

State of Alaska
FY2005 Governor's Operating Budget

Department of Transportation/Public Facilities
Southeast Region Highways and Aviation
Component Budget Summary

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Component: Southeast Region Highways and Aviation

Contribution to Department's Mission

Operate, maintain, protect and control the state's highway, harbor and airport systems.

Core Services

- Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems including: maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.
- Airport security including: access control, badging, lock and key control, and fencing.
- Airport compliance, including inspection and assurance that state airports are operated in accordance with FAA operating regulations.
- Control access to state rights of way for driveways, access roads, signs and utilities.

FY2005 Resources Allocated to Achieve Results		
FY2005 Component Budget: \$10,762,400	Personnel:	
	Full time	60
	Part time	5
	Total	65

Key Component Challenges

- Protecting Alaska's investment in its transportation infrastructure is a key concern. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with an ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel; cost of maintaining new infrastructure such as airport taxiways and lighting systems and highway traffic signals; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items currently exceeds \$25 million.
- Increased costs have been offset to some degree by use of federal capital funds. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost-reducing efforts, the infusion of capital funds, and our operating revenues. These budget shortfalls have mandated that we focus our maintenance efforts on urgent repairs rather than conduct a systematic preventative maintenance program for all transportation infrastructures. We are unable to dedicate adequate maintenance efforts to highly deteriorated sections of high volume roads (such as South Tongass Highway), low volume roads, remote harbor facilities, and seaplane floats.
- Airport security continues to be a major issue. We are continuing to implement Transportation Security Administration (TSA) mandated changes to our security programs. Personnel must now perform mandated functions such as security management, inspection, and access control.

Significant Changes in Results to be Delivered in FY2005

- Funds are included in this budget request to cover the increasing costs of employee benefits, equipment usage, and maintaining new lane miles. Anlaysia of total impact on service levels has not yet been determined.
- At the same time reductions are being made to the purchase of highway paint, calcium chloride, aggregate, and winter ice control as well as reductions in equipment rental, overtime, rural airport service and brush cutting.

Major Component Accomplishments in 2003

- Gustavus: Performed intensive maintenance and upgrades to the small boat float.
- Haines: Completed major repairs to Klehini River Bridge. Repaired deteriorated sections of Lutak Road and Mud Bay Road, and applied chip seal life extension surfaces to four local roads. Installed new tie-down points, repaired apron, and relocated gate at Haines Airport.
- Juneau: Completed major ditching, brushing, and guard rail cleaning on various highways in the Juneau area.
- Kake: Cut brush on airport and repainted airport markings.
- Ketchikan: Completed extensive ditching and brushing; performed numerous spot repairs of deteriorating pavement, primarily on South Tongass Highway.
- Klawock: Completed chip seal repair of 5 miles of Hydaburg Highway. Crack sealed Klawock airport runway and added hard surface to safety areas to facilitate snow removal and brush control.
- Petersburg: Crack sealed Petersburg Airport runway.
- Sitka: Performed emergency pavement repair on Halibut Point Road. Applied fog seal coat to airport apron.
- Skagway: Installed .5 miles of new guard rail on Klondike Highway.
- Yakutat: Crack sealed runway and taxiway. Improved drainage on Alsek Road.
- Region-wide: Performed extensive ditching and brushing on roads and airports throughout the Region.

Statutory and Regulatory Authority

- A.S. 02 - Aeronautics
- A.S. 30 - Harbors & Shipping
- A.S. 38 - Motor Vehicles
- A.S. 44 - State Government
- AAC 13 - Public Safety
- AAC 14 - Public Works
- AAC 17 - DOT&PF
- CFR 14 - Aeronautics
- CFR 23 – Highway

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Southeast Region Highways and Aviation Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,474.3	5,155.0	5,270.2
72000 Travel	131.2	84.5	81.5
73000 Contractual	3,021.5	3,400.6	3,542.9
74000 Supplies	2,460.7	1,931.1	1,867.8
75000 Equipment	289.5	0.0	0.0
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	10,377.2	10,571.2	10,762.4
Funding Sources:			
1004 General Fund Receipts	8,733.2	8,902.7	9,185.0
1007 Inter-Agency Receipts	279.8	90.3	90.3
1027 International Airport Revenue Fund	538.7	542.5	562.1
1061 Capital Improvement Project Receipts	411.9	573.5	603.7
1108 Statutory Designated Program Receipts	51.9	83.8	86.6
1156 Receipt Supported Services	361.7	378.4	234.7
Funding Totals	10,377.2	10,571.2	10,762.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	40.0	0.0	0.0
Unrestricted Total		40.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	279.8	90.3	90.3
Statutory Designated Program Receipts	51063	51.9	83.8	86.6
Receipt Supported Services	51073	361.7	378.4	234.7
Capital Improvement Project Receipts	51200	411.9	573.5	603.7
Restricted Total		1,105.3	1,126.0	1,015.3
Total Estimated Revenues		1,145.3	1,126.0	1,015.3

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	8,902.7	0.0	1,668.5	10,571.2
Adjustments which will continue current level of service:				
-Changes to Retirement and Other Personal Services Benefits	0.0	0.0	59.8	59.8
-Transfer regional leasing activities to Statewide Aviation	0.0	0.0	-150.9	-150.9
Proposed budget decreases:				
-Reduce maintenance activities and commodity purchases	-92.0	0.0	0.0	-92.0
-Vacancy factor adjustment to reduce personal services by 25.0	-25.0	0.0	0.0	-25.0
Proposed budget increases:				
-Continue maintenance at FY04 service level	399.3	0.0	0.0	399.3
FY2005 Governor	9,185.0	0.0	1,577.4	10,762.4

**Southeast Region Highways and Aviation
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2004</u> <u>Authorized</u>	<u>FY2005</u> <u>Governor</u>		
Full-time	63	60	Annual Salaries	3,120,358
Part-time	6	5	Premium Pay	608,128
Nonpermanent	0	0	Annual Benefits	1,571,149
			<i>Less 0.56% Vacancy Factor</i>	<i>(29,435)</i>
			Lump Sum Premium Pay	0
Totals	69	65	Total Personal Services	5,270,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager I	0	0	1	0	1
Analyst/Programmer II	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Journey II	0	0	10	15	25
Equip Operator Jrny III/Lead	0	0	0	25	25
Leasing Officer II	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Rural Airport Foreman	0	0	1	4	5
Trans Maint Manager II	0	0	1	0	1
Trans Maint Manager III	0	0	1	0	1
Totals	0	0	21	44	65