

**State of Alaska
FY2004 Governor's Operating Budget**

**Department of Transportation/Public Facilities
International Airport Systems Office
BRU/Component Budget Summary**

BRU/Component: International Airport Systems Office

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Component Mission

The mission of the International Airport System Office is to provide relevant and reliable financial statements to the international airport system.

Component Services Provided

- Establish uniform accounting practices and financial reporting requirements.
- Arrange for annual audit by independent CPA.
- Provide uniform fee structures for use of the airports' facilities and services.
- Identify cost reductions that do not jeopardize the traveling public safety.
- Identify new revenue sources and enhance existing ones.

Component Goals and Strategies

- Monitor effectively and efficiently the financial affairs of the Alaska International Airport System (AIAS) composed of Anchorage International Airport and Fairbanks International Airport.
- Expand revenue sources and identify cost savings opportunities.

Key Component Issues for FY2003 – 2004

- Establish uniform accounting practices and financial reporting requirements.
- Arrange for, coordinate and oversee the annual audit by an independent CPA.
- Provide uniform fee structures for use of the airports' facilities and services.
- Identify cost reductions that do not jeopardize the traveling public safety.
- Identify new revenue sources and enhance existing ones.

Major Component Accomplishments in 2002

- Successfully implemented first year of the five-year Operating Agreement for ANC and FIA airports.
- Implemented new rate and fees model for rate calculations.
- Continued Residential Sound Insulation Program and Land Acquisition program.
- Amended FAA passenger facility charges (PFC) agreement to allow payments of both principle and interest on debt service.
- Coordinated the 2002 bond issuance (Series A & B) of \$140,780,000.

Statutory and Regulatory Authority

- FAR Part 108, 612
- AS 18 Health/Safety
- AS 37.15.430

International Airport Systems Office
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	132.9	226.7	225.2
72000 Travel	58.3	19.2	23.0
73000 Contractual	93.4	120.4	130.4
74000 Supplies	3.9	4.1	4.1
75000 Equipment	0.0	10.8	10.8
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	288.5	381.2	393.5
Funding Sources:			
1027 International Airport Revenue Fund	288.5	381.2	393.5
Funding Totals	288.5	381.2	393.5

**International Airport Systems Office
Proposed Changes in Levels of Service for FY2004**

No service changes.

**Summary of Component Budget Changes
From FY2003 Authorized to FY2004 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	0.0	0.0	381.2	381.2
Adjustments which will continue current level of service:				
- \$75 per Month Health Insurance Increase for Non-covered Staff	0.0	0.0	0.9	0.9
- Annualize FY2003 COLA increase for General Government and Supervisory Bargaining Units	0.0	0.0	1.4	1.4
Proposed budget increases:				
- Add IARF for contracted audit services fees	0.0	0.0	10.0	10.0
FY2004 Governor	0.0	0.0	393.5	393.5

International Airport Systems Office

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	169,724
Part-time	0	0	Premium Pay	603
Nonpermanent	0	0	Annual Benefits	61,111
			<i>Less 2.70% Vacancy Factor</i>	(6,238)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	225,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	1	0	0	0	1
Accountant IV	1	0	0	0	1
Intl Airpts Controller	1	0	0	0	1
Totals	3	0	0	0	3