



PIEDMONT TRIAD AIRPORT AUTHORITY
FISCAL YEAR 2021 PROPOSED BUDGET

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**PIEDMONT TRIAD AIRPORT AUTHORITY
FISCAL YEAR 2021 PROPOSED & CAPITAL BUDGET
HIGHLIGHTS**

Fiscal Year 2021 Proposed Budget Highlights

I. Revenues

- Total revenues are expected to decrease 34.1% from Fiscal Year (FY) 2020 Adopted Budget.
- FY 2021 passengers are projected to decrease by 49% compared to FY 2020 Adopted Budget due to COVID-19.
- Terminal revenue is expected to decrease by 12.4% from the FY 2020 Adopted Budget due to decrease in rates.
- Consumer Services revenues are expected to decrease 51.6%. Decrease due to decrease in passengers.
- Parking revenue is expected to decrease 47.7%. Decrease due to decrease in passengers.
- Apron revenue is expected to decrease 7.7% with decrease in rates.
- Landing fees are expected to decrease approximately 20.8% with reduction of landed weights.
- Other income is expected to decrease 14.7% due mainly to the reduction of revenue from the hotel.
- Valet Parking /Taxi Service Center revenue is expected to decrease 54.8% due to the decrease in passengers.
- Interest Income is expected to decrease 66.8% due to lower yield rates.
- Passenger Facility Charges revenue is estimated to decrease 50.4% a result of decreased passengers.
- Customer Facility Charges revenue is estimated to decrease 45.0% due to the decrease in passengers.

II. Expenses

The FY 2021 expense budget is estimated to decrease 16.6% from the FY 2020 Adopted Budget. The decrease is mainly a result of COVID-19. The decrease is made up of the following:

- Salaries, Wages & Benefits account for 3.1% of the decrease. Salaries & Wages make up 2.8% of the decrease; mainly due to not filling vacant positions and no annual raises. Contract labor accounts for 2.2% of the decrease; 1.5% of the contract labor decrease relates to the reduction in Traffic Control Officers needed in the Police department and 0.7% of the decrease is in contract labor in Custodial Services. A 1.9% increase in benefits partially offsets the decrease with an increase in health insurance of 1.5% and the remaining 0.4% is a result of a full year implementation of a change to the Retirement Plan of the Authority.

- Controllable expenses are anticipated to decrease 5.7%. Decreases 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.
- Professional Services makes up 6.7% of the decrease mainly due to a decrease in Marketing & Public Relations.
- Utilities make up 0.9% of the decrease.
- Insurance makes up 0.2% of the decrease.

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 2021 Proposed Budget is estimated to be \$26,058,182; \$21,601,902 is operating revenue with non-operating revenue of \$4,456,280; non-operating revenue consists of federal grants, interest on investments, passenger facility charges and customer facility charges. Operating expenses for FY 2021 Proposed Budget are estimated to be \$16,560,855 with debt service requirements of \$6,223,880 leaving \$3,273,447 available for future capital replacements.

Please note that the standard presentation shown does NOT include approximately \$5.2M in CARES stimulus grants reimbursed for 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 grant itself 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 \$8.5M, including the normal Operating Result increase.

	<u>FY 2021 PROPOSED BUDGET</u>	<u>FY 2020 ADOPTED BUDGET</u>	<u>FY 2021 OVER(UNDER) 20 ADOPTED</u>	<u>% INCREASE/ (DECREASE)</u>
REVENUES:				
Operating Revenue	\$ 21,601,902	\$ 30,551,283	\$ (8,949,381)	(29.3%)
Passenger Facility Charges	2,133,540	4,303,864	(2,170,324)	(50.4%)
Customer Facility Charges	1,600,500	2,910,905	(1,310,405)	(45.0%)
Restricted Income - LEO/K-9	220,500	270,500	(50,000)	(18.5%)
INTEREST INCOME	501,740	1,510,725	(1,008,985)	(66.8%)
TOTAL REVENUES	\$ 26,058,182	\$ 39,547,277	\$(13,489,095)	(34.1%)
EXPENDITURES:				
Operating Expenses	\$ 16,560,855	\$ 19,864,577	\$ (3,303,722)	(16.6%)
Debt Service Requirements	6,223,880	6,275,270	(51,390)	(0.8%)
Future Capital Replacements	3,273,447	13,407,430	(10,133,983)	(75.6%)
Total Expenditures	\$ 26,058,182	\$ 39,547,277	\$(13,489,095)	(34.1%)
ENPLANEMENTS	540,000	1,064,000	(524,000)	(49.2%)

IV. 2021 Proposed Capital Budget Highlights

The Proposed FY 2021 Capital Program Budget of \$5,925,722 (including federal, state grants-in-aid and other local funds) includes the following projects and brings the total Capital Program Budget to \$371,055,722.

- Land Acquisition – \$500,000
- AIP Projects – \$3,542,222
- Major Capital Projects – \$1,665,000
- Furniture, Fixtures & Equipment – \$218,500

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 2021

	FY 2021 PROPOSED BUDGET	FY 2020 ADOPTED BUDGET	FY 2021 OVER(UNDER) 20 ADOPTED	% INCREASE (DECREASE)
REVENUES:				
OPERATING REVENUE	\$ 21,601,902	\$ 30,551,283	\$ (8,949,381)	-29.3%
PASSENGER FACILITY CHARGES	2,133,540	4,303,864	(2,170,324)	-50.4%
CUSTOMER FACILITY CHARGES	1,600,500	2,910,905	(1,310,405)	-45.0%
RESTRICTED INCOME - LEO/K-9	220,500	270,500	(50,000)	-18.5%
INTEREST INCOME	501,740	1,510,725	(1,008,985)	-66.8%
TOTAL REVENUES	<u>\$ 26,058,182</u>	<u>\$ 39,547,277</u>	<u>\$ (13,489,095)</u>	<u>-34.1%</u>
EXPENDITURES:				
OPERATING EXPENSES	\$ 16,560,855	\$ 19,864,577	\$ (3,303,722)	-16.6%
DEBT SERVICE REQUIREMENTS	6,223,880	6,275,270	(51,390)	-0.8%
FUTURE CAPITAL REPLACEMENTS	3,273,447	13,407,430	(10,133,983)	-75.6%
TOTAL EXPENDITURES	<u>\$ 26,058,182</u>	<u>\$ 39,547,277</u>	<u>\$ (13,489,095)</u>	<u>-34.1%</u>

PIEDMONT TRIAD AIRPORT AUTHORITY
125% RATE COVENANT
FISCAL YEAR 2021

	FY 2021 PROPOSED BUDGET	FY 2020 ADOPTED BUDGET
TOTAL OPERATING REVENUE	\$ 21,601,902	\$ 30,551,283
PASSENGER FACILITY CHARGES	2,133,540	4,303,864
INTEREST INCOME	501,740	1,510,725
TOTAL REVENUE	\$ 24,237,182	\$ 36,365,872
OPERATING EXPENSE	16,560,855	19,864,577
INCOME AVAILABLE FOR DEBT SERVICE	\$ 7,676,327	\$ 16,501,295
DEBT SERVICE REQUIREMENTS:		
INTEREST PAYMENT	\$ 1,492,880	\$ 1,592,149
PRINCIPAL PAYMENT	4,731,000	4,634,000
LESS: CARES/NCDOT GRANTS	(2,502,514)	(4,558,457)
TOTAL	\$ 3,721,365	\$ 1,667,692
	125%	125%
RATE COVENANT REQUIREMENT @ 125%	\$ 4,651,706	\$ 2,084,615
INCOME AVAILABLE FOR DEBT SERVICE REQUIREMENT	\$ 7,676,327 (4,651,706)	\$ 16,501,295 (2,084,615)
EXCESS OVER 125%	\$ 3,024,621	\$ 14,416,680
RATE COVERAGE % PROJECTED	206%	989%

**PIEDMONT TRIAD AIRPORT AUTHORITY
CAPITAL PROJECTS SUMMARY
FISCAL YEAR 2021**

DESCRIPTION	PREVIOUS BUDGETED AMOUNT	FY 2021 BUDGETED AMOUNT	TOTAL BUDGET	TOTAL EXPENDITURES THROUGH 6/30/20	BALANCE	FY 2021 ESTIMATED CASH FLOW
LAND	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ 500,000
AIP PROJECTS						
Less: FEDERAL AID	\$ 154,300,000	\$ 3,542,222	\$ 157,842,222	\$ 26,683,000	\$ 131,159,222	\$ 9,974,222
Less: STATE AID	(138,870,000)	(3,410,222)	(142,280,222)	(24,014,700)	(118,265,522)	(9,199,022)
Less: PFCs	(500,000)	-	(500,000)	-	(500,000)	-
AUTHORITY FUNDS	\$ 14,930,000	\$ 132,000	\$ 15,062,000	\$ 2,668,300	\$ 12,393,700	\$ 775,200
MAJOR CAPITAL PROJECTS						
Less: STATE AID	\$ 210,830,000	\$ 1,665,000	\$ 212,495,000	\$ 21,940,000	\$ 190,555,000	\$ 12,535,000
Less: OTHER LOCAL FUNDS	(92,900,000)	-	(92,900,000)	(16,010,000)	(76,890,000)	(6,220,000)
Less: PFCs	(35,600,000)	-	(35,600,000)	-	(35,600,000)	-
Less: CFCs	(25,000,000)	-	(25,000,000)	-	(25,000,000)	-
Less: CFCs	(20,000,000)	-	(20,000,000)	(900,000)	(19,100,000)	(100,000)
AUTHORITY FUNDS	\$ 37,330,000	\$ 1,665,000	\$ 38,995,000	\$ 5,030,000	\$ 33,965,000	\$ 6,215,000
FURNITURE, FIXTURES and EQUIPMENT						
	\$ -	\$ 218,500	\$ 218,500	\$ -	\$ 218,500	\$ 218,500
TOTAL	\$ 365,130,000	\$ 5,925,722	\$ 371,055,722	\$ 48,623,000	\$ 322,432,722	\$ 23,227,722
Less: FEDERAL AID	(138,870,000)	(3,410,222)	(142,280,222)	(24,014,700)	(118,265,522)	(9,199,022)
Less: STATE AID	(93,400,000)	-	(93,400,000)	(16,010,000)	(77,390,000)	(6,220,000)
Less: OTHER LOCAL FUNDS	(35,600,000)	-	(35,600,000)	-	(35,600,000)	-
Less: PFCs	(25,000,000)	-	(25,000,000)	-	(25,000,000)	-
Less: CFCs	(20,000,000)	-	(20,000,000)	(900,000)	(19,100,000)	(100,000)
AUTHORITY FUNDS	\$ 52,260,000	\$ 2,515,500	\$ 54,775,500	\$ 7,698,300	\$ 47,077,200	\$ 7,708,700