

## Airport Fund

	2016-17 Proposed	2017-18 Forecast	2018-19 Forecast	2019-20 Forecast	2020-21 Forecast
<b>Beginning fund balance</b>	427	3,527	13,627	23,627	33,527
<b>Current year resources</b>					
Intergovernmental	19,000	1,049,000	-	-	427,500
Charges for services	116,200	118,100	120,100	122,100	124,300
Miscellaneous	1,600	1,600	1,600	1,600	1,600
Transfers	45,000	-	-	-	-
<b>Total current year resources</b>	<b>181,800</b>	<b>1,168,700</b>	<b>121,700</b>	<b>123,700</b>	<b>553,400</b>
<b>Total resources</b>	<b>182,227</b>	<b>1,172,227</b>	<b>135,327</b>	<b>147,327</b>	<b>586,927</b>
<b>Expenditures</b>					
Materials and services	85,000	86,700	88,400	90,100	91,900
Capital outlay	20,000	1,049,000	-	-	450,000
Debt service	51,200	-	-	-	-
Transfers	22,500	22,900	23,300	23,700	24,100
<b>Total expenditures</b>	<b>178,700</b>	<b>1,158,600</b>	<b>111,700</b>	<b>113,800</b>	<b>566,000</b>
<b>Other requirements</b>					
Contingency	3,527	-	-	-	-
Unappropriated ending fund balance	-	-	-	-	-
<b>Total other requirements</b>	<b>3,527</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures and other requirements</b>	<b>182,227</b>	<b>1,158,600</b>	<b>111,700</b>	<b>113,800</b>	<b>566,000</b>
<b>Financial Summary</b>					
Resources over (under) expenditures	3,100	10,100	10,000	9,900	(12,600)
Beginning fund balance	427	3,527	13,627	23,627	33,527
Ending fund balance	3,527	13,627	23,627	33,527	20,927
<b>Fund balance analysis</b>					
Desired fund balance - 60 days plus \$10,000	36,500	28,300	28,600	29,000	29,300
Fund balance above/(below) minimum	(32,973)	(14,673)	(4,973)	4,527	(8,373)
Fund balance within policy	N	N	N	Y	N



# Airport Fund

## *Summary*

The Florence Municipal Airport (FAA ID 6S2) is a Category IV general aviation airport located at 2001 Airport Way, near the southern end of the Florence city limits on approximately 139.77 acres. The Airport features a 60 x 3,000-foot paved and lighted runway; parallel taxiway; helicopter parking area; self-serve fuel (100LL and Jet A) which is available 24 hours, 7 days a week; Automated Weather Observing Station (AWOS) system; 18 aircraft tie downs; two business aircraft parking positions; two courtesy cars and bicycles are available for transient pilot and passenger use.

The airport serves predominantly small single-engine and twin-engine aircraft associated with transient and locally based general aviation aircraft activity. The airport also accommodates a limited amount of turbine aircraft activity associated with business aviation (turboprop or small business jet), occasional military or government related activity and helicopter operations.

Airport users have formed an Airport Volunteer Group (AVG), which provides invaluable volunteer services such as a frequent presence at the airport improving security and a willingness to perform tasks to keep the airport terminal building open seven days a week. Even with the volunteer efforts, existing revenue is insufficient to fund airport operations without a transfer from the City's general fund.

During 2016, the City's Public Works Department entered into a ground lease to pay ground rent for the so to be constructed public works facility. The ground rent from Public Works will improve the airport's short- and long-term financial requirements.

Public Works mission for the airport is to provide a safe and functional general aviation airport facility while continuing to perform maintenance that complies with Federal Aviation Administration (FAA) safety standards.

## *Highlights*

- Debt service expenditures of \$51,200, or thirty-two percent (32%) of the budget, are to pay a loan that was obtained for the Kingwood Street expansion
- This loan will be paid off in fiscal year 2016-17
- Fuel purchases budgeted in the amount of \$50,000 represent thirty-one percent (31%) of the budget
- The remaining twenty percent (37%) of the budget is for insurance, utilities, maintenance of equipment, small transfer to PW Admin (\$3,000) and General Fund Admin (\$1,200) to recognize a portion of the time contributions made by City staff in these areas, and sealing of the runway and taxiway
- The addition of lease revenue of \$34,700 from Public Works for a site for the Public Works Operations Facility



## Changes from previous year

- Increase of \$5,100 in maintenance for increased costs associated with annual and tri-annual inspections of the AWOS system
- Ground rent for the public works facility in the amount of \$34,700
- General fund transfers increased
- Transfers to the general fund and public works administration have been reviewed and updated to reflect the cost of service provided

The transfers from the general fund are needed to maintain a positive fund balance in the airport fund. Future transfers from the general fund are not anticipated after the debt obligation is paid off in fiscal year 2017. This may change if the City desires to fund improvements that are not part of the City's airport master plan and funded by FAA or State Department of Aviation grants.

## Airport Fund Budget

	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Proposed
<b>Beginning fund balance</b>	43,822	35,482	16,323	11,727	427
<b>Current year resources</b>					
Intergovernmental	-	-	-	-	19,000
Charges for services	82,648	77,799	111,200	98,700	116,200
Miscellaneous	10,451	6,437	1,200	2,300	1,600
Transfers	30,000	22,400	10,000	25,000	45,000
<b>Total current year resources</b>	<b>123,099</b>	<b>106,636</b>	<b>122,400</b>	<b>126,000</b>	<b>181,800</b>
<b>Total resources</b>	<b>166,921</b>	<b>142,118</b>	<b>138,723</b>	<b>137,727</b>	<b>182,227</b>
<b>Expenditures</b>					
Materials and services	79,249	80,129	78,600	84,000	85,000
Capital outlay	-	-	-	-	20,000
<i>Debt service</i>					
PRINCIPAL- KINGWOOD	42,215	42,611	48,030	48,000	48,500
INTEREST - KINGWOOD	9,972	7,651	5,308	5,300	2,700
Debt service	52,187	50,262	53,338	53,300	51,200
Transfers	-	-	4,200	-	22,500
<b>Total expenditures</b>	<b>131,436</b>	<b>130,391</b>	<b>136,138</b>	<b>137,300</b>	<b>178,700</b>
<b>Other requirements</b>					
Contingency	-	-	2,585	-	3,527
<b>Total other requirements</b>	<b>-</b>	<b>-</b>	<b>2,585</b>	<b>-</b>	<b>3,527</b>
<b>Total expenditures and other requirements</b>	<b>131,436</b>	<b>130,391</b>	<b>138,723</b>	<b>137,300</b>	<b>182,227</b>



<b>Financial Summary</b>	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Proposed
Resources over (under) expenditures	(8,337)	(23,755)	(13,738)	(11,300)	3,100
Beginning fund balance	43,822	35,482	16,323	11,727	427
Ending fund balance	35,485	11,727	2,585	427	3,527

#### **Fund balance analysis**

Desired fund balance - 60 days plus \$10,000	31,900	31,700	32,700	32,900	36,500
Fund balance above/(below) minimum	3,585	(19,973)	(30,115)	(32,473)	(32,973)
Fund balance within policy	Y	N	N	N	N

The five-year financial forecasts suggest the fund balance for the airport fund can increase gradually during the next several years to be within policy, without additional transfers from the general fund. Unexpected major repairs or other unforeseen activity and costs or lost revenue could change the projections.

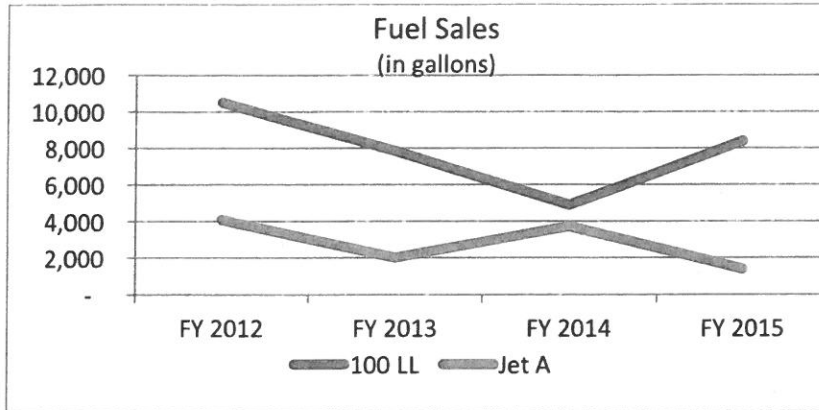
### ***Performance Measures***

- 24 acres of turf area mowed and maintained
- Daily and monthly QA/QC on aircraft fuel and fueling system
- Bi-weekly security check on perimeter fencing
- Invasive weed control on 139.77 acres
- Daily runway light checks
- Bi-monthly sweeping of taxiway and ramp area
- 5,162 annual aircraft operations
- 33 based aircraft

### ***Staffing***

Staffing is provided by Public Works Administration





***Did you know?***

*During the past four years, the City's cost of fuel has averaged approximately 85% of its fuel sales revenue, a margin of less than 18%.*

