

Ports and Harbor, Reserves & Wrap-up

October 30, 2025

City of Valdez 2026 Budget Work Session

Revisit; Avalanche Center

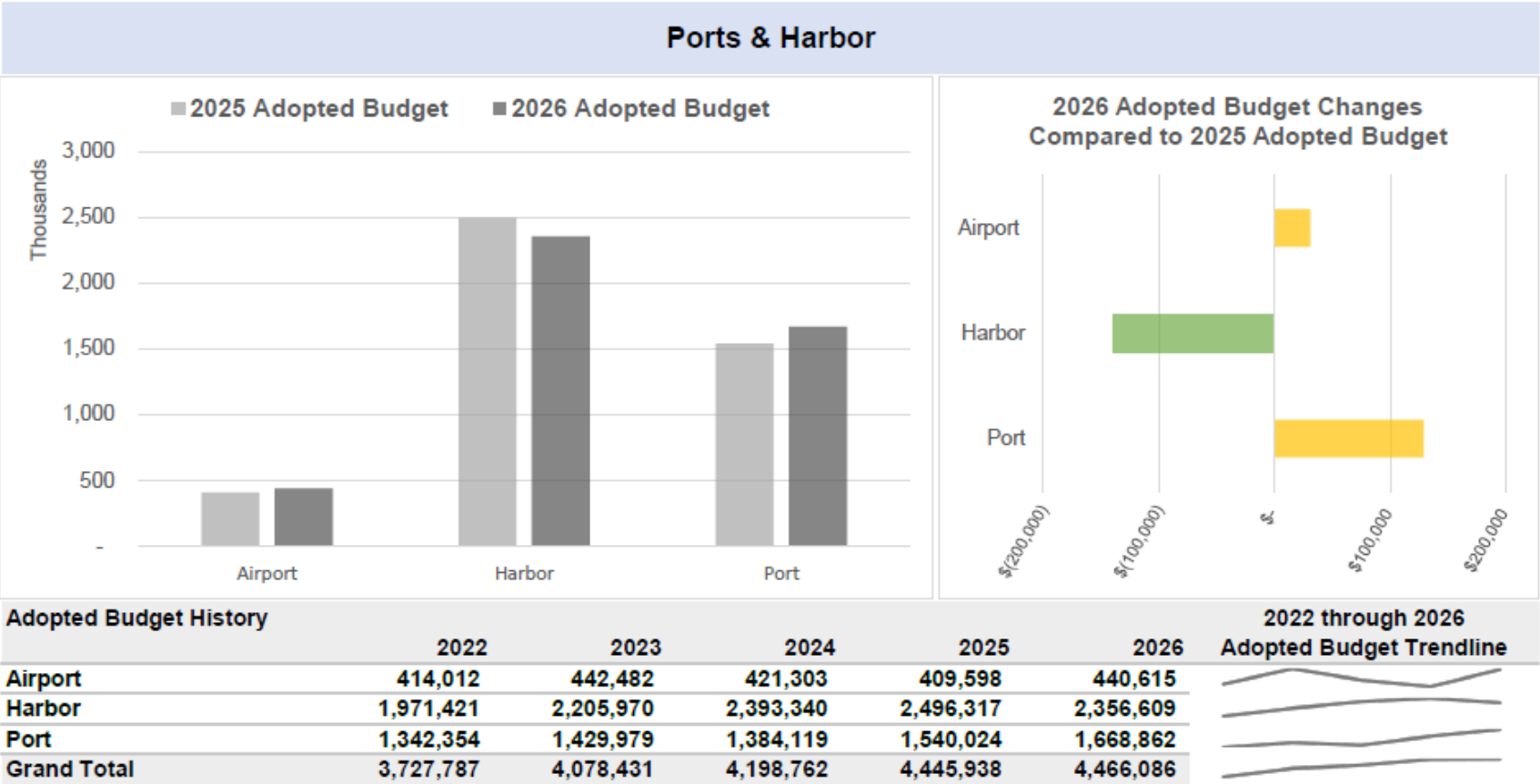
Council Request

- Funding NTE 50-65% of Total Valdez Program Costs
 - 5 day/week forecast
 - Special Wx alerts
 - One age-appropriate avalanche education event at each VCS school
 - Forecaster exchange with CNFAIC

See attachment for full resubmission request communicated to VAC

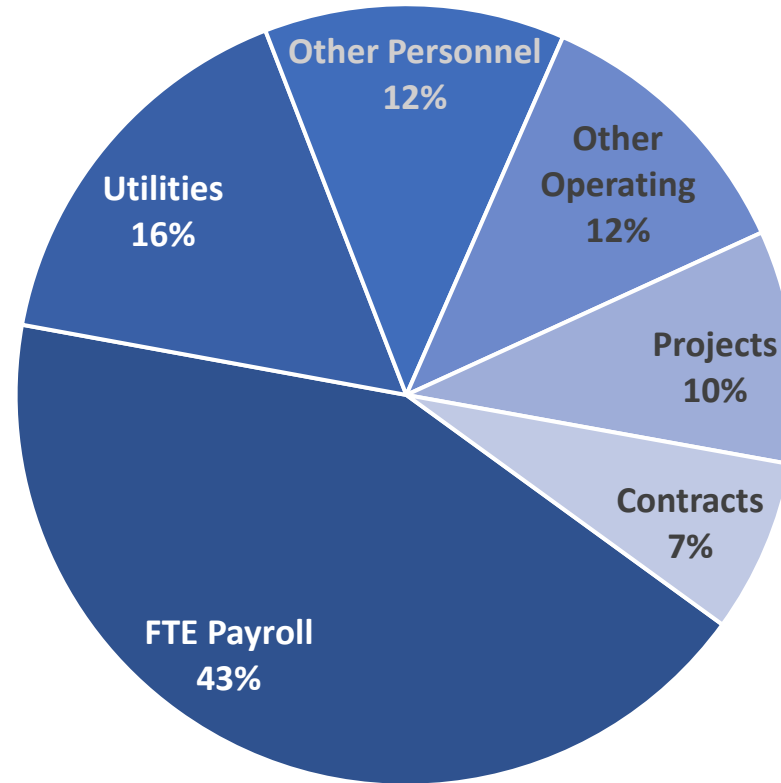
Ports and Harbor

- Return FTE structure to previous allocations
- Contribute to Reserves
 - Port \$414.2K
 - Harbor \$63.4K
- Diversify Port Income
- Increased Cruise Ship numbers and Passengers
- Transition from RAVN Alaska to Reeve Air



Ports and Harbor Appropriations

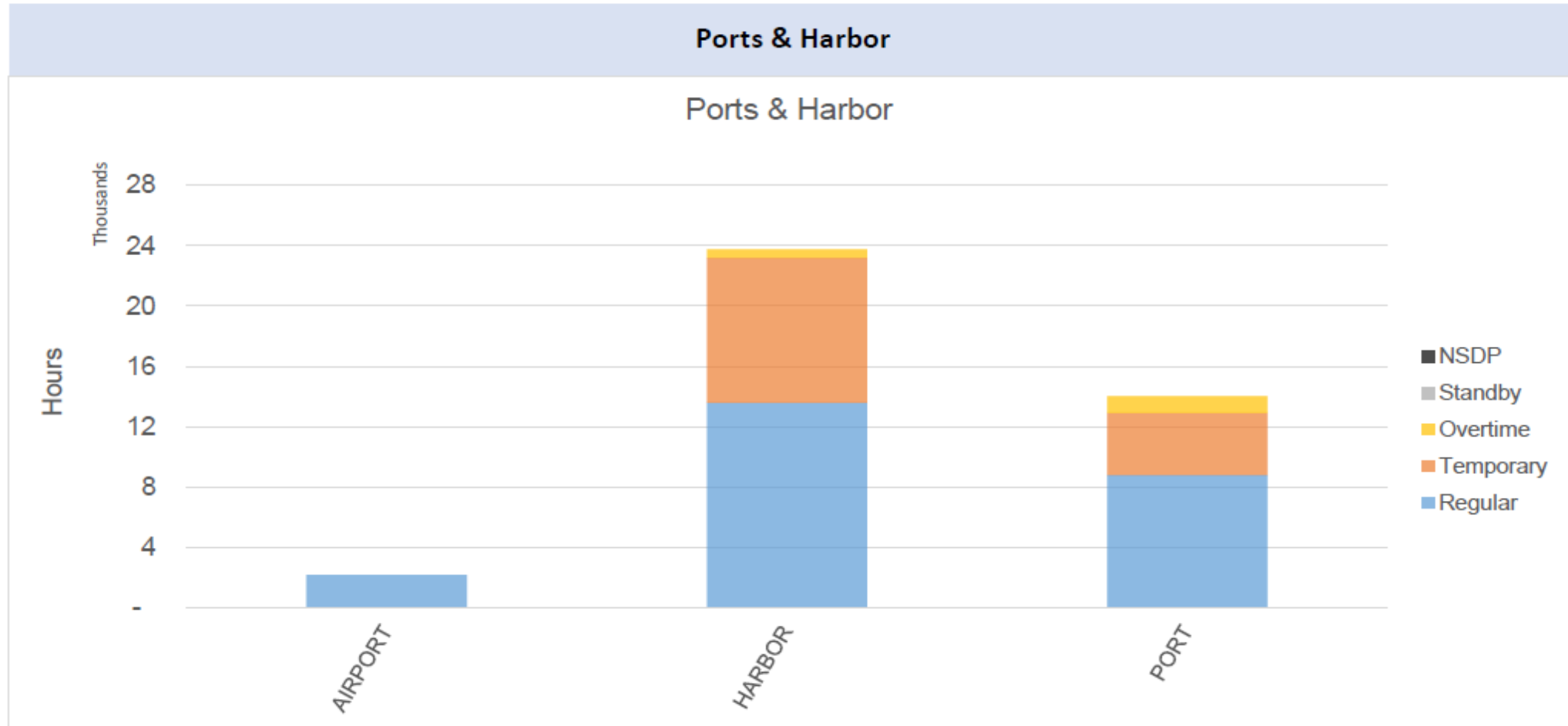
Ports & Harbor Division
Total Appropriations: \$4,943,799



Ports and Harbors Division – What’s in each expense category?

• FTE Payroll	42.9%	• Other Operating	11.6%
• Salaries	53.7%	• Insurance	21.4%
• Benefits	46.3%	• Building and Grounds Maintenance	20.3%
• Other Personnel	12.4%	• Operating Supplies	12.2%
• Temporary Wages	64.4%	• Parts & Supplies for Equipment	11.1%
• Overtime	23.1%	• Rent	7.7%
• Travel and Transportation	7.8%	• Misc. Marketing	6.1%
• Clothing	1.9%	• Communications and Postage	6.0%
• Training	1.5%	• Vehicles & Equipment Fuels	5.3%
• Dues & Subscriptions	1.3%	• Harbormaster Conference	2.6%
• Utilities	16.2%	• Advertising & Promotion	2.0%
• Electricity	87.1%	• Other Capital Equipment 5-10K	1.3%
• Heating	12.9%	• Office Supplies	1.3%
• Projects/Reserve	9.7%	• Reproduction and Copying	1.1%
• Port Reserve	86.7%	• Hazmat Supplies	0.9%
• Harbor Reserve	13.3%	• Equipment Rental	0.3%
• Contracts	7.2%	• Vehicle Maintenance	0.3%
• Contractual Services	65.8%		
• Professional Fees & Services	34.2%		

Ports and Harbor Division Total Hours



Airport / Airport Fund



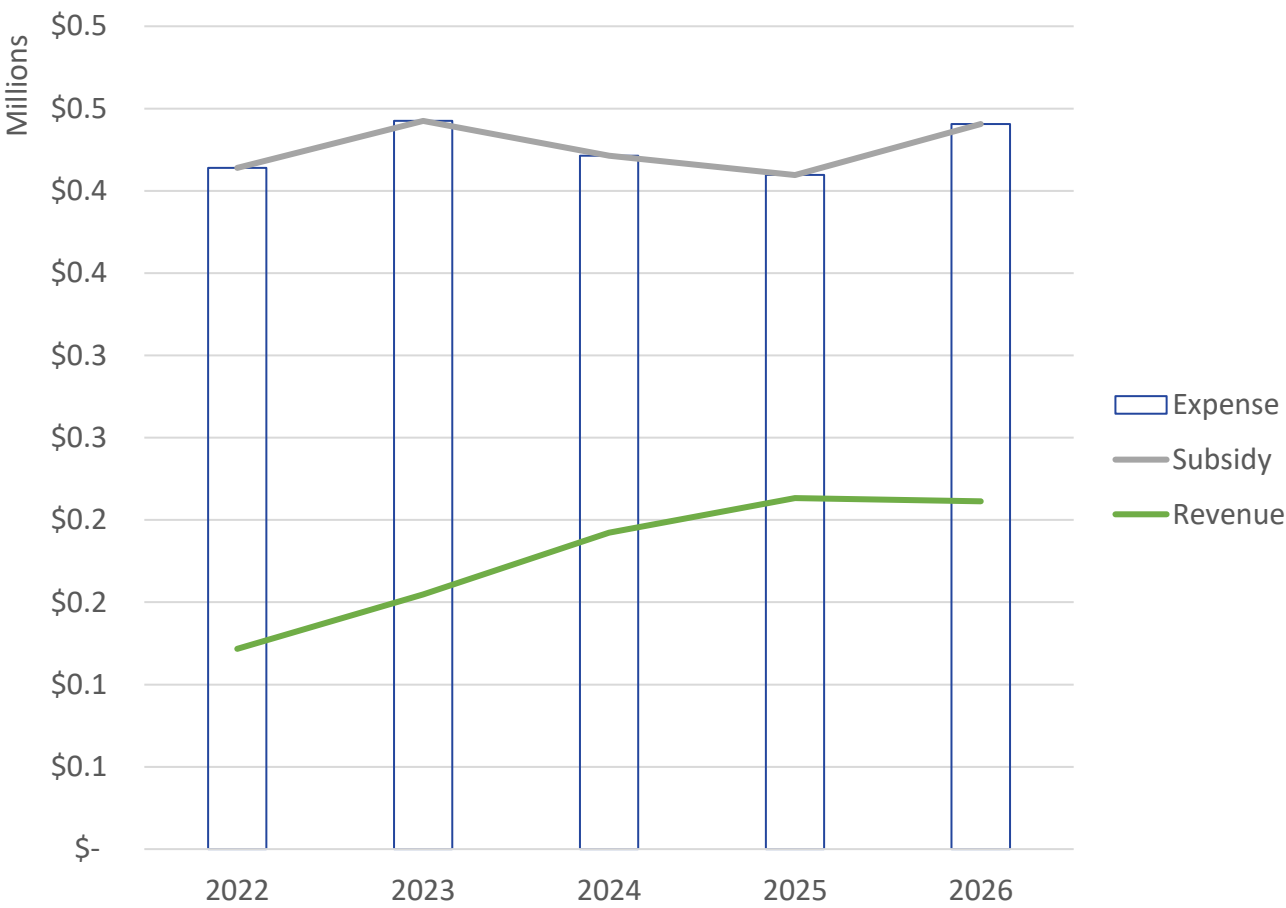


Fund Balance \$1,617,138

Operating Subsidy

- 2024 - \$229,016
- 2025 - \$196,300
- 2026 - \$229,221

Airport Fund



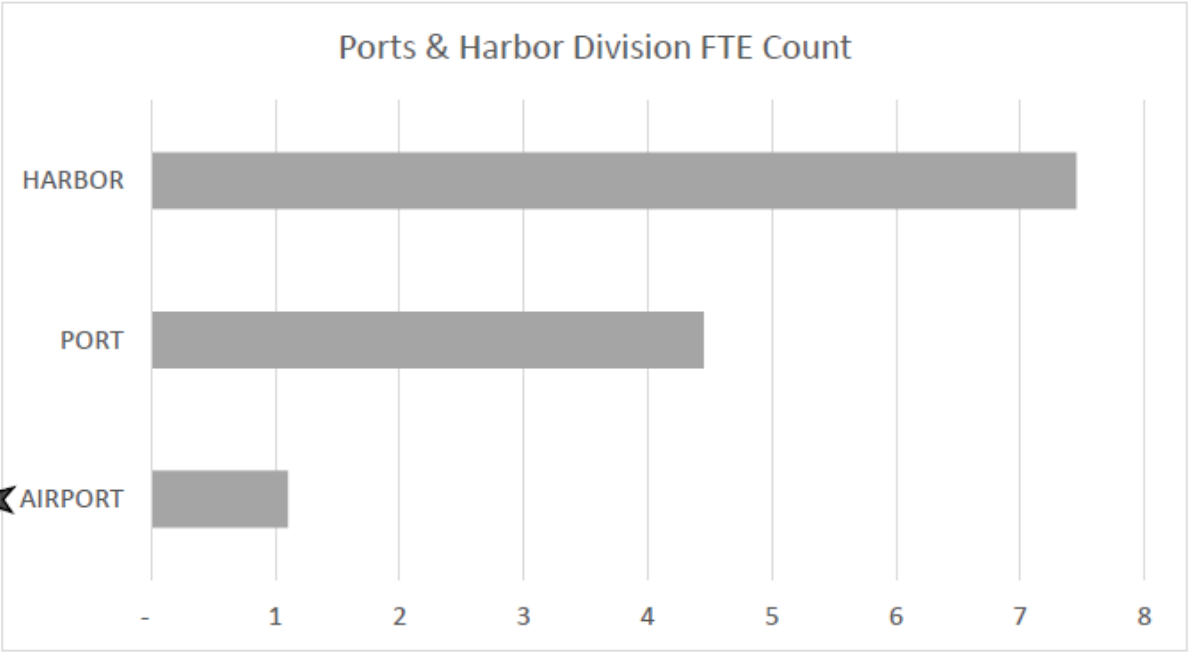
Airport

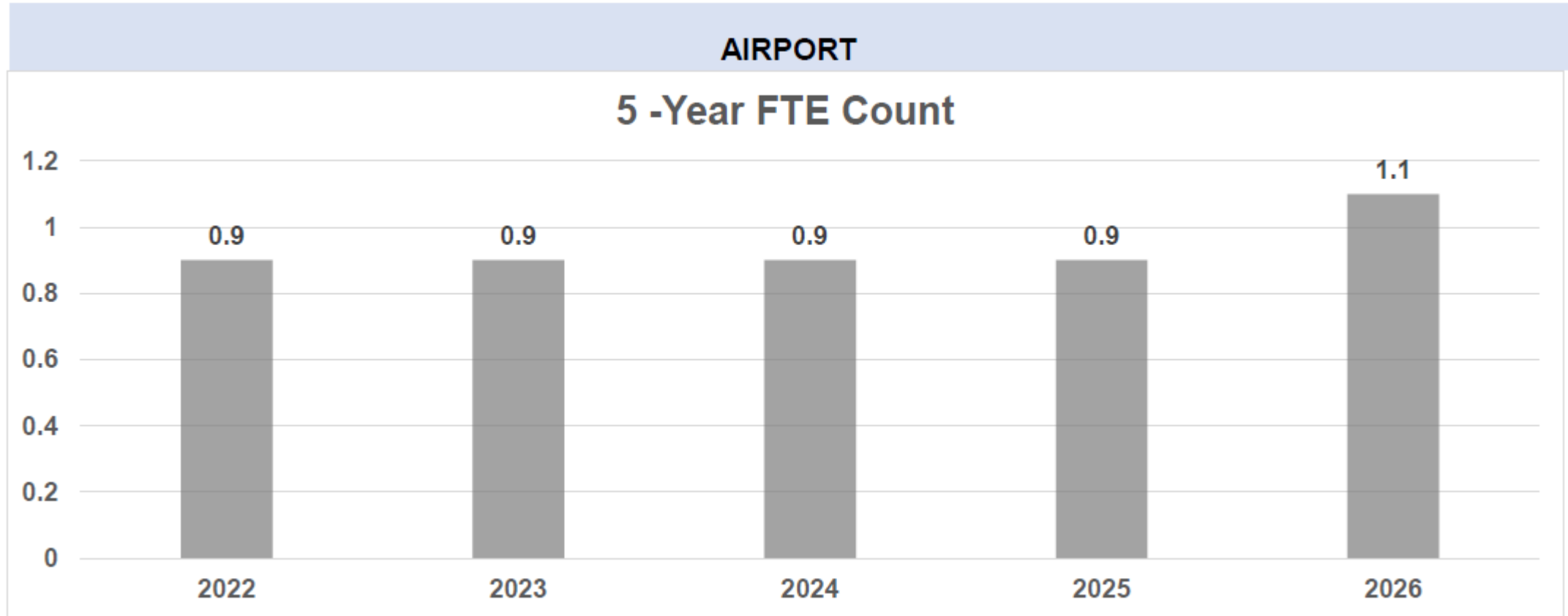
AIRPORT

Mission:

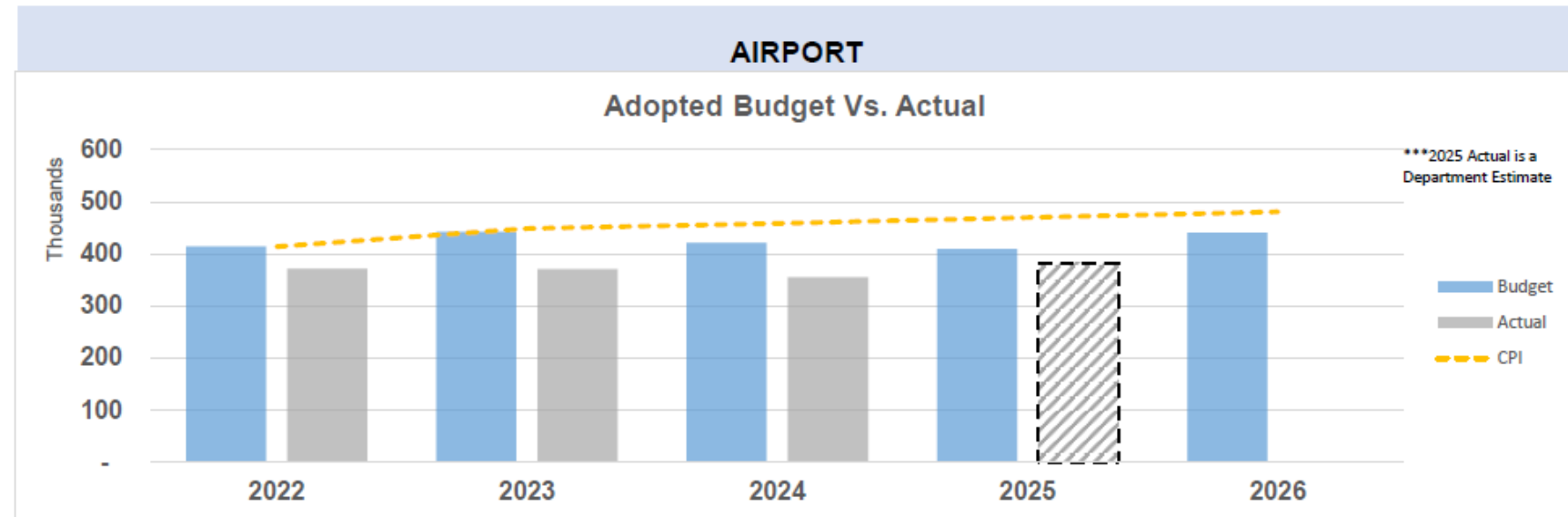
Facilitate commercial tenant leases, manage the City owned Airport Terminal Building, and liaison with the State of Alaska as the owner and operator of the airport.

	FTE
DIRECTOR	0.10
OPERATIONS MANAGER	0.30
ADMINISTRATIVE ASSISTANT/CONTRACT SPECIALIST	0.10
PORT/HARBOR MAINT TECH I	0.30
SECURITY & MAINT TECH	0.30
Grand Total	1.10





- Operating Subsidy \$229K
- Budgeted Revenues
 - Leases \$168K
 - Vending Leases \$6K
- \$34K increase to FTE Payroll Costs due to restructure
- Elimination of all overtime, \$2.3K reduction
- All other categories status quo



Expenses	Actual Expenditure				Adopted Budget		2025 to 2026 Budget Changes	
	2022	2023	2024	2025	2025	2026	Dollar Change	Percent Change
FTE Payroll	132,213	138,062	128,578	141,078	143,542	177,595	34,053	23.7%
Other Personnel	1,863	1,684	1,310	-	2,286	-	(2,286)	-100.0%
Other Operating	56,759	56,091	57,726	63,789	68,770	68,020	(750)	-1.1%
Contracts	47,410	47,160	47,160	50,000	50,000	50,000	-	0.0%
Utilities	133,090	127,876	120,459	127,000	145,000	145,000	-	0.0%
Grand Total	371,336	370,873	355,233	381,867	409,598	440,615	31,017	7.6%

FTE Payroll Expense Category	All Other Expense Categories
Over 7.6%	Over 2.3%
2.3-7.6%	0-2.3%
Below 2.3% ✓	Below 0% ✓



AIRPORT

Programs and related measures

Program: 2026 Department Goals

Focus: Fill Vacant tennant space at the airport

\$2.16 per square foot lease price



Harbor / Harbor Fund

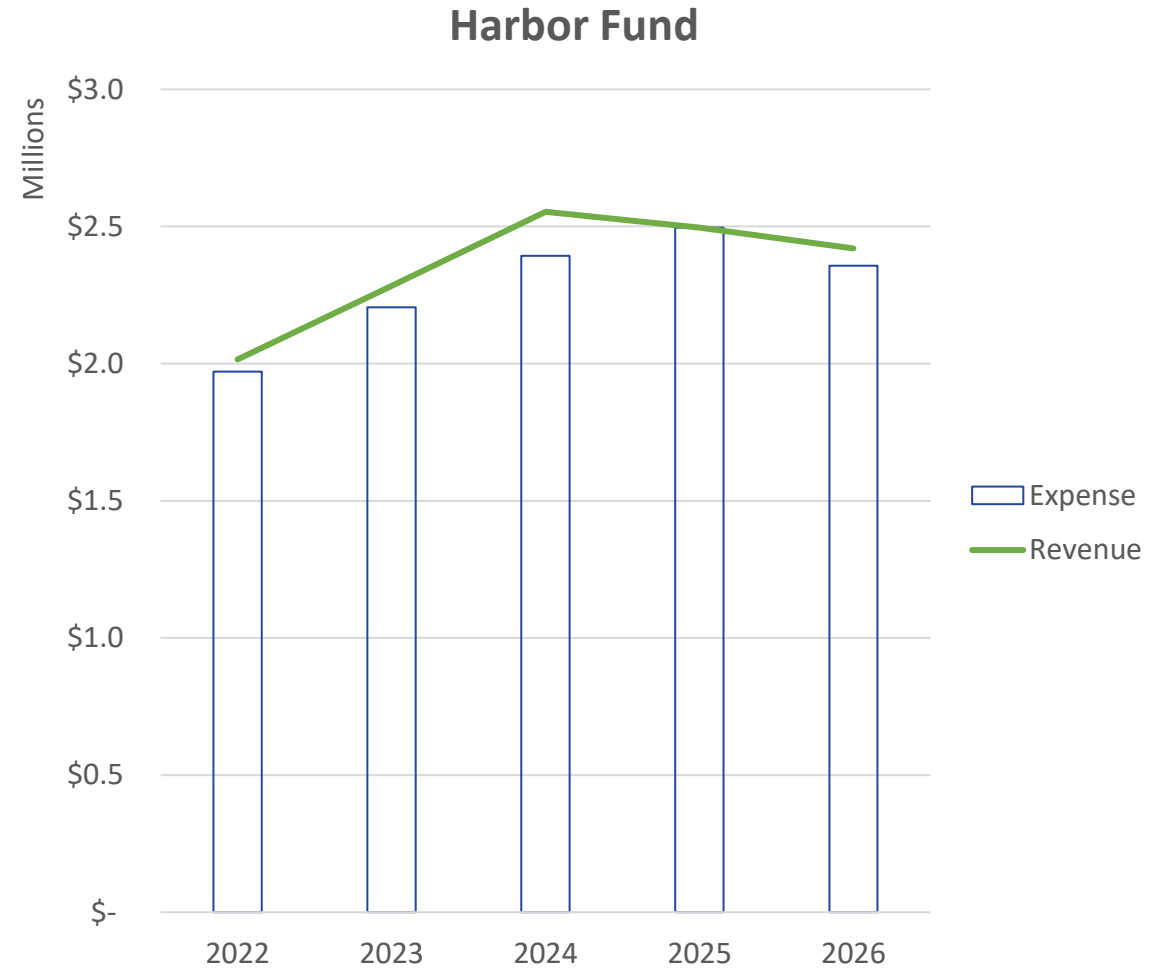




Fund Balance \$2,582,219

Revenue Exceeding Expenses

- 2024 - \$160,285
- 2025 - \$0
- 2026 - \$63,452



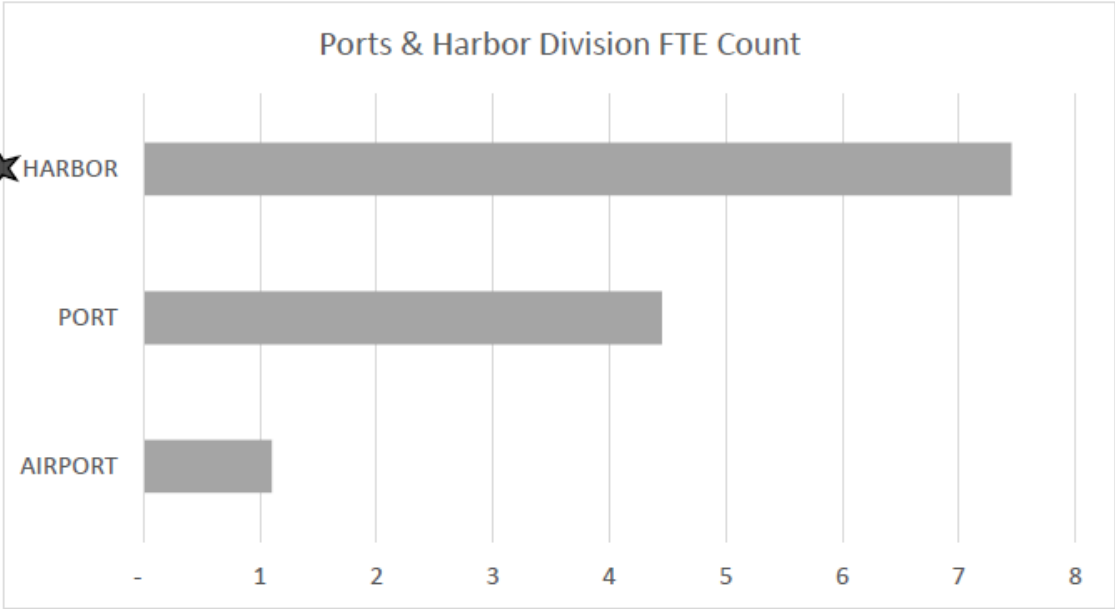
Harbor

HARBOR

Mission:

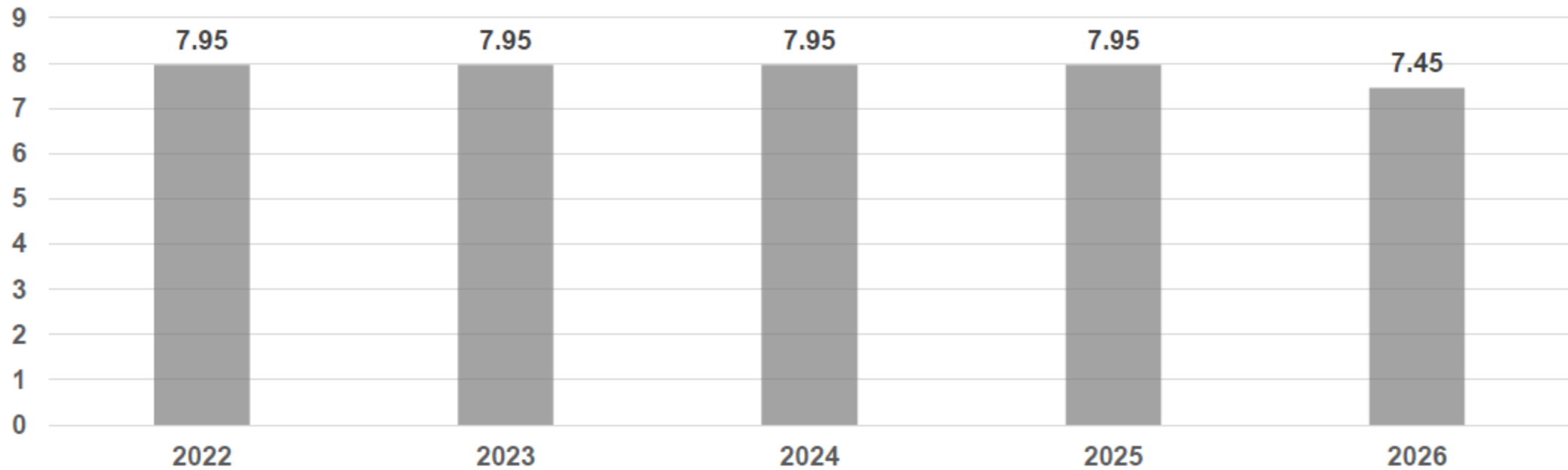
Guided by our core values, it is our pleasure to provide a sustainable world-class maritime experience. Above all, we will remain responsible members of our community and the industries we serve, a leading resource for our customers, and committed to empowering economic growth through our first-rate facilities.

	FTE
DIRECTOR	0.45
HARBORMASTER	1.00
ASST HARBORMASTER	1.00
ADMINISTRATIVE ASSISTANT/CONTRACT SPECIALIST	0.50
ADMINISTRATIVE ASSISTANT	2.00
PORT/HARBOR MAINT SHOP FOREMAN	0.50
EQUIPMENT OPERATOR	2.00
Grand Total	7.45

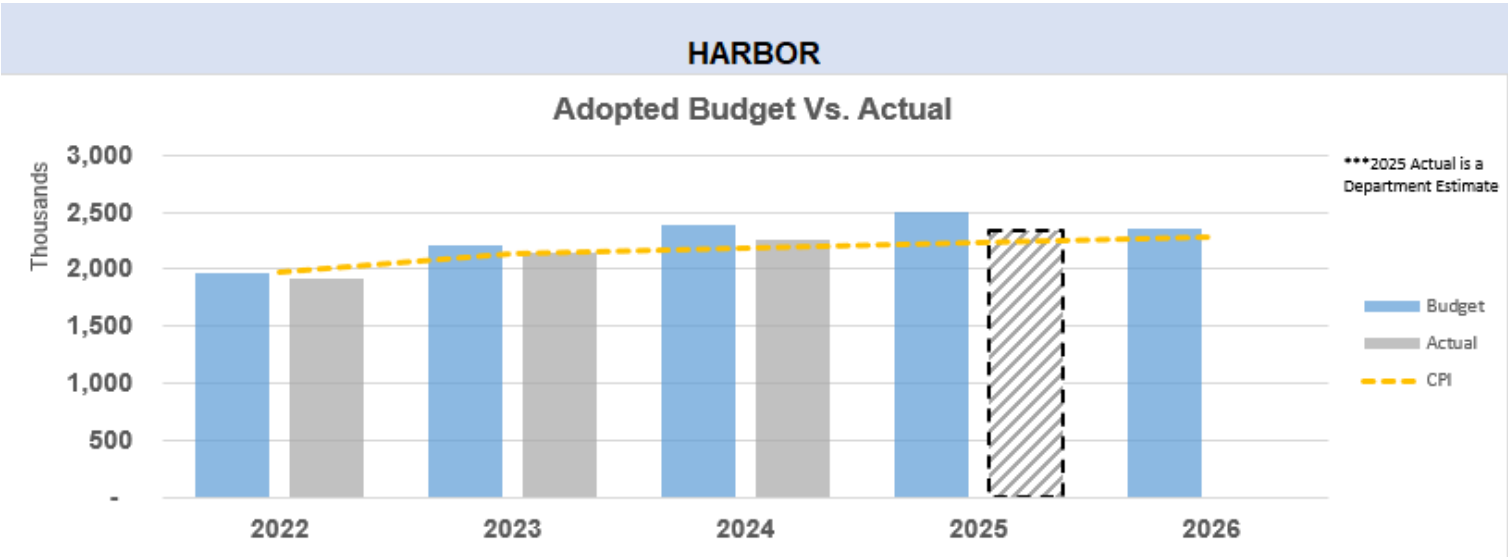


HARBOR

5 -Year FTE Count



- No Operating Subsidy
- \$63K appropriated to maintenance reserve
- \$49.7K FTE cost reduction with restructuring
- 3,000 Temporary hours eliminated, 41.5K reduction in temporary wages
- \$60K budgeted for merchant Service fees
- \$13.8K reduction in Annual maintenance contracts
- \$15K budgeted for the annual harbor master conference
- Revenue Decline \$76K, 3.1%



Revenues	Actual Revenue		Estimate	Adopted Budget		2025 to 2026 Budget Changes	
	2022	2023		2025	2026	Dollar Change	Percent Change
Harbor	(2,622,535)	(2,805,575)	(2,273,749)	(2,250,301)	(2,496,317)	(2,420,061)	(76,255) -3.1%

Expenses	Actual Expenditure		Estimate	Adopted Budget		2025 to 2026 Budget Changes	
	2022	2023		2025	2026	Dollar Change	Percent Change
FTE Payroll	871,322	1,081,137	1,157,482	1,207,277	1,250,103	1,200,377	(49,726) -4.0%
Other Personnel	301,707	353,056	406,703	368,844	409,975	361,723	(48,252) -11.8%
Other Operating	233,436	226,214	259,286	277,755	292,859	286,359	(6,500) -2.2%
Contracts	172,062	189,817	145,699	191,489	218,680	184,850	(33,830) -15.5%
Utilities	337,937	301,401	285,544	301,445	324,700	323,300	(1,400) -0.4%
Grand Total	1,916,464	2,151,625	2,254,713	2,346,810	2,496,317	2,356,609	(139,707) -5.6%

FTE Payroll Expense Category

Over 7.6% Over 2.3-7.6% Below 2.3%

All Other Expense Categories

Over 2.3% 0-2.3% Below 0%

HARBOR

Programs and related measures

Program: 2026 Department Goals

Focus: Begin collection and budgeting of the Fuel Flowage Fee

Contribute to the Harbor Major Maintenance Reserve

Operate harbor without subsidy from the general fund

Program: Liveaboards

Focus: 15 Liveaboards; 12 Tenant 3 Transient

Port / Port Fund

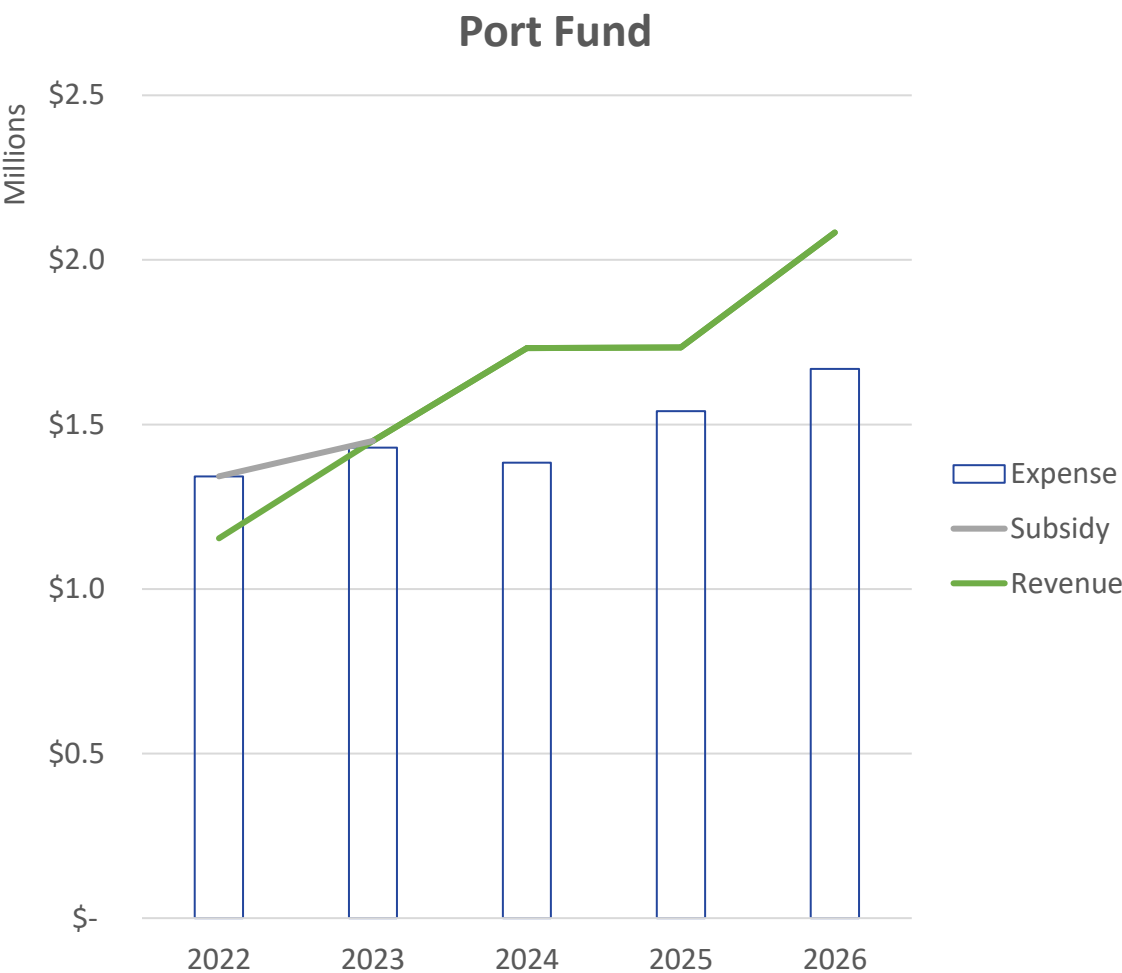




Fund Balance \$5,346,484

Revenue Exceeding Expenses

- 2024 - \$347,833
- 2025 - \$193,991
- 2026 - \$414,260



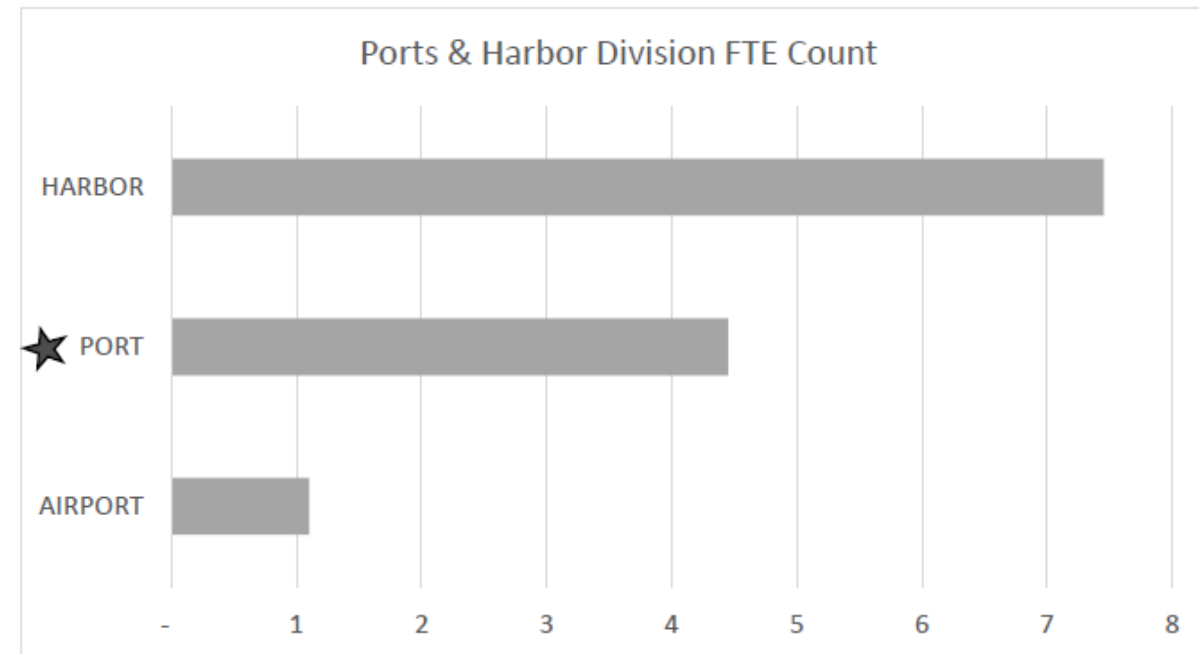
Port

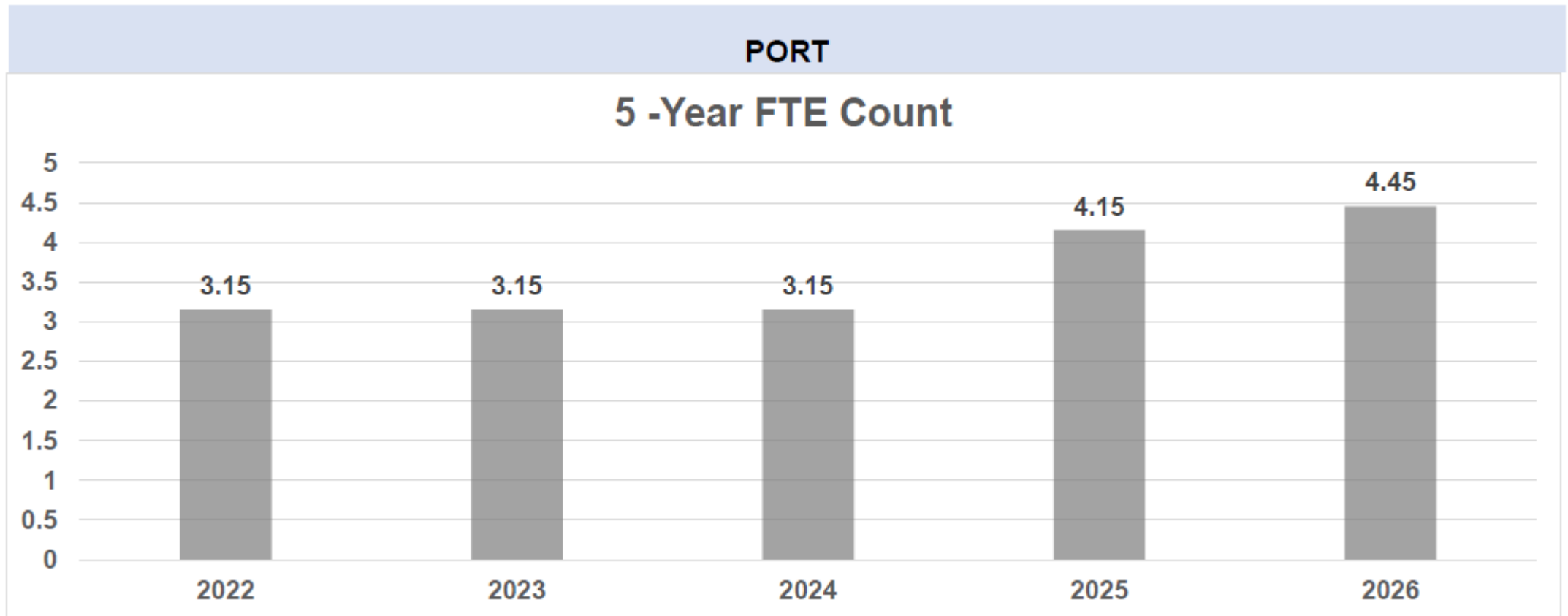
PORT

Mission:

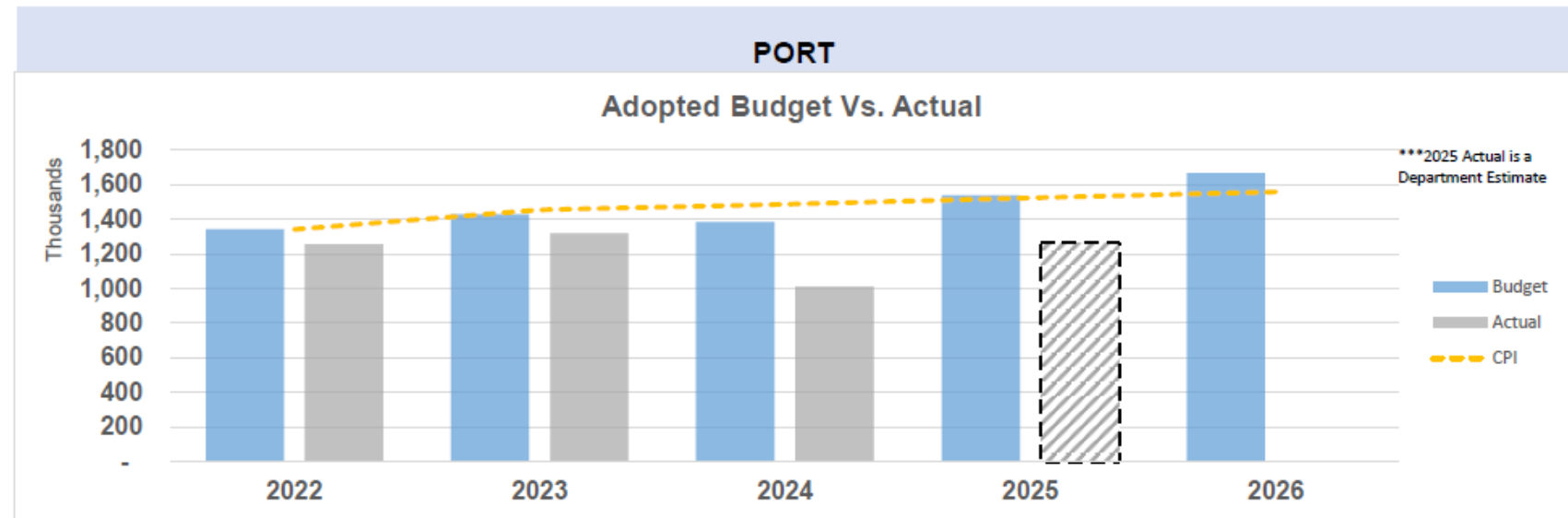
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	FTE
DIRECTOR	0.45
OPERATIONS MANAGER	0.70
ADMINISTRATIVE ASSISTANT/CONTRACT SPECIALIST	0.40
PORT/HARBOR MAINT SHOP FOREMAN	0.50
PORT/HARBOR MAINT TECH I	1.70
SECURITY & MAINT TECH	0.70
Grand Total	4.45





- No Operating Subsidy
- \$414K appropriated to maintenance reserve
- \$75.4K FTE cost increase with restructuring
- \$35K Silo inspection
- \$18K increase for Marketing
- Overall Revenue Increase \$349.1K, 20.1%



Revenues	Actual Revenue			Estimate	Adopted Budget		2025 to 2026 Budget Changes	
	2022	2023	2024		2025	2026	Dollar Change	Percent Change
Port	(1,808,479)	(2,419,243)	(1,523,976)	(1,452,179)	(1,734,014)	(2,083,122)	349,108	20.1%

Expenses	Actual Expenditure				Adopted Budget		2025 to 2026 Budget Changes	
	2022	2023	2024	2025	2025	2026	Dollar Change	Percent Change
FTE Payroll	448,437	514,167	461,396	635,042	666,365	741,793	75,427	11.3%
Other Personnel	243,450	116,352	156,721	104,050	249,305	253,124	3,819	1.5%
Other Operating	148,417	170,601	144,228	160,400	195,153	219,745	24,592	12.6%
Contracts	71,547	33,915	48,144	116,000	99,200	119,200	20,000	20.2%
Utilities	344,736	484,425	201,898	250,000	330,000	335,000	5,000	1.5%
Grand Total	1,256,588	1,319,459	1,012,388	1,265,492	1,540,024	1,668,862	128,839	8.4%

FTE Payroll Expense Category

Over 7.6% ▶

2.3-7.6% ▬

Below 2.3% ✔

All Other Expense Categories

Over 2.3% ▶

0-2.3% ▬

Below 0% ✔

PORT

Programs and related measures

Program: 2026 Departmen Goals

Focus: Contribute +\$400K to Port Maintenance Reserve

Increase Cruise ship landings and add Valdez as a landing for an additional cruise line

Port Revenues excede expenses

Program: Cargo Operation

Focus: 2 Military Moves

Fall Tonnage 494.5

Spring Tonnage 920.6

Program: Tourism/Cruise Ship Operation

Focus: 38 Cruise Ship Landings in 2025

38,198 Passengers in 2025; Increase to 43,000 in 2026

Reserve Funds



Reserve Fund	2025	2026	\$ Change	Percent Change	Notes
Total Funding	6,278,842	7,921,111	1,642,269	21%	
Repayment Reserve	1,526,534	3,303,184	1,776,649	116%	Increased since Overview Night
Major Equipment Reserve	1,886,799	1,881,129	-5,670	-0.3%	No Change
Technology Reserve	1,129,597	1,224,594	94,997	8%	No Change
Energy Assistance Program	550,000	700,000	150,000	27%	No Change
Leave Liability Reserve	400,000	300,000	-100,000	-25%	Updated and Decreased since Overview Night
Port Major Maint & Replace	193,991	414,260	220,269	114%	No Change
Budget Variance Reserve	225,000	250,000	25,000	11%	Updated and increased since Overview Night
Harbor Major Maint & Replace	0	63,452	63,452	NEW	No Change
Beautification Committee	55,000	5,000	-50,000	-91%	No Change

Wrap-up

Placeholder for additional slides, if needed

