

**State of Alaska
FY2004 Governor's Operating Budget**

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

Component: Anchorage Airport Administration

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Component Mission

The mission of Ted Stevens Anchorage International Airport (ANC) 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.

Component Services Provided

- Supervise all ANC operations/activities and develop policies to assure compliance with all laws and regulations.
- Administer marketing and public relations programs.
- Plan capital improvement projects.
- Provide engineering oversight/coordination of ANC construction activities.
- Develop environmental policy and plans to meet laws and regulations.
- Provide budget and management reporting.
- Manage ANC real estate leases, airport parking facilities contracts and other 3rd party agreements

Component Goals and Strategies

This component provides administrative support to the other ANC components to operate the largest airport in the state safely, cost effectively and in a manner consistent with federal, state, and local regulatory requirements, high service standards, and sensitivity to users needs and surrounding community goals. These strategies include:

- Continuing work on a 20 year Airport Master Plan.
- Implementing revised Title 17 airport regulations.
- Planning for the growth in cargo operations, passengers and airport infrastructure requirements and listening to community concerns.
- Providing accurate financial and statistical information and guidance to airport staff, tenants, and other state and federal agencies.
- Managing the real property interests, rights and privileges in a manner consistent with the dynamic needs of general and commercial aviation tenants, other lessees and permit holders, the traveling public and the local community.
- Planning and execution of a capital improvement program consistent with the Airport Master Plan and Six-Year Capital Improvement Program.
- Achieving network connectivity essential to ANC communications and law enforcement activities with no down time.
- Planning and executing of a cost effective equipment replacement schedule that is responsive to changing information technology requirements within and beyond the ANC local area network.

Key Component Issues for FY2003 – 2004

The terrorist attacks of September 11, 2001 and the continuing changes to airport security requirements and guidelines have impacted all levels of airport management and staff and expenses. The administrative changes associated with responding to nationwide political and economic concerns will occupy significant amounts of time, energy and resources throughout the current and budget year.

New Title 17 regulations were promulgated in January 2001. Technical changes have been made to boilerplate language, but several agreement formats require extensive rewriting before new contracts can be offered. At the same time, Title 17 is undergoing further revision that will result in more changes to the application process and agreement language.

ANC is currently constructing a new "C" concourse as part of their Terminal Redevelopment Project. The new concourse is scheduled to open on May 1 2004, and will more than double the airport's square footage. No additional operation and maintenance costs are reflected in the FY 04 budget, although ANC expects to incur such expenses both prior to the

scheduled opening date, and certainly in the final two months of this (04) operating cycle. Consequently, it is likely the airport will need supplemental funding for this expansion during FY 04.

ANC will continue to work with the Alaska International Airport System Controller and the airlines to refine operating agreements, revenue bond sales to fund capital project budgets, and rates and fees.

Other important issues for ANC in the near future include:

- Gateway Alaska and Airport Terminal Redevelopment Program.
- Alaska Railroad Airport terminal development.
- Establishment of a consolidated ANC Business Information System as a basis for tenant development.

Major Component Accomplishments in 2002

- Improved all phases of airport security in response to September 11, 2001 terrorist attacks. Enhancements included expanded security screening facilities and enforcement officer oversight, addition of airport canine team, improved perimeter security, and badging & background checks of all airport personnel.
- Commenced residential Sound Insulation and Land Acquisition Programs.
- Completed installation of central server for a Flight Track and Noise Management System.
- Achieved reinstatement of progressive clearance programs by US Customs and INS.
- Submitted \$74M Federal Letter of Intent for ANC capital projects.
- Successfully implemented new Operating Agreement, which had become effective July 1, 2001.
- Prepared presentations on cargo and passenger marketing activity, Master Plan and MOA Comprehensive Plan, CIP Program, revenue benefits of airport activity to the Municipality of Anchorage, Emergency Mutual Aid successes, neighborhood relationship building, noise compatibility, and the Klatt Land Agreement.

Statutory and Regulatory Authority

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

Anchorage Airport Administration
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,316.5	3,570.8	3,646.0
72000 Travel	49.3	33.3	33.3
73000 Contractual	1,823.0	2,693.7	2,693.7
74000 Supplies	181.4	217.8	217.8
75000 Equipment	9.4	58.5	58.5
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	5,379.6	6,574.1	6,649.3
Funding Sources:			
1027 International Airport Revenue Fund	5,058.9	6,277.6	6,348.3
1061 Capital Improvement Project Receipts	320.7	296.5	301.0
Funding Totals	5,379.6	6,574.1	6,649.3

**Anchorage Airport Administration
Proposed Changes in Levels of Service for FY2004**

none

**Summary of Component Budget Changes
From FY2003 Authorized to FY2004 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	0.0	0.0	6,574.1	6,574.1
Adjustments which will continue current level of service:				
-Transfer PCN 25-1594 PFT to Operations ADN25-3-6557	0.0	0.0	-56.9	-56.9
-Transfer PCN 25-0084 PFT from Operations ADN25-3-6557	0.0	0.0	80.9	80.9
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.0	0.0	4.3	4.3
-Annualize FY2003 COLA increase for General Government, Confidential and Supervisory Bargaining Units	0.0	0.0	46.9	46.9
FY2004 Governor	0.0	0.0	6,649.3	6,649.3

Anchorage Airport Administration

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	51	51	Annual Salaries	2,760,926
Part-time	0	0	Premium Pay	83,852
Nonpermanent	0	0	Annual Benefits	1,017,162
			<i>Less 5.59% Vacancy Factor</i>	(215,940)
			Lump Sum Premium Pay	0
Totals	51	51	Total Personal Services	3,646,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	3	0	0	0	3
Administrative Clerk III	5	0	0	0	5
Administrative Manager IV	1	0	0	0	1
Airport Manager Anch	1	0	0	0	1
AK Intl Airport Sys Plnr	1	0	0	0	1
Analyst/Programmer III	1	0	0	0	1
Analyst/Programmer IV	1	0	0	0	1
Asst Commissioner	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Database Specialist II	1	0	0	0	1
Dev Spec II, Option A	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Engineer/Architect II	2	0	0	0	2
Engineer/Architect III	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Engineering Assistant II	1	0	0	0	1
Environmental Analyst II	1	0	0	0	1
Environmental Analyst III	3	0	0	0	3
Environmental Coordinator	1	0	0	0	1
Leasing Officer I	1	0	0	0	1
Leasing Officer II	5	0	0	0	5
Leasing Officer III	3	0	0	0	3
Micro/Network Tech II	2	0	0	0	2
Personnel Asst I	1	0	0	0	1
Planner II	1	0	0	0	1
Planner III	2	0	0	0	2
Procurement Spec I	1	0	0	0	1
Program Coordinator	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Safety Officer	1	0	0	0	1
Secretary	1	0	0	0	1
Spec Asst To The Comm I	1	0	0	0	1
Trans Planner I	1	0	0	0	1
Trans Planner II	1	0	0	0	1
Totals	51	0	0	0	51