

# Alaska Marine Highway System



## Annual Financial Report

2025

For the fiscal year ended June 30, 2025

# ALASKA MARINE HIGHWAY SYSTEM

## 2025 Annual Financial Report



State of Alaska  
Department of Transportation and Public Facilities  
Prepared by the Division of Program Management and Administration

Cover photo courtesy of Vessel Construction Manager, Barb Henry.  
M/V Kennicott returning to Alaska through the Tongass Narrows, December 2025.

# **ALASKA MARINE HIGHWAY SYSTEM**

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# Introduction

Alaska Marine Highway System, Annual Financial Report 2025



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 29, 2026

Dear Alaska State Legislator:

Enclosed is the Alaska Marine Highway System (AMHS) Annual Financial Report for Fiscal Year (FY) 2025 (ended June 30, 2025) as required by AS 19.65.070.

FY2025 marked a year of measurable progress in restoring the reliability, resilience, and public value of the Alaska Marine Highway System. During the fiscal year, AMHS recorded \$37.2 million in operating revenues, an increase of \$0.9 million over FY2024. Operating expenditures totaled \$157.1 million, reflecting increased investment in vessel maintenance, system reliability, and service delivery. Service weeks increased from 236.4 in FY2024 to 242.7 in FY2025, signaling continued stabilization of operations.

System reliability remained a central priority. Major overhaul work on the M/V *Kennicott* progressed during FY2025, including a generator repower project that was completed in November 2025, with the vessel returning to service in early December 2025. Across the active fleet, AMHS achieved 98.5 percent vessel uptime during both calendar years 2024 and 2025, reflecting improved maintenance planning and operational discipline.

AMHS also advanced key capital and procurement milestones during FY2025. A design-build contract was issued for construction of the Cascade Point Ferry Terminal, moving this long-anticipated project into the construction phase. In addition, the Tustumena Replacement Vessel advanced to the bid stage, marking a significant step toward replacing one of the system's most critical and aging assets.

Maintenance practices continued to modernize through sustained investment in fleet and shoreside upkeep and the implementation of a fleetwide Computerized Maintenance Management System (CMMS). This system enhances planning, tracking, and forecasting of maintenance activities, supporting more proactive asset management and reducing the risk of unplanned service disruptions.

Customer experience improvements remained a priority in FY2025. Wi-Fi service is now available on all active vessels, food and beverage services have been restored, and modern reservation and ticketing systems are being implemented. AMHS also initiated a new vessel scheduling system to improve transparency and predictability for communities and travelers.

Workforce stability efforts continued with the establishment of improved recruiting and retention practices and the development of defined career pathways for all crew positions, supporting long-term operational continuity and safety.

*"Keep Alaska Moving."*

Finally, FY2025 saw the completion and implementation of a 20-year Long-Range Plan to guide future investment, service planning, and financial sustainability, providing a clear framework for disciplined decision-making in the years ahead.

The Alaska Marine Highway System remains committed to providing safe, efficient, reliable, and cost-effective transportation for the traveling public. We appreciate the Legislature's continued engagement and look forward to discussing these efforts and future priorities during the upcoming legislative session.

Sincerely,

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

Ryan Anderson, P.E.  
Commissioner  
Alaska Department of Transportation & Public Facilities

*"Keep Alaska Moving."*

## **Alaska Marine Highway Operations Board (AS 19.65.110)**

The following are the AMHOB members as of June 30th, 2025:

### **Chair**

Wanetta Ayers  
Public/Speaker (Anchorage)

### **Vice-Chair**

Anthony Lindoff  
Alaska Native Organization/Governor (Anchorage)

### **Members**

Larry "Norm" Carson  
Public/Restricted/Governor (Pelican)

Paul Johnsen  
Public/Senate President (Petersburg)

Keith Hillard  
Union - Current AMHS Captain (Juneau)

Bob Horchover  
Public/Governor (Kodiak)

Katherine Keith  
Deputy Commissioner/DOT&PF (Anchorage)

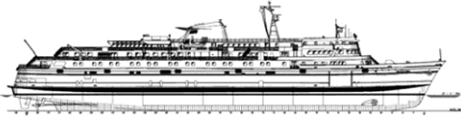
### **DOT&PF - Staff Support**

Craig Tornga  
Marine Director

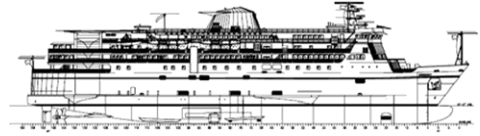
Kim Griffith  
AMHOB Liaison

Gabe Strong  
AMHS Public Information Officer

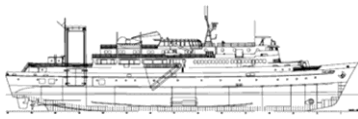
## Profile of the Fleet



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



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



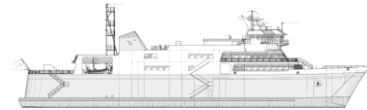
**M/V Tustumena**  
296 feet  
Built 1964



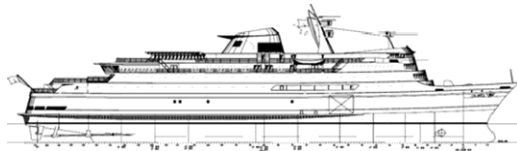
**M/V Lituya**  
181 feet  
Built 2004



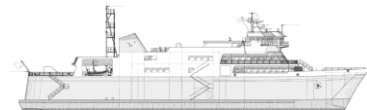
**M/V LeConte**  
235 feet  
Built 1974



**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**

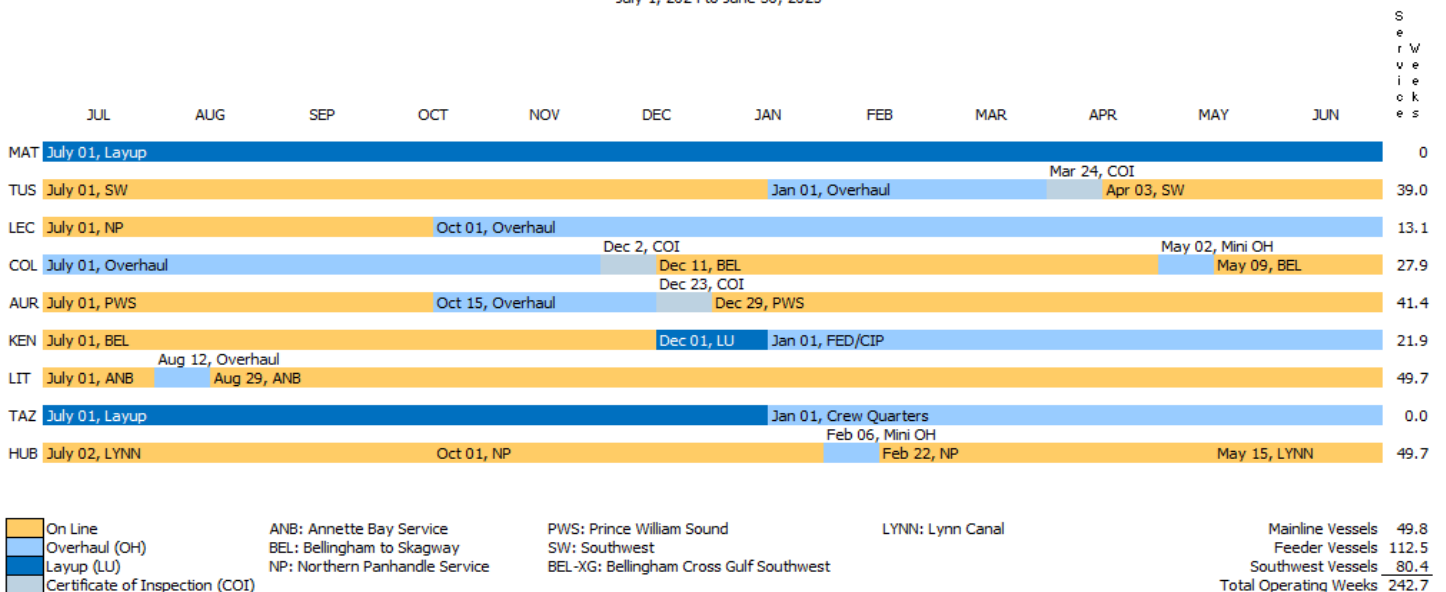
Akutan  
Chenega Bay  
Chignik  
Cold Bay  
Cordova  
False Pass  
Homer  
King Cove  
Kodiak  
Old Harbor  
Ouzinkie  
Port Lions  
Sand Point  
Seldovia  
Tatitlek  
Unalaska / Dutch Harbor  
Valdez  
Whittier

**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>									
<b>Gross:</b>	9,214	4,529	13,009	3,124	3,124	12,635	758	5,304	5,304
<b>Net:</b>	3,824	1,451	4,932	987	987	3,790	227	1,591	1,591
<b>Domestic Tonnage</b>									
<b>Gross:</b>	3,029	2,174	3,946	1,328	1,280	9,978	97	3,217	3,217
<b>Net:</b>	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>									
<b>4 berth</b>	5	6	45	-	-	48	-	-	-
<b>3 berth</b>	21	-	-	-	-	-	-	-	-
<b>2 berth</b>	79	17	56	-	-	58	-	-	-
<b>4 berth ADA</b>	-	-	-	-	-	2	-	-	-
<b>2 berth ADA</b>	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, 2024 to June 30, 2025



# Financial

Alaska Marine Highway System, Annual Financial Report 2025

**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	\$ 31,155	\$ -
Stateroom Sales	3,498	-
Passenger Services Sales	2,541	-
Other Unrestricted Revenue	4	-
Current Operating Total	37,198	-
Federal Receipts	-	3,447
Accrued Federal Receipts		66,234
<b>Total Revenues</b>	<b>37,198</b>	<b>69,681</b>
<b>Expenditures:</b>		
Current Operating:		
Support Services	2,019	-
Reservations & Marketing	-	1,391
Marine Engineering	236	1,920
Operations Management	905	5,428
Shore Operations	-	10,079
Marine Fuel	-	14,529
Overhaul	-	1,756
Marine Vessel Operations	13,088	105,736
Current Operating Total	16,248	140,839
Capital Overhaul	22,216	-
<b>Total Expenditures</b>	<b>38,464</b>	<b>140,839</b>
Excess/(Deficiency) of Revenues	(1,266)	(71,158)
Financing Uses from the State		
Unrestricted General Fund		70,688
Other		470
Fund Balance, Beginning of Year	19,519	
<b>Fund Balance, End of Year; Undesignated</b>	<b>\$ 18,253</b>	<b>\$ -</b>

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

	<b>Fiscal Year Ended June 30, 2025</b>			<b>Fiscal Year Ending June 30, 2026</b>		<b>Fiscal Year Ending June 30, 2027</b>
	<b>Estimated Revenues</b>	<b>Actual Revenues</b>	<b>Actual Over (Under) Estimated</b>	<b>Estimated Revenues</b>	<b>Revenues 12/31/2025</b>	<b>Estimated Revenues</b>
<b>Restricted</b>						
Federal Receipts	\$ 41,667	\$ 3,447	\$ (38,220)	\$ 49,778	\$ 4,088	\$ 83,300
Accrued Federal Receipts	-	66,234	66,234	-	-	-
<b>Total Restricted</b>	<b>41,667</b>	<b>69,681</b>	<b>28,014</b>	<b>49,778</b>	<b>4,088</b>	<b>83,300</b>
<b>Unrestricted AMHS Fund</b>						
Ticket Sales	39,537	31,155	(8,382)	33,409	19,841	33,121
Stateroom Sales	5,141	3,498	(1,643)	3,390	2,592	4,226
Passenger Service Sales	4,466	2,541	(1,925)	2,450	1,653	2,500
Other Unrestricted Revenue	57	4	(53)	-	-	-
<b>Total Unrestricted</b>	<b>49,201</b>	<b>37,198</b>	<b>(12,003)</b>	<b>39,249</b>	<b>24,086</b>	<b>39,847</b>
<b>Total Revenues</b>	<b>\$ 90,868</b>	<b>\$ 106,879</b>	<b>\$ 16,011</b>	<b>\$ 89,027</b>	<b>\$ 28,174</b>	<b>\$ 123,147</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 FY2025, \$22 million was appropriated for the annual Vessel Overhaul and Deferred Maintenance Capital Budget and \$6.5 million was added from the FY25 Supplemental bill.

### Note 4 – Restricted Revenue

Accrued federal receipts represent grant revenues earned for allowable expenditures incurred during the fiscal year but not yet received as of year-end. Management has determined that collection of these amounts is reasonably assured based on compliance with grant requirements and prior reimbursement history.

### Note 5 – Basis of Amounts Presented

Reported values are derived from financial reports generated using the "PL Fiscal Year" parameters relevant to the reporting period.

### Note 6 – Estimated Revenues

Estimated revenues reflect legislative appropriation and historical revenue trends.

# Statistical

Alaska Marine Highway System, Annual Financial Report 2025

**Operating Revenue by Vessel\***  
**FY 2016 - 2025**  
**(In Thousands)**

<b>VESSEL</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>	<b>FY25</b>
Aurora	2,721	3,228	3,458	3,359	2,325	783	2,447	3,258	3,432	3,527
Chenega	675	-	-	-	-	-	-	-	-	-
Columbia	7,471	5,500	10,929	15,060	6,118	-	-	8,096	11,428	10,954
Fairweather	2,049	2,418	2,516	2,024	-	-	-	-	-	-
Hubbard	-	-	-	-	-	-	-	962	4,930	6,931
Kennicott	7,705	11,198	9,873	11,296	4,193	11,775	9,964	9,458	8,479	9,285
Leconte	3,634	4,015	4,356	4,587	981	3,239	4,332	5,812	2,742	990
Lituya	812	1,117	1,069	1,159	1,067	935	991	955	1,328	1,351
Malaspina	11,316	7,481	7,785	8,355	5,580	-	-	-	-	-
Matanuska	7,192	7,863	4,329	-	2,586	8,556	11,614	6,738	-	2
Taku	-	-	-	-	-	-	-	-	-	-
Tazlina	-	-	-	782	2,504	-	324	382	-	-
Tustumena	3,566	2,865	2,981	4,133	2,863	2,374	1,407	3,852	3,854	4,082
Contract Vessels	-	-	-	-	3	-	186	176	78	76
Non Vessel Revenue	16	74	21	47	39	200	44	61	20	-
<b>TOTAL</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>	<b>37,198</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 2016 - 2025**  
**(In Thousands)**

<b>VESSEL</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>	<b>FY25</b>
Aurora	6,264	7,051	8,569	8,031	3,807	3,837	8,238	9,380	10,417	10,559
Chenega	3,899	878	345	208	241	158	-	-	-	-
Columbia	14,312	13,298	19,131	20,341	8,605	4,648	4,946	15,106	19,887	22,293
Fairweather	6,894	8,248	6,433	4,944	242	185	-	-	-	-
Hubbard	-	-	-	229	1,181	1,249	837	4,213	12,928	13,192
Kennicott	17,074	18,121	20,549	18,270	9,121	18,186	19,175	18,144	21,297	16,270
LeConte	9,087	9,511	10,374	9,678	4,120	8,816	9,285	11,529	11,376	9,512
Lituya	963	1,065	1,197	1,155	1,068	1,069	1,292	1,418	1,767	1,953
Malaspina	14,794	8,215	12,185	17,006	8,377	483	425	-	-	-
Matanuska	17,078	15,909	7,729	2,380	8,455	13,233	16,130	10,779	9,401	11,354
Taku	3,414	1,261	203	-	-	-	-	-	-	-
Tazlina	-	-	-	2,713	5,964	1,903	2,687	3,767	2,950	3,111
Tustumena	10,884	10,644	11,316	10,986	8,372	8,837	7,177	12,812	13,369	14,531
Vessel Leave	13,339	13,350	13,478	13,845	11,375	9,496	9,690	9,756	10,049	12,844
All Vessels	7,145	8,347	11,252	12,603	9,216	9,471	9,815	13,103	10,356	19,422
<b>TOTAL</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>	<b>135,041</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.