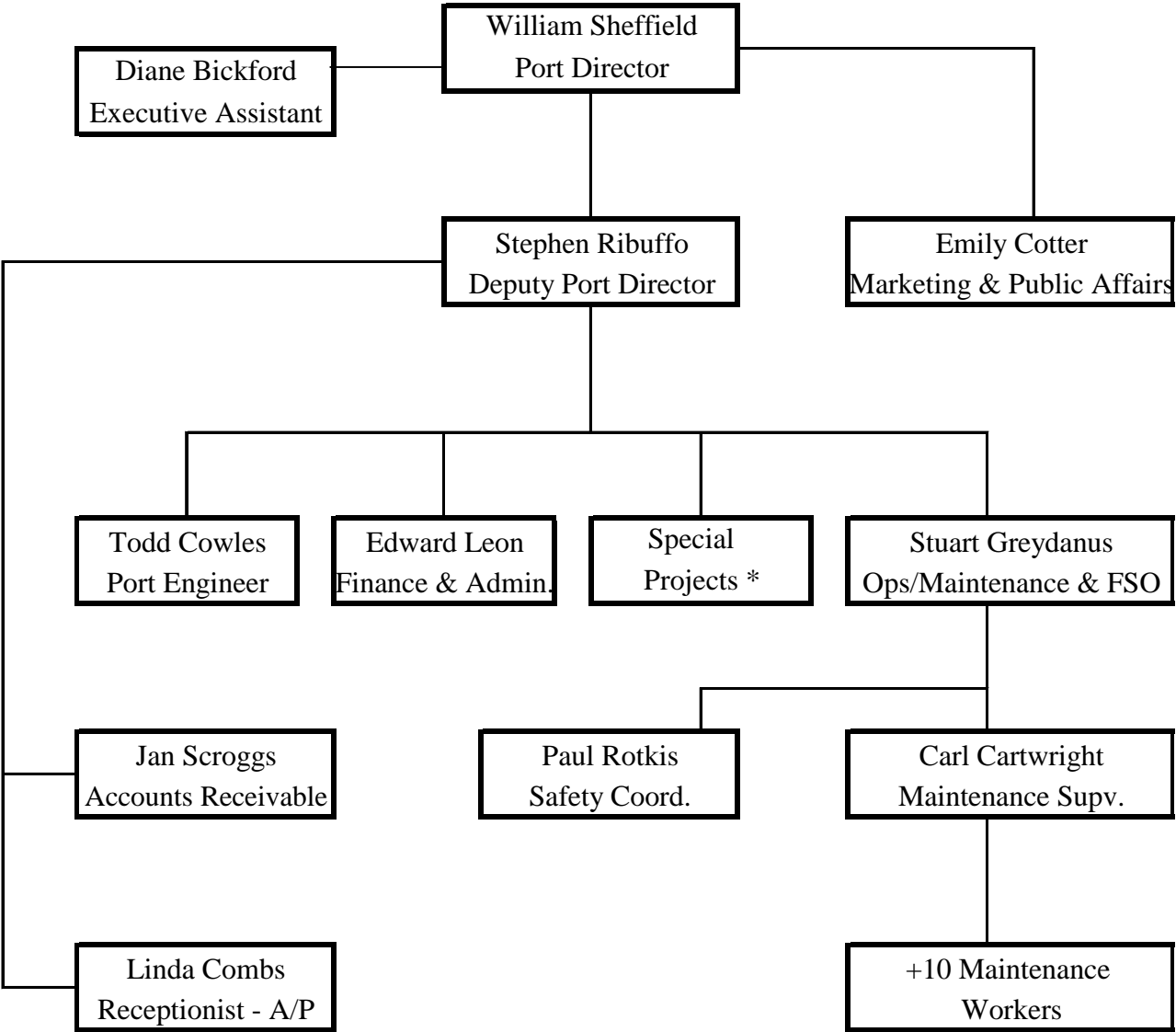


**PORT OF ANCHORAGE**  
**ORGANIZATIONAL CHART**



\* Position currently unfilled

## **PROFILE**

### **ORGANIZATION**

The Port of Anchorage is organized into the following functional areas: Administration, Finance, Port Operations and Maintenance, Engineering, Finance, Marketing and Public Affairs. The Administrative and Finance responsibility entails day-to-day business functions and real estate management. Operations and Maintenance functions include management of vessel movements and dockside activities, general upkeep and operation of the facilities, equipment and security. Engineering is responsible for the capital improvement program. Marketing and Public Affairs is responsible for all marketing intergovernmental relations and public outreach.

### **HISTORY**

The Port of Anchorage commenced operation in September 1961, with a single berth. In its first year of operation, 38,000 tons of cargo crossed the Port's dock. In 2009, 3.7 million tons crossed the dock. The Port of Anchorage is a major economic factor and one of the strongest links in the Alaska transportation chain. This chain enables residents statewide from Cordova to Barrow to take full advantage of the benefits of inexpensive waterborne commerce through this regional Port. The Port of Anchorage contributes an estimated \$1.4 billion annually to Alaska's economy. The Port and its stakeholder's have maintained a notable safety record throughout the four (4) decades the Port has been in operation. In 2004, the Port of Anchorage was named as the Nation's 15<sup>th</sup> National Strategic Seaport.

### **SERVICES**

Approximately 90% of the consumer goods and foodstuffs sold within the Railbelt and beyond (80% of the State's population) move through the Port of Anchorage on a year-round basis. Container service is available twice a week from Puget Sound through two domestic ocean carriers and increases seasonally when needed by one additional container vessel per week. Bulk shipments are both domestic and foreign, and involve imports of basic commodities such as cement, refined petroleum products and construction materials. The Port of Anchorage, due to its strategic global position and close proximity to neighboring major military bases, Joint Base Elmendorf-Richardson, is a key transportation mode for Department of Defense strategic activities concerning mobilization planning and the shipping/transporting of jet fuel and other related petroleum products and bulk cargo for military use. The Port serves as the primary export facility for the state's largest petroleum refinery in North Pole, and facilitates in the delivery of refined petroleum products from the State's other refineries.

The Municipality of Anchorage is the Grantee of Anchorage Foreign Trade Zone (FTZ) No. 160, the only activated FTZ in the State of Alaska. The Port of Anchorage is the Municipal department responsible for the administration of the FTZ program in Anchorage. At the present time FTZ No. 160 is comprised of seven sites totaling some 1,000 acres located at the Port of Anchorage, Anchorage International Airport and at five private sites throughout the Municipality. An application for subzone status for the Tesoro Petroleum refinery in Kenai was approved by the United States Department of Commerce, Foreign Trade Zones Board in May 2001.

### **REGULATION**

Dock Revenue rates for the Port of Anchorage are established in the Port of Anchorage Terminal Tariff No. 6 and through contractual Terminal Preferential Usage Agreements. Changes to the tariff and adjustments to the five (5) year term Preferential Usage Agreements' charges require approval by the Anchorage Port Commission, subject to final approval by the Anchorage Municipal 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 that are performed in accordance with Anchorage Municipal Code provisions. Leases and lease options are subject to Municipal Assembly approval.

## **ENVIRONMENTAL MANDATES**

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

## **PHYSICAL PLANT**

Real Estate: 128 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  
1,528 total acres

Terminals:

- Three General Cargo Terminals, 2,109 ft. of dock face, container, roll on/roll off, bulk cement and break bulk capabilities
- Two Bulk Petroleum Product Terminals with 600 feet each of berthing space with four 2,000-bbl./hr.-product pipelines each
- Operating depth at all facilities: dredged to -35 feet 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:  
(2) 30 ton and (1) 40 ton
- Portable Cranes to 150 tons available
- Forklifts to 30 tons available
- Bulk Petroleum Valve Yard capable of accommodating multiple simultaneous marine/shore and/or inter-user shore side transfers.

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

## PORT OF ANCHORAGE OPERATING AND CAPITAL BUDGET ASSUMPTIONS

Below are the general budget assumptions for the Port of Anchorage's 2011 Operating and Capital Budgets.

### **WAGES**

Wage increases were in accordance with current labor agreements. For labor agreements that expire during the budgeting period, wage increases of 2.8% for 2011 were assumed.

For Non-Reps - wage increases of 2.8% were budgeted for 2011, but have not been approved.

For Executives – the 2011 budget includes an increase of 3% over the 2010 level of compensation, but has not been approved.

### **INTEREST**

Short-term interest income will be calculated assuming a rate of 0.25%.

### **BENEFITS**

PERS – For 2011 was assumed at the rate of 22% except for Operating Engineers personnel whose rate is assumed at 18.0%.

Social Security (FICA) – 6.20% of factored wage.

Unemployment Compensation – 0.20% of factored wage.

## **2011 IMPACTS/ASSUMPTIONS SPECIFIC TO THE PORT OF ANCHORAGE**

1. The Port of Anchorage's Tariff #6 has undergone review and the revised Tariff #7 will take effect in 2011.
2. The Port assumes MUSA/MESA (in lieu of taxes) to be 1.25% of operating revenues beginning with Fiscal Year 2010.
3. The Port vacated several rights-of-way within the Port area and is in the process of establishing Fragmented Lot Lines to allow the consolidation of multiple leases with TOTE, Horizon Lines and other Port users. Future lease negotiations for additional land by Port tenants may occur as a result of the Port expansion project.
4. 2011 Expenses are anticipated slightly higher than in 2010 primarily due to an increase in facility improvements and accompanying contract engineer work resulting from repairs and maintenance as opposed to renovating in anticipation of complete replacement in the near future; increase in Depreciation resulting from improved asset values and possibly new assets being added to the Port's Plant value; and, a slight increase resulting from application expense for Federal Transportation Infrastructure Grants for the Port's Intermodal Expansion Project (PIEP).
5. The Port has embarked on a Port Intermodal Expansion Program that will double the acreage and increase berthing capability. Federal agency and State grants, Commercial Paper Issues and Port matching monies will combine to fund construction costs. Grant matching fund amounts have been estimated based on current grant requirements. Local financial resources required for the expansion include an allocation of \$47 million in Port retained earnings over the life of the project.

As part of the match for federal funds, the Port has requested state reimbursable capital funding for the Port's Intermodal Expansion Program.

At the federal level, Department of Defense, Federal Highway Administration and the Federal Transportation Administration have committed to assist the Port's expansion project. The Port anticipates additional federal appropriations requests for FY 2011-2014.

## **PORT OF ANCHORAGE HIGHLIGHTS AND FUTURE EVENTS**

### **PORT INTERMODAL EXPANSION PROGRAM (PIEP)**

The Port has initiated a program of ongoing, extensive efforts to secure project funding through a combination of federal, state and local financial resources. Started in 2003, this Port expansion will occur incrementally over several periods. The Capital Improvement project provides for flexibility in sequencing for the PIEP as funding becomes available for project development and construction activities.

The PIEP has four primary objectives: 1) replace deteriorated infrastructure; 2) stimulate economic development for the Municipality and the region by providing marine and landside transportation system improvements; 3) accommodate existing customer requirements without interruption; and 4), accommodate growth and demand for Port services, especially with respect to potential new customers and the new generation of vessels anticipated to call at the Port. The U.S. Maritime Administration (MARAD) is the Federal Lead Agency for Port development.

The PIEP has received the support of Congress in receiving funds through the Department of Defense, the Federal Highway Administration and the Federal Transportation Administration in the total amount of \$138.2 million dollars. In addition to federal funds the Port has received \$71.2 million in grant funds from the State of Alaska and has set aside or contributed \$47.5 million in Port earnings as contributory / matching funds for federal appropriations.

The Port has a close working relationship with the Alaska Rail Road Corporation and the State's DOT&PF, as well as other transportation agencies. This collaboration will improve intermodal connections to the highway and rail systems as part of the PIEP project. As part of the PIEP, the Port has already completed constructing a road and rail line with two sidings around the Eastern Port perimeter. By project completion, the rail line will terminate in the North Tidelands and provide for barge off-load service to a Trailer On Flat Car (TOFC) yard via three rail lines and one road. This road/rail development will also provide access to develop additional areas in the North Tidelands in support of mega-module assembly and load out activities. The first phase of this project was completed in 2005.

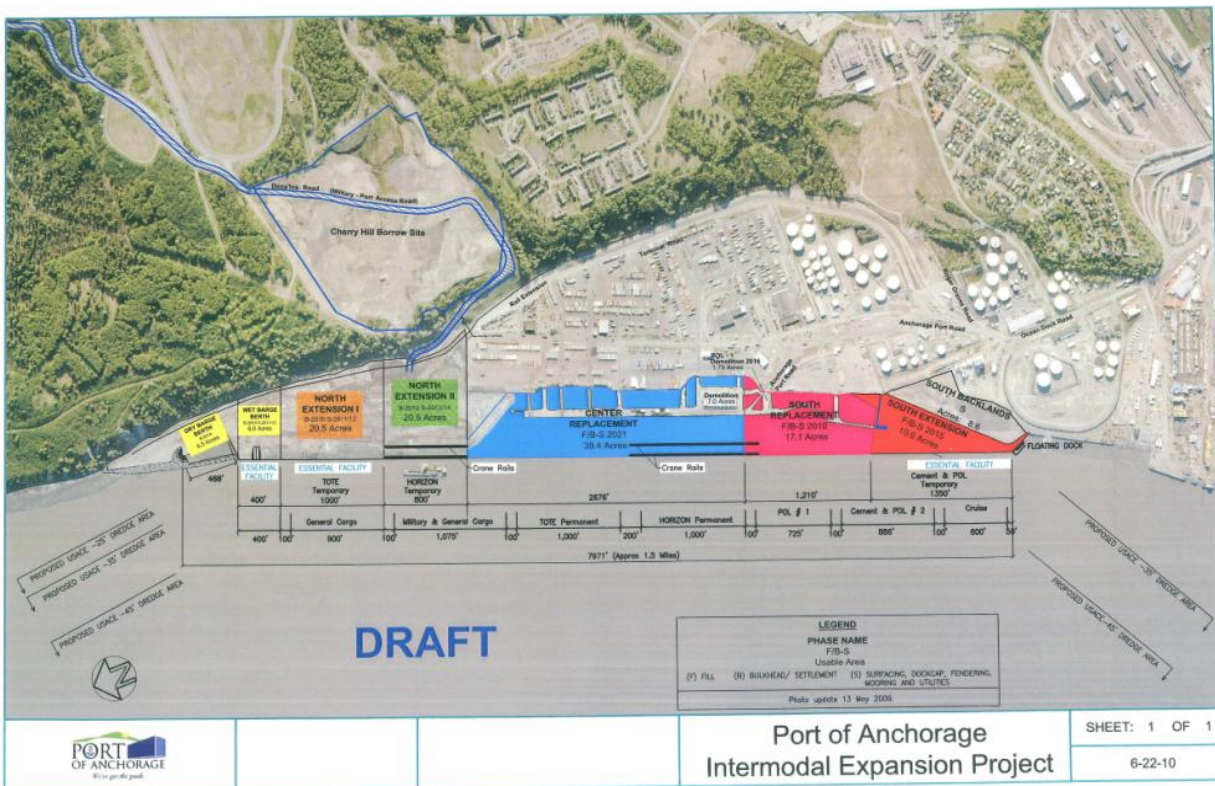
Totem Ocean Trailer Express, Inc. (TOTE), one of the major general cargo/container carriers calling at the Port of Anchorage, made a significant decision in 1999 to design and construct new ships for its Alaska trade. These new 840 foot Orca Class roll-on/roll-off vessels accommodate trailers 53 feet or greater in length and provide dedicated vehicle stowage. These two new vessels, the Midnight Sun and the North Star, have both been in service since August 2003. In support of new vessel operations, TOTE and the Port initiated a major development project that reconfigured and renovated Port real estate used by TOTE. Construction activities consisted of vacating Tidewater Road adjacent to TOTE leaseholds, relocating all underground utilities and realigning existing fencing to yield one contiguous staging area for TOTE operations.

In preparation for the impacts of the PIEP, and to better utilize Port managed property and roadway systems, the Port of Anchorage vacated the public rights-of-way of Terminal Road, Gull Avenue and two fire alleys. The right-of-way vacation and new designation as internal roads have enhanced Port security and traffic safety. The re-platting action will cause improved cargo access and an increase in customer operating efficiencies. Several small parcels of property will be eliminated, creating a large single tract of land. This will bring about a better functional use of all Port cargo staging and storage areas and allow greater flexibility to meet current and future Port business needs.

## STRATEGIC PLAN

The Port of Anchorage's PIEP was started in 2002 in order to address the congestion and constraints that demand has placed on this important transportation and freight facility, and to replace the deteriorating dock structures that are 25 years passed original design life and are not built to modern engineering standards for operational or seismic integrity.

The overarching goal of the PIEP is to complete the expansion and construction of facilities without interruption of commercial operations. Completion of the North Extension is critical to achieving this goal. Once completed, container ships and cruise ships will be able to use the North Extension facilities, which will allow the Port of Anchorage to demolish and condemn the current facilities. Please refer to the Port of Anchorage Intermodal Expansion Project phasing plan that follows for facility and design layout:



Additionally, in 2010 Holland America Lines' M/S Amsterdam made its first call at the Port of Anchorage in May and will make a total of nine visits in 2010. Holland America Lines has announced they will repeat this schedule in 2011.

The PIEP Phasing Plan for 2010 through 2021 is as follows:

- Complete Barge Berth and North Extension in 2014
- Complete South Extension in 2015
- Complete South Replacement in 2018
- Complete Center Replacement in 2021

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# Port of Anchorage

*Anchorage: Performance. Value. Results.*

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## **Mission**

Maintain the quality of the Port's infrastructure to meet the needs of container, petroleum and general cargo marine transportation companies to ensure the timely delivery of consumer goods and commercial cargo.

## **Core Services**

- Provide Port users with a marine terminal and staging yards free of defects.
- Provide Port petroleum terminal operators with an operable and efficient valve yard and petroleum docks.
- Provide clean and safe roads and transfer yards for use by commercial and port-based vehicles.

## **Accomplishment Goals**

- Repair and replace damaged fender panels and repair deteriorated dock piles.
- Periodically inspect valve yard valves and piping.
- Inspect dock surface and common areas to ensure cranes, equipment and personnel can operate with minimal threat of damage.
- Effectively oversee management of the cost and schedule associated with the Port of Anchorage Intermodal Expansion Project (PIEP).

## **Performance Measures**

Progress in achieving goals will be measured by:

**Measure #1: Solicit feedback from port users, vessel, tanker and barge Captains regarding dock and infrastructure condition or problems.**

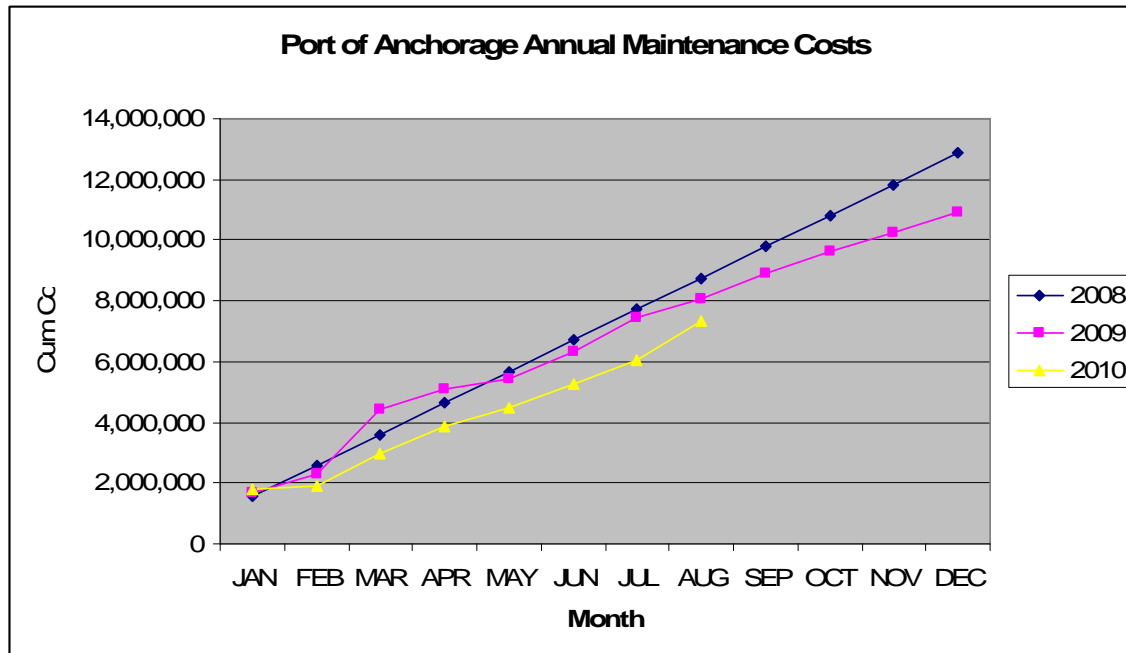
The Port staff meets regularly and on an ad hoc basis with all Port tenants on a wide variety of issues (repair needs, security, dock scheduling, temporary land lease arrangements, tariff issues, etc.). We relied on this open communication to deal with any conflicts that would arise. We assumed that this style of open communication and mutual problem solving, coupled with the fact that there are no issues with Port user deliveries to their customers throughout our area of operation, was sufficient evidence both Port users satisfaction and a successful supply chain system. We are constructing a survey instrument that we can administer on a semi-annual basis in order to measure satisfaction levels.

**Measures #2 and #3: Maintain open communications with crane repair crews and operators for input on crane infrastructure condition. Constantly survey common and leased Port property for hazards or surface repairs. Periodically engage outside professionals to inspect the overall infrastructure.**

Infrastructure and equipment inspections are accomplished on daily, weekly, quarterly, semi-annual, and annual bases. The chart below identifies annual O&M expenses



against programmed. The baseline year was 2008. Actual 2009 and 2010 (YTD) expense curves are shown below.



**Measure #4: Track actual PIEP cost and schedule execution against planned.**

PIEP cost and schedule information can change several times in a year, depending upon funding availability, weather, and materiel deliveries. The Port maintains a cash flow sheet that is crossed with the construction requirements in order to follow production efforts. Further, Port staff teleconferences twice weekly with U.S. Maritime Administration (MARAD) leadership to discuss project issues, and weekly meets face to face with MARAD's local construction management team—Integrated Concepts and Research Corporation (ICRC). Additionally, Port staff visits the construction site as needed. Port staff communicates with the Municipality administration as needed to keep them abreast of progress and any issues that may arise.

## PORT OF ANCHORAGE WORKFORCE PROJECTIONS

<u>Category</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Administrative / Engineering	10	10	10	10	10	10	10
Operations / Maintenance	11	11	12	12	13	14	14
Port Development	0	0	0	0	0	0	0
<b>Subtotal</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>24</b>
Part Time / Temporary	0	0	0	0	0	0	0
<b>Total</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>24</b>

PORT OF ANCHORAGE											
11 - YEAR SUMMARY											
UTILITY FORMAT - 2011 OPERATING BUDGET ( 000's Omitted)											
Financial Overview	Actual				Proforma	Budget	Forecast				
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues	\$13,833	\$14,237	\$12,886	\$13,184	\$13,725	\$13,657	\$13,733	\$14,348	\$14,415	\$17,965	17,906
Expenses	\$10,081	\$10,809	\$12,031	\$11,658	\$11,625	\$12,291	\$12,444	\$12,465	\$14,740	\$14,821	17,399
Net Income (Regulatory) (*)	\$3,752	\$3,428	\$856	\$1,526	\$2,100	\$1,365	\$1,290	\$1,883	(\$324)	\$3,144	\$508
Budgeted Positions	21	21	21	21	21	22	22	23	24	24	24
Capital Program	\$6,120	\$12,500	\$48,515	\$25,008	\$29,093	\$40,633	\$29,335	\$28,415	\$27,810	\$27,705	\$27,700
Bond Sales and Other Loans (**)	\$0	\$0	\$0	\$40,000	\$40,000	\$20,000	\$15,000	\$0	\$0	\$0	\$0
Net Plant (12/31)	\$28,403	\$26,576	\$24,749	\$22,922	\$20,805	\$18,602	\$16,315	\$13,943	\$27,021	\$23,943	\$20,780
MESA	\$525	\$495	\$481	\$447	\$503	\$472	\$458	\$436	\$401	\$372	\$573
Total Net Assets	\$48,899	\$52,327	\$53,183	\$54,709	\$56,809	\$58,175	\$59,465	\$61,348	\$61,023	\$64,167	\$64,675
General Cash Pool	\$10,135	\$17,332	\$21,884	\$26,359	\$26,359	\$26,359	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Construction Cash Pool	\$11,385	\$30,301	\$27,859	\$26,351	\$20,000	\$22,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Bond & Other Loan Reserve Cash	\$1,256	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Cash (12/31)	\$22,776	\$48,633	\$50,743	\$53,710	\$47,359	\$49,359	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
IGC's - General Government	\$341	\$409	\$430	\$486	\$577	\$592	\$576	\$580	\$583	\$516	\$518
Total Outstanding Debt (12/31)	\$1,297	\$0	\$0	\$40,000	\$40,000	\$60,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Debt Service - Cm'l Paper Int - Capitalized	\$0	\$0	\$0	\$400	\$400	\$600	\$750	\$750	\$750	\$750	\$750
Debt Service Coverage (Cm'l Paper Interest)	0.00	0.00	0.00	10.05	11.15	8.33	6.68	7.58	5.47	10.20	6.94
Debt/Equity Ratio (12/31)	1 / 99	0 / 100	0 / 100	23 / 77	23 / 77	31 / 69	36 / 64	35 / 65	35 / 65	35 / 65	34 / 66
Tariff Wharfage Rates (01/11):											
1250 Petroleum, Bulk / Barrel	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.135	\$0.135	\$0.135	\$0.135	\$0.135	\$0.135
1250 Cement, Bulk / Ton	\$1.20	\$1.10	\$1.20	\$1.25	\$1.25	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37
Statistical/Performance Trends:											
Tonnage (in thousands)	4,347	4,316	4,370	3,798	4,092	4,530	4,755	4,775	4,785	5,369	5,384
Revenue/Ton	2.44	2.32	2.27	2.55	2.55	3.18	2.97	2.81	2.68	3.41	3.41
(*) The Port's ability to service debt is a combination of Net Income <b>PLUS</b> the Expense Category "Depreciation":											
Net Income Above	\$3,752	\$3,428	\$856	\$1,526	\$2,100	\$1,365	\$1,290	\$1,883	(\$324)	\$3,144	\$508
PLUS Depreciation	\$3,750	\$4,108	\$4,649	\$4,660	\$4,537	\$4,622	\$4,707	\$4,792	\$7,020	\$7,105	\$7,190
Available to Service Debt	\$7,502	\$7,536	\$5,505	\$6,187	\$6,638	\$5,988	\$5,997	\$6,675	\$6,696	\$10,249	\$7,698
(**) Other Loan funds will be used to help complete the Port expansion. Other Loan funds are projected at an interest rate of 1.00%											

**PORT OF ANCHORAGE**  
**2008 - 2011**  
**STATEMENT OF REVENUES AND EXPENSES**

	<b>2008</b> <u>Actual</u>	<b>2009</b> <u>Actual</u>	<b>2010</b> <u>Proforma</u>	<b>2011</b> <u>Budget</u>
<b>OPERATING REVENUE</b>				
Dock Revenue	5,237,696	4,976,854	5,769,632	6,611,485
Industrial Park Revenue	4,158,226	4,301,791	4,843,697	4,883,416
Other Operating Revenue	533,476	406,878	526,000	580,535
<b>TOTAL OPERATING REVENUE</b>	<b>9,929,398</b>	<b>9,685,523</b>	<b>11,139,329</b>	<b>12,075,436</b>
<b>OPERATING EXPENSES</b>				
Labor	2,299,783	2,318,382	2,620,057	2,838,869
Supplies	218,897	199,428	210,600	212,111
Other Services & Charge	1,697,876	2,115,068	2,050,060	2,241,582
IGC's	429,639	486,147	576,800	592,148
Depreciation / Amortization	4,649,017	4,660,449	4,537,239	4,622,239
Municipal Enterprise Service Assessment	480,867	447,479	502,778	471,777
<b>TOTAL OPERATING EXPENSE</b>	<b>9,776,079</b>	<b>10,226,953</b>	<b>10,497,534</b>	<b>10,978,726</b>
<b>OPERATING INCOME</b>	<b>153,319</b>	<b>(541,430)</b>	<b>641,795</b>	<b>1,096,710</b>
<b>NON-OPERATING REVENUE (*)</b>				
Interest Income	254,721	2,043,010	207,800	0
Pipeline Right-of-Way Fee	177,083	140,074	170,000	170,000
Gain / Loss - Disposal of Property	52,470	0	0	0
Miscellaneous Non-Operating Revenue	0	0	0	0
Other Non-Operating Revenue	2,472,788	1,315,225	1,583,471	1,411,147
<b>TOTAL NON-OPERATING REVENUE</b>	<b>2,957,062</b>	<b>3,498,309</b>	<b>1,961,271</b>	<b>1,581,147</b>
<b>NON-OPERATING EXPENSE</b>				
Interest on Long-Term Debt	0	0	0	0
Other Non-operating Expense	2,254,587	1,430,699	1,283,471	1,312,413
<b>TOTAL NON-OPERATING EXPENSE</b>	<b>2,254,587</b>	<b>1,430,699</b>	<b>1,283,471</b>	<b>1,312,413</b>
<b>NON-OPERATING INCOME</b>	<b>702,475</b>	<b>2,067,610</b>	<b>677,800</b>	<b>268,734</b>
<b>NET INCOME (REGULATORY)</b>	<b>855,794</b>	<b>1,526,180</b>	<b>1,319,595</b>	<b>1,365,444</b>
<b>ADJUSTMENTS FOR GAAP</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET INCOME GAAP</b>	<b>855,794</b>	<b>1,526,180</b>	<b>1,319,595</b>	<b>1,365,444</b>

(\*) GASB 33 capital grant revenue not included

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

	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Proforma</u>	<u>2011</u> <u>Budget</u>
<b>SOURCES OF CASH FUNDS:</b>				
Net Income GAAP	855,794	1,526,180	1,319,595	1,365,444
Depreciation / Amortization	4,649,017	4,660,449	4,537,239	4,622,239
Equity / Operations	0	0	0	0
Grants	0	0	0	0
Bonds and Commercial Paper	40,000,000	0	20,000,000	15,000,000
Amortization of Debt Discount	0	0	0	0
Principal Payments, Financing Leases	35,828	11,190	7,800	0
Disposition of Assets	52,470	0	0	0
State Debt Repayment	0	0	0	0
<b>TOTAL SOURCES OF FUNDS</b>	<b>45,593,109</b>	<b>6,197,819</b>	<b>25,864,634</b>	<b>20,987,684</b>
<b>USES OF CASH FUNDS:</b>				
Additions to Plant	2,500,000	1,897,281	1,700,000	1,700,000
Bond Principal Payments	0	0	0	0
Matching Funds to MARAD (**)	5,400,000	5,400,000	4,000,000	4,000,000
Net Effect of Changes on Balance Sheet Which Affect Cash				
<b>TOTAL USES OF FUNDS</b>	<b>7,900,000</b>	<b>7,297,281</b>	<b>5,700,000</b>	<b>5,700,000</b>
<b>NET INCREASE (DECREASE) IN CASH FUNDS</b>	<b>37,693,109</b>	<b>(1,099,462)</b>	<b>20,164,634</b>	<b>15,287,684</b>
<b>CASH BALANCE JANUARY 1,</b>	<b>32,624,631</b>	<b>70,317,740</b>	<b>69,218,278</b>	<b>89,382,912</b>
<b>CASH BALANCE DECEMBER 31,</b>	<b>70,317,740</b>	<b>69,218,278</b>	<b>89,382,912</b>	<b>104,670,595</b>
<b>DETAIL OF CASH BALANCE</b>				
Equity in General Cash Pool	8,461,887	13,190,583	10,000,000	10,000,000
Equity in Construction Cash Pool	15,505,291	23,881,146	20,000,000	20,000,000
Revenue Bond Maintenance Reserve	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL CASH DECEMBER 31,</b>	<b>24,967,178</b>	<b>38,071,729</b>	<b>31,000,000</b>	<b>31,000,000</b>

(\*\*) Disbursed to Maritime Administration (MARAD) - Port Intermodal Expansion Program Contribution & Mitigation Escrow

**PORT OF ANCHORAGE  
OPERATING BUDGET DETAIL**

	<b>2008</b> <u>Actual</u>	<b>2009</b> <u>Actual</u>	<b>2010</b> <u>Proforma</u>	<b>2011</b> <u>Budget</u>
<b>LABOR</b>				
Wages	1,371,684	1,411,308	1,645,396	1,741,430
Overtime	28,758	25,601	43,493	76,721
Benefits	726,206	710,023	715,014	889,585
Other	173,135	171,451	216,154	131,133
Subtotal	2,299,783	2,318,382	2,620,057	2,838,869
<b>SUPPLIES</b>				
Office & Operating Supplies	64,806	47,957	51,000	50,428
Fuel	50,989	43,427	45,000	45,000
Repair & Maintenance Supplies	102,798	96,718	110,000	111,100
Other	0	0	0	0
Subtotal	218,594	188,102	206,000	206,528
<b>INTRAGOVERNMENTAL CHARGES</b>				
IGC's From Others	0	0	0	0
IGC's To Others	429,639	486,147	576,800	592,148
Subtotal	429,639	486,147	576,800	592,148
<b>OTHER SERVICES</b>				
Professional Services	743,949	992,047	832,600	1,000,000
Contributions to Outside Organizations	42,500	41,000	41,000	44,000
Repairs & Maintenance - Contracted	44,658	96,365	150,000	25,000
Municipal Enterprise Service Assessments	480,867	447,479	502,778	471,777
Contract Services	30,255	174,870	33,060	
Rentals / Leases	148,365	146,097	290,000	283,922
Utilities	332,134	406,323	330,000	330,000
Other	2,610,905	1,700,391	1,661,571	1,876,756
Subtotal	4,433,634	4,004,573	3,841,009	4,031,455
<b>OTHER EXPENSES</b>				
Depreciation / Amortization	4,649,017	4,660,449	4,537,239	4,622,239
Interest on Long Term Debt	0	0	0	0.00
Other	0	0	0	0
Subtotal	4,649,017	4,660,449	4,537,239	4,622,239
<b>TOTAL EXPENSES</b>	12,030,666	11,657,654	11,781,105	12,291,239

PORT OF ANCHORAGE							
2011-2016 CAPITAL IMPROVEMENT PROGRAM SUMMARY							
( 000's Omitted)							
<u>PROJECT CATEGORY</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>TOTAL</u>
LAND DEVELOPMENT							
PORT INTERMODAL EXPANSION PROGRAM (*)	6,408	6,410	5,500	5,000	5,000	5,000	33,318
TERMINAL DEVELOPMENT	32,300	21,000	21,000	21,000	21,000	21,000	137,300
HARBOR DEVELOPMENT							
REPAIRS & RENOVATIONS	1,725	1,725	1,715	1,710	1,705	1,700	10,280
EQUIPMENT	200	200	200	100	0	0	700
<b>TOTAL</b>	<b>40,633</b>	<b>29,335</b>	<b>28,415</b>	<b>27,810</b>	<b>27,705</b>	<b>27,700</b>	<b>181,598</b>
<u>SOURCE OF FUNDING</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>TOTAL</u>
G.O. BONDS							
REVENUE BONDS							
LEASE/REVENUE BONDS							
EQUITY-MARAD Contribution & Mitigation Escrow(**)	6,408	6,410	5,500	5,000	5,000	5,000	33,318
GRANTS	32,300	21,000	21,000	21,000	21,000	21,000	137,300
EQUITY / OPERATIONS	1,925	1,925	1,915	1,810	1,705	1,700	10,980
<b>TOTAL</b>	<b>40,633</b>	<b>29,335</b>	<b>28,415</b>	<b>27,810</b>	<b>27,705</b>	<b>27,700</b>	<b>181,598</b>
(*) Federal Grant Matching Portion Remitted and Controlled by MARAD (Maritime Administration) for Port Expansion. Federal Funds received directly, if any, or MARAD expansion components will be reflected as Work In Progress. Port Asset Value will be reflected upon completion of the expansion program.							
(**) Federal Grant Matching Fund Portion - Estimated to be Remitted to MARAD (Maritime Administration).							