

Fund Source Report

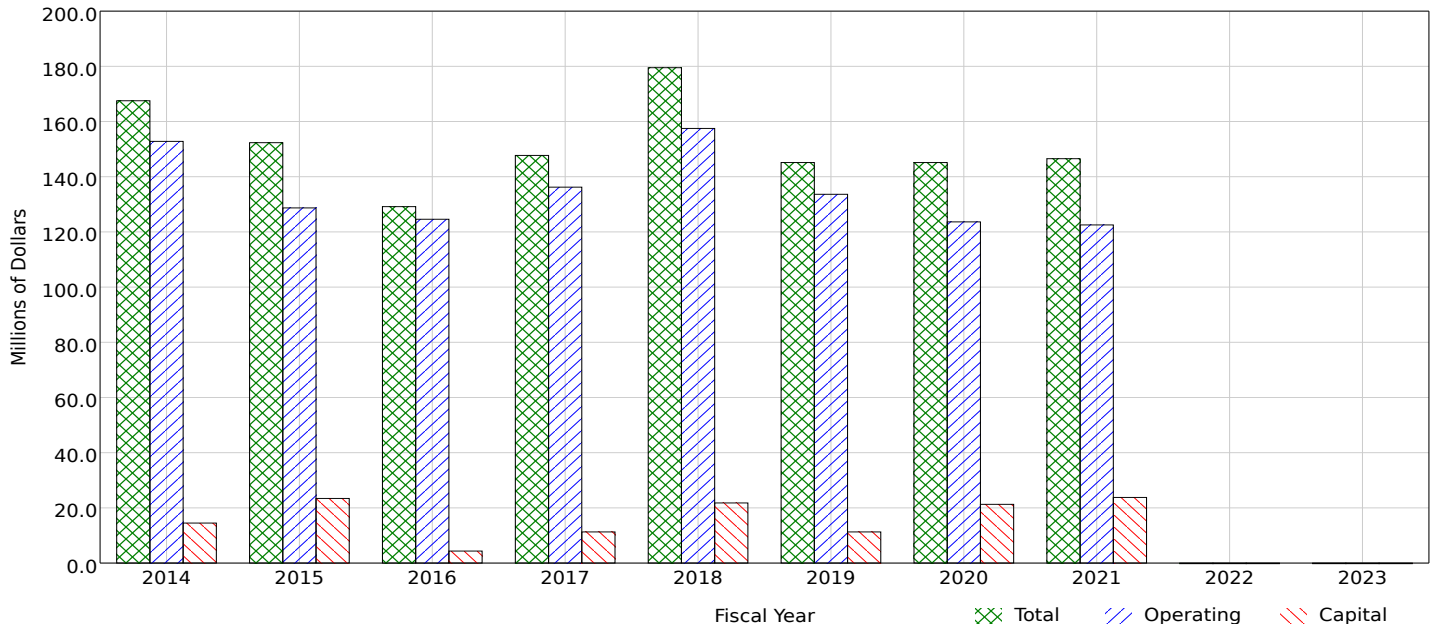
1027

IntAirport

International Airports Revenue Fund

Year Authorized: 1972 Year Repealed: Active?: Yes Mental Health?: No Duplicated?: No Fund Group: Other Designated

Operating and Capital Appropriations



Legal Authority

AS 37.15.430, AS 37.05.146(c)(3)

Source of Revenue

Consists of all revenue, fees, charges, and rentals derived by the state from the ownership, lease, use and operation of the airports and all of the facilities and improvements used in connection with them, except passenger facility charges (PFCs).

Restrictions on Use

The money in the revenue fund may be used only to pay costs related to the ownership, use, and operation of the international airports, including debt service, construction, maintenance, operations and repairs.

Description and History

Chapter 88, SLA 1961 established the International Airports Revenue Fund as an enterprise fund. The fund has been used to facilitate issuing revenue bonds for the construction of facilities at the Anchorage and Fairbanks airports. The International Airports, while operated as an enterprise, have remained the responsibility of the Department of Transportation and Public Facilities.

The state must deposit all revenue, fees, charges, and rentals derived by the state from the ownership, lease, use, and operation of the two international airports or any of the related facilities into the Revenue Fund. The Revenue Fund has three separate subfunds:

- 1) proceeds from the sale of bonds are placed in a Construction Fund;
- 2) gross revenue from airport operations is placed in a state-managed International Airport Revenue Fund; and
- 3) funds sufficient to insure timely payment of the interest and principal on outstanding revenue bonds are transferred into the Redemption Fund.

The Construction Fund has a separate fund code (1112). The primary difference between this fund and the International Airports Construction Fund is that the construction fund holds the proceeds of revenue bonds as well as airport revenues or other money appropriated for construction purposes. The monies are withdrawn as needed to repay contractors for construction expenses. Consequently, it is a declining fund which eventually pays out all of its principal and income.

See 1112 International Airports Construction Fund