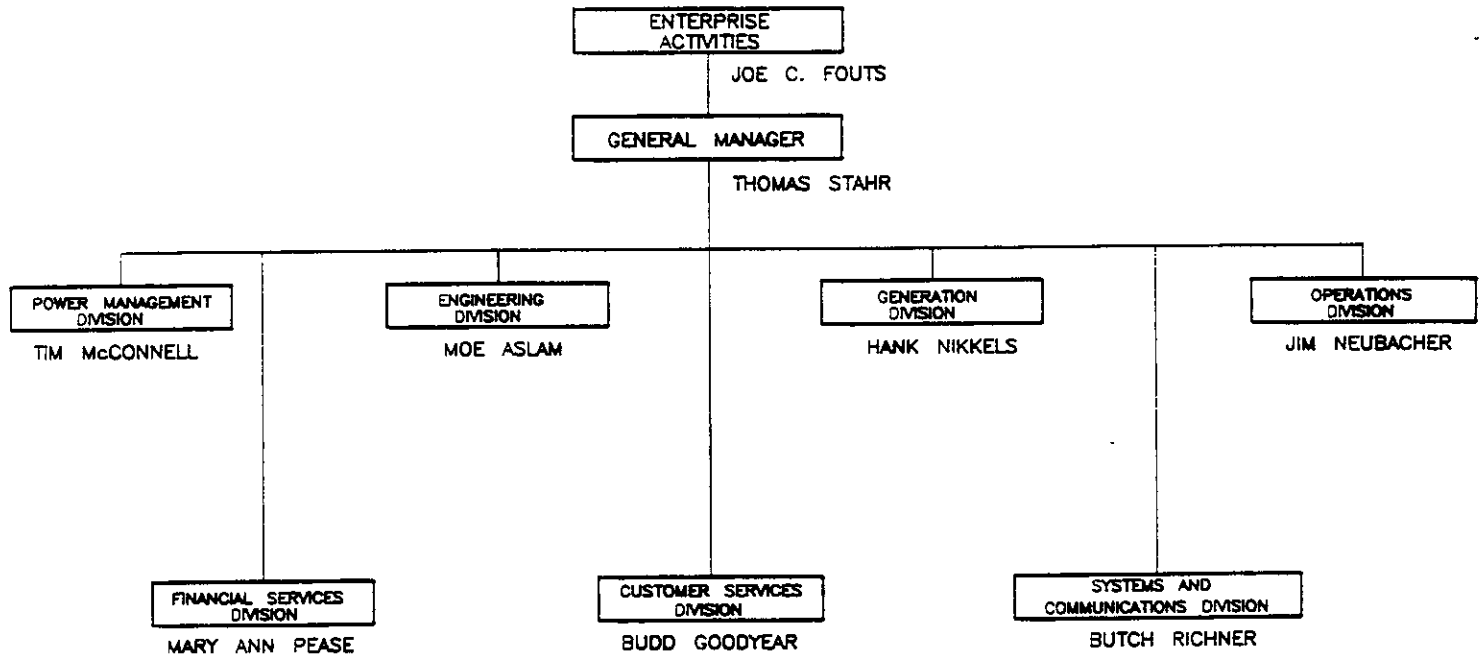
FUTURE CAPITAL PROJECTS
1995 - 1999

Utility: WASTEWATER
Project Category: 24 TRUNK & INTERCEPTOR

Project Title	Legislative Districts	Community Councils	Budget by Year				
			1995	1996	1997	1998	1999
D-6 B Trunk ADOT Related Project	House: 12,17 Senate: 1,F,J Assembly: 4	TAKU CAMPBELL	GRLEFSSD	GRLEFSSD 330.0	GRLEFSSD	GRLEFSSD	GRLEFSSD
Private Development Oversizing	House: 9-26 Senate: E-M Assembly: 1-6	AREAWIDE	GRLEFSSD	GRLEFSSD 100.0	GRLEFSSD	GRLEFSSD	GRLEFSSD 100.0
			100.0	1,066.0	636.0	600.0	
			100.0	180.0	880.0	100.0	100.0
				764.0	864.0	400.0	
			100.0	2,010.0	2,380.0	1,100.0	100.0
Requested by ROBERTA PIPER			Date 08/20/93				
			GO BONDS REV BONDS LOAN EQUITY ST GRANTS FED GRANTS DIRECT APPROPRIATION PAGE TOTAL				

**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 213 employees as of December 31, 1992 and a 1992 gross payroll cost of approximately \$13.7 million. Of these employees, 147 were covered by a labor agreement with IBEW and 66 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 river 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 1992, the average number of residential and commercial customers was 23,504 and 5,500 respectively. One-sixth of ML&P's customer base consumes four-sixths of its output. 1992 sales totaled 805,835 Mwh and earned revenues of \$66,142,000.

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, who is responsible to and serves at the pleasure of the Mayor, 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 permits to operate 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 1992
 - ML&P Generated - 701,858 Mwh 83%
 - Purchased:
 - Eklutna Hydroelectric Project - 58,303 Mwh 7%
 - Bradley Lake Project - 83,262 Mwh 10%
 - Other - 2,269 Mwh -
- 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
 - 198 miles underground cable
 - 174 miles overhead lines and cable
 - 20 substations
- Assets as of December 31, 1992
 - Net Plant in Service: \$154,945,023

MUNICIPAL LIGHT & POWER
WORK FORCE PROJECTIONS

<u>DIVISION</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
ADMINISTRATION	15	15	15	15	16	16	16
SYSTEMS & COMMUNICATIONS	14	14	15	15	15	15	16
PRODUCTION (GENERATION)	47	47	48	49	49	49	50
CUSTOMER SERVICE (1)	39	39	39	39	40	40	40
FINANCIAL SERVICES	22	23 *	23	23	23	24	24
POWER MANAGEMENT	10	10	10	11	11	11	11
OPERATIONS	45	45	46	46	46	47	47
ENGINEERING	<u>24</u>	<u>24</u>	<u>24</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
SUB-TOTAL	<u>216</u>	<u>217</u>	<u>220</u>	<u>223</u>	<u>225</u>	<u>227</u>	<u>229</u>
TEMPS	<u>27</u>	<u>29</u>	<u>29</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>31</u>
TOTAL	<u>243</u>	<u>246</u>	<u>249</u>	<u>253</u>	<u>255</u>	<u>257</u>	<u>260</u>

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

* Necessary to implement recommendations of Stone & Webster depreciation Study.

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**Municipal Light
and Power**

1994

Operating Budget

MUNICIPAL LIGHT & POWER UTILITY
RECONCILIATION OF 1993 BUDGET TO 1993 PRO-FORMA

	<u>1993 BUDGET</u>	<u>1993 PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	69,460,000	68,580,000	(880,000) ^A
OPERATING EXPENSE			
Operations	44,135,000	42,645,000	1,490,000 ^A
Depreciation	11,090,000	11,580,000	(490,000)
MUSA	<u>1,950,000</u>	<u>1,705,000</u>	<u>245,000</u>
SUBTOTAL	57,175,000	55,930,000	1,245,000
NON-OPERATING REVENUE	3,760,000	2,785,000	(975,000)
NON-OPERATING EXPENSE	<u>15,754,000</u>	<u>15,037,000</u>	<u>717,000</u>
NET INCOME (REGULATORY)	<u>291,000</u>	<u>398,000</u>	<u>107,000</u>
ADJUSTMENTS FOR GAAP	<u>(550,000)</u>	<u>(475,000)</u>	<u>75,000</u>
NET INCOME GAAP	<u>(259,000)</u>	<u>(77,000)</u>	<u>182,000</u>

Explanation of Significant Variances:

- A. Sales are down due to a change in heat degree days which results in a corresponding reduction in fuel. There has also been a lower than normal level of non-capitalizable work in the Generation Plant in 1993 that will need to be done in 1994 together with normal yearly maintenance.

Explanation of parenthesis:

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

MUNICIPAL LIGHT & POWER UTILITY
RECONCILIATION OF 1993 PRO-FORMA TO 1994 BUDGET

	<u>1993</u> <u>PRO-FORMA</u>	<u>1994</u> <u>BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	68,580,000	69,050,000	470,000
OPERATING EXPENSE			
Operations	42,645,000	42,575,000	70,000
Depreciation	11,580,000	10,285,000	1,295,000 ^A
MUSA	<u>1,705,000</u>	<u>1,835,000</u>	<u>(130,000)</u>
SUBTOTAL	55,930,000	54,695,000	1,235,000
NON-OPERATING REVENUE	2,785,000	2,700,000	(85,000)
NON-OPERATING EXPENSE	<u>15,037,000</u>	<u>14,821,000</u>	<u>216,000</u>
NET INCOME (REGULATORY)	<u>398,000</u>	<u>2,234,000</u>	<u>1,836,000</u>
ADJUSTMENT FOR GAAP	<u>(475,000)</u>	<u>(550,000)</u>	<u>(75,000)</u>
NET INCOME GAAP	<u>(77,000)</u>	<u>1,684,000</u>	<u>1,761,000</u>

Explanation of Significant Variances:

- A. The 1993 PRO-FORMA depreciation is calculated using the current life for Generation equipment which is approximately 16.66 years. The 1994 Budget is based on the proposed life of 24 years.

Explanation of parenthesis:

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

MUNICIPAL LIGHT & POWER
STATEMENT OF REVENUE AND EXPENSES

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
OPERATING REVENUE			
Residential Sales	14,034,327	14,000,000	13,900,000
Commercial & Industrial	50,791,315	51,175,000	51,575,000
Public Highway & Street Lighting	1,156,462	1,155,000	1,140,000
Public Authority	118,830	475,000	640,000
Sales for Resale	610,009	540,000	500,000
Misc. Service Revenue	143,859	160,000	175,000
Rent from Electric Property	98,602	100,000	120,000
Miscellaneous Revenue	<u>579,700</u>	<u>975,000</u>	<u>1,000,000</u>
TOTAL OPERATING REVENUE	67,533,104	68,580,000	69,050,000
OPERATING EXPENSE			
Production Expense	27,477,700	29,200,000	28,300,000
Transmission Expense	542,549	630,000	750,000
Distribution Expense	5,461,949	5,440,000	5,725,000
Customer Account Expense	2,692,739	2,850,000	3,000,000
Customer Service & Information	154,188	160,000	175,000
Administrative & General Expense	2,714,494	2,750,000	2,900,000
Regulatory Compliance	1,119,521	1,200,000	1,300,000
Depreciation	11,874,391 ^A	11,050,000	9,750,000
Depreciation Contributed Plant	448,513	475,000	550,000
Amort. Intangible Plant	399,447	418,000	420,000
Amort. Plant Acquisition	111,184	112,000	115,000
Municipal Utility Service Assmt.	1,760,240	1,705,000	1,835,000
APUC-Gross Revenue Fee	<u>0</u>	<u>415,000</u>	<u>425,000</u>
TOTAL OPERATING EXPENSE	54,756,915	56,405,000	55,245,000
OPERATING INCOME	12,776,189	12,175,000	13,805,000

A. Stone & Webster Engineering recommended reversing a 1990 Journal Entry for \$1,365,618 in plant expenditures.

**MUNICIPAL LIGHT & POWER
STATEMENT OF REVENUE AND EXPENSES**

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
NON-OPERATING REVENUE			
Interest From Operating Reserve	236,372	225,000	250,000
Interest From Bond Redemption Cash	1,621,956	1,550,000	1,350,000
Interest From General Cash Pool	971,629	790,000	875,000
Interest From Debt Service Account	206,356	120,000	125,000
Misc. Non-Operating Revenue	<u>80,461</u>	<u>100,000</u>	<u>100,000</u>
TOTAL NON-OPERATING REVENUE	3,116,774	2,785,000	2,700,000
NON-OPERATING EXPENSE			
Community	65,617	80,000	134,000
Interest on Bonded Debt	13,244,713	12,210,000	11,960,000
Amortization of Bond Discount/Premium	353,076	(10,000)	(36,000)
Amort of Bond Sale Cost & Ins.	327,590	305,000	303,000
Amort Loss on Refunded Debt	2,203,678	2,760,000	2,790,000
Other Interest Expense	884	2,000	5,000
Interest During Construction	<u>(345,075)</u>	<u>(310,000)</u>	<u>(335,000)</u>
TOTAL NON-OPERATING EXPENSE	15,850,483	15,037,000	14,821,000
NET INCOME (LOSS)	42,480	(77,000)	1,684,000
Depreciation of Contributed Plant	448,513	475,000	550,000
NET INCOME (REGULATORY)	<u>490,993</u>	<u>398,000</u>	<u>2,234,000</u>
ADJUSTMENTS FOR GAAP			
Depreciation of Contributed Plant	(448,513)	(475,000)	(550,000)
Restricted Interest Income	<u>19,661</u>	<u>0</u>	<u>0</u>
NET INCOME GAAP	<u>62,141</u>	<u>(77,000)</u>	<u>1,684,000</u>

MUNICIPAL LIGHT & POWER
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 GAAP	62,141	(77,000)	1,684,000
Depreciation	12,322,904	11,525,000	10,300,000
Amortized Bond Discount/Premium	353,076	(10,000)	(36,000)
Amort & Acquisition Adjustment	510,631	530,000	535,000
Amortization of Bond Sale Costs	327,590	305,000	303,000
Amortization on Refunded Debt	2,203,678	2,760,000	2,790,000
Contributions	<u>815,273</u>	<u>500,000</u>	<u>500,000</u>
TOTAL SOURCES OF CASH FUNDS	16,595,293	15,533,000	16,076,000
USES OF CASH FUNDS			
Additions to Plant	16,853,868	11,000,000	15,200,000
Debt Retirement Long Term	3,915,000	4,740,000	5,200,000
Other	<u>(461,374)</u>	<u>3,300,000</u>	<u>500,000</u>
TOTAL USES OF CASH FUNDS	20,307,494	19,040,000	20,900,000
NET INCREASE (DECREASE) IN CASH FUNDS	(3,712,201)	(3,507,000)	(4,824,000)
CASH BALANCE JANUARY 1,	<u>51,628,790</u>	<u>47,916,589</u>	<u>44,409,589</u>
CASH BALANCE DECEMBER 31,	<u>47,916,589</u>	<u>44,409,589</u>	<u>39,585,589</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	22,131,323	18,175,683	13,227,448
Bond Restricted Cash	<u>25,785,266</u>	<u>26,233,906</u>	<u>26,358,141^A</u>
CASH BALANCE DECEMBER 31,	<u>47,916,589</u>	<u>44,409,589</u>	<u>39,585,589</u>

A. Bond Restricted Cash includes Operating Reserve, Debt Service, and Bond Redemption Investment.

MUNICIPAL LIGHT & POWER
1994 OPERATING BUDGET DETAIL

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
Labor			
Personnel Costs	8,917,586	9,300,000	9,450,000
Benefit Costs	<u>3,522,446</u>	<u>3,675,000</u>	<u>3,750,000</u>
Subtotal	12,440,032	12,975,000	13,200,000
Intergovernmental Charges			
Finance Department	574,964	610,000	575,000
Management Information Systems Dept	15,243	29,500	136,000
Human Resources Department	195,762	188,200	340,000
Self Insurance	210,230	409,300	179,000
Other IGC Charges	<u>227,366</u>	<u>405,000</u>	<u>370,000</u>
Subtotal	1,223,565	1,642,000	1,600,000
Other Expenses			
Professional Services	355,014	400,000	650,000
Depreciation & Amortization	15,717,879	15,110,000	13,892,000
MUSA	1,760,240	1,705,000	1,835,000
Interest on Long-term Debt	13,244,713	12,210,000	11,960,000
Interest During Construction	(345,075)	(310,000)	(335,000)
Purchased Power	4,791,390	5,500,000	5,475,000
Fuel	17,954,316	17,825,000	16,100,000
APUC Regulatory Fee	0	415,000	425,000
Regulatory Compliance	1,119,521	1,200,000	1,300,000
Other Expenses	<u>2,345,803</u>	<u>2,770,000</u>	<u>3,964,000</u>
Subtotal	56,943,801	56,825,000	55,266,000
TOTAL EXPENSES	<u>70,607,398</u>	<u>71,442,000</u>	<u>70,066,000</u>

**Municipal Light
and Power**

1994 - 1999

**Capital Improvement
Budget/Program**

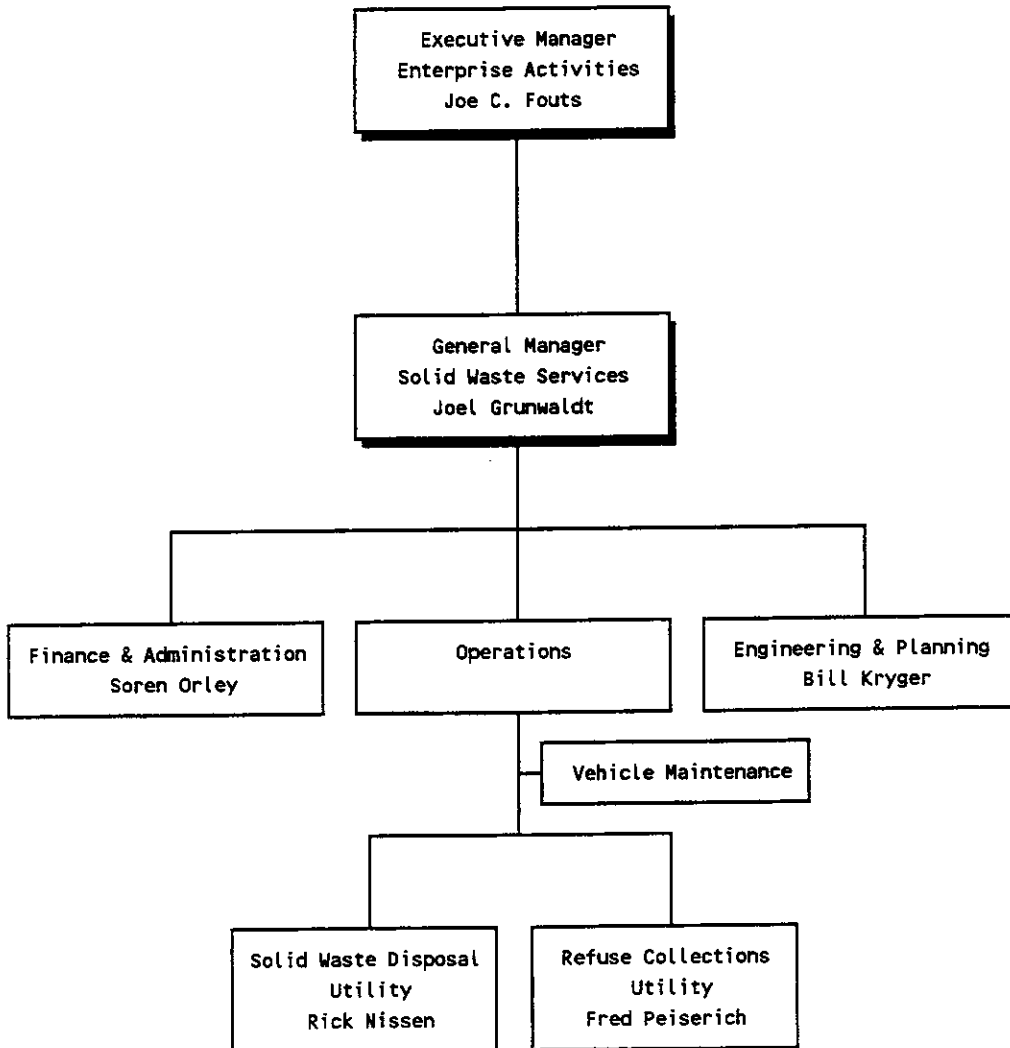
MUNICIPAL LIGHT & POWER
1994 - 1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (\$000)

PROJECT CATEGORY	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
PRODUCTION (GEN)	5,305	6,175	6,770	6,430	5,490	5,065	35,235
TRANSMISSION	785	735	590	430	680	880	4,100
DISTRIBUTION	6,110	7,435	9,015	10,450	12,755	14,365	60,130
GENERAL PLANT	3,111	2,451	2,374	1,768	1,967	1,874	13,545
ENVIRONMENTAL	<u>1,675</u>	<u>1,630</u>	<u>1,680</u>	<u>1,855</u>	<u>1,900</u>	<u>1,725</u>	<u>10,465</u>
TOTAL	<u>16,986</u>	<u>18,426</u>	<u>20,429</u>	<u>20,933</u>	<u>22,792</u>	<u>23,909</u>	<u>123,475</u>

SOURCE OF FUNDING	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS			10,000	10,000	11,000	10,500	41,500
LOAN							
EQUITY/OPERATIONS	16,486	17,926	9,929	10,433	11,292	12,909	78,975
STATE GRANT	500	500	500	500	500	500	3,000
FEDERAL GRANT	0	0	0	0	0	0	0
DIRECT APPROPRIATION	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>16,986</u>	<u>18,426</u>	<u>20,429</u>	<u>20,933</u>	<u>22,792</u>	<u>23,909</u>	<u>123,475</u>

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.

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 services 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 5,000 dumpsters per week, and 11,900 can/bag pickups per week. Refuse Collections Utility operates six dumpster routes per day Monday-Friday and two routes on Saturday, four sideload routes per day Monday-Friday, 2 rear load routes per day Monday-Friday, and ½ rearload route on Saturday.

REGULATION

Refuse Collections Utility is regulated by the Alaska Public Utilities Commission (APUC) 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 board. The members are appointed by the Mayor and confirmed by the Assembly. The board normally meets monthly and when necessary holds special meetings. The advisory board 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 the Municipality.

SERVICE

ARL services the entire Municipality. These services include the disposal of solid waste and household hazardous waste. Normal solid waste is received at any of the four transfer stations located within the Municipality. 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 1992, 279,805 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 207,000 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 tractors 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 at 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 then safely ships the containers out of state to federally approved hazardous waste disposal sites.

Solid Waste Disposal Utility has a 6,000 square foot household hazardous waste collection facility built in 1989. This 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 the Solid Waste Association of North America's "System Excellence" award. Through 1992, the facility had collected a total of 2.8 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 Environmental 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 U.S. 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 board. The members are appointed by the Mayor and confirmed by the Assembly. The board normally meets monthly and when necessary holds special meetings. The advisory board advises and makes recommendations to the Administration and Assembly on all 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 through the year 2050
- 48 million cubic yard capacity
- 3 currently constructed cells, with useful lives of three to four years each
- land within a military reservation scale house and 22,000 square foot 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 providing intermediate disposal and easy access for public -

- Girdwood, central midtown, Ft. Richardson and ARL
- 20 transfer tractors and trailers to haul from stations to landfill

Hazardous Waste Management -

- 6,000 square foot collection facility for household hazardous waste opened in 1989, operated by private contractor

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SOLID WASTE SERVICES
WORK FORCE PROJECTIONS

<u>BUDGET UNIT</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
ADMINISTRATION	17	17	17	17	17	17	17
COLLECTIONS	23	23	23	23	23	23	23
DISPOSAL	42	42	42	42	42	42	42
VEHICLE MAINTENANCE	9	9	9	9	9	9	9
TOTAL	<u>91</u>	<u>91</u>	<u>91</u>	<u>91</u>	<u>91</u>	<u>91</u>	<u>91</u>

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Refuse Collections

1994

Operating Budget

REFUSE COLLECTIONS UTILITY
RECONCILIATION OF 1993 BUDGET TO 1993 PRO-FORMA

	1993 <u>BUDGET</u>	1993 <u>PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	5,462,460	5,478,160	15,700
OPERATING EXPENSE			
Labor	1,435,350	1,355,740	(79,610) (A)
Supplies	38,500	43,500	5,000
IGC'S	1,186,990	1,225,360	38,370 (B)
Other Services	96,500	113,150	16,650
Other Expenses	<u>2,660,480</u>	<u>2,648,410</u>	<u>(12,070)</u>
OPERATING EXPENSE	5,417,820	5,386,160	(31,660)
NON-OPERATING REVENUE	221,000	204,160	(16,840)
NON-OPERATING EXPENSE	<u>182,980</u>	<u>183,880</u>	<u>900</u>
NET INCOME (REGULATORY)	82,660	112,280	29,620
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>82,660</u></u>	<u><u>112,280</u></u>	<u><u>29,620</u></u>

Explanation of Significant Variances:

(A) Some budgeted positions were left unfilled

(B) The allocation % used for Vehicle Maint. IGC's was increased

REFUSE COLLECTIONS UTILITY
RECONCILIATION OF 1993 PRO-FORMA TO 1994 BUDGET

	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	5,478,160	5,497,680	19,520 (A)
OPERATING EXPENSE			
Labor	1,355,740	1,399,760	44,020 (B)
Supplies	43,500	43,500	0
IGC'S	1,225,360	1,199,150	(26,210) (C)
Other Services	113,150	115,960	2,810
Other Expenses	<u>2,648,410</u>	<u>2,649,060</u>	<u>650</u>
OPERATING EXPENSE	5,386,160	5,407,430	21,270
NON-OPERATING REVENUE	204,160	191,860	(12,300)
NON-OPERATING EXPENSE	<u>183,880</u>	<u>173,410</u>	<u>(10,470)</u>
NET INCOME (REGULATORY)	112,280	108,700	(3,580)
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>112,280</u></u>	<u><u>108,700</u></u>	<u><u>(3,580)</u></u>

Explanation of Significant Variances:

- A) Increase due to slight projected increase in customers
- B) Increase due to filling of currently vacant budgeted positions
- C) Decrease due to decrease in Risk Management IGC's

REFUSE COLLECTIONS UTILITY
STATEMENT OF REVENUE AND EXPENSES

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
OPERATING REVENUE			
Commercial Collections	3,125,002	3,072,420	3,072,420
Residential Collections	2,109,513	2,155,370	2,170,560
Other Collections	22,062	21,000	21,000
Container Rental Fees	<u>228,936</u>	<u>229,370</u>	<u>233,700</u>
TOTAL OPERATING REVENUE (NET)	5,485,513	5,478,160	5,497,680
OPERATING EXPENSE			
Labor	1,331,199	1,355,740	1,399,760
Supplies	41,642	43,500	43,500
IGC'S	1,098,641	1,225,360	1,199,150
Other Services	111,590	113,150	115,960
Other Expenses	<u>2,537,143</u>	<u>2,648,410</u>	<u>2,649,060</u>
TOTAL OPERATING EXPENSE	5,120,215	5,386,160	5,407,430
OPERATING INCOME	365,298	92,000	90,250
NON-OPERATING REVENUE			
Sale of Assets	2,244	12,860	60
Interest Income	192,634	170,000	170,000
Other Revenue	<u>20,324</u>	<u>21,300</u>	<u>21,800</u>
TOTAL NON-OPERATING REVENUE	215,202	204,160	191,860
NON-OPERATING EXPENSE			
Interest on Long-term Debt	<u>194,819</u>	<u>183,880</u>	<u>173,410</u>
TOTAL NON-OPERATING EXPENSE	194,819	183,880	173,410
NET INCOME (REGULATORY)	385,681	112,280	108,700
ADJUSTMENTS FOR GAAP	0	0	0
NET INCOME GAAP	<u><u>385,681</u></u>	<u><u>112,280</u></u>	<u><u>108,700</u></u>

REFUSE COLLECTIONS UTILITY
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 GAAP	385,681	112,280	108,700
Depreciation	361,982	381,670	363,000
Grants	0	0	0
Bonds	0	0	0
Other	16,496	0	0
TOTAL SOURCES OF CASH FUNDS	<u>764,159</u>	<u>493,950</u>	<u>471,700</u>
USES OF CASH FUNDS:			
Additions to Plant	86,423	220,000	173,000
Bond Principal Payment	170,000	175,000	185,000
Other	0	0	0
TOTAL USES OF CASH FUNDS	<u>256,423</u>	<u>395,000</u>	<u>358,000</u>
NET INCREASE (DECREASE) IN CASH FUNDS	507,736	98,950	113,700
CASH BALANCE JANUARY 1,	3,933,439	4,441,180	4,540,130
CASH BALANCE DECEMBER 31,	<u>4,441,175</u>	<u>4,540,130</u>	<u>4,653,830</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	3,009,022	3,107,977	3,221,677
Equity In Construction Cash Pool	1,074,908	1,074,908	1,074,908
Bond Redemption Cash	357,245	357,245	357,245
TOTAL CASH DECEMBER 31,	<u>4,441,175</u>	<u>4,540,130</u>	<u>4,653,830</u>

REFUSE COLLECTIONS UTILITY
1994 OPERATING BUDGET DETAIL

	1992 ACTUAL	1993 PRO-FORMA	1994 BUDGET
Labor			
Wages	851,614	897,970	961,110
Overtime	79,795	85,000	85,000
Benefits	399,169	367,820	344,040
Other	621	4,950	9,610
Subtotal	<u>1,331,199</u>	<u>1,355,740</u>	<u>1,399,760</u>
Supplies			
Office supplies	3,406	4,500	4,500
Operating Supplies	24,195	24,000	24,000
Repair and Maintenance Supplies	14,041	15,000	15,000
Subtotal	<u>41,642</u>	<u>43,500</u>	<u>43,500</u>
Intragovernmental Charges			
Solid Waste Administration	523,768	585,800	605,810
Solid Waste Vehicle Maintenance	427,315	478,230	480,200
Solid Waste Disposal	38,100	38,100	38,100
Other IGC's	133,850	148,230	100,040
Charges to Others	(24,392)	(25,000)	(25,000)
Subtotal	<u>1,098,641</u>	<u>1,225,360</u>	<u>1,199,150</u>
Other Services			
Professional Services	2,426	150	0
Other Contractual Services	33,776	35,000	35,000
Utilities	75,388	78,000	80,960
Subtotal	<u>111,590</u>	<u>113,150</u>	<u>115,960</u>
Other Expenses			
Depreciation	361,982	381,670	363,000
MUSA	58,033	47,640	49,450
Interest on Long-term Debt	194,819	183,880	173,410
SWS Disposal Charges	1,995,933	2,047,500	2,047,500
Other	121,195	171,600	189,110
Subtotal	<u>2,731,962</u>	<u>2,832,290</u>	<u>2,822,470</u>
TOTAL EXPENSES	<u><u>5,315,034</u></u>	<u><u>5,570,040</u></u>	<u><u>5,580,840</u></u>

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Refuse Collections

1994 - 1999

**Capital Improvement
Budget/Program**

REFUSE COLLECTIONS UTILITY
1994-1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)

PROJECT TITLE	1994	1995	1996	1997	1998	1999	TOTAL
VEHICLE REPLACEMENT	114	119	439	328	153	356	1,509
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	173	178	673	387	212	415	2,038

SOURCE OF FUNDING	1994	1995	1996	1997	1998	1999	TOTAL
G.O. BONDS							
REVENUE BONDS							
LOAN							
EQUITY/OPERATIONS	173	178	673	387	212	415	2,038
STATE GRANT							
FEDERAL GRANT							
DIRECT APPROPRIATION							
TOTAL	173	178	673	387	212	415	2,038

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Solid Waste Disposal

1994

Operating Budget

SOLID WASTE DISPOSAL UTILITY
RECONCILIATION OF 1993 BUDGET TO 1993 PRO-FORMA

	1993 <u>BUDGET</u>	1993 <u>PRO-FORMA</u>	<u>VARIANCE</u>
OPERATING REVENUE	11,650,870	11,464,260	(186,610) (A)
OPERATING EXPENSE			
Labor	2,361,340	2,314,800	(46,540)
Supplies	94,500	94,500	0
IGC'S	1,841,230	1,729,520	(111,710) (B)
Other Services	2,967,860	2,201,170	(766,690) (C)
Other Expenses	<u>2,605,740</u>	<u>2,632,380</u>	<u>26,640</u>
OPERATING EXPENSE	9,870,670	8,972,370	(898,300)
NON-OPERATING REVENUE	306,300	232,600	(73,700) (D)
NON-OPERATING EXPENSE	1,974,600	1,746,560	(228,040) (E)
NET INCOME (REGULATORY)	<u>111,900</u>	<u>977,930</u>	<u>866,030</u>
ADJUSTMENTS FOR GAAP	(184,620)	(145,700)	38,920
NET INCOME (LOSS) GAAP	<u><u>(72,720)</u></u>	<u><u>832,230</u></u>	<u><u>904,950</u></u>

Explanation of Significant Variances:

- A) Decrease due to change in tonnage estimate and reimbursement from AWWU for Hazardous Waste program
- B) Decrease due to change in allocation of Vehicle Maintenance IGC's
- C) Decrease due to more of the Merrill Field Leachate Project cost to be incurred in 1994 instead of 1993
- D) Decrease due to drop in interest rates
- E) Decrease due to lower interest after a bond refunding

SOLID WASTE DISPOSAL UTILITY
RECONCILIATION OF 1993 PRO-FORMA TO 1994 BUDGET

	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>	<u>VARIANCE</u>
OPERATING REVENUE	11,464,260	11,680,780	216,520 (A)
OPERATING EXPENSE			
Labor	2,314,800	2,364,450	49,650
Supplies	94,500	81,500	(13,000)
IGC'S	1,729,520	1,689,500	(40,020)
Other Services	2,201,170	2,830,130	628,960 (B)
Other Expenses	<u>2,632,380</u>	<u>2,755,900</u>	<u>123,520 (C)</u>
OPERATING EXPENSE	8,972,370	9,721,480	749,110
NON-OPERATING REVENUE	232,600	188,000	(44,600) (D)
NON-OPERATING EXPENSE	1,746,560	1,909,210	162,650 (E)
NET INCOME (REGULATORY)	<u>977,930</u>	<u>238,090</u>	<u>(739,840)</u>
ADJUSTMENTS FOR GAAP	(145,700)	(184,620)	(38,920)
NET INCOME (LOSS) GAAP	<u><u>832,230</u></u>	<u><u>53,470</u></u>	<u><u>(778,760)</u></u>

Explanation of Significant Variances:

- A) Increase due to a full year of the change in the Pickup rate
- B) Increase due to Merrill Field Leachate Project costs included in 1994 but not 1993
- C) Increase due to an increase in Depreciation and MUSA
- D) Decrease due to drop in interest rates
- E) Increase due to interest expense from 1994 bond issue

**SOLID WASTE DISPOSAL UTILITY
STATEMENT OF REVENUE AND EXPENSES**

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
OPERATING REVENUE			
Disposal Fees	10,468,207	10,870,980	11,030,930
Reimbursed Costs	268,808	314,580	332,230
Hazardous Waste Fees	102,876	133,000	133,000
Amortization of Contributed Plant	134,205	145,700	184,620
TOTAL OPERATING REVENUE	<u>10,974,096</u>	<u>11,464,260</u>	<u>11,680,780</u>
OPERATING EXPENSE			
Labor	2,208,087	2,314,800	2,364,450
Supplies	40,975	94,500	81,500
IGC'S	1,514,715	1,729,520	1,689,500
Other Services	2,796,378	2,201,170	2,830,130
Other Expenses	2,679,223	2,632,380	2,755,900
TOTAL OPERATING EXPENSE	<u>9,239,378</u>	<u>8,972,370</u>	<u>9,721,480</u>
OPERATING INCOME (LOSS)	1,734,718	2,491,890	1,959,300
NON-OPERATING REVENUE			
Sale of Assets	(32,459)	4,000	0
Interest Income	239,965	180,000	180,000
Other Revenue	610,419	48,600	8,000
TOTAL NON-OPERATING REVENUE	<u>817,925</u>	<u>232,600</u>	<u>188,000</u>
NON-OPERATING EXPENSE			
Interest on Long-term Debt	2,036,398	1,746,560	1,909,210
TOTAL NON-OPERATING EXPENSE	<u>2,036,398</u>	<u>1,746,560</u>	<u>1,909,210</u>
NET INCOME (REGULATORY)	516,245	977,930	238,090
ADJUSTMENTS FOR GAAP	(134,205)	(145,700)	(184,620)
NET INCOME (LOSS) GAAP	<u><u>382,040</u></u>	<u><u>832,230</u></u>	<u><u>53,470</u></u>

SOLID WASTE DISPOSAL UTILITY
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	382,040	832,230	53,470
Depreciation (Includes Contributed Plant)	1,659,392	1,615,700	1,700,560
Future Landfill Closure Costs	391,728	373,420	376,920
Grants	911,099	1,556,340	0
Bonds	0	0	10,962,000
Other	108,208	0	0
TOTAL SOURCES OF CASH FUNDS	<u>3,452,467</u>	<u>4,377,690</u>	<u>13,092,950</u>
USES OF CASH FUNDS:			
Additions to Plant	4,476,364	1,480,010	11,894,000
Bond Principal Payment	700,000	1,640,000	2,654,000
Other	0	0	0
TOTAL USES OF CASH FUNDS	<u>5,176,364</u>	<u>3,120,010</u>	<u>14,548,000</u>
NET INCREASE (DECREASE) IN CASH FUNDS	(1,723,897)	1,257,680	(1,455,050)
CASH BALANCE JANUARY 1,	6,444,071	4,720,170	5,977,850
CASH BALANCE DECEMBER 31,	<u>4,720,174</u>	<u>5,977,850</u>	<u>4,522,800</u>
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	4,876,694	4,743,030	3,287,980
Equity In Construction Cash Pool	(562,895)	828,440	828,440
Bond Redemption Cash	406,375	406,380	406,380
TOTAL CASH DECEMBER 31,	<u>4,720,174</u>	<u>5,977,850</u>	<u>4,522,800</u>

SOLID WASTE DISPOSAL UTILITY
1994 OPERATING BUDGET DETAIL

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
Labor			
Wages	1,444,272	1,535,510	1,621,690
Overtime	80,484	117,260	115,810
Benefits	682,079	652,160	608,930
Other	<u>1,252</u>	<u>9,870</u>	<u>18,020</u>
Subtotal	2,208,087	2,314,800	2,364,450
Supplies			
Office supplies	2,985	3,500	3,500
Operating Supplies	24,160	75,000	60,000
Repair and Maintenance Supplies	<u>13,830</u>	<u>16,000</u>	<u>18,000</u>
Subtotal	40,975	94,500	81,500
Intragovernmental Charges			
Solid Waste Administration	550,088	623,200	644,480
Solid Waste Vehicle Maintenance	972,290	1,064,450	1,068,830
Other IGC's	175,437	224,970	159,290
Charges to Others	<u>(183,100)</u>	<u>(183,100)</u>	<u>(183,100)</u>
Subtotal	1,514,715	1,729,520	1,689,500
Other Services			
Professional Services	169,638	413,650	430,500
Utilities	223,300	295,000	305,400
Other Contractual Services	<u>2,403,440</u>	<u>1,492,520</u>	<u>2,094,230</u>
Subtotal	2,796,378	2,201,170	2,830,130
Other Expenses			
Depreciation	1,659,392	1,615,700	1,700,560
MUSA	304,578	274,410	304,580
Gross Receipts Tax	129,651	131,020	131,020
Landfill Closure Costs	391,728	373,420	376,920
Other	193,874	237,830	242,820
Interest on Long-term Debt	<u>2,036,398</u>	<u>1,746,560</u>	<u>1,909,210</u>
Subtotal	4,715,621	4,378,940	4,665,110
TOTAL EXPENSES	<u><u>11,275,776</u></u>	<u><u>10,718,930</u></u>	<u><u>11,630,690</u></u>

Solid Waste Disposal

1994 - 1999

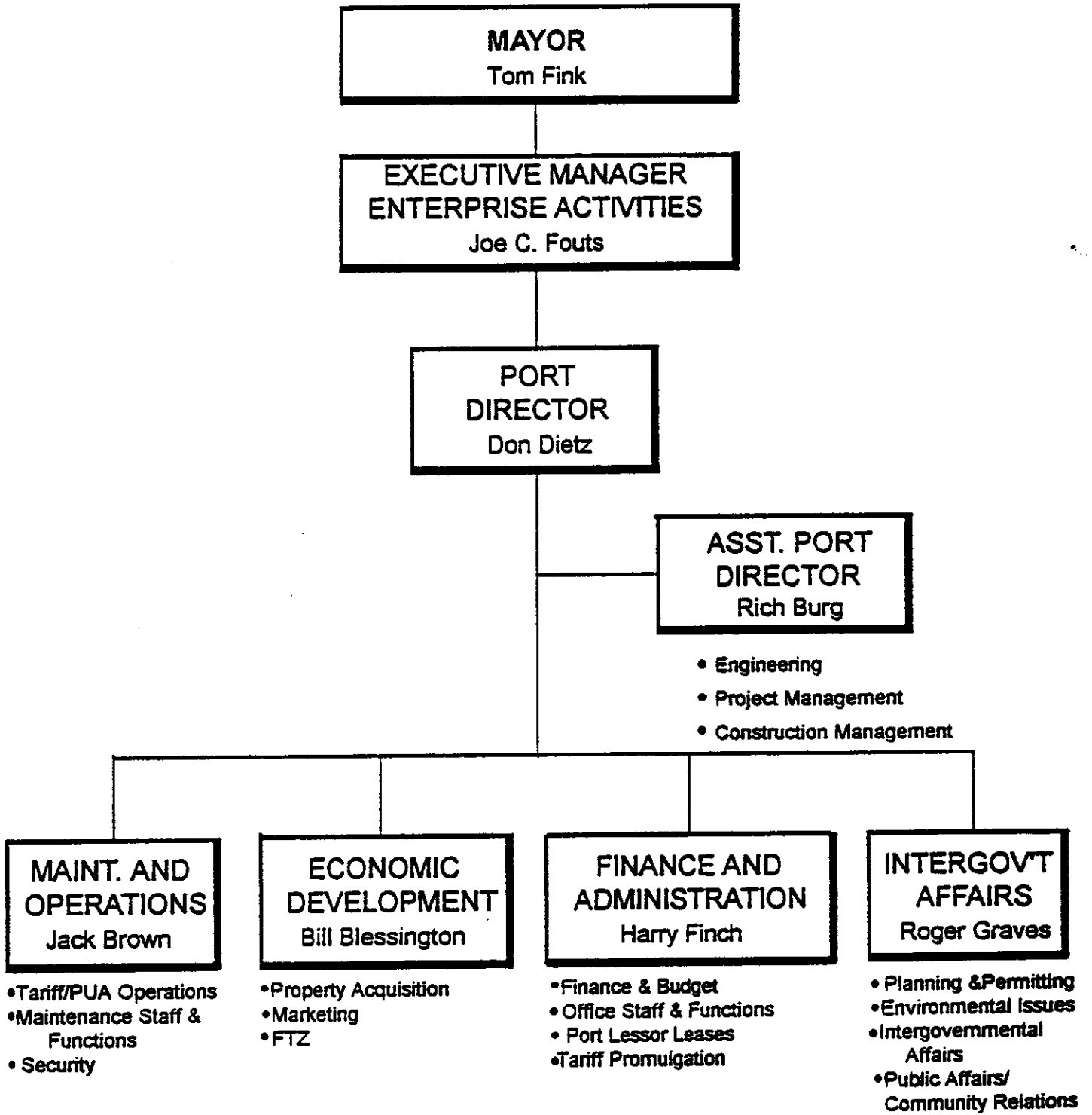
**Capital Improvement
Budget/Program**

SOLID WASTE DISPOSAL UTILITY
1994-1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)

PROJECT TITLE	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
EQUIPMENT	932	1,484	1,126	727	1,511	1,186	6,966
ARL IMPROVEMENTS	10,962				3,041		14,003
TOTAL	<u>11,894</u>	<u>1,484</u>	<u>1,126</u>	<u>727</u>	<u>4,552</u>	<u>1,186</u>	<u>20,969</u>
SOURCE OF FUNDING	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
G.O. BONDS							0
REVENUE BONDS	10,962				3,041		14,003
LOAN							0
EQUITY/OPERATIONS	932	1,484	1,126	727	1,511	1,186	6,966
STATE GRANT							0
FEDERAL GRANT							0
DIRECT APPROPRIATION							0
TOTAL	<u>11,894</u>	<u>1,484</u>	<u>1,126</u>	<u>727</u>	<u>4,552</u>	<u>1,186</u>	<u>20,969</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 Administration 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 affairs tasks. The Operations & Maintenance Division is responsible for 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. 2,372,000 tons crossed the dock in 1992. 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 by seasonal 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 Fairbanks and as the major export terminal for frozen and canned seafood products that are packed in Valdez and on the Kenai Peninsula.

REGULATION

Port of Anchorage Dock Revenue Rates are established in the Port of Anchorage Terminal Tariff #2 and 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 rate adjustments are subject to Port Commission and 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, 2,200 ft. of dock face, container, roll on\roll off, bulk cement and breakbulk capabilities
- Two Bulk Petroleum Product Terminals with 1,200 feet 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)
- Rail mounted, diesel electric Gantry Cranes:
7.5 ton (1)
40 ton with 5-ton whip lines (2)
- 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>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</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

1994

Operating Budget

**PORT OF ANCHORAGE
RECONCILIATION OF 1993 BUDGET TO 1993 PRO-FORMA (000)**

	1993 <u>BUDGET</u>	1993 <u>PRO-FORMA</u>	<u>VARIANCE</u>	
OPERATING REVENUE	5,831	5,942	111	A
OPERATING EXPENSE				
Labor	1,445	1,431	(14)	B
Supplies	88	88	0	
Other Services & Charges	1,058	1,057	(1)	
IGC's	288	213	(75)	C
Depreciation/Amortization	1,783	1,777	(6)	
Subtotal	<u>4,662</u>	<u>4,566</u>	<u>(96)</u>	
NON-OPERATING REVENUE	1,073	1,164	91	D
NON-OPERATING EXPENSE	1,486	1,489	3	
NET INCOME (REGULATORY)	<u>756</u>	<u>1,051</u>	<u>295</u>	
ADJUSTMENTS FOR GAAP	572	572	0	
NET INCOME GAAP	<u><u>184</u></u>	<u><u>479</u></u>	<u><u>295</u></u>	

Explanation of Significant Variances:

- A) Net effect in 1993 of tariff increases on Dockage and Wharfage items late in 1992 combined with rental/lease agreement changes and significant damage claim recoveries 1993.
- B) Personnel turnover, no wage increases in 1993 for any of the employee groups at the Port and an increase in benefit costs less than estimated.
- C) Costs associated with construction of new Terminal # 3 float IGCed to the capital project and significantly reduced total IGC expense in 1993 Pro-Forma.
- D) Interest income now anticipated to be higher than originally estimated.
Additional revenues from prior year expense recoveries.

**PORT OF ANCHORAGE
RECONCILIATION OF 1993 PRO-FORMA TO 1994 BUDGET (000)**

	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>	<u>VARIANCE</u>	
OPERATING REVENUE	5,942	6,022	80	A
OPERATING EXPENSE				
Labor	1,431	1,429	(2)	
Supplies	88	92	4	
Other Services & Charges	1,057	1,125	68	B
IGC's	213	230	17	
Depreciation/Amortization	1,777	1,902	125	C
Subtotal	<u>4,566</u>	<u>4,778</u>	212	
NON-OPERATING REVENUE	1,164	1,116	(48)	D
NON-OPERATING EXPENSE	1,489	1,396	(93)	E
NET INCOME (REGULATORY)	<u>1,051</u>	<u>964</u>	(87)	
ADJUSTMENTS FOR GAAP	572	572	0	
NET INCOME GAAP	<u><u>479</u></u>	<u><u>392</u></u>	<u><u>(87)</u></u>	

Explanation of Significant Variances:

- A) Tonnage increases in General Cargo and Petroleum and mid 1993 rental/lease changes impacting 1994 revenues over an entire year.
- B) Full year lease payments on Tracts "A" & "EE".
- C) Increased depreciation due to projects being completed.
- D) Expenditure of funds previously on deposit for projects resulting in less interest income. No prior year expense recoveries anticipated in 1994.
- E) Reduction in interest portion of debt service payments.

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

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
OPERATING REVENUE			
Dock Revenue	3,938,134	4,273,000	4,380,000
Industrial Park Revenue	1,564,317	1,556,000	1,556,000
Crane Lease/Rental Revenue	113,323	78,000	78,000
Other Operating Revenue	21,743	35,000	8,000
TOTAL OPERATING REVENUE	<u>5,637,517</u>	<u>5,942,000</u>	<u>6,022,000</u>
OPERATING EXPENSE			
Labor	1,391,888	1,431,000	1,429,000
Supplies	81,519	88,000	92,000
Other Services & Charges	876,363	1,057,000	1,125,000
IGC's	280,852	213,000	230,000
Depreciation/Amortization	1,466,205	1,777,000	1,902,000
TOTAL OPERATING EXPENSE	<u>4,096,827</u>	<u>4,566,000</u>	<u>4,778,000</u>
OPERATING INCOME	1,540,690	1,376,000	1,244,000
NON-OPERATING REVENUE			
Interest Income	1,097,222	1,019,000	996,000
AAPA Convention Revenue	406,391	6,000	0
Pipeline Right-Of-Way Fee	126,861	120,000	120,000
Other Non-Operating Revenue	0	19,000	0
TOTAL NON-OPERATING REVENUE	<u>1,630,474</u>	<u>1,164,000</u>	<u>1,116,000</u>
NON-OPERATING EXPENSE			
Interest on Long-Term Debt	1,573,880	1,488,000	1,396,000
AAPA Convention Expense	355,740	1,000	0
TOTAL NON-OPERATING EXPENSE	<u>1,929,620</u>	<u>1,489,000</u>	<u>1,396,000</u>
NON-OPERATING INCOME	(299,146)	(325,000)	(280,000)
NET INCOME (REGULATORY)	1,241,544	1,051,000	964,000
ADJUSTMENTS FOR GAAP	571,769	572,000	572,000
NET INCOME GAAP	<u><u>669,775</u></u>	<u><u>479,000</u></u>	<u><u>392,000</u></u>

**PORT OF ANCHORAGE
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 GAAP	669,775	479,000	392,000
Depreciation/Amortization	2,037,974	2,349,000	2,474,000
Grants	0	1,630,000	5,869,000
Bonds	0	0	0
Amortization of Debt Discount	30,910	31,000	31,000
Principal Payments, Financing Leases	225,423	243,000	263,000
Principal Payments, Interfund Receivable	96,655	119,000	128,000
Other			
TOTAL SOURCES OF FUNDS	3,060,737	4,851,000	9,157,000
USES OF FUNDS:			
Additions to Plant	1,829,557	1,683,000	7,858,000
Bond Principal Payments	1,503,865	1,562,000	1,323,000
Equity Transfer Out	556,412	179,000	179,000
Net Effect of Changes in Balance Sheet Which Affect Cash	151,280	0	0
TOTAL USES OF FUNDS	4,041,114	3,424,000	9,360,000
NET INCREASE/(DECREASE) IN CASH FUNDS	(980,377)	1,427,000	(203,000)
CASH BALANCE JANUARY 1,	11,068,604	10,088,000	11,515,000
CASH BALANCE DECEMBER 31,	10,088,227	11,515,000	11,312,000
DETAIL OF CASH BALANCE			
Equity In General Cash Pool	3,421,718	1,906,000	3,365,000
Equity In Construction Cash Pool	3,751,624	6,694,000	5,032,000
Revenue Bond Reserve	2,914,885	2,915,000	2,915,000
TOTAL CASH DECEMBER 31,	10,088,227	11,515,000	11,312,000

**PORT OF ANCHORAGE
OPERATING BUDGET DETAIL**

	1992 <u>ACTUAL</u>	1993 <u>PRO-FORMA</u>	1994 <u>BUDGET</u>
LABOR			
Wages	900,039	917,000	914,000
Overtime	30,179	35,000	35,000
Benefits	455,197	472,000	471,000
Other	6,473	7,000	9,000
Subtotal	<u>1,391,888</u>	<u>1,431,000</u>	<u>1,429,000</u>
SUPPLIES			
Office & Operating Supplies	13,944	14,000	15,000
Fuel	6,197	7,500	7,500
Repair & Maintenance Supplies	53,070	58,000	60,000
Other	8,308	8,500	9,500
Subtotal	<u>81,519</u>	<u>88,000</u>	<u>92,000</u>
INTRAGOVERNMENTAL CHARGES			
IGC's From Others	283,351	288,000	260,000
IGC's To Others	(2,499)	(75,000)	(30,000)
Subtotal	<u>280,852</u>	<u>213,000</u>	<u>230,000</u>
OTHER SERVICES			
Professional Services	86,639	166,000	194,000
Insurance	34,514	36,000	40,000
Repairs & Maintenance-Contracted	88,012	107,000	113,000
Advertising/Marketing	52,507	81,000	67,000
Contract Services	195,138	191,000	185,000
Rentals/Leases	2,268	59,000	102,000
Utilities	309,911	320,000	325,000
Other	107,374	97,000	99,000
Subtotal	<u>876,363</u>	<u>1,057,000</u>	<u>1,125,000</u>
OTHER EXPENSES			
Depreciation/Amortization	2,037,974	2,349,000	2,474,000
Interest on Long Term Debt	1,573,880	1,488,000	1,396,000
AAPA Convention	355,740	1,000	0
Subtotal	<u>3,967,594</u>	<u>3,838,000</u>	<u>3,870,000</u>
TOTAL EXPENSES	<u><u>6,598,216</u></u>	<u><u>6,627,000</u></u>	<u><u>6,746,000</u></u>

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Port of Anchorage

1994 - 1999

**Capital Improvement
Budget/Program**

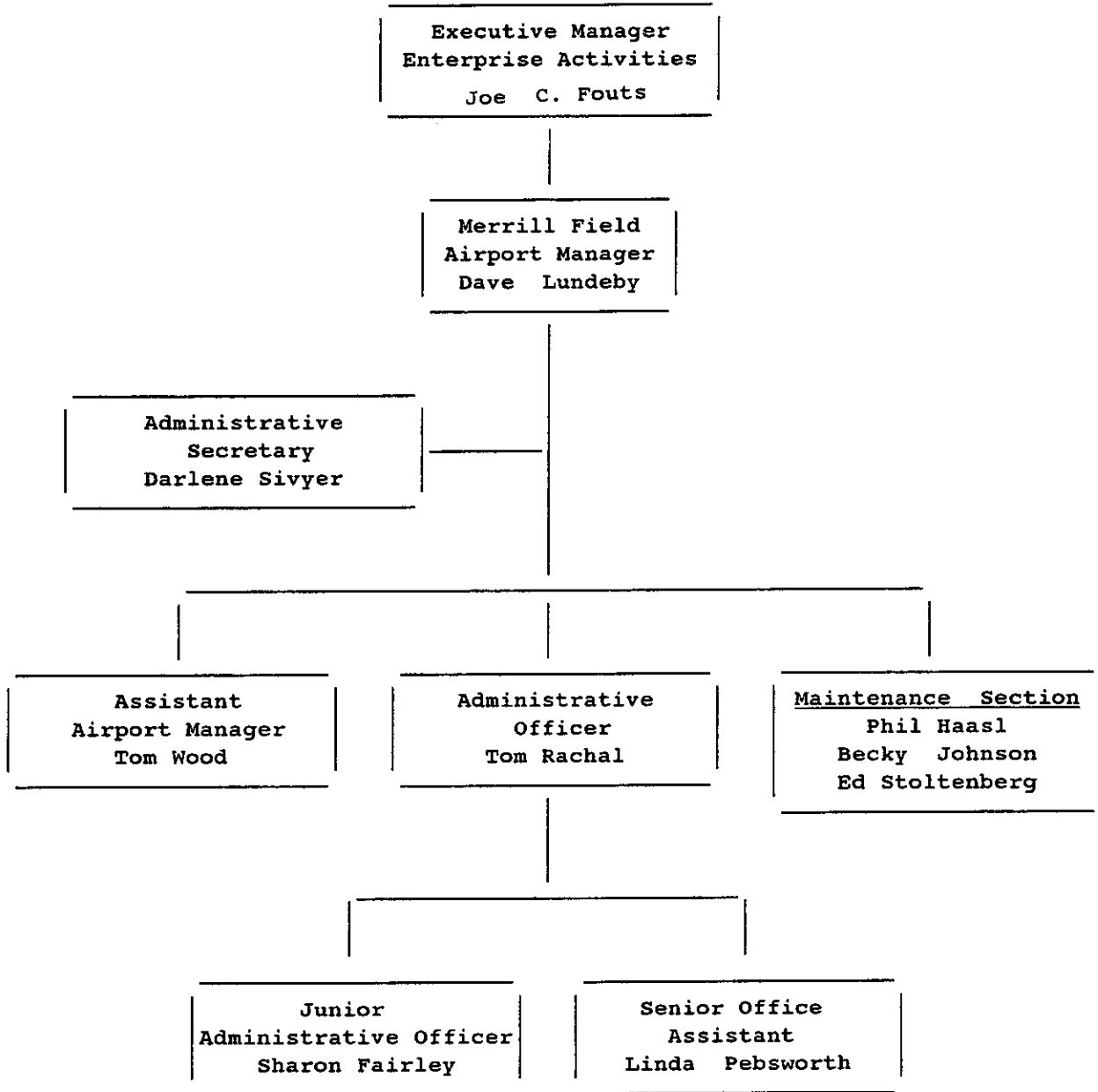
PORT OF ANCHORAGE
1994-1999 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)

<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>
LAND DEVELOPMENT	6,850	500	4,000	4,000	3,500		18,850
TERMINAL DEVELOPMENT	2,250	200	1,000	2,000	3,000	3,000	11,450
HARBOR DEVELOPMENT	50	50					100
REPAIRS & RENOVATIONS	7,273	1,062					8,335
EQUIPMENT	185	152	132	160	20		649
TOTAL	<u>16,608</u>	<u>1,964</u>	<u>5,132</u>	<u>6,160</u>	<u>6,520</u>	<u>3,000</u>	<u>39,384</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>
G.O. BONDS			2,000	1,000			3,000
REVENUE BONDS							0
EQUITY/OPERATIONS	3,212	1,764	2,232	3,360	3,820	300	14,688
STATE GRANT	13,146						13,146
FEDERAL GRANT	250	200	900	1,800	2,700	2,700	8,550
LOAN							0
DIRECT APPROPRIATION							0
TOTAL	<u>16,608</u>	<u>1,964</u>	<u>5,132</u>	<u>6,160</u>	<u>6,520</u>	<u>3,000</u>	<u>39,384</u>

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>1,739,689</u>	<u>1,932,000</u>	<u>1,987,000</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>