



PIEDMONT TRIAD AIRPORT AUTHORITY
FISCAL YEAR 2023 PROPOSED BUDGET

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**PIEDMONT TRIAD AIRPORT AUTHORITY
FISCAL YEAR 2023 PROPOSED & CAPITAL BUDGET
HIGHLIGHTS**

Fiscal Year 2023 Proposed Budget Highlights

I. Revenues

Total budgeted revenue for FY 2023 is expected to increase 15.4% from the FY 2022 budget. The following factors contribute to the projected budget increase:

- Budgeted FY 2023 passengers are expected to increase 30.4%, climbing from 647,000 to 844,000. This increase represents an 83% recovery to 2019.
- The proposed terminal revenue is projected to increase 13.5% over FY 2022 adopted budget. This increase is due to an increase in rates as well as the addition of new jet bridge rental revenue.
- The Consumer Services is expected to increase 24.7% over FY 2022 adopted budget as a result of increased budgeted enplanements.
- Budgeted Parking revenue is projected to increase 24.8% over FY 2022 adopted budget as a result of increased budgeted enplanements.
- Landing and Fuel fees are projected to increase 24.1% over FY 2022 adopted budget due to rate increases and a projected increase in landing weights.
- Cargo Area Rentals, Fixed Based Operations and other land & facility rentals are projected to increase 4% over FY 2022 adopted budget as a result of new agreements.
- Passenger Facility Charges revenue is expected to increase 30.4% over FY 2022 adopted budget as a result of increasing enplanements.
- Customer Facility Charges budget has been adjusted down 18.9% to more closely reflect current CFC receipt trends based on enplanements.

II. Expenses

The FY 2023 expense budget is estimated to increase \$3.4M or 17.6% from the FY 2022 Adopted Budget. The increase is made-up of the following:

- Salaries & Wages (S&W) and benefits are estimated to increase \$1.8M or 9.2% of the increase. S&W make up \$1.2M or 6.2% of the increase mainly due to budgeting vacant positions and annual raises. Contract labor accounts for \$228K or 1.2% of the increase; 0.8% of the contract labor increase relates to an increase in Custodial Services contract labor and the remaining 0.4% of the increase relates to additional security budgeted in the Police department. A \$270K increase or 1.4% increase in benefits is a result of a 0.7% increase in contributions to the Retirement Plan of the Authority and a 0.7% increase in health insurance.
- Controllable expenses are anticipated to increase \$742K or 3.8%. Increases are expected across the board in the Authority's controllable expenses, mainly in the areas of office supplies, maintenance contracts, other supplies and repair and maintenance expenses.

- Commercial/Residential Property which includes Valet Parking makes up \$527K or 2.7% of the increase due to a Management Agreement entered into with a valet services provider.
- Professional Services makes up \$251K or 1.3% of the increase mainly due to an increase in Marketing & Public Relations and Misc. Professional Fees.
- Insurance makes up 0.3% of the increase.
- Utilities makes up 0.3% of the increase.

III. Operating Results

All operating revenue received by the Authority is derived from rentals and fees for the use of airport facilities and services. Any revenue earned that exceeds annual operating and debt service is re-invested in airport facilities. Total revenue for FY 2023 Proposed Budget is estimated to be \$28,764,949 is operating revenue with non-operating revenue of \$6,066,007; non-operating revenue consists of federal grants, interest on investments, passenger facility charges and customer facility charges. Operating expenses for FY 2023 Proposed Budget are estimated to be \$22,848,506 with debt service requirements of \$6,276,272 leaving \$5,706,178 available for future capital replacements.

Please note that the standard presentation shown does NOT include approximately \$5M in Airport Rescue Grant (ARG) funds in accordance with the American Rescue Plan Act which will reimburse Operating Expenses. Grants are normally project related, reimbursed as the project progresses, and traditionally not forecasted in the annual Income Statement budget. However, in this unique case, the ARG is intended to offset significantly lower Operating Results by design and will additionally increase funds “Available for Future Capital Replacements” to a total of approximately \$10.7M, including the normal Operating Result increase.

	FY 2023 PROPOSED BUDGET	FY 2022 ADOPTED BUDGET	FY 2023 OVER(UNDER) 22 ADOPTED	% INCREASE/ (DECREASE)
REVENUES:				
Operating Revenue	\$ 28,764,949	\$ 25,542,461	\$ 4,222,488	17.2%
Passenger Facility Charges	3,334,644	2,556,297	778,347	30.4%
Customer Facility Charges	2,059,413	2,538,500	(479,087)	(18.9%)
Restricted Income - LEO/K-9	271,950	220,500	51,450	23.3%
Interest Income	400,000	330,000	70,000	21.2%
TOTAL REVENUES	\$ 34,830,956	\$ 30,187,758	\$ 4,643,198	15.4%
EXPENDITURES:				
Operating Expenses	\$ 22,848,506	\$ 19,422,463	\$ 3,425,883	17.6%
Debt Service Requirements	6,276,272	6,224,501	51,771	0.8%
Future Capital Replacements	5,706,178	4,540,634	1,165,544	25.7%
Total Expenditures	\$ 34,830,956	\$ 30,187,758	\$ 4,643,198	15.4%
ENPLANEMENTS	844,000	647,000	197,000	30.4%

IV. 2023 Proposed Capital Budget Highlights

The Proposed FY 2023 Capital Program Budget of \$111,287,912 (including federal, state grants-in-aid and other local funds) includes the following projects and brings the total Capital Program Budget to \$571,610,134.

- Land Acquisition – \$15,000,000
- AIP Projects - \$750,000
- Major Capital Projects – \$91,236,000
- Furniture, Fixtures & Equipment – \$4,301,912

Projects that are federal or state aid eligible will be initiated only as grant-in-aid funds are approved.

PIEDMONT TRIAD AIRPORT AUTHORITY
 PROPOSED BUDGET
 FISCAL YEAR 2023

	<u>FY 2023 PROPOSED BUDGET</u>	<u>FY 2022 ADOPTED BUDGET</u>	<u>FY 20223 OVER(UNDER) 22 ADOPTED</u>	<u>% INCREASE (DECREASE)</u>
REVENUES:				
OPERATING REVENUE	\$ 28,764,949	\$ 24,542,461	\$ 4,222,488	17.2%
PASSENGER FACILITY CHARGES	3,334,644	2,556,297	778,347	30.4%
CUSTOMER FACILITY CHARGES	2,059,413	2,538,500	(479,087)	-18.9%
RESTRICTED INCOME - LEO/K-9	271,950	220,500	51,450	23.3%
INTEREST INCOME	<u>400,000</u>	<u>330,000</u>	<u>70,000</u>	<u>21.2%</u>
TOTAL REVENUES	<u>\$ 34,830,956</u>	<u>\$ 30,187,758</u>	<u>\$ 4,643,198</u>	<u>15.4%</u>
EXPENDITURES:				
OPERATING EXPENSES	\$ 22,848,506	\$ 19,422,623	\$ 3,425,883	17.6%
DEBT SERVICE REQUIREMENTS	6,276,272	6,224,501	51,771	0.8%
FUTURE CAPITAL REPLACEMENTS	<u>5,706,178</u>	<u>4,540,634</u>	<u>1,165,544</u>	<u>25.7%</u>
TOTAL EXPENDITURES	<u>\$ 34,830,956</u>	<u>\$ 30,187,758</u>	<u>\$ 4,643,198</u>	<u>15.4%</u>

PIEDMONT TRIAD AIRPORT AUTHORITY
125% RATE COVENANT
FISCAL YEAR 2023

	FY 2023 PROPOSED BUDGET	FY 2022 ADOPTED BUDGET
TOTAL OPERATING REVENUE	\$ 28,764,949	\$ 24,542,461
PASSENGER FACILITY CHARGES	3,334,644	2,556,297
INTEREST INCOME	400,000	330,000
TOTAL REVENUE	\$ 32,499,593	\$ 27,428,758
OPERATING EXPENSE	22,848,506	19,422,623
LESS: ARG/CRRSA GRANT	(5,000,000)	(5,000,000)
NET OPERATING EXPENSES	17,848,506	14,422,623
INCOME AVAILABLE FOR DEBT SERVICE	\$ 14,651,087	\$ 13,006,135
DEBT SERVICE REQUIREMENTS:		
INTEREST PAYMENT	\$ 1,340,272	\$ 1,391,501
PRINCIPAL PAYMENT	4,936,000	4,833,000
LESS: CARES ACT GRANT	-	(2,691,025)
TOTAL	\$ 6,276,272	\$ 3,533,475
	125%	125%
RATE COVENANT REQUIREMENT @ 125%	\$ 7,845,339	\$ 4,416,844
INCOME AVAILABLE FOR DEBT SERVICE REQUIREMENT	\$ 14,651,087	\$ 13,006,135
	(7,845,339)	(4,416,844)
EXCESS OVER 125%	\$ 6,805,748	\$ 8,589,291
RATE COVERAGE % PROJECTED	233%	368%

PIEDMONT TRIAD AIRPORT AUTHORITY
CAPITAL PROJECTS SUMMARY
FISCAL YEAR 2023

DESCRIPTION	PREVIOUS BUDGETED AMOUNT	FY 2023 BUDGETED AMOUNT	TOTAL BUDGET	TOTAL EXPENDITURES THROUGH 6/30/22	BALANCE	FY 2023 ESTIMATED CASH FLOW
LAND						
Less: STATE AID	\$ -	\$ 15,000,000	\$ 15,000,000	\$ -	\$ 15,000,000	\$ 15,000,000
AUTHORITY FUNDS						
	\$ -	\$ (9,000,000)	\$ (9,000,000)	\$ -	\$ (9,000,000)	\$ (9,000,000)
	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>
AIP PROJECTS						
Less: FEDERAL AID	\$ 169,322,222	\$ 750,000	\$ 170,072,222	\$ 52,967,241	\$ 117,104,981	\$ 15,694,797
Less: STATE AID	(152,612,222)	(675,000)	(153,287,222)	(47,790,517)	(105,496,705)	(13,867,540)
AUTHORITY FUNDS						
	<u>\$ (500,000)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>
	<u>\$ 16,210,000</u>	<u>\$ 75,000</u>	<u>\$ 16,285,000</u>	<u>\$ 5,176,724</u>	<u>\$ 11,108,276</u>	<u>\$ 1,827,257</u>
MAJOR CAPITAL PROJECTS						
Less: FEDERAL AID	\$ 291,000,000	\$ 91,236,000	\$ 382,236,000	\$ 34,908,190	\$ 347,327,810	\$ 98,310,799
Less: STATE AID	(20,469,812)	-	(20,469,812)	-	(20,469,812)	(2,500,000)
Less: OTHER SOURCES	(138,000,000)	(73,000,000)	(211,000,000)	(33,590,180)	(177,409,820)	(70,274,799)
Less: PFCs	-	(2,000,000)	(2,000,000)	-	(2,000,000)	(2,000,000)
Less: CFCs	(48,250,000)	-	(48,250,000)	(384,300)	(47,865,700)	-
AUTHORITY FUNDS						
	<u>\$ (41,500,000)</u>	<u>(600,000)</u>	<u>(42,100,000)</u>	<u>(856,710)</u>	<u>(41,243,290)</u>	<u>(5,900,000)</u>
	<u>\$ 42,780,188</u>	<u>\$ 15,636,000</u>	<u>\$ 54,416,188</u>	<u>\$ 77,000</u>	<u>\$ 54,339,188</u>	<u>\$ 17,636,000</u>
FURNITURE, FIXTURES and EQUIPMENT						
Less: FEDERAL AID	\$ -	\$ 4,301,912	\$ 4,301,912	\$ -	\$ 4,301,912	\$ 4,301,912
Less: STATE AID	-	(990,000)	(990,000)	-	(990,000)	(990,000)
AUTHORITY FUNDS						
	<u>\$ -</u>	<u>(1,322,537)</u>	<u>(1,322,537)</u>	<u>-</u>	<u>(1,322,537)</u>	<u>(1,322,537)</u>
	<u>\$ -</u>	<u>\$ 1,989,375</u>	<u>\$ 1,989,375</u>	<u>\$ -</u>	<u>\$ 1,989,375</u>	<u>\$ 1,989,375</u>
TOTAL						
Less: FEDERAL AID	\$ 460,322,222	\$ 111,287,912	\$ 571,610,134	\$ 87,875,431	\$ 483,734,703	\$ 133,307,508
Less: STATE AID	(173,082,034)	(1,665,000)	(174,747,034)	(47,790,517)	(126,956,517)	(17,357,540)
Less: OTHER SOURCES	(138,500,000)	(83,322,537)	(221,822,537)	(33,590,180)	(188,232,357)	(80,597,336)
Less: PFCs	-	(2,000,000)	(2,000,000)	-	(2,000,000)	(2,000,000)
Less: CFCs	(48,250,000)	-	(48,250,000)	(384,300)	(47,865,700)	-
AUTHORITY FUNDS						
	<u>\$ (41,500,000)</u>	<u>(600,000)</u>	<u>(42,100,000)</u>	<u>(856,710)</u>	<u>(41,243,290)</u>	<u>(5,900,000)</u>
	<u>\$ 58,990,188</u>	<u>\$ 23,700,375</u>	<u>\$ 82,690,563</u>	<u>\$ 5,253,724</u>	<u>\$ 77,436,839</u>	<u>\$ 27,452,632</u>