



Alaska Department of Transportation & Public Facilities

Budget & Department Overview *for Senate Finance Subcommittee*

Ryan Anderson, P.E.

Commissioner of DOT&PF

Dom Pannone

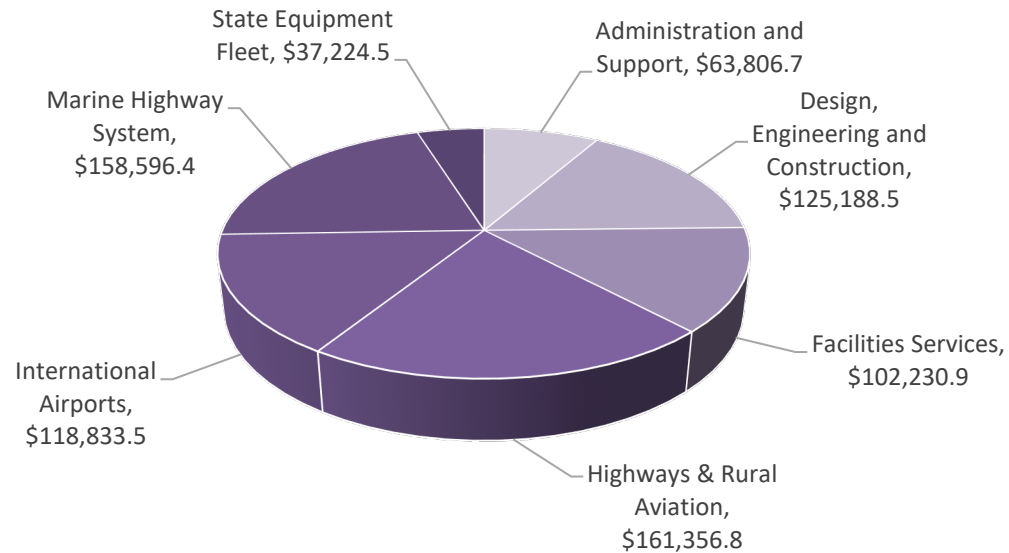
Director, Program Management &
Administration

February 29, 2024

DOT&PF Budget Overview

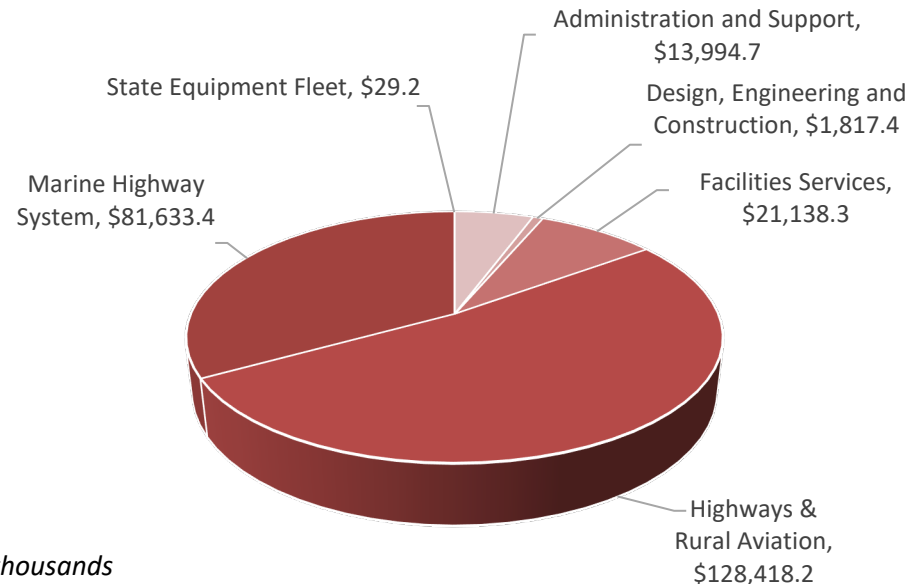
FY2025 Operating: All Funds

Results Delivery Unit	FY2025 Gov. Amended
Administration and Support	\$63,806.7
Design, Engineering and Construction	\$125,188.5
Facilities Services	\$102,230.9
Highways & Rural Aviation	\$161,356.8
International Airports	\$118,833.5
Marine Highway System	\$158,596.4
State Equipment Fleet	\$37,224.5
Total	\$767,237.3



FY2025 Operating: Unrestricted General Funds + Designated General Funds

Results Delivery Unit	FY2025 Gov. Amended
Administration and Support	\$13,994.7
Design, Engineering and Construction	\$1,817.4
Facilities Services	\$21,138.3
Highways & Rural Aviation	\$128,418.2
International Airports	\$0.0
Marine Highway System	\$81,633.4
State Equipment Fleet	\$29.2
Total	\$247,031.2



\$ in thousands

February 29, 2024





FY2023 Budget Lookback

Delivering the Program

- \$422M of Direct Covid relief funds from FY2020 to FY2024
 - Addressing needed repairs
 - Reduce UGF
 - Supporting operations
- Keeping Equipment in service longer, delaying replacement
 - Operational cost increases with older equipment
 - Increases need for repairs, downtime
- Emergency Weather & Catastrophic Event Funds
 - Helped to absorb operational spikes in costs
 - Received \$13.2M in capital funds since FY2021
- Delaying purchases/commodity orders to the next fiscal year



FY2024 Budget Supplemental Requests



\$8,468.0 in FY2024 Supplemental Requests

- Highways & Rural Aviation, \$6,109.5
 - Unrestricted General Funds, \$5,935.5
 - Rural Airport Leasing Receipts, \$174.0
 - Weather Events, Infrastructure Repairs, Increases in Utilities and Commodities
- International Airports, \$2,358.5
 - 100 percent International Airport Revenue Fund
 - Operational Cost Increases

\$ in thousands

FY2024 Budget Supplemental Requests



Whittier Tunnel Funding Swap: \$2,875.0 UGF

- 2022 Federal Highway Administrations (FHWA) review of tolling agreements and maintenance contracts
- Tolling agreement: Initial determination was 80 percent participation rate under 23 USC 129
- Subsequent discussions regarding 23 USC 218 resulted in eligibility of 100 percent federal participation
- Maintenance contract: FHWA determined 51 percent of work eligible. Resulting in shortfall of \$2.9M
- Developing revised tolling agreement

\$ in thousands

FY2024 Budget Supplemental Requests

Highways & Rural Aviation (H&A) Requests

Utqiagvik Airport Facility Maintenance and Operations	\$174.0 OTHER
Traffic Signal Management Transfer of Responsibility Agreement	\$479.8 UGF
Wiseman Creek Bridge Deck Repairs	\$ 81.6 UGF
Steele Creek Drainage Repairs	\$ 99.5 UGF
Kiana Material Site Work	\$245.6 UGF
Fairbanks Area Winter Maintenance Contracts	\$350.0 UGF
Alaska Railroad Crossing Repairs	\$278.4 UGF
Sitka Airport Operations	\$350.0 UGF

\$ in thousands

FY2024 Budget Supplemental Requests

Central Region 2023 Snow Events: \$1,175.6 UGF

- **Nov. 8** Snowstorm starts. National Weather Service issues storm, high wind and flood warnings throughout Southcentral (Valdez, Thompson Pass, Anchorage, Turnagain Arm, Turnagain Pass, South & West Copper River Basin, Susitna and Matanuska Valleys, and Western Kenai Peninsula (over 50K sq. miles = New York)). Temperatures around 30-31F.
- **Nov. 8** Breaks daily snow record with 9" of heavy wet snow
- **Nov. 9** Continuous, up to 30" total snow fall, of high moisture content snow
- **Nov. 12** Another round of snow of over 7.5"

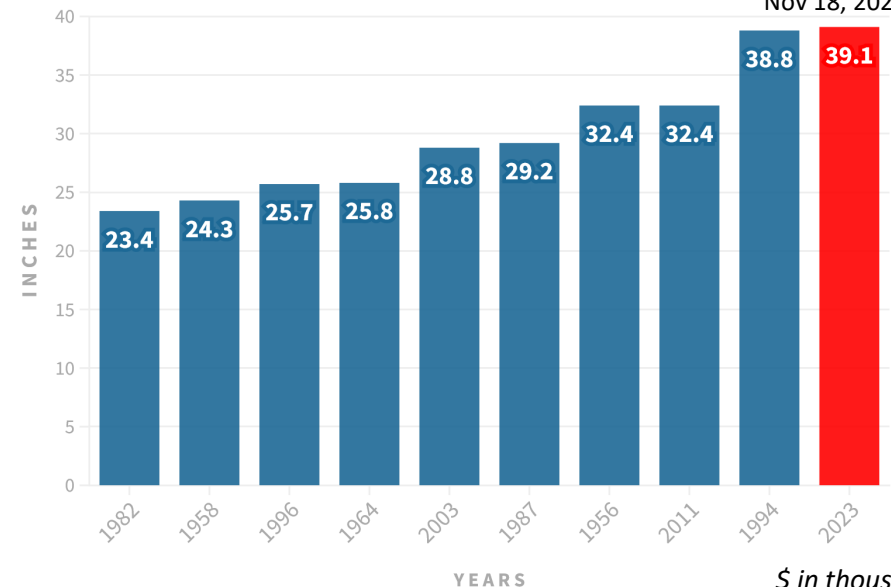
Relevant Factors

- Equipment down-time
- Moisture content of snow
- High-traffic volumes
- Winter shift change-overs just started
- Single snow haul site

Snowiest Novembers for Anchorage

Amounts shown in inches, 2023 total through Friday morning

Nov 18, 2023



\$ in thousands



FY2024 Budget Supplemental Requests



International Airport Systems

Amount

Increase

Operational Software Support	\$458.0	0.41%
Financial and Auditing Assistance and Statistical Report Writing	\$878.0	0.78%
Annual Auditing Services	\$400.0	0.36%
Airport Police & Fire Class Study	\$622.8	0.09%

International Airport Revenue Fund Total:

\$2,358.8

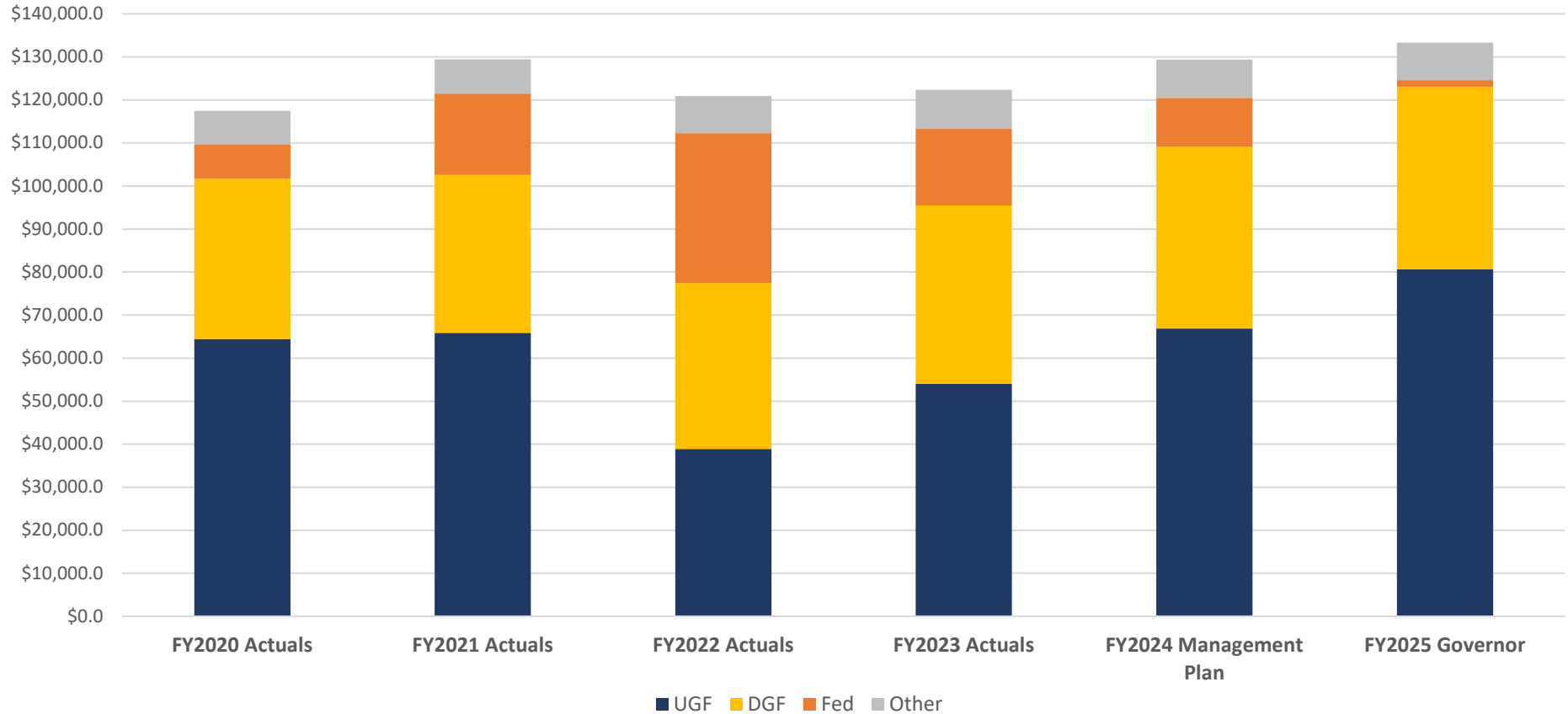
2.10%

\$ in thousands, increase from FY2024 enacted budget



CY2025 Operating Budget

Highways & Aviation, Contracted Snow Removal, Components



Fund Type	FY2020 Actuals	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
Unrestricted General Fund (UGF)	\$ 64,434.7	\$ 65,846.5	\$ 38,876.8	\$ 54,068.0	\$ 66,897.1	\$ 80,677.4
Designated General Fund (DGF)	\$ 37,248.8	\$ 36,696.0	\$ 38,577.0	\$ 41,424.1	\$ 42,212.6	\$ 42,376.7
Federal (Fed)	\$ 8,018.4	\$ 18,942.9	\$ 34,799.1	\$ 17,880.3	\$ 11,346.4	\$ 1,521.8
Other	\$ 7,770.7	\$ 7,911.3	\$ 8,659.7	\$ 8,958.4	\$ 8,897.7	\$ 8,713.0
Grand Total	\$ 117,472.6	\$ 129,396.7	\$ 120,912.6	\$ 122,330.8	\$ 129,353.8	\$ 133,288.9

Non-Duplicate Funds Only, \$ in thousands

FY2025 Operating Budget: Highways & Aviation

\$161,356.8 in FY2025

Overview:

- 14 Maintenance Districts
- 621 Equipment Operators
(Seasonal + Permanent)
- 80 Staffed DOT&PF Maintenance Camps
- 235 Airports: 26 have Part 139
Certification



Critical Job Class Vacancies

Equipment Operators:

- 28.9% vacancy rate statewide
- 75% Southfork
- 26% Dalton District
- 60% Northway

Annual Supplemental Re-Appropriations

- FY2021 \$1,000.0
- FY2022 \$4,661.3
- FY2023 \$7,566.0
- **Balance: \$3,036.3**

FY2024 capital supplemental request, \$344.9 (Re-Appropriation)
Emergency Weather, Catastrophic Events, and Unforeseen Critical Maintenance Needs

\$ in thousands



FY2025 Operating Budget: Core Changes

\$11,299.0 in FY2025 Operating UGF Increment Requests

- Highways & Rural Aviation, \$9,974.8
 - Rural Airport Lighting
 - Commodities Increases, Contracted Snow Removal
 - Changes in Federal Funding in Whittier
- Facilities Increases, \$1,309.2
 - Increased Utility & Energy Costs

\$10,177.1 in Fund Swap Requests

- Rural Airports Reverting from COVID Funds, \$9,827.1 to UGF
- Sitka Airport switching from International Airport Revenue Fund, \$350.0 to UGF

UGF: Unrestricted General Funds, \$ in thousands

FY2025 Operating Budget: Highways



Item	Highway System	Unrestricted General Fund Receipts
1	Rising Commodities Costs for Maintenance and Operations Activities	\$4,578.0
2	Establish New Component for Snow Removal to Improve Service to the Public	\$915.5
3	Agricultural Roads Maintenance	\$500.0
4	Reduced Federal Share	\$2,875.0
5	Increase to Cover Transfer of Responsibility Agreement (TORA)	\$479.8
Total		\$9,348.3

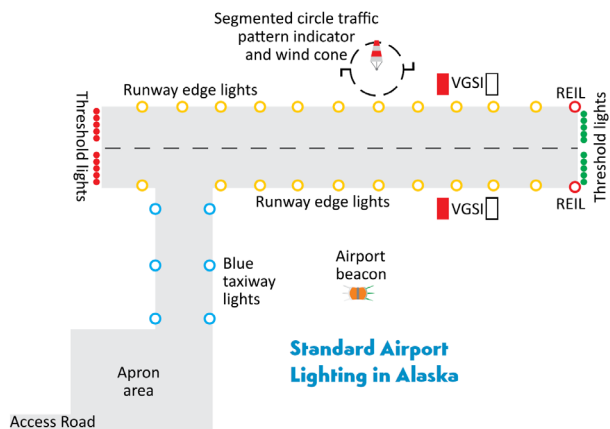
\$ in thousands



FY2025 Operating Budget: Aviation



Item	Rural Airport System	International Airports Revenue Fund	Unrestricted General Fund Receipts	Rural Airport Receipts
1	Add Rural Airport Leasing Receipt Authority for Law Enforcement Support in Adak			\$109.0
2	Sitka Airport Operations	-\$350.0	\$350.0	
3	Airport Lighting Repairs		\$626.5	
Total		-\$350.0	\$976.5	\$109.0



\$ in thousands



FY2025 Operating Budget: State Equipment Fleet

\$37,224.5 in FY2025

Overview:

- 51 Maintenance Shops across Alaska
- 156 Permanent Full time Positions
- Fleet includes heavy equipment, emergency and passenger vehicles
- Funded from Operating Rates paid into Highway Equipment Working Capital Fund (HEWCF)

Critical Job Class Vacancies: Mechanics

- 22% mechanic vacancies statewide
- 50% in Denali, Nome, Ketchikan
- 67% in Valdez, Bethel
- 100% in Tazlina

Co-located with Maintenance Camps in Districts

\$ in thousands



FY2025 Operating Budget: Div. of Facilities Services



\$102,230.9 in FY2025

Overview:

- Over 820 Facilities Served: DOT&PF; DEED; DOL&WD; DPS; DNR
- 144 Employees (PFT)
- 150 Projects for 10 Agencies

Transfer of direct funding from regional facility components, \$19,685.7

- Fewer Components, better visibility
- Reduces duplication of effort
- Puts funding with decision making
- \$222.5 DGF, \$160.1 FED, \$974.5 OTHER, \$18,328.6 UGF

Facilities Utilities Increase, \$1,309.2 UGF

From FY2019 to FY2023 utility expenditures have increased 15 percent across the three regions.

\$ in thousands

FY2025 Operating Budget: International Airports

\$118,833.5 in FY2025

Created over 50 years ago
CH88 SLA 1961 (AS 37.15.410-550)

Item	International Airport System	International Airports Revenue Fund
1	Airport Police & Fire Officer Class Study	\$2,182.5
2	Financial and Auditing Assistance and Statistical Report Writing	\$878.0
3	Annual Auditing Services	\$400.0
4	Aviation Worker Screening Program	\$1,119.4
5	Field Training Exercise	\$50.0
6	Mandatory FAA Live Fire Training	\$22.0
7	Increased Parking Contract	\$220.0
8	Operational Software Support	\$458.0
9	Public Safety Radio and Dispatch Systems Services	\$90.0
Total		\$5,419.9

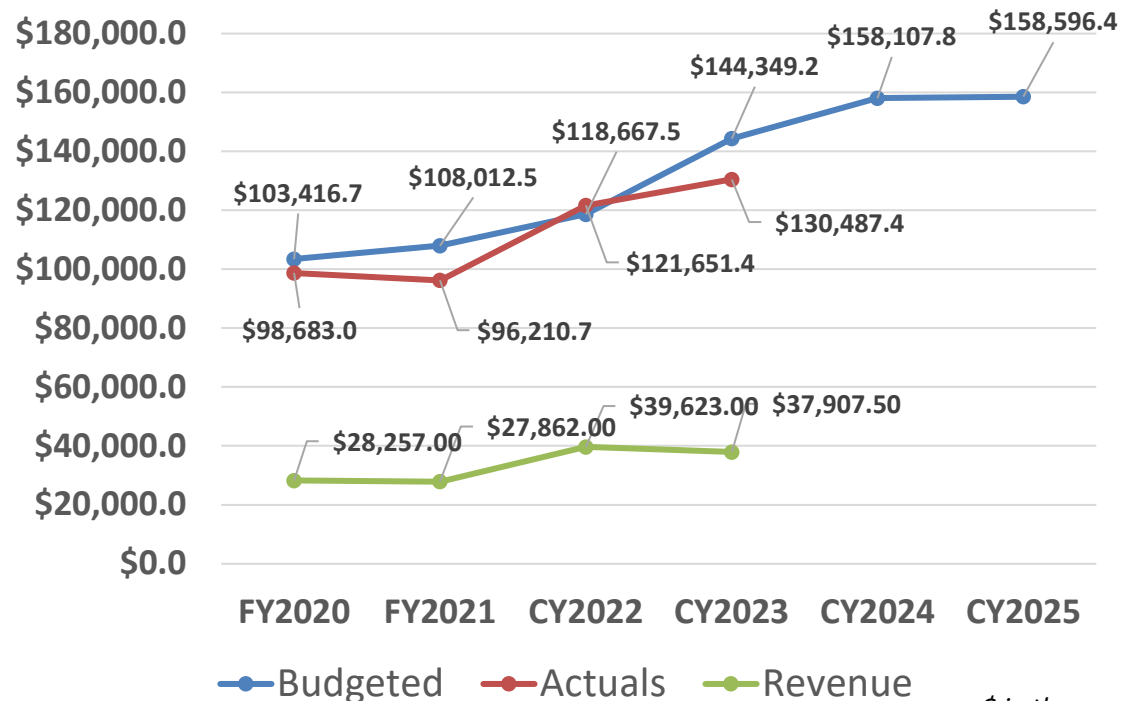
\$ in thousands

CY2025 AMHS Budget: Holding Steady

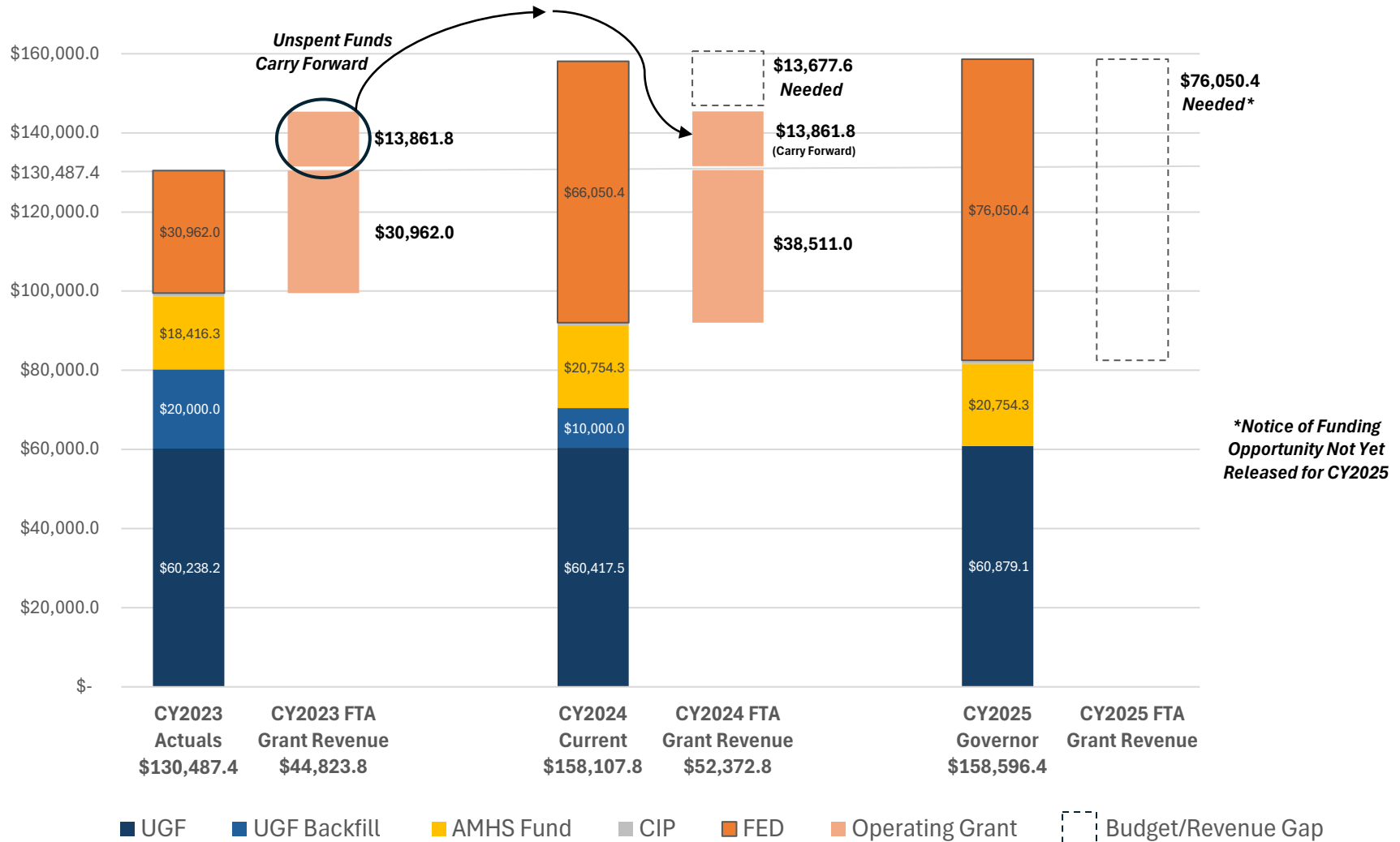


\$158,596.4 in CY2025

- Crew and Vessels still a challenge
- CY2023, approx. \$13,861.8 carried forward
- Hiring is trending in the right direction



Federal Authority & Revenue in Operating Budgets



Federal Funds: IIJA Rural Ferry Grant Program (Title 49, Sec. 5334) & Alaska Highway (Title 23, Sec. 218)

FTA: Federal Transit Administration

\$ in thousands

FY2025 Operating Budget: Looking to the Future



Interagency Receipts

- Transfer of OIT staff to department, \$1,091.9
- Marine Highway Vessel Payroll, \$778.1

Capital Program, Federal

- Data Modernization & Innovation Office, \$6,175.7
- Cross Functional Support, \$1,161.7

Organizational Efficiency

- Design, Engineering & Construction merged
- Facilities Services transfer of \$19,685.7

\$ in thousands

Thank you. Questions?

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