

# Alaska Marine Highway System



## Annual Financial Report

2024

For the fiscal year ended June 30, 2024

# ALASKA MARINE HIGHWAY SYSTEM

## 2024 Annual Financial Report



State of Alaska  
**Department of Transportation and Public Facilities**

Prepared by the Division of Program Management and Administration

Cover photo: M/V Hubbard departing Auke Bay, May 2023.

# ALASKA MARINE HIGHWAY SYSTEM

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# Introduction

Alaska Marine Highway System, Annual Financial Report 2024



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Department of Transportation and  
Public Facilities**

OFFICE OF THE COMMISSIONER  
Ryan Anderson, P.E., Commissioner

PO Box 112500  
Juneau, Alaska 99811-2500  
Main: 907.465.3900  
dot.alaska.gov

January 23, 2025

Dear Alaska State Legislator:

Enclosed is the Alaska Marine Highway System (AMHS) Annual Financial Report for Fiscal Year (FY) 2024 (ended June 30, 2024) as required by AS 19.65.070.

During FY2024, Alaska Marine Highway System recorded \$36.3 million in operating revenues, a decrease of \$3.4 million from FY2023. Operating expenditures totaled \$143.3 million, \$15.8 million more than FY2023. Service weeks provided by Alaska Marine Highway System decreased from 247.6 in FY2023 to 236.4 in FY2024.

The Alaska Marine Highway System (AMHS) has successfully navigated significant challenges in FY2024, including addressing the needs of our aging vessels and undertaking critical infrastructure improvements. As we move into FY2025, our efforts will remain focused on major vessel repairs and overhauls. We understand the impacts that service disruptions have on coastal Alaska communities, and these essential improvements will not only strengthen our existing fleet but also pave the way for the construction of new vessels and upgrades to our terminals and docks.

In addition to these infrastructure efforts, we have made meaningful progress in modernizing our services. This includes the implementation of public Wi-Fi on our vessels and initial steps toward upgrading our ticketing and reservation systems. To further enhance the passenger experience, we are also focusing on customer service by expanding bar services and re-establishing gift shops onboard.

Lastly, we are excited to be finalizing the Alaska Marine Highway System 2045 Long Range Plan. During the upcoming legislative session, we will present this plan to the Governor and Legislature, outlining our vision for the future of this vital transportation system. We look forward to engaging in productive discussions as we work together to support and enhance the AMHS for the benefit of all Alaskans.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Anderson".

Ryan Anderson, P.E.  
Commissioner

*"Keep Alaska Moving."*

## Alaska Marine Highway Operations Board (AS 19.65.110)

The following are the AMHOB members as of June 30th, 2024:

### **Chair**

Shirley Marquardt  
Public/Speaker (Anchorage)

### **Vice-Chair**

Edward Page  
Public/Senate President/USCG - Retired (Juneau)

### **Members**

Anthony Lindoff  
Alaska Native Organization/Governor (Anchorage)

Paul Johnsen  
Public/Senate President (Petersburg)

Wanetta Ayers  
Public/Speaker (Anchorage)

Keith Hillard  
Union - Current AMHS Captain (Juneau)

Bob Horchover  
Public/Governor (Kodiak)

Katherine Keith  
Deputy Commissioner/DOT&PF (Anchorage)

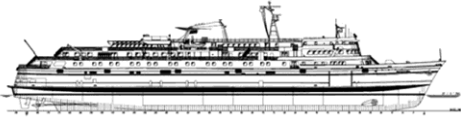
### **DOT&PF - Staff Support**

Craig Tornga  
AMHS General Manager

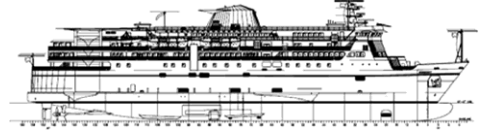
Andy Mills  
AMHOB Liaison

Kim Griffith  
Projects Coordinator

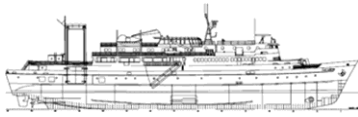
## Profile of the Fleet



**M/V Matanuska**  
408 feet  
Built 1963



**M/V Kennicott**  
382 feet  
Built 1998



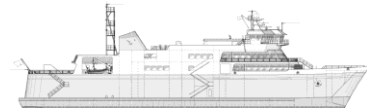
**M/V Tustumena**  
296 feet  
Built 1964



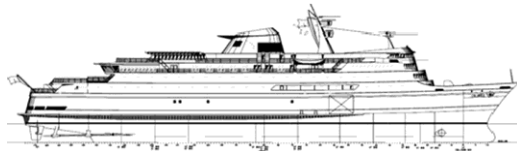
**M/V Lituya**  
181 feet  
Built 2004



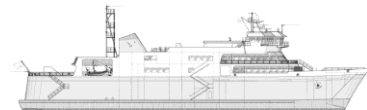
**M/V LeConte**  
235 feet  
Built 1974



**M/V Tazlina**  
280 feet  
Built 2019



**M/V Columbia**  
418 feet  
Built 1974



**M/V Hubbard**  
280 feet  
Built 2019



**M/V Aurora**  
235 feet  
Built 1977

## **Ports of Call**

### **SOUTHEAST ALASKA**

Angoon  
Bellingham, WA  
Gustavus  
Haines  
Hoonah  
Juneau (Auke Bay)  
Kake  
Ketchikan  
Metlakatla (Annette Bay)  
Pelican  
Petersburg  
Prince Rupert, BC, Canada  
Sitka  
Skagway  
Tenakee Springs  
Wrangell  
Yakutat

### **SOUTHWEST ALASKA**

Akutan  
Chenega Bay  
Chignik  
Cold Bay  
Cordova  
False Pass  
Homer  
King Cove  
Kodiak  
Old Harbor  
Ouzinkie  
Port Lions  
Sand Point  
Seldovia  
Tatitlek  
Unalaska / Dutch Harbor  
Valdez  
Whittier



**Vessel Information Table**

	Matanuska	Tustumena	Columbia	LeConte	Aurora	Kennicott	Lituya	Tazlina	Hubbard
<b>Year Built</b>	1963	1964	1974	1974	1977	1998	2004	2019	2019
<b>Length (ft)</b>	408	296	418	235	235	382	181	280	280
<b>Beam (ft)</b>	74	59	85	57	57	85	50	67	67
<b>Displacement (L/T)</b>	5,569	3,081	7,684	2,132	2,132	7,504	647	3016	3016
<b>Loaded Draft (ft-in)</b>	16-11 5/8	14-4 1/2	17-6 1/8	13-8	13-8	17-6	12	13-11	13-11
<b>International Tonnage</b>									
Gross:	9,214	4,529	13,009	3,124	3,124	12,635	758	5,304	5,304
Net:	3,824	1,451	4,932	987	987	3,790	227	1,591	1,591
<b>Domestic Tonnage</b>									
Gross:	3,029	2,174	3,946	1,328	1,280	9,978	97	3,217	3,217
Net:	1,235	898	2,683	566	453	7,354	66	2,188	2,188
<b>hp @ Service Speed</b>	7,200	5,100	14,000	4,300	4,300	13,200	2,000	6,000	6,000
<b>Service Speed (kts)</b>	16.50	13.30	17.30	14.50	14.50	16.75	11.50	16.50	16.50
<b>Fuel Use (gph)</b>	234	151	397	188	190	354	55	250	250
<b>Crew Capacity: COI</b>	48	38	63	24	24	55	5	14	14
<b>Passenger Capacity: COI</b>	499	174	600	247	300	499	149	297	297
<b>Passenger Capacity: Booking</b>	450	160	499	225	250	450	125	290	290
<b>Staterooms</b>									
4 berth	5	6	45	-	-	48	-	-	-
3 berth	21	-	-	-	-	-	-	-	-
2 berth	79	17	56	-	-	58	-	-	-
4 berth ADA	-	-	-	-	-	2	-	-	-
2 berth ADA	1	1	3	-	-	-	-	-	-
<b>Total Staterooms</b>	106	24	104	-	-	109	-	-	-
<b>Total Berths</b>	243	60	298	-	-	320	-	-	-
<b>Capacity</b>									
<b>Vehicle Capacity (lane-ft.)</b>	1,960	852	3,200	720	720	1,700	360	1,060	1,060
<b>Quantity (20 foot vehicles)</b>	83	34	133	33	33	78	15	53	53
<b>Vehicle Capacity: Booking</b>	1,675	680	2,660	660	660	1,560	300	850	850
<b>Van Capacity: Booking</b>	10	6	16	8	7	17	2	4	4

**Operating Plan**  
July 1, 2023 to June 30, 2024

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
MAT	July 1 Layup												0
TUS	July 1 SW						Feb 15 Overhaul		May 16 SW				39.3
LEC	July 1 NP				Nov 20 Overhaul		May 15 NP				27.0		
COL	July 1 BEL					Dec 1 Overhaul						21.9	
AUR	July 1 PWS			Oct 15 Overhaul		Dec 15 PWS				43.6			
KEN	July 1 Overhaul		Dec 15 BEL								28.4		
LIT	July 1 ANB	Aug 9 Overhaul	Aug 23 ANB									50.3	
TAZ	July 1 Layup								Mar 1 Federal CIP				0.0
HUB	July 1 Lynn			Oct 15 Overhaul		Nov 16 NP		May 15 Overhaul				25.9	

On Line	ANB: Annette Bay Service	PWS: Prince William Sound	Mainline Vessels	50.3
Overhaul	BEL: Bellingham to Skagway	SW: Southwest	Feeder Vessels	103.2
Layup	NP: Northern Panhandle Service	BEL-XG: Bellingham Cross Gulf Southwest	Southwest Vessels	82.9
			<b>Total Operating Weeks</b>	<b>236.4</b>

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# Financial

Alaska Marine Highway System, Annual Financial Report 2024

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
(In Thousands)

	<u>Alaska Marine Highway System Fund</u>	<u>Other Sources</u>
<b>Revenues:</b>		
Current Operating:		
Ticket Sales	\$ 30,453	\$ -
Stateroom Sales	3,422	-
Passenger Services Sales	2,396	-
Other Unrestricted Revenue	20	-
Current Operating Total	36,291	-
Federal Receipts	-	41,856
Indirect Cost Recovery	-	737
<b>Total Revenues</b>	<b>36,291</b>	<b>42,593</b>
<b>Expenditures:</b>		
Current Operating:		
Support Services	1,792	-
Reservations & Marketing	-	1,281
Marine Engineering	81	2,108
Operations Management	-	4,925
Shore Operations	-	9,313
Marine Fuel	-	16,832
Overhaul	-	1,528
Marine Vessel Operations	33,037	72,400
Current Operating Total	34,910	108,387
Capital Overhaul	23,730	-
<b>Total Expenditures</b>	<b>58,640</b>	<b>108,387</b>
Excess (Deficiency) of Revenues and Other Financing Sources		
Financing Uses from Operating	(22,349)	(65,794)
Fund Balance, Beginning of Year	41,869	
General Fund		65,794
<b>Fund Balance, End of Year; Undesignated</b>	<b>\$ 19,520</b>	<b>\$ -</b>

**Statement of Actual and Estimated Revenues**  
**Budgetary Basis (In Thousands)**

	<b>Fiscal Year Ended June 30, 2024</b>			<b>Fiscal Year Ending June 30, 2025</b>		<b>Fiscal Year Ending June 30, 2026</b>
	<b>Estimated Revenues</b>	<b>Actual Revenues</b>	<b>Actual Over (Under) Estimated</b>	<b>Estimated Revenues</b>	<b>Revenues 12/31/2024</b>	<b>Estimated Revenues</b>
<b>Restricted</b>						
Federal Receipts	\$ 38,511	\$ 41,856	\$ 3,345	\$ 41,667	\$ 2,607	\$ 49,778
Indirect Cost Recovery	557	737	180	886	776	981
<b>Total Restricted</b>	<b>39,068</b>	<b>42,593</b>	<b>3,525</b>	<b>42,553</b>	<b>3,383</b>	<b>50,759</b>
<b>Unrestricted AMHS Fund</b>						
Ticket Sales	38,302	30,453	(7,849)	39,537	19,221	33,409
Stateroom Sales	5,238	3,422	(1,816)	5,141	1,989	3,390
Passenger Service Sales	4,727	2,396	(2,331)	4,466	1,443	2,450
Other Unrestricted Revenue	84	20	(64)	57	-	-
<b>Total Unrestricted</b>	<b>48,351</b>	<b>36,291</b>	<b>(12,060)</b>	<b>49,201</b>	<b>22,653</b>	<b>39,249</b>
<b>Total Revenues</b>	<b>\$ 87,419</b>	<b>\$ 78,884</b>	<b>\$ (8,535)</b>	<b>\$ 91,754</b>	<b>\$ 26,036</b>	<b>\$ 90,008</b>

The notes to the financial statements are an integral part of this statement.  
Budgetary Presentation shows all budgeted and actual revenues including budgeted intergovernmental activity.

## **Notes to the Financial Statement**

### **Note 1 – Alaska Marine Highway System Fund**

The Alaska Marine Highway System Fund was established July 1, 1990. All gross revenues generated from the operation of the Alaska Marine Highway System are accounted for and remitted in accordance with AS 19.65.070 which mandates that the money shall be deposited in the Alaska Marine Highway System Fund.

#### **Marine Highway Capitalization Account**

The Marine Highway Capitalization account was established within the Alaska Marine Highway System Fund June 30, 2009. Access to this funding was restricted and only occurred with approval by the Legislative Budget and Audit Committee.

### **Note 2 – CIP Program Component**

The Alaska Marine Highway System budget includes a component which authorizes positions directly related to capital projects. Beginning in FY2001, the salary cost of time charged directly to capital projects is not recorded in the Alaska Marine Highway Fund. The cost of time charged to administration or overhead is recorded in the Alaska Marine Highway Fund.

### **Note 3 – Operating and Capital Overhaul**

Overhaul expenditures that are included in the Operating Budget are limited to small maintenance items that arise while the vessels are operating and do not include capital overhaul expenditures. Large vessel overhaul and deferred maintenance items are included in the Capital Budget. In FY2024, \$22 million was appropriated for the annual Vessel Overhaul and Deferred Maintenance Capital Budget and \$3.3 was added from the FY24 Supplemental bill.

# Statistical

Alaska Marine Highway System, Annual Financial Report 2024

**Operating Revenue by Vessel\***  
**FY 2015 - 2024**  
**(In Thousands)**

<b>VESSEL</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Aurora	4,059	2,721	3,228	3,458	3,359	2,325	783	2,447	3,258	3,432
Chenega	1,914	675	-	-	-	-	-	-	-	-
Columbia	11,778	7,471	5,500	10,929	15,060	6,118	-	-	8,096	11,428
Fairweather	1,684	2,049	2,418	2,516	2,024	-	-	-	-	-
Hubbard	-	-	-	-	-	-	-	-	962	4,930
Kennicott	8,265	7,705	11,198	9,873	11,296	4,193	11,775	9,964	9,458	8,479
Leconte	854	3,634	4,015	4,356	4,587	981	3,239	4,332	5,812	2,742
Lituya	848	812	1,117	1,069	1,159	1,067	935	991	955	1,328
Malaspina	11,036	11,316	7,481	7,785	8,355	5,580	-	-	-	-
Matanuska	3,989	7,192	7,863	4,329	-	2,586	8,556	11,614	6,738	-
Taku	5,474	-	-	-	-	-	-	-	-	-
Tazlina	-	-	-	-	782	2,504	-	324	382	-
Tustumena	3,828	3,566	2,865	2,981	4,133	2,863	2,374	1,407	3,852	3,854
Contract Vessels	-	-	-	-	-	3	-	186	176	78
Non Vessel Revenue	167	16	74	21	47	39	200	44	61	20
<b>TOTAL</b>	<b>53,896</b>	<b>47,157</b>	<b>45,759</b>	<b>47,316</b>	<b>50,804</b>	<b>28,257</b>	<b>27,862</b>	<b>31,308</b>	<b>39,750</b>	<b>36,291</b>

\*These figures are close approximations based on reservations and ticketing information. They may be used to show relative magnitude of different vessel operations. They are not accounting figures. Therefore, attempts to reconcile the figures with accounting documents may yield small discrepancies.

**Operating Expenditures by Vessel\***  
**FY 2015 - 2024**  
**(In Thousands)**

<b>VESSEL</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Aurora	6,446	6,264	7,051	8,569	8,031	3,807	3,837	8,238	9,380	10,417
Chenega	6,595	3,899	878	345	208	241	158	-	-	-
Columbia	15,757	14,312	13,298	19,131	20,341	8,605	4,648	4,946	15,106	19,887
Fairweather	7,739	6,894	8,248	6,433	4,944	242	185	-	-	-
Hubbard	-	-	-	-	229	1,181	1,249	837	4,213	12,928
Kennicott	15,031	17,074	18,121	20,549	18,270	9,121	18,186	19,175	18,144	21,297
LeConte	6,677	9,087	9,511	10,374	9,678	4,120	8,816	9,285	11,529	11,376
Lituya	1,224	963	1,065	1,197	1,155	1,068	1,069	1,292	1,418	1,767
Malaspina	15,313	14,794	8,215	12,185	17,006	8,377	483	425	-	-
Matanuska	10,683	17,078	15,909	7,729	2,380	8,455	13,233	16,130	10,779	9,401
Taku	16,768	3,414	1,261	203	-	-	-	-	-	-
Tazlina	-	-	-	-	2,713	5,964	1,903	2,687	3,767	2,950
Tustumena	10,569	10,884	10,644	11,316	10,986	8,372	8,837	7,177	12,812	13,369
Vessel Leave	9,006	13,339	13,350	13,478	13,845	11,375	9,496	9,690	9,756	10,049
All Vessels	18,298	7,145	8,347	11,252	12,603	9,216	9,471	9,815	13,103	10,356
<b>TOTAL</b>	<b>140,106</b>	<b>125,147</b>	<b>115,897</b>	<b>122,759</b>	<b>122,389</b>	<b>80,145</b>	<b>81,571</b>	<b>89,697</b>	<b>110,007</b>	<b>123,797</b>

\*Expenditures by vessel include the following operating components: Marine Vessel Operations, Overhaul, Fuel and unbudgeted AMHS Reimbursable Service Agreements (RSA). Not included are the budget components for Marine Engineering, Operations Management, Reservations and Marketing, and Shore Operations.