

State of Alaska FY2006 Governor's Operating Budget

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

Component: Fairbanks Airport Administration

Contribution to Department's Mission

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

- Plan, organize, direct and control airport functions.
- Develop and implement strategic management plans.
- Develop operating and capital budgets.
- Negotiate and administer 155 leases.
- Implement airline operating agreements.
- Administer other airport permits.
- Manage over 500 aircraft tie-down and float pond permits.
- Collect air carrier fees, rents, concession and other revenues.
- Collect and disseminate airport statistical and financial data.
- Provide revenue, expenditure, and statistical analyses.
- Maintain computer network and work stations.

FY2006 Resources Allocated to Achieve Results		
FY2006 Component Budget: \$1,540,100	Personnel:	
	Full time	12
	Part time	0
	Total	12

Key Component Challenges

- One of Fairbanks International Airport's largest challenges is generating more revenue opportunities and maintaining existing revenues to support airport functions. Staff will focus on the following areas to assist in this effort: continue negotiating the lease of lease Block 1, Lot 2 to Alaska Aerofuel, Inc. for the development of large new commercial hangar facility and expansion of existing FBO operation; review and implement lease/permit application fees and permit fees commensurate with industry standards and regional adjustments wherever appropriate; analyze the location of food/beverage and gift shops in conjunction with the terminal planning/design project to identify more accessible and lucrative locations for these concessions; review leases that are in holdover and execute new agreements; implement the north apron lease expansion project; and work with the air carrier leases that are in closure as a result of by-pass mail legislation in an attempt to keep them in good standing and current with their lease terms and conditions.
- Improving customer service is important to this airport. Areas of concentration over the next year will be to work with an ad hoc working group for development of an acceptable float pond fuel tank and to develop and implement a leasing and tiedown customer service questionnaire.
- Although security remains a key challenge, efficient airport operations does not have to jeopardize security. A blast analysis is being conducted with the expectation of addressing TSA bomb concerns that directly affect public parking and revenues. The analysis is expected to allow the airport to recapture a portion of long term parking, which is the major component of parking revenue.

Significant Changes in Results to be Delivered in FY2006

No changes in the level of service are anticipated.

Major Component Accomplishments in 2004

- Managed temporary and permanent relocations of tiedown permittees in association with the expansion of general aviation electrical tiedown service.
- Accommodated all persons on the back-in electrical wait list and thus eliminated the wait list for that category of space. Similarly, taxi-through electrical wait list was reduced by placing 14 persons into the newly electrified spaces.
- Opened the newly created East Float Pond Expansion area to occupancy, and thus eliminated the wait list for the east float pond.
- Successfully implemented a rate increase for all general aviation aircraft tie-down rates including transient parking and the Air Camping Park.
- Successfully negotiated airport land leases for proposed development of three new hangars on Block 108, Lots 1A, 1B, & 1C; for proposed development of a new hangar, office space, and FBO operations on Block 4, Lots 4 & 5; for the purchase and proposed improvement of an existing hangar on Block 3, Lot 9; and for the doubling of the leased premises with proposed fill and surface improvements for Double D Leasing.
- Successfully negotiated a brokerage agreement to market commercial development of airport lands previously identified in the airport master plan as having no aviation or auxiliary use demand.

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

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	859.9	1,069.4	962.2
72000 Travel	13.8	17.9	17.9
73000 Services	482.6	526.2	500.0
74000 Commodities	47.7	74.2	60.0
75000 Capital Outlay	5.6	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,409.6	1,687.7	1,540.1
Funding Sources:			
1027 International Airport Revenue Fund	1,379.9	1,658.0	1,510.4
1061 Capital Improvement Project Receipts	29.7	29.7	29.7
Funding Totals	1,409.6	1,687.7	1,540.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	7,039.6	7,919.5	8,128.1
Unrestricted Total		7,039.6	7,919.5	8,128.1
Restricted Revenues				
Capital Improvement Project Receipts	51200	29.7	29.7	29.7
Restricted Total		29.7	29.7	29.7
Total Estimated Revenues		7,069.3	7,949.2	8,157.8

**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	1,687.7	1,687.7
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	6.2	6.2
-Transfer funds to Facilities and Field & Equipment Maintenance to cover heating/fuel costs	0.0	0.0	-40.4	-40.4
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	26.9	26.9
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	3.5	3.5
Proposed budget decreases:				
-Delete Administrative Clerk III	0.0	0.0	-91.8	-91.8
-Decrement excess personal services funding	0.0	0.0	-52.0	-52.0
FY2006 Governor	0.0	0.0	1,540.1	1,540.1

**Fairbanks Airport Administration
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	13	12	Annual Salaries	660,683
Part-time	0	0	COLA	7,035
Nonpermanent	0	0	Premium Pay	3,140
			Annual Benefits	340,749
			<i>Less 1.06% Vacancy Factor</i>	(10,707)
			Lump Sum Premium Pay	0
Totals	13	12	Total Personal Services	1,000,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech 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 II	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
Totals	0	12	0	0	12