Alaska Railroad releases 2019 Annual Report
Fostering and fulfilling economic potential helps financial turn-around

ANCHORAGE, Alaska – The Alaska Railroad Corporation (ARRC) released its 2019 annual report today. 2019 was a pivotal year, as the railroad began emerging from the financial uncertainty that has marked the last decade. The 2019 audited financial statements tell a turn-around story. The year’s net income of $21.6 million came from total revenues of $203 million, a 7.5 percent increase over 2018. Operating income came in at $4.7 million — triple the $1.5 million in 2018 — resulting in an operating ratio of 0.97.

The year was particularly good for freight, which generated 42 percent of the railroad’s total revenues. Freight total revenues of $85.3 million were the best since 2014, and nearly $14 million more than 2018. ARRC’s rail-barge business between Seattle and Whittier contributed the most, with growth driven in large part by oil and gas activity on the North Slope.

On the passenger side, even natural disaster service interruptions did not keep total 2019 passenger revenues ($39.6 million) from surpassing 2018 revenues ($38.99 million). Overall, our total passenger ridership remained well above a half million, with 522,101 passengers.

The railroad’s real estate business also helped, contributing about a million more to the bottom line in 2019 ($14.04 million), compared to 2018 ($13.03 million). Several real estate transactions that began in 2018 and were completed in 2019 drove economic opportunity along the rail belt. Actions fostered potential in home construction, marine service, tourism and community infrastructure sectors.

Throughout the year, we prepared for growth in areas of greatest potential and need, pumping railroad dollars into projects that could open economic doors. These investments ranged from building road access to bolster community and business development in Anchorage; to completing rail infrastructure in support of a new Anchorage-Fairbanks fuel distribution system; to pursuing a public-private partnership to replace the passenger dock and terminal in Seward.

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Even as the railroad’s 2019 annual report recaps a promising year, the 2019 novel coronavirus (COVID-19) pandemic has again thrown a good measure of uncertainty into the mix.

"We recognize COVID-19 is weighing heavily on the global economy, and the railroad is responding with the ingenuity and durability that are our hallmarks," said President & CEO Bill O’Leary. "Whatever the outcome of COVID-19, one thing is certain. The Alaska Railroad is stronger for the gains, triumphs and investments made during 2019. We remain realistic and optimistic that the railroad can bank on that strength, foster growth where it is most plausible, and help fellow Alaskans weather the challenges ahead."

The report is available online at www.AlaskaRailroad.com > CORPORATE > Leadership > Reports

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