

State of Alaska
FY2021 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 Alaska International Airports System (AIAS) and its stakeholders.

Core Services

- Establish uniform rates and charges for air carriers, concessionaires, and others using the AIAS, which consists of the Ted Stevens Anchorage International Airport and Fairbanks International Airport. Perform ongoing evaluation of those rates and charges to ensure financial goals are achieved.
- Provide for timely and informative financial reporting for use by state, Federal Aviation Administration, airport management, air carriers, rating agencies, bondholders, and other stakeholders.
- Ensure effective and appropriate accounting and financial internal controls, policies and procedures are in place.
- Evaluate the fiscal impact of airport development and administration plans such as terminal and field expansion, parking garages, land lease rates, and aircraft tie-down fees. Develop fiscal constraints to be followed by management.
- Identify auditing needs and arrange for and oversee the annual enterprise fund external financial audit.
- Assist in the ongoing implementation of the AIAS Passenger Terminal Lease and Operating Agreement.
- Monitor AIAS capital project funding needs, ensuring that appropriate financing methodologies are employed and alternatives are reviewed and considered as market conditions and funding requirements warrant.
- Coordinate with the Department of Revenue on AIAS revenue bond issues and ensure timely fulfillment of ongoing disclosure requirements.

Major Component Accomplishments in 2019

- Executed final \$16,500.0 bond redemption in FY2019, which completed long-term debt plan project to bring annual debt service down to \$30,000.0 annually.
- Implemented beginning of year and mid-year landing fee reductions of 16% and 3% respectively, which help promote fiscal stability for both domestic and international airlines operating at AIAS.

Key Component Challenges

- Maintaining customer confidence in AIAS through stability of rates and use terms and dissemination of useful and timely financial information.
- Projecting activity levels to develop accurate revenue budgets and managing expenses proficiently helps produce stable and reliable rate and fee levels, which in turn helps provide airline customers, especially international cargo carriers, with confidence needed to support current and planned operations.
- Continuing efforts to increase employee proficiency and their ability to function efficiently while more fully leveraging information collection and reporting efforts.

Significant Changes in Results to be Delivered in FY2021

No materially significant changes anticipated; will continue ongoing efforts at optimizing efficiency and productivity through continuous review of process and procedures.

Statutory and Regulatory Authority

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

Contact Information

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International Airport Systems Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2020</u> <u>Management</u> <u>Plan</u>	<u>FY2021</u> <u>Governor</u>		
Full-time	9	9	Annual Salaries	640,065
Part-time	0	0	COLA	5,941
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	406,129
			<i>Less 2.83% Vacancy Factor</i>	<i>(29,735)</i>
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	1,022,400

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accountant IV	1	0	0	0	1
Accounting Technician I	2	0	0	0	2
Accounting Technician II	1	1	0	0	2
Accounting Technician III	1	0	0	0	1
Intl Ap Ctrlr	1	0	0	0	1
Transportation Planner I	1	0	0	0	1
Totals	8	1	0	0	9

Component Detail All Funds
Department of Transportation/Public Facilities

Component: International Airport Systems Office (1649)
RDU: International Airports (189)

Non-Formula Component

	FY2019 Actuals	FY2020 Conference Committee	FY2020 Authorized	FY2020 Management Plan	FY2021 Governor	FY2020 Management Plan vs FY2021 Governor	
71000 Personal Services	891.0	992.7	992.7	992.7	1,022.4	29.7	3.0%
72000 Travel	4.5	15.9	13.4	13.4	13.4	0.0	0.0%
73000 Services	1,183.0	1,247.1	1,247.1	1,247.1	1,227.1	-20.0	-1.6%
74000 Commodities	6.5	6.6	6.6	6.6	6.6	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	2,085.0	2,262.3	2,259.8	2,259.8	2,269.5	9.7	0.4%
Fund Sources:							
1027 Int Airprt (Other)	2,085.0	2,262.3	2,259.8	2,259.8	2,269.5	9.7	0.4%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	2,085.0	2,262.3	2,259.8	2,259.8	2,269.5	9.7	0.4%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	9	9	9	9	9	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Transportation/Public Facilities

Component: International Airport Systems Office (1649)

RDU: International Airports (189)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2020 Conference Committee To FY2020 Authorized *****												
FY2020 Conference Committee												
	ConfCom	2,262.3	992.7	15.9	1,247.1	6.6	0.0	0.0	0.0	9	0	0
1027 Int Airprt		2,262.3										
Executive Branch 50% Travel Reduction												
	Veto	-2.5	0.0	-2.5	0.0	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		-2.5										
<p>State agency travel budgets, not covered under the exemptions of public safety, health, and disaster management, were reduced 50% in the Governor's FY2020 budget. Veto action removes legislative increases to state travel. Agencies will rely on technology and management efficiencies to reduce the amount of state employee travel.</p> <p>The State's fiscal reality dictates a reduction in expenditures across all agencies.</p>												
Subtotal		2,259.8	992.7	13.4	1,247.1	6.6	0.0	0.0	0.0	9	0	0
***** Changes From FY2020 Management Plan To FY2021 Governor *****												
FY2021 Salary and Health Insurance Increases												
	SalAdj	9.7	9.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		9.7										
FY2021 GGU Salary Increases: \$6.7												
FY2021 increase to GGU Health Insurance from \$1530 to \$1555 per member per month: \$3.0												
Align Authority with Anticipated Expenditures												
	LIT	0.0	20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to cover anticipated personal services costs. The remaining services authority is sufficient to cover anticipated expenditures.												
Totals		2,269.5	1,022.4	13.4	1,227.1	6.6	0.0	0.0	0.0	9	0	0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Travel

Component: International Airport Systems Office (1649)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000	Travel		4.5	13.4	13.4
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000 Travel Detail Totals			4.5	13.4	13.4
2000	In-State Employee Travel	In-state employee travel (per diem, airfare, mileage, and parking).	2.0	5.9	5.9
2002	Out of State Employee Travel	Out of state employee travel for airline meetings (per diem, airfare, mileage, parking).	2.5	7.5	7.5

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: International Airport Systems Office (1649)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000	Services		1,183.0	1,247.1	1,227.1
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			1,183.0	1,247.1	1,227.1
3000	Education Services	Conference registration, memberships and employee tuition (excluding information technology).	66.2	67.0	67.0
3001	Financial Services	Contract for financial audit for international airports.	181.4	200.0	200.0
3003	Information Technology	All information technology (IT) contractual cost such as software licensing, software maintenance, IT training, IT consulting, and IT equipment leases. Includes Shared Use Passenger System (EASE)/Local Departure Control System (LDCS)/Onsite Warranty and Annual/Seasonal Technical Support and Propworks/Airport Operational Database (AODB)/Flight Information Display System (FIDS) Annual Support.	462.8	480.0	470.0
3006	Delivery Services	Delivery services.	0.1	0.5	0.5
3007	Advertising and Promotions	Advertising (rates and fees public notices).	0.0	0.3	0.3
3008	Utilities	Utility services.	0.9	1.0	1.0
3011	Other Services	Alaska International Airport System Airport Technical Representative (ATR) contract and other services including PASSUR contract (radar based aircraft activities recording system).	200.5	225.0	225.0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: International Airport Systems Office (1649)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			1,183.0	1,247.1	1,227.1
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Computer services provided by the Department of Administration, Enterprise Technology Services, such as central server, data storage, printing, network services, open connect, and task order system.	11.7	15.0	15.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide FY2016 transfer of \$3.7 to Statewide Admin Services for consolidation of EPR lump sum funding. Telecommunications services provided by the Department of Administration, Enterprise Technology Services, such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio, and video conferencing.	0.0	0.1	0.1
3021	Inter-Agency Mail	Admin - Department-wide Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.1	0.1	0.1
3024	Inter-Agency Legal	Law - Department-wide Legal services provided by the Department of Law. This item funds legal services across both international airports providing efficiencies and better information flow to decision makers.	255.5	254.5	244.7
3027	Inter-Agency Financial	Admin - Department-wide Chargeback fees for financial services provided by Department of Administration, Division of Finance.	3.7	3.0	3.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Chargeback fees for the statewide coordinator for the Americans with Disabilities Act (ADA).	0.1	0.4	0.2

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: International Airport Systems Office (1649)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			1,183.0	1,247.1	1,227.1
3029	Inter-Agency Education/Training	Admin - Department-wide	0.0	0.2	0.2
		Department of Administration, Division of Finance training classes.			

Line Item Detail (1676)
Department of Transportation/Public Facilities
Commodities

Component: International Airport Systems Office (1649)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000	Commodities		6.5	6.6	6.6
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000 Commodities Detail Totals			6.5	6.6	6.6
4000	Business	Books, office supplies, subscriptions.	6.5	6.6	6.6

Inter-Agency Services (1682)
Department of Transportation/Public Facilities

Component: International Airport Systems Office (1649)

				FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
Component Totals				271.1	273.3	263.3
With Department of Administration				15.6	18.8	18.6
With Department of Law				255.5	254.5	244.7
Object Class	Servicing Agency	Explanation		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Computer services provided by the Department of Administration, Enterprise Technology Services, such as central server, data storage, printing, network services, open connect, and task order system.	11.7	15.0	15.0
			FY2016 transfer of \$3.7 to Statewide Admin Services for consolidation of EPR lump sum funding.			
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Telecommunications services provided by the Department of Administration, Enterprise Technology Services, such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio, and video conferencing.	0.0	0.1	0.1
3021	Inter-Agency Mail	Admin - Department-wide	Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.1	0.1	0.1
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law.	255.5	254.5	244.7
			This item funds legal services across both international airports providing efficiencies and better information flow to decision makers.			
3027	Inter-Agency Financial	Admin - Department-wide	Chargeback fees for financial services provided by Department of	3.7	3.0	3.0

Inter-Agency Services (1682)
Department of Transportation/Public Facilities

Component: International Airport Systems Office (1649)

Object Class		Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Administration, Division of Finance. Chargeback fees for the statewide coordinator for the Americans with Disabilities Act (ADA).	0.1	0.4	0.2
3029	Inter-Agency Education/Training	Admin - Department-wide	Department of Administration, Division of Finance training classes.	0.0	0.2	0.2

**Personal Services Expenditure Detail
Department of Transportation/Public Facilities**

Scenario: FY2021 Governor (16414)
Component: International Airport Systems Office (1649)
RDU: International Airports (189)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
25-0280	Accounting Technician III	FT	A	SS	Anchorage Intl Airport	200	16O	12.0		80,449	0	0	48,629	129,078	0
25-0862	Accounting Technician I	FT	A	GP	Anchorage Intl Airport	200	12E / F	12.0		45,898	629	0	35,791	82,318	0
25-2556	Intl Ap Ctrlr	FT	A	XE	Anchorage Intl Airport	N00	24N	12.0		126,118	0	0	65,400	191,518	0
25-2956	Accounting Technician II	FT	A	GP	Anchorage Intl Airport	200	14A / B	12.0		45,136	619	0	35,509	81,264	0
25-2975	Accountant III	FT	A	GP	Anchorage Intl Airport	200	18B / C	12.0		62,384	855	0	41,897	105,136	0
25-2986	Accounting Technician I	FT	A	GP	Anchorage Intl Airport	200	12E / F	12.0		45,390	622	0	35,603	81,615	0
25-3075	Accounting Technician II	FT	A	GP	Fairbanks	203	14B / C	12.0		48,939	671	0	36,917	86,527	0
25-3458	Accountant IV	FT	A	GP	Anchorage Intl Airport	200	20M	12.0		95,172	1,304	0	54,042	150,518	0
25-3737	Transportation Planner I	FT	A	GP	Anchorage Intl Airport	200	21G / J	12.0		90,579	1,241	0	52,341	144,161	0
													Total Salary Costs:	640,065	
													Total COLA:	5,941	
													Total Premium Pay:	0	
													Total Benefits:	406,129	
													Total Pre-Vacancy:	1,052,135	
													Minus Vacancy Adjustment of 2.83%:	(29,735)	
													Total Post-Vacancy:	1,022,400	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	1,022,400	
Total Component Months:		108.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1027 International Airport Revenue Fund	1,052,135	1,022,400	100.00%
Total PCN Funding:	1,052,135	1,022,400	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Department of Transportation & Public Facilities
 RDU: International Airports (189)
 Component: International Airport Systems Office (1649)
 FY2021 Governor's Budget

9 PFT
 All positions located at Anchorage International
 Airport unless otherwise noted by *.
 25-0005 budgeted in Commissioner's Office component.

