

**State of Alaska
FY2006 Governor's Operating Budget**

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

Component: International Airport Systems Office

Contribution to Department's Mission

Provide relevant and reliable financial information to the international airport system.

Core Services

- Set rates and charges for air carriers serving Alaska International Airport System.
- Ensure appropriate accounting and financial policies and procedures are in place for the airport system.
- Arrange for and oversee the annual audit by independent CPA.
- Provide uniform fee structures for use of the airports' facilities and services.
- Assist in the negotiation of the airport operating agreement and in the implementation and monitoring of its requirements.
- Monitor capital project funding needs for the airport system and financing alternatives.
- Coordinate AIAS revenue bond issues on behalf of the airport system.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$606,100	Personnel:	
	Full time	4
	Part time	0
	Total	4

Key Component Challenges

- Issue new revenue bonds for AIAS FY2006-2007 capital programs.
- Begin developing and negotiating post-FY2007 operating agreement with signatory airlines.
- Closeout Concourse “C” construction projects and capitalize all assets.

Significant Changes in Results to be Delivered in FY2006

No changes.

Major Component Accomplishments in 2004

- Began negotiations on extension of AIAS/AAAC operating agreement and related capital program expansion.
- Continued to maximize non-airline revenues, thereby keeping AIAS rates and fees at competitive levels.
- Contracted with airline technical representatives to facilitate day-to-day communication with airlines regarding planning, design and construction of AIAS capital projects.
- Successfully sold \$97.4 million in par value revenue bonds. The bonds were to finance the completion of the Ted Stevens Anchorage International Airport (ANC) C Concourse (\$48 million), ongoing capital needs at both ANC and Fairbanks International Airport (FAI) (\$13.9 million), to refinance debt sold in 1993 (\$23.9) and provide reserves, issuance costs and capitalized interest (\$11.6). Maintained a Moody’s “A1”, and Standard & Poors “A”, and a Fitch “A+” ratings.

Statutory and Regulatory Authority

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

Contact Information
<p>Contact: Michael Marting, Controller Phone: (907) 266-2404 Fax: (907) 266-2100 E-mail: Michael_Marting@dot.state.ak.us</p>

**International Airport Systems Office
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	231.8	286.0	295.3
72000 Travel	9.7	23.0	23.0
73000 Services	132.8	272.9	272.9
74000 Commodities	1.5	4.1	4.1
75000 Capital Outlay	0.0	10.8	10.8
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	375.8	596.8	606.1
Funding Sources:			
1027 International Airport Revenue Fund	375.8	596.8	606.1
Funding Totals	375.8	596.8	606.1

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	0.0	0.0	596.8	596.8
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	2.1	2.1
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	6.3	6.3
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	0.9	0.9
FY2006 Governor	0.0	0.0	606.1	606.1

**International Airport Systems Office
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u>	<u>FY2006</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	4	4	Annual Salaries	198,333
Part-time	0	0	COLA	2,539
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	106,065
			<i>Less 0.47% Vacancy Factor</i>	<i>(1,437)</i>
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	305,500

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
Accounting Clerk I	1	0	0	0	1
Intl Airpts Controller	1	0	0	0	1
Totals	4	0	0	0	4