

State of Alaska FY2002 Governor's Operating Budget

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

Component: International Airport Systems Office

Contact: Bill O'Leary, Controller

Tel: (907) 266-2404 **Fax:** (907) 266-2100 **E-mail:** Bill_OLeary@dot.state.ak.us

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. Enhance revenue sources and identify cost savings opportunities.

Key Component Issues for FY2001 – 2002

- 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.
- Conducting negotiations for renewal of a 5-year operating agreement with signatory air carriers.

Major Component Accomplishments for FY2000

- Completed Passenger Facility Charge (PFC) application for both FIA and AIA.
- Designed and implemented new Lake Hood cost accounting tracking.
- Issued \$25 million in revenue bonds to complete the financing for the redevelopment and improvement of AIA facilities (Gateway Alaska project).

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

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	136.1	145.4	220.5
72000 Travel	12.1	19.2	19.2
73000 Contractual	134.2	120.4	120.4
74000 Supplies	5.6	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	288.0	299.9	375.0
Funding Sources:			
1027 International Airport Revenue Fund	288.0	299.9	375.0
Funding Totals	288.0	299.9	375.0

International Airport Systems Office

Proposed Changes in Levels of Service for FY2002

This component is requesting an additional accountant position to assist in additional bond activities and tracking of capital projects anticipated with the execution of a new operating agreement.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	299.9	299.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-0.9	-0.9
Proposed budget increases:				
-Add 25-#003 \$76.0 IARF for one fulltime Accountant IV to help monitor construction funds.	0.0	0.0	76.0	76.0
FY2002 Governor	0.0	0.0	375.0	375.0

International Airport Systems Office

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	2	3	Annual Salaries	163,258
Part-time	0	0	COLA	2,838
Nonpermanent	0	0	Premium Pay	2,479
			Annual Benefits	56,745
			<i>Less 2.14% Vacancy Factor</i>	(4,820)
			Lump Sum Premium Pay	0
Totals	2	3	Total Personal Services	220,500

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