



Alaska Department of Transportation & Public Facilities

House Finance Subcommittee Alaska Marine Highway System

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Our mission is to *Keep Alaska Moving* through service and infrastructure.

Alaska Marine Highway System

CHALLENGES

Aging vessels

Turnover and recruitment

System reliability

Vessel flexibility

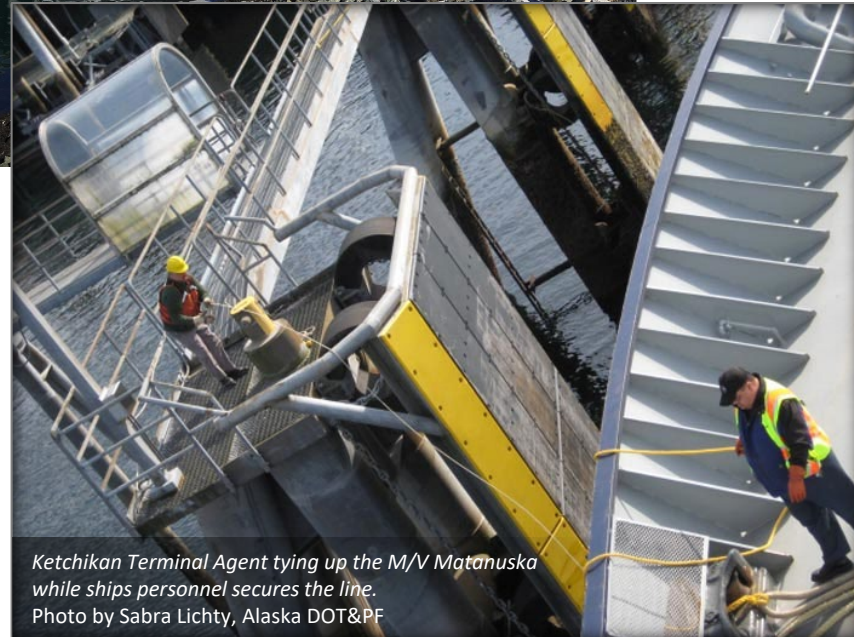
Collective bargaining agreements

COVID-19

Prince Rupert



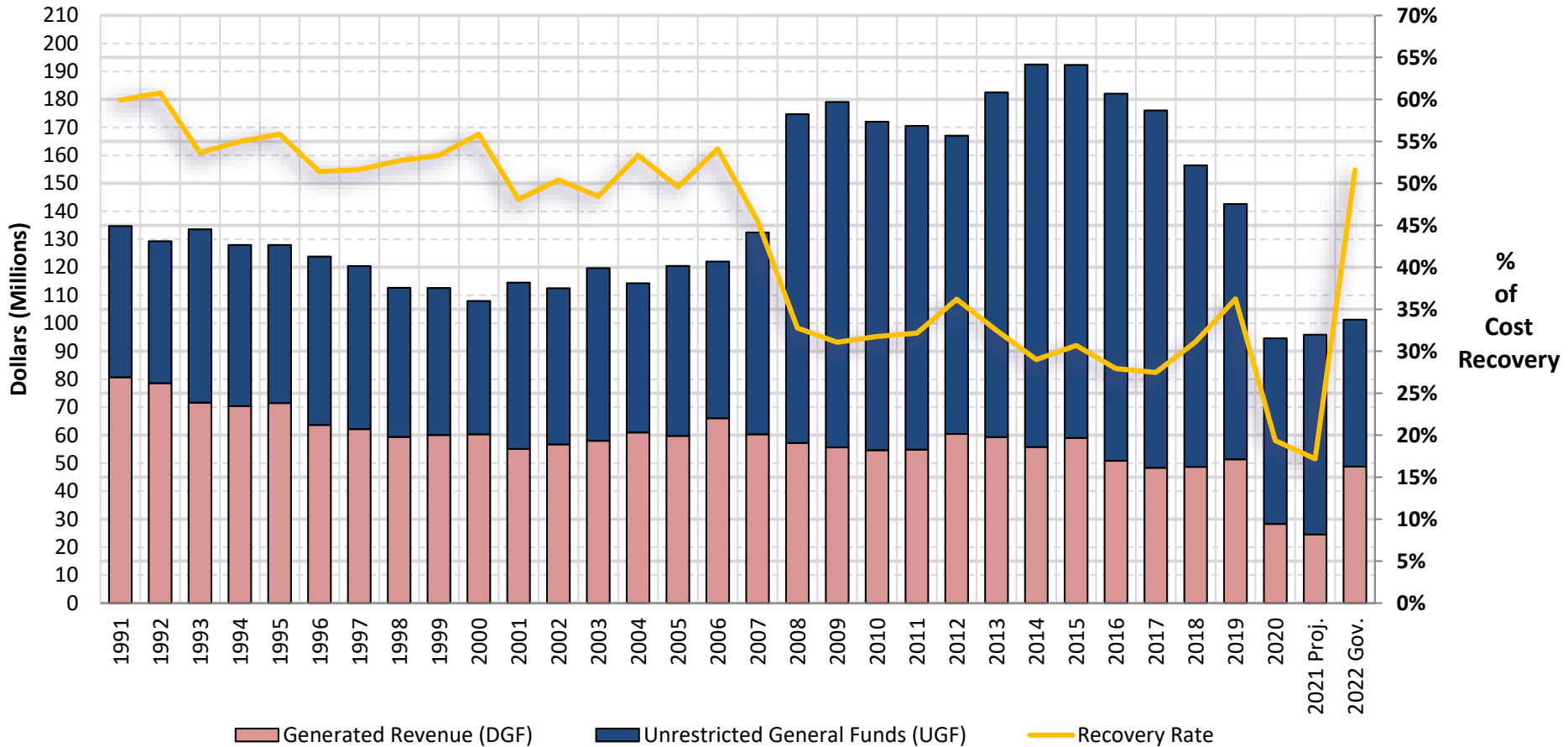
M/V Tazlina
Photo by Alaska
DOT&PF



Ketchikan Terminal Agent tying up the M/V Matanuska while ships personnel secures the line.
Photo by Sabra Lichty, Alaska DOT&PF

Historical Revenues and Operating Costs

AMHS Fare Box Recovery Rate 1991-2022 Gov.



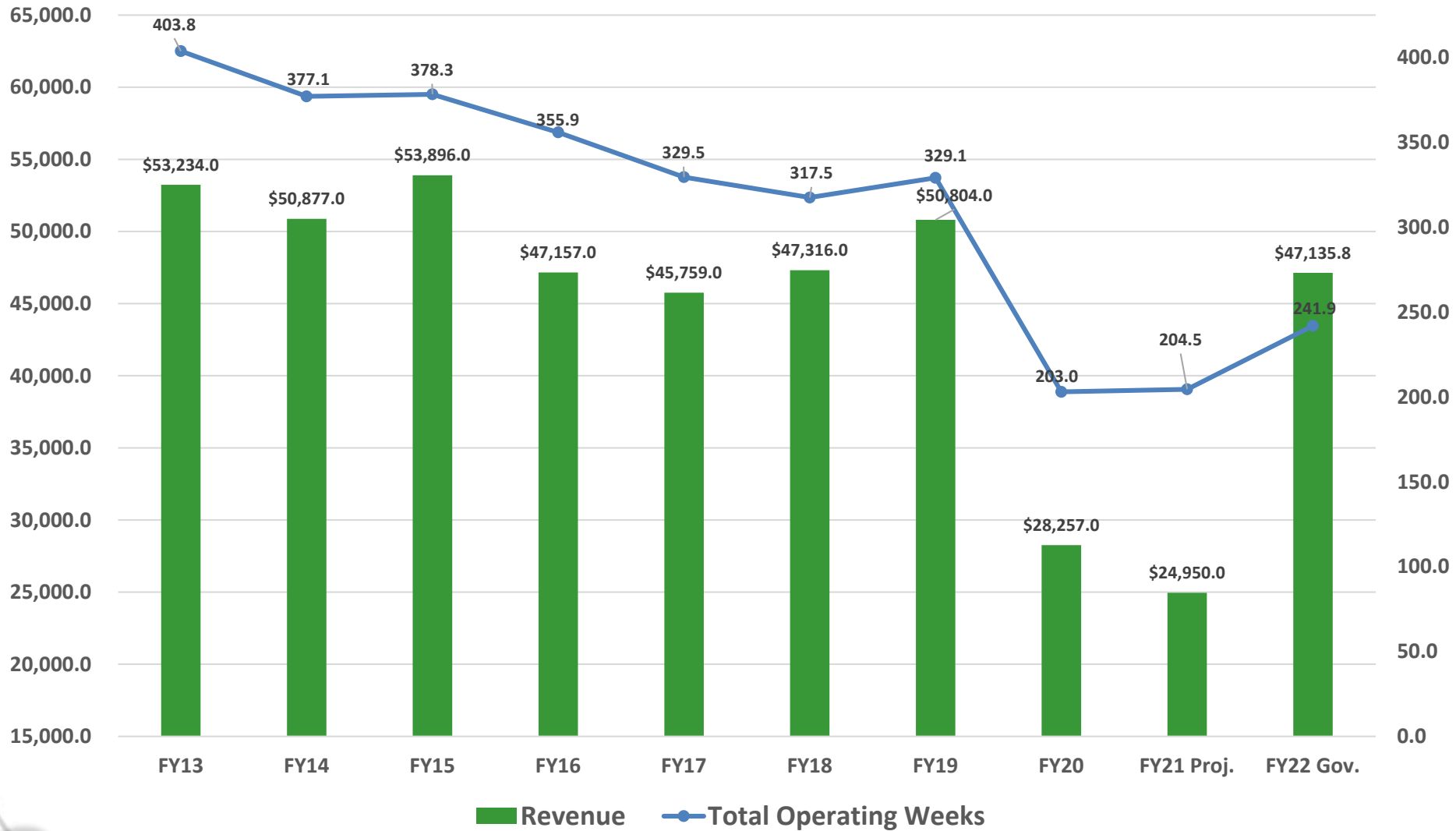
Significant Cost Increases

- FY2004 – FY2007: Added the FVF Fairweather and FVF Chenega. Vessel wage increases of 6%, 7%, and 8%.
- FY2012 – FY2013: Added ports and increased operating weeks

Note: Data is adjusted for inflation to 2020 values. Source: U.S. Bureau of Labor Statistics Consumer Price Index.



AMHS Revenue (\$000s) & Operating Weeks FY2013 – FY2022



Revenue Per Operating Week

FY2011 – FY2020

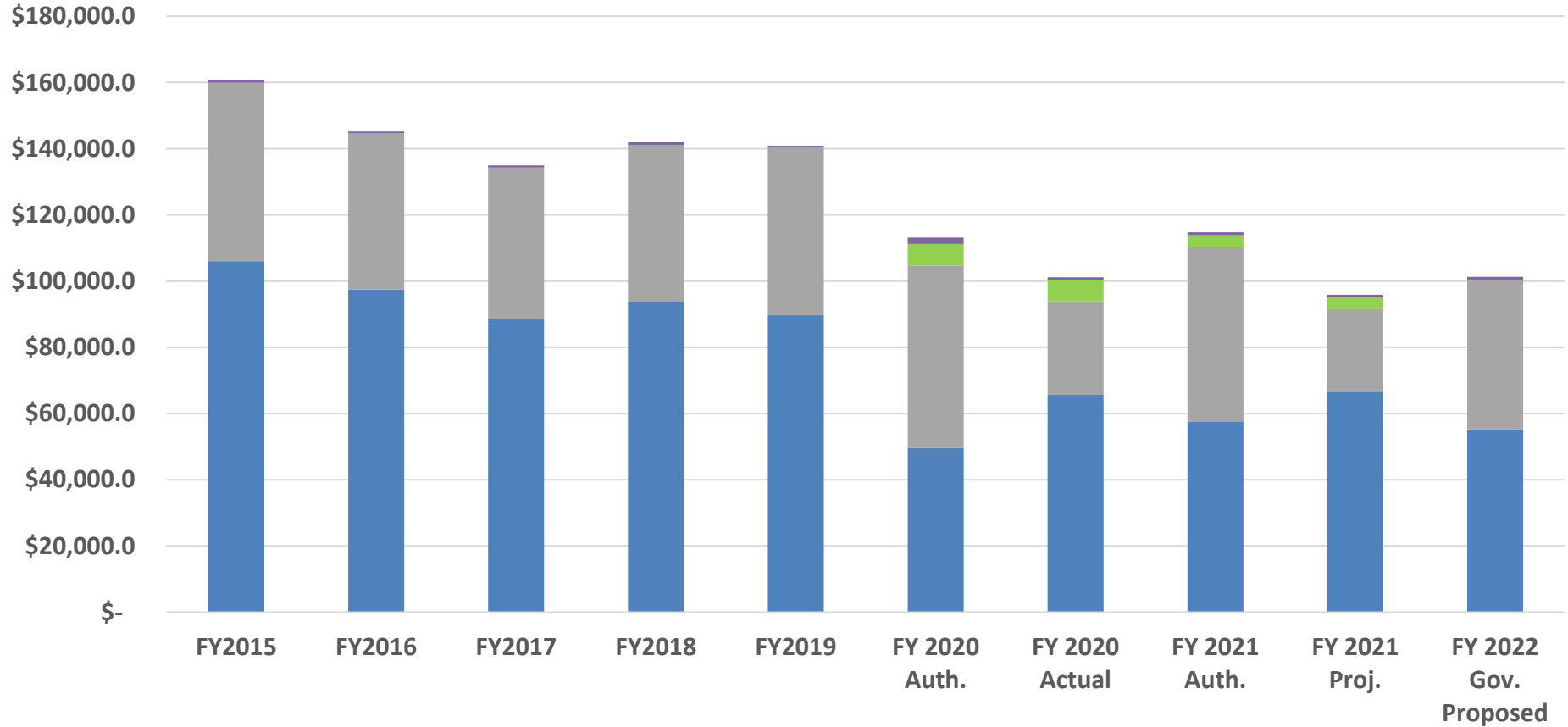
(\$ Thousands)



Total annual revenue / total operating weeks = revenue per operating week



FY 2015 – FY 2022 Gov. Proposed AMHS Operating Budget Fund Source Comparison



State Funds	\$ 106,006.2	\$ 97,427.4	\$ 88,511.7	\$ 93,718.6	\$ 89,668.1	\$ 49,619.3	\$ 65,653.9	\$ 57,628.1	\$ 66,575.2	\$ 55,235.4
Revenues	53,896.0	47,157.0	45,759.0	47,316.0	50,804.1	55,113.1	28,257.4	52,772.0	24,950.3	47,135.8
CARES Act	-	-	-	-	-	6,500.0	6,500.0	3,500.0	3,500.0	-
Other	896.0	603.0	659.0	977.0	399.0	1,921.9	734.0	850.0	850.0	852.7
TOTAL	\$ 160,798.2	\$ 145,187.4	\$ 134,929.7	\$ 142,011.6	\$ 140,871.2	\$ 113,154.3	\$ 101,145.3	\$ 114,750.1	\$ 95,875.5	\$ 103,223.9

\$ in Thousands (,000)



FY2022 AMHS Requested Scenario

Description	FY2020 Authorized	FY2021 Authorized	FY2022 Governor's Proposed Budget	*FY2022 Scenario A Increased System-wide Service
Weeks of Service	254.3	286.7	241.9	274.9
Port Calls	4,272	4,959	4,175	4,910
Revenue	\$ 46,916.5	\$ 51,779.1	\$ 47,135.8	\$ 50,100.9
Fare Box Recovery	48%	47%	46%	45%
Funding Sources				
UGF	\$ 46,002.2	\$ 54,011.0	\$ 51,618.3	\$ 56,008.7
DGF	\$ 46,916.5	\$ 51,779.1	\$ 47,135.8	\$ 50,100.9
Motor Fuel Tax	\$ 3,617.1	\$ 3,617.1	\$ 3,617.1	\$ 3,617.1
CIP Receipts	\$ 1,921.9	\$ 850.0	\$ 852.7	\$ 852.7
Operating Total	\$ 98,457.7	\$ 110,257.2	\$ 103,223.9	\$ 110,579.4
UGF Increase (Compared to FY2022 Gov.)				\$ 4,390.4
DGF Increase (Compared to FY2022 Gov.)				\$ 2,965.1
Total Operating Increase				\$ 7,355.5

*Reflects Senate Finance Subcommittee's requested scenario to increase system-wide frequency of service and reduce service gaps. This scenario adds service to SE Alaska, PWS, and Homer – Kodiak Island.

\$ in Thousands (1,000)



FY2022 Governor's Proposed Budget Operating Plan

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Operating Plan 2021-2022

Revision Number 22.gov
03/01/2021

Operating Weeks

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Operating Weeks
2021 Implementation of an Operating Plan is dependent upon funding from the legislature and earned revenue.													2022
KEN	Jul 1, Thu X-GULF			Oct 15, X-GULF-PWS-SC			Jan 16 O.H.		Mar 10 X-GULF				43.1
COL	Jul 01, Thu Layup			Oct 01, Fri Fed/CIP									0.0
MAT	Jul 1, Thu BEL-Fri			Oct 3, O.H.		Nov 23, BEL-Fri							44.9
MAL	Jul 01, Long term layup												0.0
AUR	Jul 1, Thu PWS			Oct 15, Layup			Jan 10, Overhaul		Mar 10, PWS				31.3
LIT	Jul 1, Thu MET Service						Jan 10, Overhaul		Jan 26, MET Service				49.9
LEC	Jul 1, Thu NP							Feb 15, OH		Apr 12, Tue NP			44.1
TUS	Jul 1, Thu SW				Nov 01, Men Layup				Mar 01, Overhaul	Apr 15, SW			28.6
													0.0
HUB	Jul 01, Thu Layup												0.0
TAZ	Jul 01, Thu Layup												0.0

LEGEND

- On Line
- Overhaul
- Layup
- BEL - Bellingham to Skagway Route
- YPR - Prince Rupert to Skagway Route
- BEL-X-Gulf Bellingham Cross Gulf SW
- PWS-Prince William Sound
- ANB - Annette Bay Service
- NP - Northern Panhandle
- SW- Southwest
- BEL-YPR alt Bellingham Prince Rupert alternating

Note: Dates represent the first day of the period. Overhaul and refurbishment periods include vessel travel time.

Mainline Vessels	119.3
Feeder Vessels	94.0
Southwest Vessels	28.6
Total Operating Weeks	241.9



FY2022 Scenario A Sample Operating Plan

DRAFT

Operating Plan 2021-2022

Revision Number 22.A

03/01/2021

Operating Weeks

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Operating Weeks
2021 Implementation of an Operating Plan is dependent upon funding from the legislature and earned revenue.												2022	
KEN	Jul 1, Thu	X-GULF					Jan 16, Overhaul		Mar 10, X-GULF-PWS-SC				44.6
COL	Jul 01, Thu	Layup		Oct 01, Fri	Fed/CIP								0.0
MAT	Jul 1, Thu	BEL-Fri		Oct 3, O.H.		Nov 23, BEL-Fri							44.9
MAL	Jul 01, Thu	Long term layup											0.0
AUR	Jul 1, Thu	PWS					Jan 10, Overhaul		Mar 1, Tue	Overhaul	Apr 15, Fri	PWS	45.7
LIT	Jul 1, Thu	MET Service					Jan 26, MET Service						49.9
LEC	Jul 1, Thu	NP						Feb 15, OH		Apr 12, Tue	NP		44.1
TUS	Jul 1, Thu	SW							Mar 1, Overhaul		Apr 15, Fri	SW	45.7
													0.0
HUB	Jul 01, Thu	Layup											0.0
TAZ	Jul 01, Thu	layup											0.0

LEGEND

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- BEL - Bellingham to Skagway Route
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Differences from Gov's Plan

Mainline Vessels	135.2
Feeder Vessels	94.0
Southwest Vessels	45.7
Total Operating Weeks	274.9

Note: Dates represent the first day of the period. Overhaul and refurbishment periods include vessel travel time.



FY2015 - FY2022 Governor's Proposed Budget

AMHS Cash Sources & Uses

Description	Actual FY15	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Actual FY20	Projected FY21	Gov. Proposed FY22
Sources								
AMHS Generated Revenues	53,896.0	47,158.0	45,759.0	47,316.0	50,804.0	28,257.0	24,950.0	47,135.8
Restricted Revenues (CIP Rcpts)	896.0	603.0	659.0	977.0	399.0	734.0	850.0	852.7
UGF Appropriations (base budget)	107,781.6	94,958.0	89,263.0	41,949.0	85,991.0	45,821.0	54,011.0	51,618.3
DGF - Motor Fuel Tax (current statute)	-	-	-	3,552.4	3,617.1	3,617.1	3,617.1	3,617.1
Transfer from Capitalization	-	-	-	-	-	-	-	-
CARES Act Funding	-	-	-	-	-	6,500.0	3,500.0	-
Fuel Trigger Appropriation	4,808.4	-	-	-	-	-	-	-
Excess Fuel Trigger Appropriation	7,179.0	-	-	-	-	-	-	-
Total Sources	174,561.0	142,719.0	135,681.0	93,794.4	140,811.1	84,929.1	86,928.1	103,223.9
Uses								
Vessel Operations (less fuel)	112,120.0	106,661.0	99,029.0	102,272.0	102,849.0	71,969.0	70,082.7	72,606.7
Vessel Fuel Base	26,401.0	16,634.0	15,299.2	18,895.4	19,540.0	8,175.0	10,184.2	12,702.2
Fuel Trigger	-	-	-	-	-	-	-	-
Shoreside/ Other	19,845.0	18,606.0	17,320.0	17,556.2	15,279.0	12,410.0	15,608.6	15,969.9
Operating Expenses	158,366.0	141,901.0	131,648.2	138,723.6	137,668.0	92,554.0	95,875.5	101,278.8
Support Services-DOT/DOA	2,431.9	3,280.9	3,280.9	3,287.4	3,204.0	2,091.0	2,244.7	1,945.1
CARES Act Funding	-	-	-	-	-	6,500.0	3,500.0	-
Supplemental (Oper Bdgt)	-	-	-	-	-	-	-	-
Annual Vessel Overhaul (Cap Bud)	-	-	-	-	13,500.0	-	15,000.0	-
Annual Vessel Overhaul (Sup Cap)	-	-	-	-	1,400.0	5,000.0	-	-
Transfer to Capitalization Acct	-	-	-	-	-	-	-	-
Total Uses	160,797.9	145,181.9	134,929.1	142,011.0	155,772.0	106,145.0	116,620.2	103,223.9
Suplus/(Deficit)	13,763.1	(2,462.9)	751.9	(48,216.6)	(14,960.9)	(21,215.9)	(29,692.1)	-
Traditional Fund -Draw	-	2,462.9	-	48,216.6	14,960.9	21,215.9	20,419.4	-
Remaining Deficit	-	-	-	-	-	-	(9,272.7)	-
Capitalization Acct - Draw	-	-	-	-	-	-	2,630.1	-
Remaining Deficit	-	-	-	-	-	-	(6,642.6)	-



FY2015 - FY2022 Governor's Proposed Budget

AMHS Fund Balance

Description	Actual FY15	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Actual FY20	Projected FY21	Gov. Proposed FY22
Traditional Fund								
BOY Balance	7,144.0	20,907.1	18,444.2	28,660.9	10,444.3	25,546.4	5,944.4	-
Deposits	13,763.1	-	751.9	6,081.8	10,063.0	-	14,475.0	-
Supplemental Deposits	-	-	9,464.8	23,918.2	20,000.0	1,613.9		
Subtotal	20,907.1	20,907.1	28,660.9	58,660.9	40,507.3	27,160.3	20,419.4	-
Withdrawals	-	(2,462.9)	-	(48,216.6)	(14,960.9)	(21,215.9)	(20,419.4)	-
EOY Balance	20,907.1	18,444.2	28,660.9	10,444.3	25,546.4	5,944.4	-	-
Capitalization Acct								
BOY Balance	2,644.0	2,644.0	2,630.1	2,630.1	2,630.1	2,630.1	2,630.1	-
Deposits	-	-	-	-	-	-	-	-
Withdrawals	-	(13.9)	-	-	-	-	(2,630.1)	-
EOY Balance	2,644.0	2,630.1	2,630.1	2,630.1	2,630.1	2,630.1	-	-
Total Fund Balance	23,551.1	21,074.3	31,291.0	13,074.4	28,176.5	8,574.5	-	-



FY2015 - FY2022 Governor's Proposed Budget AMHS Service

Description	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Gov. Proposed
	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Weeks of Service	378.3	355.9	329.6	317.5	329.1	203.0	204.8	241.9
Weeks of Service (less Metlakatla)	328	306	280	268	279	153	155	192
Ports of Call	6,478	6,504	5,891	5,570	5,695	3,182	3,402	4,175
Ports of Call (less Metlakatla)	5,991	6,023	5,370	5,101	5,191	2,728	2,899	3,675



Thank You. Questions?

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