

# **State of Alaska FY2005 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Fairbanks Airport Administration Component Budget Summary**

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**Component: Fairbanks Airport Administration**

**Contribution to Department's Mission**

The mission of Fairbanks International Airport (FAI) Administration component is to provide the overall airport management and leadership necessary to assure that all Airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner.

**Core Services**

Specific services include: planning, organizing, directing and controlling airport functions; development and implementation of strategic management plans; operating and capital budget development; negotiation and administration of 155 leases, implementing airline operating agreements, administering other airport permits; management of over 500 aircraft tie-down and float pond permits, collection of air carrier fees, rents, concession and other revenues, collection and dissemination of airport statistical and financial data; revenue, expenditure, and statistical analysis; and computer network and work station maintenance.

FY2005 Resources Allocated to Achieve Results		
<b>FY2005 Component Budget: \$1,594,700</b>	<b>Personnel:</b>	
	Full time	12
	Part time	0
	<b>Total</b>	<b>12</b>

**Key Component Challenges**

- In an effort to improve the delivery of services, FAI management will evaluate potential change in policy and direction including organizational restructuring, airport land development, and capital development.
- The AIAS Controller projects that the landing fee will be increasing in accordance with the rates and fees model as the international airport system begins to service the debt from bond sales. In addition, rate increases are also forecast for tiedown fees and land rental rates as the airport moves toward a fair market valuation of airport property.
- Planning and design for future capital projects are being accelerated due to possible term extension of the Operating Agreement with signatory air carriers and the need to identify potential future capital projects needs beyond FY 06.
- A major Terminal Master Plan initiative is underway to address numerous deficiencies in the existing facility and plan for current and future needs. The results of this planning process will most likely govern terminal facility development and expansion for the next twenty years and beyond.
- Completion of the Airport Master Plan will affect current and future lease negotiations as the Leasing Office encourages existing and new tenants to locate their businesses in conformance with airport land use goals.
- Airport staff is working with Statewide Aviation and Ted Stevens Anchorage International Airport in a review and comparison of international airport regulations (17 AAC 42) to rural airport regulations (17 AAC 45) and to update either or both chapters as appropriate.
- Leasing will be working with tiedown permittees who will be affected by the proposed expansion of electrical tiedown spaces: handling temporary positioning during construction, assigning displaced non-electrical permittees a new space, and assigning newly created electrical spaces to those on the wait list for electrical space.
- Staff will be working with the ad hoc float pond working group for the development of an acceptable float pond fuel tank policy that is code compliant by spring 2004, at which time new float pond slips that have already been constructed will be made available for assignment.

**Significant Changes in Results to be Delivered in FY2005**

No changes in the level of service are anticipated.

## Major Component Accomplishments in 2003

- The Leasing Office worked closely with operations and maintenance staff to manage the relocation of many tie-down permittees and aircraft to new parking sites following the relocation and extension of the General Aviation runway and gravel ski strip.
- The Leasing Office worked with airport manager, engineer, safety, operations and members of the general aviation public to address float pond fuel tank standards, appropriate regulatory code compliance requirements, known non-compliance issues, and development of a transition plan to bring all tank installations into compliance.
- Successful negotiation and lease of Block 103, Lot 3A & 3B for proposed development of a new hangar and FBO facility for Arctic Air Alaska, and Block 103, Lot 2D for proposed development of a new hangar for private aircraft parking and aircraft maintenance.
- Tthe airport manager, engineering staff and leasing staff worked to develop an initial commercial property development plan for airport lands identified as having little or no potential for aviation or auxiliary use.
- Leasing and accounting staff worked together to implement the acceptance of scheduled credit card payments for semi-annual tiedown permit fees.

## Statutory and Regulatory Authority

AS 2 Aeronautics

AS 44 State Govt.

17 AAC Chapter 40, Aviation

FAR Part 139

49 CFR, dealing with airport security: TSR 1500, 1503, 1520, 1540, 1542, 1544, and 1546

Contact Information
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**Fairbanks Airport Administration  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2003 Actuals</b>	<b>FY2004 Authorized</b>	<b>FY2005 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	813.4	1,043.7	985.4
72000 Travel	17.4	15.9	15.9
73000 Contractual	498.7	524.2	524.2
74000 Supplies	67.0	69.2	69.2
75000 Equipment	0.2	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
<b>Expenditure Totals</b>	<b>1,396.7</b>	<b>1,653.0</b>	<b>1,594.7</b>
<b>Funding Sources:</b>			
1027 International Airport Revenue Fund	1,367.0	1,623.3	1,565.0
1061 Capital Improvement Project Receipts	29.7	29.7	29.7
<b>Funding Totals</b>	<b>1,396.7</b>	<b>1,653.0</b>	<b>1,594.7</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2003 Actuals</b>	<b>FY2004 Authorized</b>	<b>FY2005 Governor</b>
<b>Unrestricted Revenues</b>				
Unrestricted Fund	68515	7,670.7	6,998.7	7,612.5
<b>Unrestricted Total</b>		<b>7,670.7</b>	<b>6,998.7</b>	<b>7,612.5</b>
<b>Restricted Revenues</b>				
Capital Improvement Project Receipts	51200	29.7	29.7	29.7
<b>Restricted Total</b>		<b>29.7</b>	<b>29.7</b>	<b>29.7</b>
<b>Total Estimated Revenues</b>		<b>7,700.4</b>	<b>7,028.4</b>	<b>7,642.2</b>

**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>
<b>FY2004 Authorized</b>	<b>0.0</b>	<b>0.0</b>	<b>1,653.0</b>	<b>1,653.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Changes to Retirement and Other Personal Services Benefits	0.0	0.0	54.7	54.7
-Transfer out PCN 25-3072 Accounting Technician II to Statewide Admin Services	0.0	0.0	-19.3	-19.3
-Transfer out funding to Human Resources for HR integration	0.0	0.0	-19.2	-19.2
<b>Proposed budget decreases:</b>				
-Delete Analyst Programmer	0.0	0.0	-74.5	-74.5
<b>FY2005 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>1,594.7</b>	<b>1,594.7</b>

**Fairbanks Airport Administration  
Personal Services Information**

<b>Authorized Positions</b>		<b>Personal Services Costs</b>		
	<u>FY2004</u>	<u>FY2005</u>		
	<b>Authorized</b>	<b>Governor</b>		
Full-time	15	12	Annual Salaries	662,087
Part-time	0	0	Premium Pay	35,314
Nonpermanent	0	0	Annual Benefits	297,976
			<i>Less 1.00% Vacancy Factor</i>	<i>(9,977)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>15</b>	<b>12</b>	<b>Total Personal Services</b>	<b>985,400</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Accounting Spvr I	0	1	0	0	1
Accounting Tech II	0	1	0	0	1
Administrative Clerk III	0	2	0	0	2
Administrative Manager III	0	1	0	0	1
Administrative Svcs Mgr	0	1	0	0	1
Airport Manager Fairbanks	0	1	0	0	1
Leasing Officer II	0	2	0	0	2
Leasing Officer III	0	1	0	0	1
Micro/Network Spec I	0	1	0	0	1
Secretary	0	1	0	0	1
<b>Totals</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>12</b>