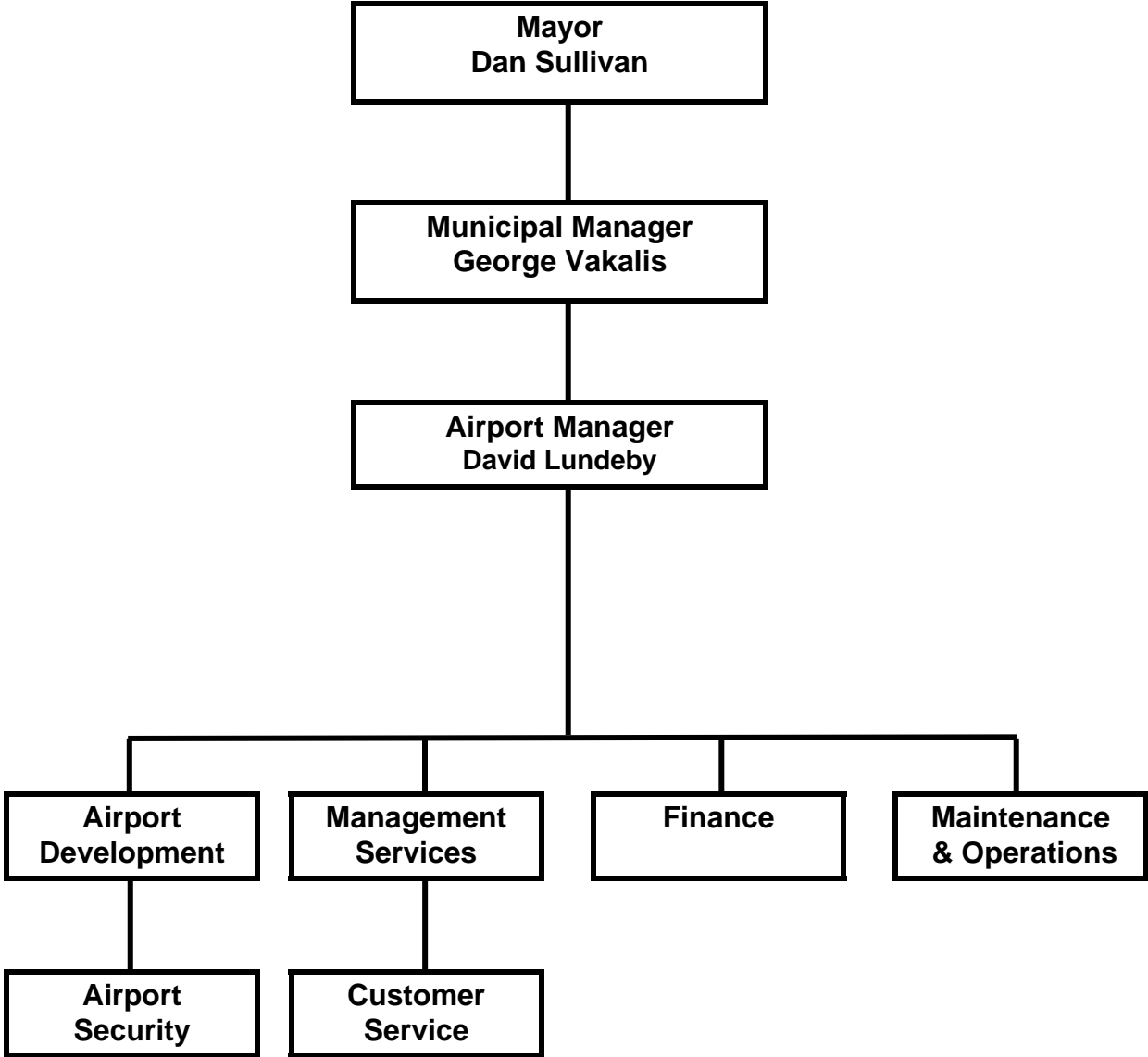


**MERRILL FIELD AIRPORT  
ORGANIZATION CHART  
2012**



## **MERRILL FIELD AIRPORT UTILITY PROFILE 2012**

### **ORGANIZATION**

Five office employees manage the operational and financial affairs of Merrill Field, and four maintenance personnel provide maintenance for eight airport buildings and property. The maintenance function includes all operating surfaces of the airport - runways, taxiways, roads and aircraft tiedown areas that are not on leased property. This includes snow removal, sanding, resurfacing, and maintenance of facilities and equipment.

### **HISTORY**

Merrill Field, established in 1930 and located one mile east of downtown Anchorage on 436 acres of land, was the first real airport in Anchorage. The airport bears the name of Russel Hyde Merrill, an early Alaskan aviator who disappeared in September 1929 on a flight to Bethel. The first aviation beacon in the Territory of Alaska was located at Merrill Field and was dedicated on September 25, 1932 to honor Russ Merrill. Merrill Field is a Primary Commercial Service Airport and serves as a general aviation reliever airport to Ted Stevens Anchorage International Airport. Merrill Field is restricted to aircraft weighing 12,500 pounds or less.

Merrill Field continues to be an integral part of Alaska's transportation network. Over the past five years aircraft operations have varied between 150,000 and 190,000 and based aircraft varied between 875 and 940.

### **SERVICE**

Merrill Field serves as the general aviation link between Southcentral Alaskan communities, including the rural areas, and Anchorage. Intrastate air traffic to and from Anchorage, with many passengers destined for the downtown and midtown areas, are conveniently served by Merrill Field.

Merrill Field provides many services, including: sale of aircraft fuel; hangar 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; college courses for aviation degree-seeking students; and direct taxiway connection to the local hospital.

### **REGULATION**

Merrill Field is required to meet Federal Aviation Administration (FAA), 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

There are many federally mandated programs which have had a direct impact on the Airport's operating costs. The Clean Water Act, Americans With Disabilities Act, Community Right To Know, Underground Storage Tank Regulations, and Clean Air Act are some of the current laws which have and will continue to affect the Airport.

## PHYSICAL PLANT

### Primary Commercial Service Airport

Restricted to aircraft weighing 12,500 pounds or less  
436 acre land area; elevation 137 feet; fee simple title  
1,237 tiedown spaces; leaseholders manage 714;  
Municipality manages 472, plus 51 for transient aircraft  
Runway 7/25 length is 4,000 feet; Runway 16/34 length is 2,640 feet;  
Gravel/Ski Runway 4/22 length is 2,000 feet  
Six taxiways; 102 acres of tiedown aprons  
Control Tower owned and operated by FAA

### Eighty Seventh (87<sup>th</sup>) Busiest Airport in the Nation in 2010

Hub for intra-Alaska travel  
Located one mile from downtown Anchorage  
General Aviation reliever airport to Ted Stevens Anchorage International Airport  
838,084 flight operations in Alaska; 150,146 operations (18%) at Merrill Field  
10,950 registered aircraft in Alaska; 877 (8.1%) based at Merrill Field  
8,382 certificated pilots in Alaska

### Economic Stimulus

48 leaseholders lease 3,311,861 square feet of airport property with tenant improvements assessed at \$23,357,780 (2010).  
12 rental properties  
Approximately 46 aviation related businesses operate on the airport  
505 transient aircraft stayed a total of 2,220 days last year  
Approximately 669,677 gallons of fuel were sold in 2010

Airport Plant (net of accumulated depreciation) at December 31, 2010 was \$49,216,158

## **MERRILL FIELD AIRPORT**

### **BUSINESS PLAN / UPDATED STRATEGIC PLAN**

### **2012**

#### **BACKGROUND**

Merrill Field Airport is a municipally owned and operated enterprise, regulated by the Federal Aviation Administration.

Merrill Field is a primary commercial service airport, and serves as a general aviation reliever for Anchorage International Airport. Home to over 8% of all aircraft registered in Alaska, Merrill Field was the 87th busiest airport in the nation in 2010.

#### **MISSION STATEMENT**

Merrill Field Airport is committed to operating and maintaining a safe and efficient airport that meets the aviation and business needs of the community.

#### **GOALS**

The goals of Merrill Field are to:

- ➔ Enhance the Airport's role as the major general aviation transportation facility serving Anchorage and outlying areas within Alaska by providing services that promote and encourage use of the Airport by the general aviation community.

##### Objectives Used in Accomplishing the Goal

- Actively market Airport facilities and services
- Provide infrastructure to meet customer demand

- ➔ Develop an overall Airport strategy, including leasing policies, that attract aviation support services and related businesses to Merrill Field and encourage long and short term private sector investments. This, plus sound fiscal management, will enable Merrill Field to increase its value, both to its customers and to its owner, the Municipality of Anchorage.

##### Objectives Used in Accomplishing the Goal

- Maintain revenues at a level adequate to cover inflation, fund MOA and FAA mandated costs, and meet airport objectives by:
  - increasing facility productivity
  - increasing user fees, when necessary.
- Minimize expenses
  - Reduce services where the impact is minimal
  - Employ economies of scale whenever possible
  - Defer expenses, within practical limits
  - Perform functions in-house when workloads permit

- Take advantage of new technology
  - Continue refinement and enhancement of existing programs to facilitate better data resource management.
  - Continue replacing computer hardware, as required, to ensure the efficient processing of data.
  - Maintenance of database and management reporting capabilities.
- ➔ Understand and be responsive to our customers. This will allow us to better meet their needs by providing the services and facilities they desire. Maintain those facilities in a fully functional, efficient and safe condition by continually improving their utility, quality, and appearance.

Objectives Used in Accomplishing the Goal

- Maintain runways, taxiways, and tie-down aprons in a safe and secure condition.
  - Expeditiously remove snow from all surfaces.
  - Continue long term planning, development, and construction of quality airport facilities through the Airport Master Plan process.
  - Provide technical assistance to lessees on issues associated with federally mandated environmental programs.
  - Continue to reduce the number of runway incursions (Vehicle/Pedestrian Deviations, or VPDs).
  - Promote pro-active leasing program for Municipal Airports.
  - Manage and develop Orca Street properties to provide lease space for aircraft hangar development.
  - Provide new lease lots to expand or develop commercial aviation facilities.
  - Work in close coordination with the Airport Commission, Fixed Based Operators, and Airport users.
  - Perform asphaltic crack sealing of runways/taxiways to extend the life expectancy of these surfaces.
  - Fund pre-grant expenses for engineering services on grant-eligible projects.
  - Implement recommendations of the FAA Runway Safety Action Team.
  - Enhance the utility of existing tiedown aprons, taxiways and roadways.
  - Expand aircraft aprons and taxiways as needed to meet demand.
  - Maintain positive relations with neighboring Community Councils by encouraging their comments and actively addressing their concerns.
  - Maintain a pro-active anti-noise policy, asking pilots to follow established noise-reducing practices.
- ➔ Maximize the use of Federal Airport Improvement Program (AIP) grants to provide facilities that will safely and adequately meet the needs of general aviation.

Objectives Used in Accomplishing the Goal

- Continue to aggressively seek and obtain both FAA and State grant funding for the Airport Capital Improvement Program.
- Acquire additional land west of the Runway 16/34 safety area to ensure compatible land use.

- Identify high priority projects to be included in the FAA 5-Year Airport Capital Improvement Plan (ACIP) allowing Merrill Field to more effectively compete nationally for AIP grant funds.
- Secure engineering services for project preliminary design, final design, contract specifications, bid award, and construction supervision.
- Secure funding allocations through the grant application process.

#### FACTORS AFFECTING THE UTILITY

- Population level in the Anchorage area
- Demand for aircraft tiedown and hangar space
- Capacity of Anchorage area airport facilities
- Federal and State regulatory requirements, especially those pertaining to Underground Storage Tanks, Clean Water Act, Clean Air Act, and the Americans With Disabilities Act, will require continued responses
- Duty to perform a responsive and responsible level of maintenance
- Continuation of the Federal Airport Improvement Program, which provides the majority of our capital funding requirements
- Federal Aviation Administration regulations pertaining to airport and aircraft operations and maintenance

#### PLANNING AND FINANCIAL ASSUMPTIONS

The following assumptions have been used in developing Merrill Field Airport's 2012-2017 long-range plans.

- FAA and State matching grants will be available in sufficient amounts to fund the Airport Capital Programs recommended in the Merrill Field Master Plan.
- Airport revenue can be increased as necessary to:
  - Meet increased expenses associated with maintaining existing responsive levels of service.
  - Maintain and repair airport plant and equipment.
  - Set aside funds to construct and acquire capital improvements and equipment, either in whole or in part as Airport contributions to Federally-funded grant projects.
  - Provide a return to our owner, the Municipality of Anchorage, in the form of a MESA (Municipal Enterprise Special Assessment) payment.
  - Maintain a fund balance for potential legal and environmental liabilities.
- Airport revenue will fluctuate with weather conditions, the general economy, and the population level of Anchorage.

## **MERRILL FIELD AIRPORT HIGHLIGHTS AND FUTURE EVENTS 2012**

Today, with approximately 150,000 take offs and landings per year, Merrill Field serves as a reliever airport to Ted Stevens Anchorage International Airport and also as the major general aviation link between Anchorage and our surrounding rural communities. With over 40 aviation businesses and 900 based aircraft, Merrill Field provides a positive economic impact to Anchorage.

Merrill Field is one of the few airports in the nation that has a taxiway link directly to a hospital. Medevac aircraft land and taxi directly to the hospital, the patient is transferred from the aircraft onto a gurney and wheeled into the hospital. This service saves valuable minutes in critical situations and is utilized almost daily.

Merrill Field continues to develop its economic revitalization program through the cooperative efforts of the business owners, airport management, and surrounding communities. Over the past five years private development has invested approximately \$15 million in constructing over 150 new aircraft hangars and 3 new office/retail facilities on Municipal Airport leased property. The Administration recently updated Merrill Field's lease terms which resulted in more benefits to the airport leaseholders and makes Merrill Field's leases more competitive with State airport leases.

Federally funded capital improvement projects for 2012 include aircraft parking apron rehabilitation, reconstruction of a major taxiway located on the south side of the airport, and upgrades to the Airport's lighting systems.

Over the past 20 years, Merrill Field has had a Land Acquisition Program in place to prioritize land acquisitions and building demolitions along the west side of the airport. The primary purpose of this program is to eliminate deviations from Airport design standards within Runway and Taxiway Object Free Areas and Runway Protection Zones and to ensure airport compatible land use. The FAA and the State of Alaska have consistently supported these land purchases to provide the airport the authority to remove existing obstructions and to make available new property for aviation development.

## **MERRILL FIELD AIRPORT BUDGET ASSUMPTIONS 2012**

Below are the general budget assumptions/guidelines provided by the Office of Management and Budget and specific Merrill Field assumptions used in the preparation of Merrill Field Airport's 2012 Operating and Capital Budgets.

### POPULATION

No assumptions provided

### ESCALATOR

No assumptions provided

### WAGES

Assume wage rate increases for AMEA and 302 employees of 2.6% unless a higher maximum is required by labor agreements. Assume a 1.5% wage rate increase for Executive employees. Assume a 2.6% wage rate increase for Non-Rep employees.

Assume Service Recognition (SR) Pay for all eligible employees at the following rates: 103.5% of base pay after ten years of continuous service, 107.0% after fifteen years, and 110.5% after 20 years.

Assume Performance Step Program (PSP) Pay for eligible employees of the Operating Engineers (Local 302) bargaining unit at the following rates: 106.5% of the current rate of pay after the successful completion of eight quarters of participation in the PSP, and 113.0% after sixteen quarters. PSP pay, when added to any existing SR pay, shall not exceed 106.5% after eight quarters, or 113.0% after sixteen quarters.

Assume Performance Incentive Program (PIP) Pay for eligible employees of the Anchorage Municipal Employees Association bargaining unit at the following rates: 106.5% of the current rate of pay after the successful completion of eight quarters of participation in the PIP, and 113.0% after sixteen quarters. PIP pay, when added to any existing SR pay, shall not exceed 113.0% after eight quarters.

### IGCs

No assumptions provided

### INTEREST

No assumptions provided

### BENEFITS

PERS/Other - Assume a rate of 22% for Executive employees, Non-Reps, and AMEA. For Operating Engineers, use 18%.

Social Security (FICA) - 6.2%

Medicare- 1.45%

Unemployment Compensation - 0.20%



Health Benefits

Employee Group	Budget Cost	Monthly Cost
AMEA	\$21,217	\$1,768
Non-Rep/Execs	\$21,217	\$1,768
Operating Engineers	\$15,703	\$1,309

\* \* \* \* \*

2012 BUDGET IMPACTS/ASSUMPTIONS SPECIFIC TO MERRILL FIELD AIRPORT

Merrill Field continues to remain debt free by pursuing federal airport grant funds for all grant-eligible capital improvement projects. By working with the federal and state grant managers, we will continue to secure a reasonable portion of the grant funding as it becomes available.

Merrill Field continues to develop its economic revitalization program through cooperative efforts of the business owners, airport management, and surrounding communities. New aircraft hangar projects have recently been constructed on the Airport which have provided business and employment opportunities to the local community and also expanded the existing tax base for General Government.

Since its beginning in the 1930s when it was built on the outskirts of town, Merrill Field has become surrounded by residential and commercial development. Individuals not associated with the airport occasionally enter restricted areas (trespass across runways) when transiting the airport because they are not familiar with the airport layout. Our Runway Safety Program has implemented operational procedures and provided numerous capital improvements in an effort to curb this trespass problem. Through cooperative efforts of Airport leaseholders and implementation of our Driver Training Program, there has been a dramatic decrease in trespass incidents, from a total of 19 incidents in 2004 down to 5 incidents in 2010. The Federal Aviation Administration has recommended Merrill Field provide physical security as an option to further reduce the level of trespass (the national FAA goal is zero trespass incidents). Physical security would be an additional operating cost for which we are not currently budgeted. Our goal is to increase Airport security through the continued support of the Airport leaseholders and businesses, the Municipality of Anchorage, and the Federal Aviation Administration.

The State Department of Transportation and Public Facilities (DOT&PF) and the Municipality have executed a Land Exchange Agreement to address the right of way needs for the Glenn Highway expansion project. As part of the Project, the State DOT&PF needs to acquire Municipal lands that are located adjacent to the Glenn Highway. The Anchorage Assembly approved the release of Merrill Field land and the acceptance of funds from the State of Alaska. Approvals still to be obtained over the next 6 months include: FAA and FHWA to approve the functional replacement of Merrill Field land; and FAA to approve the release of Merrill Field land, which will require Congressional action.

Merrill Field reduced its staff level mid-year 2010 as a cost saving measure to reduce costs for 2010 and 2011. In spite of this effort, increased expenses have made it necessary to raise certain rates at Merrill Field Airport in 2012, including lease rates, aircraft and vehicle parking fees, and fuel flowage fees. These rate increases will allow the Airport to continue to provide services at the current levels.

**MERRILL FIELD AIRPORT**  
**WORKFORCE PROJECTIONS**  
 2012 - 2017

DIVISION	2012	2013	2014	2015	2016	2017
Airport Manager	1	1	1	1	1	1
Airport Development	1	1	1	1	1	1
Finance	1	1	1	1	1	1
Management Services	2	2	2	2	2	2
Airport Maintenance Technicians	4	4	4	4	4	4
Subtotal	9	9	9	9	9	9
Part-time/Temporary	3	3	3	3	3	3
<b>TOTAL</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>

**MERRILL FIELD AIRPORT**  
11-YEAR SUMMARY OPERATING BUDGET

FINANCIAL OVERVIEW (1)	Actual					Proforma 2011	Budget 2012	Forecast				
	2007	2008	2009	2010	2010			2013	2014	2015	2016	2017
Total Revenues(2)	1,383	1,493	1,373	1,341	1,418	1,483	1,483	1,483	1,584	1,584	1,584	1,584
Total Expenses(3)	1,403	1,453	1,379	1,291	1,361	1,402	1,402	1,419	1,455	1,464	1,473	1,473
Net Income Regulatory	(20)	40	(6)	50	57	81	81	64	129	120	111	111
Budgeted Positions	10	10	10	9	9	9	9	9	9	9	9	9
Capital Program	5,451	2,805	4,767	7,173	3,786	9,350	9,350	4,100	4,230	4,200	6,030	6,030
Bond Sales	-	-	-	-	-	-	-	-	-	-	-	-
Net Plant (12/31)	45,361	43,909	47,427	49,216	50,755	53,195	55,483	56,776	58,133	59,391	62,416	62,416
Utility Revenue Distribution	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets (12/31)	49,072	50,348	52,913	58,180	59,783	62,099	64,322	65,685	67,033	68,423	71,342	71,342
General Cash Pool	(474)	(691)	(857)	(1,020)	(956)	(1,080)	(1,145)	(1,075)	(1,084)	(953)	(1,060)	(1,060)
Construction Cash Pool	1,574	1,794	1,475	1,587	1,587	1,587	1,587	1,587	1,587	1,587	1,587	1,587
Bond Redemption Cash	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash (12/31)	1,100	1,103	618	567	631	507	442	512	503	634	527	527
IGCs from General Government	193	188	195	156	163	177	181	185	189	193	197	197
Municipal Enterprise Service Assessment	24	35	35	37	38	40	43	43	44	45	46	46
Total Debt	-	-	-	-	-	-	-	-	-	-	-	-
Debt/Equity Ratio	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100	0/100
Rate Change Percent(4)	6.3%	0.0%	0.0%	0.0%	0.0%	11.8%	0.0%	0.0%	10.5%	0.0%	0.0%	0.0%
Lease Rate/Square Foot Per Year	\$0.170	\$0.170	\$0.170	\$0.170	\$0.170	\$0.190	\$0.190	\$0.190	\$0.210	\$0.210	\$0.210	\$0.210
Tail-In Space Per Month	\$55	\$55	\$55	\$55	\$55	\$60	\$60	\$60	\$65	\$65	\$65	\$65
Drive-Through Space Per Month	\$65	\$65	\$65	\$65	\$65	\$70	\$70	\$70	\$75	\$75	\$75	\$75
<b>PERFORMANCE TRENDS (1)</b>												
Based Aircraft	910	892	902	877	876	876	875	874	874	873	872	872
Municipal Tiedowns	644	587	579	523	523	523	523	523	523	523	523	523
Flight Operations Per Calendar Year	174,848	171,634	165,014	150,146	151,497	152,861	154,237	155,625	157,025	158,439	159,864	159,864
National Airport Ranking by Calendar Year	91st	86th	76th	87th	85th	83rd	83rd	82nd	81st	81st	81st	81st

Notes:  
 (1): 2007-2010 represents actual; 2011-2017 represents projected.  
 (2): Revenues shown are regulatory in nature. Capital grant revenue is not included.  
 (3): Expenses shown are regulatory in nature. Depreciation on assets purchased with funds contributed by other agencies is not included here, but is included in the annual budget appropriation. For 2012, the budgeted expense appropriation is \$3,632,000.  
 (4): Rate increases shown in future years are for purposes of projections only and have not been approved for implementation. It is intended that the need for rate increases be reviewed closely each year in conjunction with established operating budgets. Merrill Field Airport will continue to strive to find ways to avoid projected rate increases.

**MERRILL FIELD AIRPORT**  
STATEMENT OF REVENUES AND EXPENSES

	2010 Actual Data	2011 Pro- Forma	2012 Budget Request
<b>OPERATING REVENUE</b>			
Airport Lease Fees	527,008	561,000	629,000
Airport Property Rental	399,945	406,000	419,000
Permanent Parking Fees	257,690	251,000	258,000
Transient Parking Fees	12,848	13,000	13,000
Vehicle Parking	22,943	24,000	27,000
MOA Aviation Fuel Fees	40,761	41,000	48,000
SOA Aviation Fuel Fees	15,628	16,000	16,000
Medevac Taxiway Fees	47,715	48,000	50,000
Other Revenue	1,207	2,000	1,000
<b>TOTAL OPERATING REVENUE</b>	<b>1,325,745</b>	<b>1,362,000</b>	<b>1,461,000</b>
<b>OPERATING EXPENSE</b>			
Labor	995,463	1,060,000	1,098,000
Supplies	96,744	105,000	124,000
Charges To Others	(468,587)	(479,000)	(536,000)
Charges From Others	155,917	163,000	177,000
Other Services	79,378	79,000	90,000
Other Expenses	227,851	226,000	229,000
Municipal Enterprise Service Assessment	36,941	38,000	40,000
Depreciation (see Note)	2,222,616	2,247,000	2,410,000
<b>TOTAL OPERATING EXPENSE</b>	<b>3,346,323</b>	<b>3,439,000</b>	<b>3,632,000</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>(2,020,578)</b>	<b>(2,077,000)</b>	<b>(2,171,000)</b>
<b>NON-OPERATING REVENUE</b>			
Capital Grant Revenue (see Note)	6,618,316	3,624,000	4,465,000
Interest Income	7,785	8,000	15,000
Other Revenue	7,538	48,000	7,000
<b>TOTAL NON-OPER REVENUE</b>	<b>6,633,639</b>	<b>3,680,000</b>	<b>4,487,000</b>
<b>NON-OPERATING EXPENSE</b>	-	-	-
<b>TOTAL NON-OPER EXPENSE</b>	-	-	-
<b>NON-OPERATING INCOME/(LOSS)</b>	<b>6,633,639</b>	<b>3,680,000</b>	<b>4,487,000</b>
<b>NET INCOME/(LOSS)</b>	<b>4,613,061</b>	<b>1,603,000</b>	<b>2,316,000</b>
<p>Note: The section of the financial statement above reports all activity of the Airport as required by Generally Accepted Accounting Principles (GAAP). As such, it includes depreciation not only on items purchased with its own funds, but also on those items purchased with funds contributed by State and Federal agencies in the form of grants. Also included is the receipt of such capital grant revenue. However, neither the capital grant revenue received nor the depreciation on the items purchased with this revenue is considered "regulatory" activity. If these items were excluded, they would have the effect shown below:</p>			
<b>ADJUSTMENTS FOR GAAP</b>			
Capital Grant Revenue	(6,618,316)	(3,624,000)	(4,465,000)
Depreciation of Contributed Assets	2,055,182	2,078,000	2,230,000
<b>TOTAL GAAP ADJUSTMENTS</b>	<b>(4,563,134)</b>	<b>(1,546,000)</b>	<b>(2,235,000)</b>
<b>REGULATORY NET INCOME/(LOSS)</b>	<b>49,927</b>	<b>57,000</b>	<b>81,000</b>

**MERRILL FIELD AIRPORT**  
**STATEMENT OF CASH SOURCES AND USES**

	2010 Actual Data	2011 Pro- forma	2012 Budget Request
<b>SOURCES OF CASH FUNDS:</b>			
Regulatory Net Income/(Loss)	49,927	57,000	81,000
Non-Contributed Depreciation	167,434	169,000	180,000
Grant Proceeds	6,618,316	3,624,000	4,465,000
Non-Grant Contributions	-	-	4,500,000
<b>TOTAL SOURCES OF CASH</b>	<b>6,835,677</b>	<b>3,850,000</b>	<b>9,226,000</b>
<b>USES OF CASH FUNDS:</b>			
Additions to Plant/CWIP	6,748,211	3,786,000	9,350,000
Transfers To/From Other Funds	138,458	-	-
<b>TOTAL USES OF CASH</b>	<b>6,886,669</b>	<b>3,786,000</b>	<b>9,350,000</b>
<b>NET INCREASE (DECREASE)</b>	<b>(50,992)</b>	<b>64,000</b>	<b>(124,000)</b>
<b>CASH BALANCE, JANUARY 1</b>	<b>617,926</b>	<b>566,934</b>	<b>630,934</b>
<b>CASH BALANCE, DECEMBER 31</b>	<b>566,934</b>	<b>630,934</b>	<b>506,934</b>
<b>DETAIL OF CASH BALANCE</b>			
Equity in General Cash Pool	(1,020,340)	(956,340)	(1,080,340)
Equity in Construction Cash Pool	1,587,274	1,587,274	1,587,274
<b>TOTAL CASH, DECEMBER 31</b>	<b>566,934</b>	<b>630,934</b>	<b>506,934</b>

**MERRILL FIELD AIRPORT**  
2012 OPERATING BUDGET DETAIL

	2010 Actual Data	2011 Pro- forma	2012 Budget Request
<b>LABOR</b>			
Wages	573,564	606,000	628,000
Overtime	19,801	23,000	25,000
Leave	72,327	76,000	78,000
Benefits	329,771	355,000	367,000
SUBTOTAL	995,463	1,060,000	1,098,000
<b>SUPPLIES</b>			
Office Supplies	11,328	9,000	11,000
Operating Supplies	69,010	74,000	82,000
Repair and Maintenance Supplies	16,406	22,000	31,000
SUBTOTAL	96,744	105,000	124,000
<b>INTRAGOVERNMENTAL CHARGES</b>			
Charges To Others	(468,587)	(479,000)	(536,000)
Charges From Others	155,917	163,000	177,000
SUBTOTAL	(312,670)	(316,000)	(359,000)
<b>OTHER SERVICES</b>			
Professional Services	49,317	47,000	51,000
Other Contractual Services	30,061	32,000	39,000
SUBTOTAL	79,378	79,000	90,000
<b>OTHER EXPENSES</b>			
Depreciation	2,222,616	2,247,000	2,410,000
Utilities	167,081	172,000	175,000
Municipal Enterprise Service Assessment	36,941	38,000	40,000
Other	60,770	54,000	54,000
SUBTOTAL	2,487,408	2,511,000	2,679,000
<b>TOTAL EXPENSES</b>	3,346,323	3,439,000	3,632,000

**MERRILL FIELD AIRPORT**  
**2012 - 2017 CAPITAL IMPROVEMENT PROGRAM**

DIVISION	2012	2013	2014	2015	2016	2017	Total
Apron Improvements	1,500	780	2,200	2,980	2,500	2,500	12,460
Runways and Taxiways	2,900	2,600	-	-	1,700	2,800	10,000
Buildings and Equipment	150	100	400	550	-	730	1,930
Land Improvements	4,500	1,500	1,200	700	-	-	7,900
Land Acquisition	300	-	300	-	-	-	600
<b>TOTAL</b>	<b>9,350</b>	<b>4,980</b>	<b>4,100</b>	<b>4,230</b>	<b>4,200</b>	<b>6,030</b>	<b>32,890</b>

FUNDING SOURCE	2012	2013	2014	2015	2016	2017	Total
Bonds	-	-	-	-	-	-	-
Operations	4,885	344	205	354	210	444	6,442
State Grants	-	-	-	-	-	-	-
Federal Grants	4,465	4,636	3,895	3,876	3,990	5,586	26,448
<b>TOTAL</b>	<b>9,350</b>	<b>4,980</b>	<b>4,100</b>	<b>4,230</b>	<b>4,200</b>	<b>6,030</b>	<b>32,890</b>

*Anchorage: Performance. Value. Results*



## Merrill Field Airport

*Anchorage: Performance. Value. Results.*

### Mission

Operate and maintain Merrill Field Airport to meet the aviation and business needs of our customers.

### Core Services

- Maintain runways, taxiways, and aircraft parking aprons in a safe and secure condition.
- Provide space to operate and park aircraft.
- Provide lease space for private enterprises to support air transportation.

### Accomplishment Goals

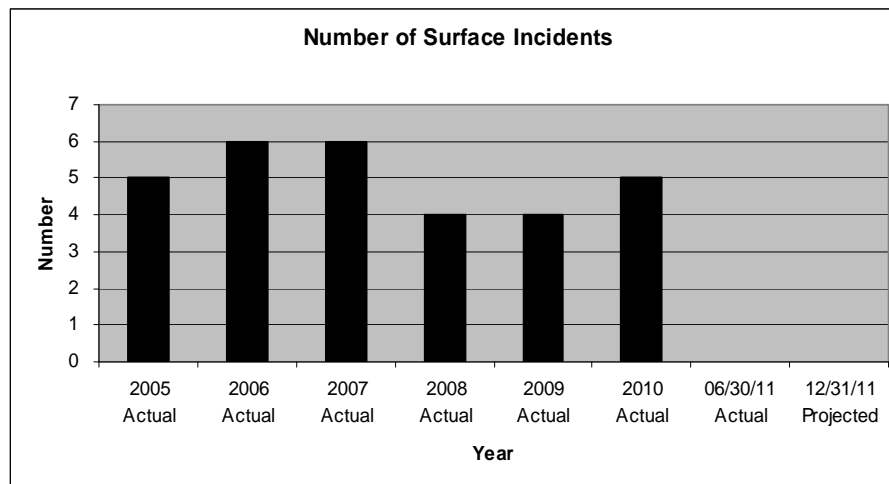
- Reduce the number of “surface incidents” (unauthorized entry into restricted areas).
- Expeditiously remove snow from all runways, taxiways, and aircraft parking aprons.
- Provide sufficient aircraft parking area and business lease space to meet public demand.
- Repair and improve surface conditions on all Runway operating surfaces with a Pavement Condition Index (PCI) below 70 and all Taxiway, Apron & Roadway operating surfaces with a PCI below 60 (on a scale of 1 – 100 with 100 being the best condition).

### Performance Measures

Progress in achieving goals will be measured by:

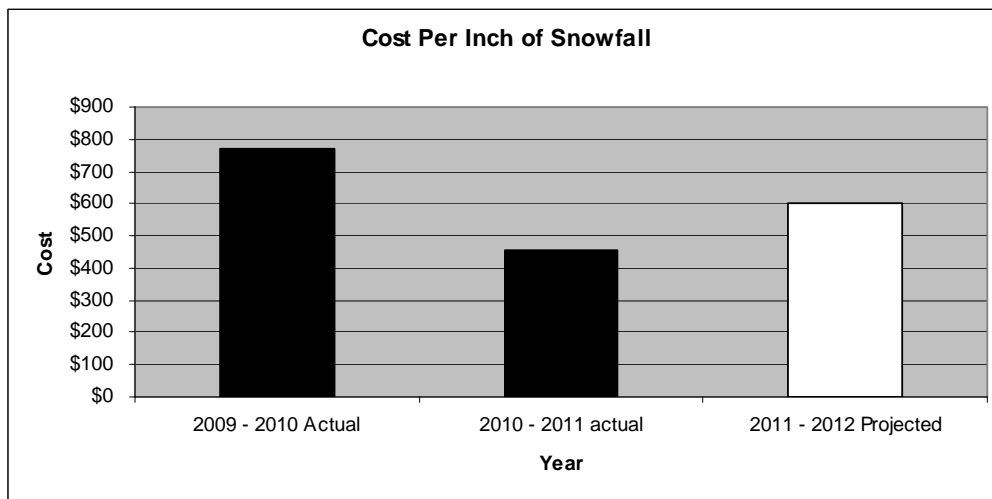
**Measure: Number of surface incidents (unauthorized entry into restricted areas)**

2010 Actual	06/30/11 Actual	12/31/11 Projected
5	0	0



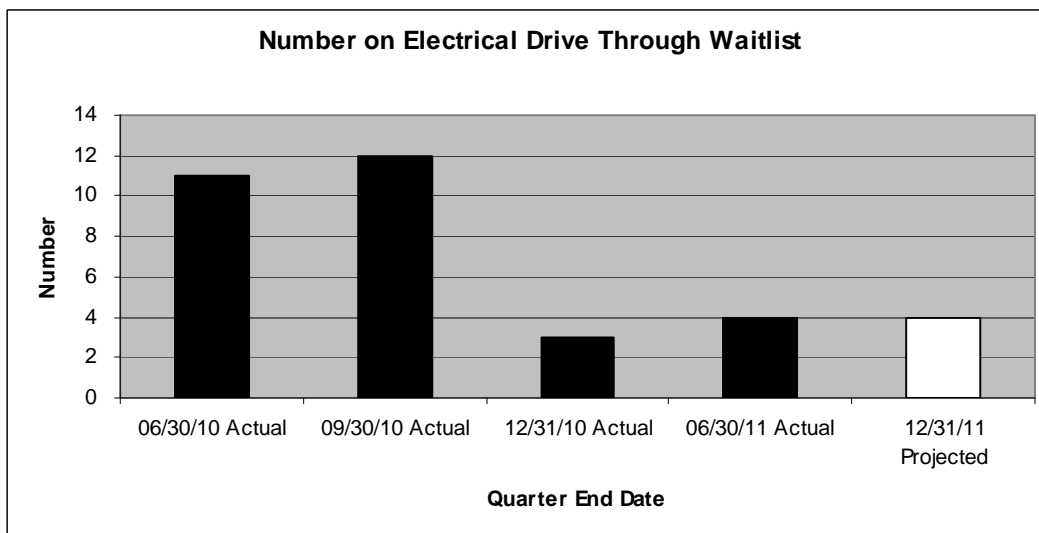
**Measure: Personnel cost per one inch of snowfall to remove snow from Airport operating surfaces**

2009 – 2010 Actual	2010 – 2011 Actual	2011 – 2012 Projected
\$773	\$454	\$600



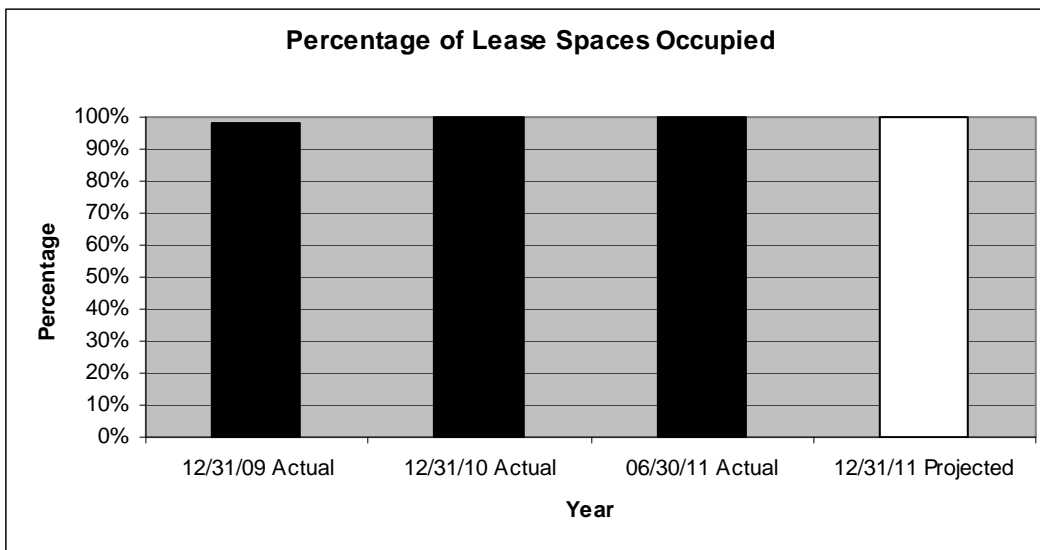
**Measure: Number of unfulfilled requests for aircraft parking space – Electrical Drive Through**

12/31/10 Actual	06/30/11 Actual	12/31/11 Projected
3	4	4



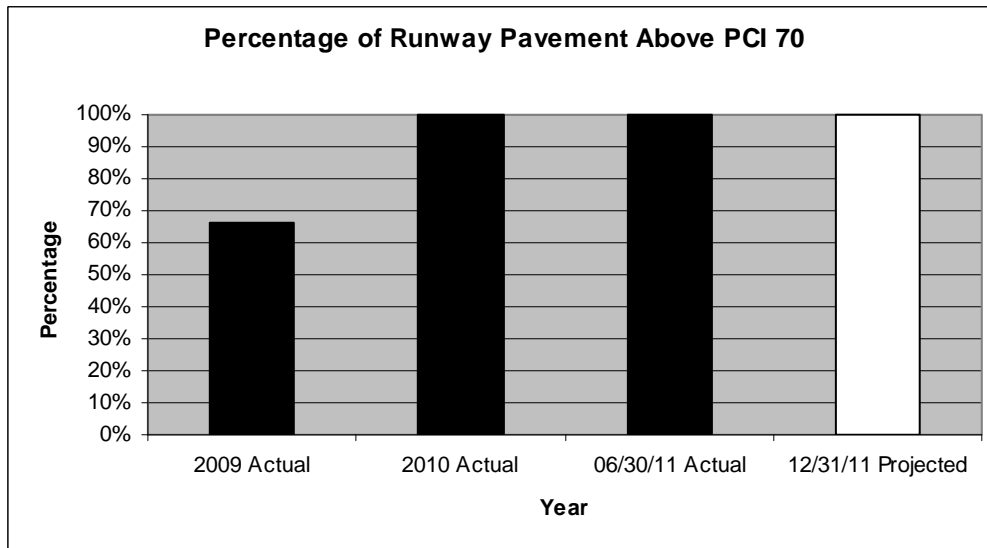
**Measure: Percentage of lease spaces currently leased**

2010 Actual	06/30/11 Actual	12/31/11 Projected
(51/51)	(51/51)	(51/51)
100.00%	100.00%	100.00%



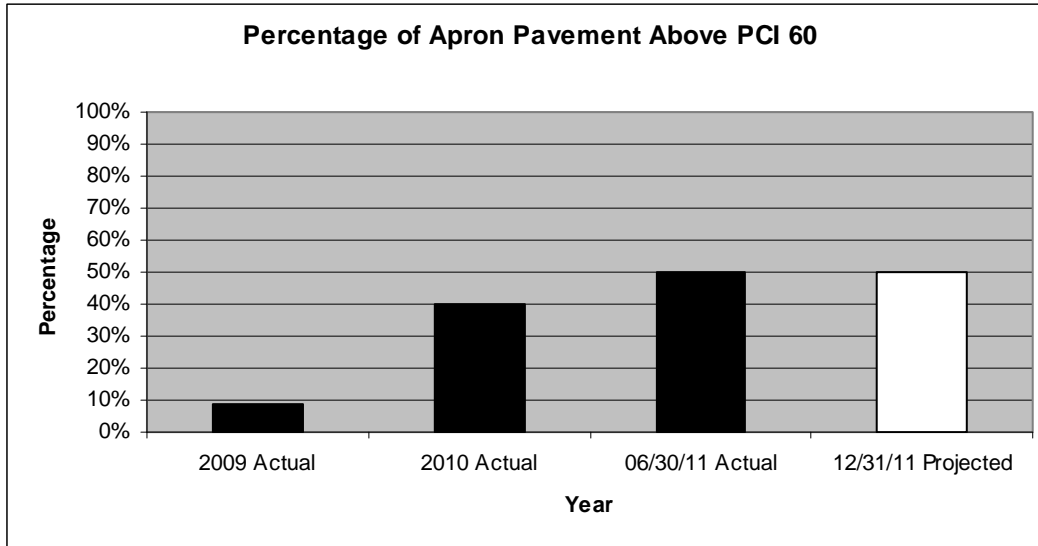
**Measure: Percent of runway pavement above the minimum PCI value of 70**

2010 Actual	06/30/11 Actual	12/31/11 Projected
100%	100%	100%



**Measure: Percent of apron pavement above the minimum PCI value of 60**

2010 Actual	06/30/11 Actual	12/31/11 Projected
40%	50%	50%



**Measure: Percent of taxiway pavement above the minimum PCI value of 60**

2010 Actual	06/30/11 Actual	12/31/11 Projected
90%	100%	100%

