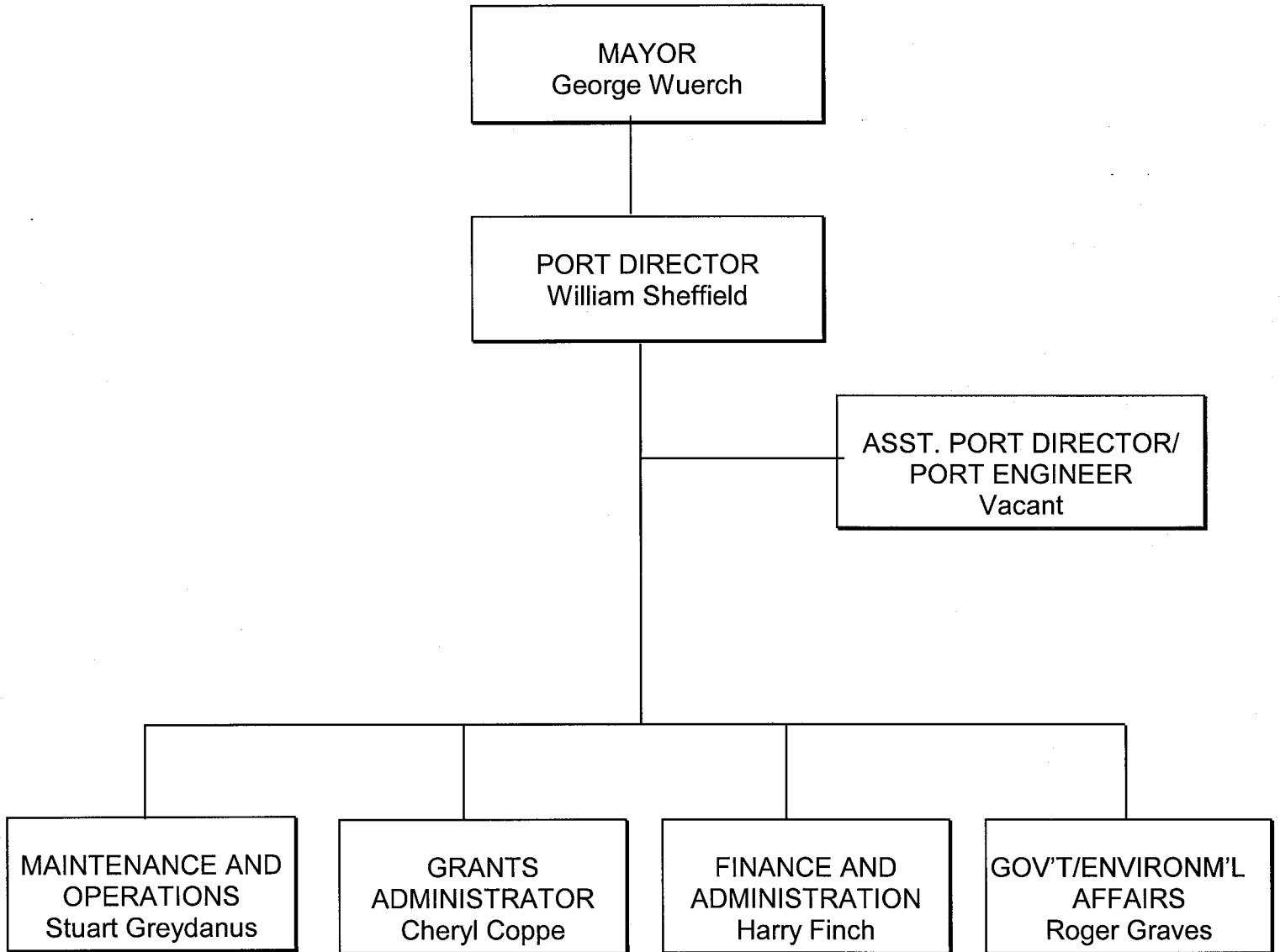


**PORT OF ANCHORAGE**

# PORT OF ANCHORAGE ORGANIZATION CHART



# PORT OF ANCHORAGE PROFILE

## **ORGANIZATION**

The Port of Anchorage is organized into three functional areas: Port Administration, Port Development and Port Operations & Maintenance. The Administrative responsibility entails day-to-day business functions, construction management/engineering and real estate management. The Port Development involves marketing, planning, permitting, environmental issues and public and intergovernmental affairs tasks. Current Operations & Maintenance functions include management of vessel movements and dockside activities, general upkeep and operation of the facilities, equipment, and security.

## **HISTORY**

The Port of Anchorage commenced operation in September 1961, with a single berth. 38,000 tons of cargo crossed the dock of the Port that first year. In 2001, 2,974,330 tons crossed the dock. The Port was ranked 17<sup>th</sup> among United States container ports, including San Juan and Honolulu, in 2000 for the movement of container TEUs (twenty-foot equivalent units). 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 Juneau to Barrow to take full advantage of the benefits of inexpensive waterborne commerce through this regional serving Port. The Port of Anchorage contributes an estimated \$725 million annually to Alaska's economy. The Port and its customers have maintained a notable safety record throughout the four (4) decades the Port has been in operation.

## **SERVICES**

Approximately 90% of the consumer goods and foodstuffs sold within the Railbelt and beyond move through the Port of Anchorage on a year-round basis. Container service is available twice a week from Puget Sound by two domestic ocean carriers and increases seasonally 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, automobiles and construction materials. The Port of Anchorage, due to its strategic global position and close proximity to neighboring major military commands, Elmendorf Air Force Base and Fort Richardson, is a key component for Department of Defense strategic activities concerning mobilization planning and the shipping/transport 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 as the major export terminal for frozen and canned seafood products that are packed in Anchorage, Valdez and on the Kenai Peninsula.

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. 5 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 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
<u>1,000</u>	acres of submerged lands offshore from tidelands holdings
<u>1,528</u>	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 -35Y 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
  - (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**  
**2003**  
**OPERATING AND CAPITAL BUDGET ASSUMPTIONS**

Below are the general budget assumptions for the Port of Anchorage's 2003 Operating and Capital Budgets.

**REGULATION**

Assumed continued economic regulation by the Federal Maritime Commission (FMC).

**UTILITY OWNERSHIP**

Assumed continued Municipal ownership in 2003.

**RATE INCREASES**

The Port Commission promulgated a major revision to the Port's tariff in 2001 which was subsequently approved by the Anchorage Municipal Assembly, AM 208-2001(A), and the FMC. As part of the revision, which effectively created Port of Anchorage Tariff No. 5, wharfage rates were increased incrementally over a three (3) year period for: Cement, Bulk Pipeline; Petroleum, Inbound/Outbound; and, Petroleum, Transfers. Port debt service coverage and cash reserves are anticipated to remain adequate and, other than the scheduled incremental increases noted above for wharfage items, no new rate increases are assumed for 2003.

**MUNICIPAL ENTERPRISE SERVICE ASSESSMENT (MESA)**

Assumed 2002 Tax District No. 1 mill rate and 1.25% MESA for MESA (in lieu of taxes) calculations.

**INTEREST**

The Port assumed a 2003 rate of 5.50% for debt service on \$10,000,000 of new revenue bonds anticipated to be sold in late 2003. Interest income was calculated assuming a rate of 2.50%.

**INTRAGOVERNMENTAL CHARGES (IGCs)**

Assumed no change in IGCs from General Government over that level contained in the Revised 2002 General Government Operating Budget.

**POPULATION**

Assumed no increase in population significant to the Port of Anchorage in 2002 or 2003.

**INFLATION**

In general, inflation (i.e., CPI - all urban consumers) was anticipated to approximate 2.5% in 2003.

## **2003 IMPACTS/ASSUMPTIONS SPECIFIC TO THE PORT OF ANCHORAGE**

1. Port revenues are anticipated to increase in 2003 as the net result of several Port business items. Projected increases in 2003 Dock Revenues combined with an increase in interest income are forecast to be offset slightly by a reduction associated with non-reoccurring revenues received in 2002.
2. 2003 Expenses are anticipated to level with 2002 expenses primarily as the result of a decrease in debt service due to a non-reoccurring general obligation bond expense which was incurred in 2002. This decrease will be offset by increased depreciation due to booking new Port facility plant in-service in 2002 and 2003.
3. The Port's 2003-2008 Capital Improvement Program reflects a major Port expansion program, the Port Intermodal Expansion Program (PIEP). The Port bases its budget assumptions for the PIEP on a combination of local, state and federal funding streams. The current estimated overall capital cost for this program is \$172 million+.

Currently, two project design alternatives are under consideration for development. For this reason, the following budget assumptions remain contingent upon the alternative that becomes the actual PIEP project design. The choice of design alternative depends on the results of an impartial, third-party technical and constructability analyses combined with preliminary engineering, environmental review and public involvement processes as required under the National Environmental Policy Act (NEPA) for federally funded transportation projects.

Local financial resources required for the PIEP include an issuance of \$10 million in Port Revenue Bonds and an allocation of \$11 million in Port retained earnings. Additional projected local revenue sources include: \$10 million in Municipal General Obligation Bonds, for which the debt service would be tax based; and, \$15 million in Municipal General Obligation Bonds, for which the debt service would be reimbursed by the state pursuant to the major capital project debt repayment bill passed during the 2002 legislative session.

As part of the match for federal funds, the Port anticipates it will request \$12 million in state grant funding for PIEP, commencing with the 2003 legislative session.

At the federal level, FY 2003 congressional appropriations requests for PIEP total \$12 million. The Port anticipates additional federal appropriations requests for FY 2004-2007 will total \$56 million. Also, the 2003-2008 Capital Improvement Program includes an allocation of \$14 million for a federal direct loan, loan guarantee or line of credit through the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program.

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

Cruise West's Spirit of Oceanus made its inaugural call at the Port of Anchorage in May, 2002. Cruise West specializes in small ship adventure cruises and it is planning at least six of these small ship cruise calls at the Port in 2003. Also scheduled are three vessels carrying steel for construction of the new Ft. Wainwright hospital. These ships will deliver their cargos through the Port beginning in July, 2002, with two additional calls occurring in August 2002 and the spring of 2003.

The Port assisted and coordinated with the Alaska Railroad Corporation (ARRC) and Williams Alaska Petroleum on the rail loop project into the South Tidelands, a portion of which was on property leased back to ARRC by the Port. The Port is also coordinating directly with Williams, in 2002, on the portion of the project which involves the relocation and reconfiguration of Williams' product delivery pipelines to the Port's Petroleum Valve Yard and the direct delivery of jet fuel to Anchorage Fueling and Service Company for transfer to Stevens International Airport. Although the revenues to the Port from tidelands lease will be minimal, the relocation of Williams' pipelines, in conjunction with its new loop track petroleum loading facility, will alleviate a major cause of traffic congestion in the port area and thereby significantly contribute to the overall safety and operational effectiveness of all waterfront/port area users. This project should be substantially completed by the end of the 2002 construction season.

In the aftermath of terrorist attacks against the United States on September 11, 2001, Congress passed legislation for seaport security that appropriated \$93.3 million to the Transportation Security Administration for vulnerability assessments and facility and operational security improvements. Based on a competitive application process the Port of Anchorage received, on June 17, 2002, an award for a Port Facility and Operational Security grant in the amount of \$458,208 which will provide funding for installation of surveillance cameras, motion detectors and new perimeter fencing.

Following recommendations highlighted in the Port's new Master Plan which was adopted for inclusion in the Anchorage 2020 Comprehensive Plan, the Port defined a new major Capital Improvement Program (CIP) for Port infrastructure and intermodal capability expansion, the Port Intermodal Expansion Program (PIEP). During 2001, the Port Director instituted a program of ongoing, extensive efforts that will secure project funding through a combination of federal, state and local financial resources. It is anticipated that this future Port expansion will occur incrementally over a 5 to 7 year period. The CIP provides for flexibility in sequencing for the PIEP as funding becomes available for project development and construction activities.

The PIEP has three primary objectives: 1) accommodate existing customer requirements; 2) 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; and 3) stimulate economic development for the Municipality and the region by providing marine and landside transportation system improvements. Federal funding, determination and assignment of Federal Lead Agency oversight, timely completion and approval of

environmental documentation as required under the National Environmental Policy Act (NEPA), and expert project management will be critical for accomplishing this goal of major Port expansion.

Two Federal FY 2002 congressional appropriations bills contained funding for the PIEP. The FY 2002 Department of Defense Appropriations amended the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) and re-allocated \$9.4 million dollars in Federal Highway Administration (FHWA) National Highway System (NHS) funds for the PIEP project. Additionally, the FY 2002 Transportation Appropriations yielded a FTA capital projects allocation of \$2.95 million for the PIEP.

Congressional appropriations requests for FY 2003 total \$12 million. The Port anticipates additional PIEP project funding requests for the fiscal years 2004 – 2007 will total \$56 million.

In March 2002, the Economic Development Administration (EDA) of the U.S. Department of Commerce accepted the Port's pre-application for Federal Assistance. This documentation is the first step in an EDA grant application process that will provide approximately \$5 million toward total project costs for the PIEP project.

State and local funding will fulfill the matching requirements for Federal Aid and Grants-in-Aid resources used for the PIEP, where applicable. Additionally, the Port will prepare a Letter of Interest and a draft credit application for the Transportation Infrastructure Finance Innovation Act (TIFIA) program. This program provides credit assistance to major transportation infrastructure projects with total costs of \$100 million or more. In the event that project development requirements mandate greater financing flexibility, a TIFIA credit instrument would provide the near-term funding necessary to realize significant time and/or cost savings.

The State Legislature, through the Department of Transportation and Public Facilities (DOT&PF) provided a \$5.8 million grant for PIEP activities in its FY 2002 appropriations. Additionally in 2002, the Legislature passed a major capital projects debt-repayment bill. DOT&PF administers this multiple year program, which is subject to support through the annual appropriations process. This program will provide \$15 million of debt reimbursement for the PIEP.

The Port anticipates it will request additional grant funding for the PIEP project from the state legislature for fiscal years 2004 – 2007. These requests will total \$12 million.

The Port has a close working relationship with the ARRC and 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 anticipates constructing a road and rail line with four sidings around the Eastern Port perimeter. The rail line will terminate in the North Tidelands and provide for barge off-load service to a Trailer On Flat Car (TOFC) yard. 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.

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 839 foot Orca Class roll on/roll off Vessels will easily accommodate trailers 53 feet or greater in length and provide dedicated vehicle stowage. The first of these two new vessels, the Midnight Sun, is scheduled to enter service late in 2002. The other new vessel, North Star, will follow its sister ship in 2003. In order to accomplish the majority of cargo load out during a 9-hour longshore period, TOTE constructed a new trestle between Terminal No. 3 and Transit Area D that supports an additional roll on/roll off ramp for these new TOTE vessels. Also in support of new vessel operations, TOTE and the Port are initiating a major development project which will reconfigure and renovate Port real estate used by TOTE. Construction activities will consist of vacating Tidewater Road adjacent to TOTE leaseholds, relocating all underground utilities, and realigning existing fencing. This will result in one contiguous staging area for TOTE operations.

In conjunction with the TOTE development project above, in preparation for the impacts of the PIEP and to better utilize Port managed property and roadway systems, the Port of Anchorage is in the process of vacating the public rights-of-way of Terminal Road, Tidewater Road, Gull Avenue and two fire alleys. The right-of-way vacation and new designation as internal roads will enhance both Port security and traffic safety. The replatting 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 allows greater flexibility to meet current and future Port business needs.

# PORT OF ANCHORAGE 11-YEAR SUMMARY

UTILITY FORMAT - 2003 OPERATING BUDGET (000's)

	Actual											Budget					Forecast				
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008				
Financial Overview																					
Revenues (*)	\$8,872	\$8,726	\$9,245	\$10,028	\$9,689	\$9,736	\$10,020	\$10,142	\$11,555	\$11,504	\$11,494	\$9,736	\$10,020	\$10,142	\$11,555	\$11,504	\$11,494				
Expenses	\$5,922	\$6,609	\$6,510	\$6,270	\$6,693	\$6,578	\$7,505	\$7,847	\$8,863	\$8,888	\$9,282	\$6,578	\$7,505	\$7,847	\$8,863	\$8,888	\$9,282				
Net Income (Regulatory)	\$2,950	\$2,117	\$2,735	\$3,758	\$2,996	\$3,158	\$2,515	\$2,295	\$2,692	\$2,616	\$2,212	\$3,158	\$2,515	\$2,295	\$2,692	\$2,616	\$2,212				
Budgeted Positions	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21				
Capital Program	\$4,140	\$2,554	\$793	\$1,686	\$3,711	\$48,370	\$53,285	\$17,260	\$17,280	\$13,345	\$280	\$48,370	\$53,285	\$17,260	\$17,280	\$13,345	\$280				
Bond Sales	\$0	\$0	\$0	\$0	\$0	\$25,000	\$10,000	\$0	\$0	\$0	\$0	\$25,000	\$10,000	\$0	\$0	\$0	\$0				
Net Plant (12/31)	\$55,070	\$56,068	\$56,137	\$53,747	\$55,244	\$51,932	\$52,108	\$48,713	\$141,797	\$135,910	\$130,063	\$51,932	\$52,108	\$48,713	\$141,797	\$135,910	\$130,063				
MESA	\$0	\$576	\$551	\$570	\$602	\$571	\$555	\$519	\$545	\$510	\$800	\$571	\$555	\$519	\$545	\$510	\$800				
Retained Earnings (12/31) (*)	\$45,786	\$47,903	\$50,638	\$54,395	\$57,391	\$60,549	\$63,064	\$65,359	\$68,051	\$70,667	\$72,879	\$60,549	\$63,064	\$65,359	\$68,051	\$70,667	\$72,879				
General Cash Pool	\$3,502	\$1,593	\$5,465	\$4,023	\$9,610	\$11,136	\$10,801	\$10,953	\$12,209	\$14,416	\$16,152	\$11,136	\$10,801	\$10,953	\$12,209	\$14,416	\$16,152				
Construction Cash Pool	\$5,911	\$8,721	\$9,706	\$20,322	\$15,784	\$28,284	\$32,000	\$22,500	\$18,000	\$13,500	\$9,000	\$28,284	\$32,000	\$22,500	\$18,000	\$13,500	\$9,000				
Bond & TIFIA Reserve Cash	\$999	\$990	\$990	\$1,000	\$1,000	\$1,000	\$1,193	\$1,781	\$2,594	\$3,452	\$4,357	\$1,000	\$1,193	\$1,781	\$2,594	\$3,452	\$4,357				
Total Cash (12/31)	\$10,412	\$11,304	\$16,161	\$25,345	\$26,394	\$40,420	\$43,994	\$35,234	\$32,803	\$31,368	\$29,509	\$40,420	\$43,994	\$35,234	\$32,803	\$31,368	\$29,509				
IGC's - General Government	\$202	\$242	\$213	\$265	\$286	\$286	\$289	\$292	\$295	\$298	\$301	\$286	\$289	\$292	\$295	\$298	\$301				
Total Outstanding Debt (12/31)	\$8,735	\$7,845	\$6,910	\$5,920	\$4,740	\$28,630	\$33,935	\$39,527	\$38,222	\$38,247	\$38,272	\$28,630	\$33,935	\$39,527	\$38,222	\$38,247	\$38,272				
Total Annual Debt Service	\$1,528	\$1,352	\$1,348	\$1,345	\$1,551	\$1,369	\$2,389	\$2,780	\$3,008	\$1,683	\$1,731	\$1,369	\$2,389	\$2,780	\$3,008	\$1,683	\$1,731				
Debt Service Coverage (Rev Bonds)	4.29	3.62	4.10	4.89	4.27	4.30	2.80	2.85	3.46	9.11	8.69	4.30	2.80	2.85	3.46	9.11	8.69				
Debt/Equity Ratio (12/31)	9/91	8/92	6/94	6/94	4/96	21/79	24/76	27/73	15/85	15/85	15/85	21/79	24/76	27/73	15/85	15/85	15/85				
Tariff Wharfage Rates (7/1):																					
Containers/Ton (**)	\$2.00	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00				
Petroleum, Bulk/Barrel (**)	\$0.10	\$0.10	\$0.10	\$0.10833	\$0.11666	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125	\$0.125				
Cement, Bulk/Ton (**)	\$1.00	\$1.00	\$1.00	1.0433	\$1.0866	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13				
Statistical/Performance Trends:																					
Tonnage (in thousands)	2,948	2,647	2,793	2,974	2,880	2,962	3,026	3,082	3,376	3,416	3,456	2,962	3,026	3,082	3,376	3,416	3,456				
Revenue/Ton	\$2.61	\$2.88	\$2.85	\$2.93	\$3.00	\$2.90	\$2.86	\$2.84	\$3.09	\$3.08	\$3.06	\$2.90	\$2.86	\$2.84	\$3.09	\$3.08	\$3.06				

(\*) GASB 33 capital grant revenue not included

(\*\*) Port of Anchorage Tariff revisions per AM 208-2001(A) approved June 5, 2001

## PORT OF ANCHORAGE WORKFORCE PROJECTIONS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b><u>DIVISION</u></b>							
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>
<b>Subtotal</b>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>
Part Time/Temporary	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>

## PORT OF ANCHORAGE STATEMENT OF REVENUES AND EXPENSES

	2001 <u>ACTUAL</u>	2002 <u>PRO-FORMA</u>	2003 <u>BUDGET</u>
<b>OPERATING REVENUE</b>			
Dock Revenue	6,225,706	6,156,000	6,127,000
Industrial Park Revenue	2,448,425	2,443,000	2,447,000
Other Operating Revenue	<u>25,709</u>	<u>50,000</u>	<u>8,000</u>
TOTAL OPERATING REVENUE	8,699,840	8,649,000	8,582,000
<b>OPERATING EXPENSE</b>			
Labor	1,349,271	1,480,000	1,535,000
Supplies	108,530	150,000	154,000
Other Services & Charges	1,161,553	1,323,000	1,302,000
IGC's	265,499	286,000	286,000
Depreciation/Amortization (*)	2,393,855	2,301,000	2,415,000
Municipal Enterprise Service Assessment	<u>569,595</u>	<u>602,000</u>	<u>571,000</u>
TOTAL OPERATING EXPENSE	5,848,303	6,142,000	6,263,000
<b>OPERATING INCOME</b>	2,851,537	2,507,000	2,319,000
<b>NON-OPERATING REVENUE (**)</b>			
Interest Income	1,193,937	910,000	1,024,000
Pipeline Right-Of-Way Fee	131,001	130,000	130,000
Gain/Loss-Disposal of Property	3,552	0	0
Other Non-Operating Revenue	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL NON-OPERATING REVENUE	1,328,490	1,040,000	1,154,000
<b>NON-OPERATING EXPENSE</b>			
Interest on Long-Term Debt	409,307	427,000	315,000
Other Non-Operating Expense	<u>12,000</u>	<u>124,000</u>	<u>0</u>
TOTAL NON-OPERATING EXPENSE	421,307	551,000	315,000
<b>NON-OPERATING INCOME</b>	907,183	489,000	839,000
<b>NET INCOME (REGULATORY)</b>	3,758,720	2,996,000	3,158,000
<b>ADJUSTMENTS FOR GAAP</b>	(941,254)	(1,008,000)	(1,007,000)
<b>NET INCOME GAAP</b>	<u><u>2,817,466</u></u>	<u><u>1,988,000</u></u>	<u><u>2,151,000</u></u>

(\*) Contributed plant depreciation not included

(\*\*) GASB 33 capital grant revenue not included

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

	2001 <u>ACTUAL</u>	2002 <u>PRO-FORMA</u>	2003 <u>BUDGET</u>
<b>SOURCES OF CASH FUNDS:</b>			
Net Income GAAP	2,817,466	1,988,000	2,151,000
Depreciation/Amortization	3,335,109	3,309,000	3,422,000
Grants	5,807,312	244,000	11,729,000
Bonds	0	0	25,000,000
Amortization of Debt Discount	52,600	53,000	53,000
Principal Payments, Financing Leases	315,380	346,000	380,000
Disposition of Assets	0	0	0
Other	0	0	0
<b>TOTAL SOURCES OF FUNDS</b>	<u>12,327,867</u>	<u>5,940,000</u>	<u>42,735,000</u>
<b>USES OF CASH FUNDS:</b>			
Additions to Plant	1,685,832	3,711,000	27,599,000
Bond Principal Payments	990,000	1,180,000	1,110,000
Net Effect of Changes on Balance Sheet Which Affect Cash	467,768	0	0
<b>TOTAL USES OF FUNDS</b>	<u>3,143,600</u>	<u>4,891,000</u>	<u>28,709,000</u>
<b>NET INCREASE/(DECREASE) IN CASH FUNDS</b>	9,184,267	1,049,000	14,026,000
<b>CASH BALANCE JANUARY 1,</b>	<u>16,160,764</u>	<u>25,345,000</u>	<u>26,394,000</u>
<b>CASH BALANCE DECEMBER 31,</b>	<u>25,345,031</u>	<u>26,394,000</u>	<u>40,420,000</u>
<b>DETAIL OF CASH BALANCE</b>			
Equity In General Cash Pool	4,023,510	9,610,000	11,136,000
Equity In Construction Cash Pool	20,321,521	15,784,000	28,284,000
Revenue Bond Maintenance Reserve	1,000,000	1,000,000	1,000,000
<b>TOTAL CASH DECEMBER 31,</b>	<u>25,345,031</u>	<u>26,394,000</u>	<u>40,420,000</u>

## PORT OF ANCHORAGE OPERATING BUDGET DETAIL

	<u>2001</u> <u>ACTUAL</u>	<u>2002</u> <u>PRO-FORMA</u>	<u>2003</u> <u>BUDGET</u>
<b>LABOR</b>			
Wages	911,445	986,000	1,023,000
Overtime	25,223	30,000	30,000
Benefits	408,203	459,000	477,000
Other	4,400	5,000	5,000
Subtotal	1,349,271	1,480,000	1,535,000
<b>SUPPLIES</b>			
Office & Operating Supplies	37,069	31,000	32,000
Fuel	13,674	14,000	14,000
Repair & Maintenance Supplies	55,001	95,000	98,000
Other	2,786	10,000	10,000
Subtotal	108,530	150,000	154,000
<b>INTRAGOVERNMENTAL CHARGES</b>			
IGC's From Others	265,499	286,000	286,000
IGC's To Others	0	0	0
Subtotal	265,499	286,000	286,000
<b>OTHER SERVICES</b>			
Professional Services	262,880	291,000	281,000
Contributions to Outside Organizations	41,000	43,000	43,000
Repairs & Maintenance-Contracted	91,881	121,000	108,000
Municipal Enterprise Service Assessment	569,595	602,000	571,000
Contract Services	348,848	364,000	366,000
Rentals/Leases	4,112	27,000	16,000
Utilities	234,637	240,000	240,000
Other	178,195	237,000	248,000
Subtotal	1,731,148	1,925,000	1,873,000
<b>OTHER EXPENSES</b>			
Depreciation/Amortization	3,335,109	3,309,000	3,422,000
Interest on Long Term Debt	409,307	427,000	315,000
Other	12,000	124,000	0
Subtotal	3,756,416	3,860,000	3,737,000
<b>TOTAL EXPENSES</b>	<b>7,210,864</b>	<b>7,701,000</b>	<b>7,585,000</b>

**PORT OF ANCHORAGE**  
**2003-2008 CAPITAL IMPROVEMENT BUDGETS FINANCIAL SUMMARY (000)**

<u>PROJECT CATEGORY</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTAL</u>
LAND DEVELOPMENT							0
TERMINAL DEVELOPMENT	48,000	53,000	17,000	17,000	13,000	0	148,000
HARBOR DEVELOPMENT							0
REPAIRS & RENOVATIONS	200	200	200	200	200	200	1,200
EQUIPMENT	170	85	60	80	145	80	620
<b>TOTAL</b>	<b><u>48,370</u></b>	<b><u>53,285</u></b>	<b><u>17,260</u></b>	<b><u>17,280</u></b>	<b><u>13,345</u></b>	<b><u>280</u></b>	<b><u>149,820</u></b>

<u>SOURCE OF FUNDING</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTAL</u>
G.O. BONDS		10,000					10,000
G.O. BONDS (Debt Repayment)	15,000						15,000
REVENUE BONDS	10,000						10,000
EQUITY/OPERATIONS	3,370	3,285	3,260	3,280	2,345	280	15,820
STATE GRANT	3,000	3,000	3,000	3,000			12,000
FEDERAL GRANT	17,000	23,000	11,000	11,000	11,000		73,000
LOAN (Federal Direct)		14,000					14,000
PVT INDUST PARTICIPATE							0
<b>TOTAL</b>	<b><u>48,370</u></b>	<b><u>53,285</u></b>	<b><u>17,260</u></b>	<b><u>17,280</u></b>	<b><u>13,345</u></b>	<b><u>280</u></b>	<b><u>149,820</u></b>

# Port of Anchorage

**Our Mission:** To support the safe and efficient movement of maritime cargoes and people

## Core Services

- Provide and maintain a non-property tax supported public commercial facility and uplands to allow competition to occur

## Direct Services

Direct Services Provided by Divisions

### Focus Areas

- Maintain a non-property tax supported financial status
- Provide public dock facility for multiple users
- Provide a safe port facility
- Support the efficiency of Port customer operations
- Provide a facility which fosters competition

### We will measure our success by:

- Operating income

2000	2001	Q1-2002	Q2-2002	Q3-2002	Q4-2002
\$964,345	\$1,898,283	\$937,787	\$488,496		

- Cargo container throughput per acre

2000	2001	Q1-2002	Q2-2002	Q3-2002	Q4-2002
2,324	2,045	432	538		

**Note:** The national standard is between 1,000 and 2,250 per acre annually

- Operating expense per cargo container

2000	2001	Q1-2002	Q2-2002	Q3-2002	Q4-2002
\$25.91	\$28.62	\$28.74	\$27.63		

- Total tons of goods moved through the Port

2000	2001	Q1-2002	Q2-2002	Q3-2002	Q4-2002
2,793,270	2,974,330	458,049	766,526		

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