

FINANCIAL REVIEW

HUMBOLDT COUNTY AVIATION DIVISION



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EXECUTIVE SUMMARY



This report covers the first of five major areas of study into the operations, the business plan, and the performance of the Humboldt County aviation division. The division operates six airports in the County, as a sub-department of Public Works. Its current mission is to operate those airports safely and efficiently. The airport division has just 12 employees to oversee all six airports.

To prepare this report, Volaire Aviation Consulting reviewed more than a decade of aviation system budgets; interviewed almost two-dozen people associated with the airport system including employees, supervisors, tenants, and elected officials; and benchmarked the aviation system against its regional peers. Volaire consultants have a combined four decades of experience in airport business planning and strategic analysis, including significant experience with California airports. That experience was applied to the analysis in this report.

**“VOLAIRE CONSULTANTS HAVE
A COMBINED FOUR DECADES
OF EXPERIENCE IN AIRPORT
BUSINESS PLANNING AND
STRATEGIC ANALYSIS...”**

This report has several goals. First, it aims to layout an overview of the airport system and how it operates, with a view towards how its operations are accounted for. Second, it aims to benchmark the financial performance of the airport system against peers to determine what the system does well and where improvements can be made. Third, it aims to uncover areas where the system can cut costs. And fourth, it aims to uncover areas where the system could leverage changes to the way it handles its finances to increase revenue.

This report is not intended to lay out a strategic path for the future. That work is still to come. Rather it is designed solely to review the financial performance of the airport system and to make suggestions based on only the current operation of the system – not potential new revenue generators that will be vetted in the County's final strategic plan.

In on-site interviews a number of those interviewed said that fiscal oversight of the aviation system has been poor, largely due to the limited staff and the number of sub-departments Public Works must oversee. Generally, most of those interviewed believed Public Works' only solution to airport system budget problems have been to continue to impose cuts rather than thinking of ways to make investments to grow long-term revenue.

The majority of County Supervisors interviewed for this report said they have a commitment to keep the airport funded even if it takes money from the general fund. The feeling, in interviews, was that the airport system is sufficiently important to the regional economy to warrant additional investment.

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The airport system in Humboldt County is not currently self-sustaining. As an enterprise fund, it should run as a business, with little taxpayer aid. That is not currently possible, but trends

are encouraging. Costs have been cut to a bare minimum – perhaps too far, one could argue. At the same time, most major revenue centers are generating increased income. The system has significant land holdings and lease holdings that will prove to be future assets. But the six airports are spread over a wide area and require time to manage and maintain. Time that the current system employees simply do not have.

Arcata-Eureka Airport(ACV) has advantages over its peers in many areas of this financial analysis, illustrating the airport and the County system have a strong financial footing from which to improve operational performance. For example, ACV is a cheaper airport for airlines to operate in and out of than three of the other

peers, helping to ensure airlines can be profitable serving the market. The peer analysis shows Arcata-Eureka Airport has done a good job of reducing expenses, albeit on the back of severe personnel cuts, while increasing revenue in key areas. The airport system will need to leverage its revenue generating activities in order to hire the staff needed to further develop business and new revenue streams.

It is clear airport system staff has been cut to a bare minimum in order to reduce system expenses. But the lack of staff has caused the system to lean on its parent department, Public Works, to cover a significant amount of work that would otherwise be done by airport system employees. Specifically, in fiscal year 2016, the airport system paid Public Works:

- > \$273,756 in total charges;
- > \$98,753 for “extra” staff time because it did not have sufficient staff hours to accomplish tasks;
- > \$97,643 for “expert” staff time that fell outside the expertise of those within the aviation system but is within the expertise of Public Works, such as engineering and architecture;
- > \$59,771 to maintain the airport’s vehicle fleet which was donated to Public Works and mandated to be maintained by Public Works in 2012.

The County should consider the true cost of the staffing cuts (from 19 employees in 2012 to just 12 positions today). Hiring an airport manager and an additional airport service worker would provide the County with a total net benefit of more than \$90,000, in direct savings from current Public Works costs. While \$90,000 won’t pay for both positions, there will be additional benefits from adding these positions by freeing other staff time to work on business development and revenue enhancement projects, further strengthening the system’s bottom line.

In order to reduce expenses, the County must also consider the unique role of each airport within the system. Current accounting shows the secondary airports cost little to operate. But that is because most staff costs

associated with operating those airports are allocated to the County's flagship, Arcata-Eureka Airport (ACV). It is impossible, in independent analysis, to develop the true cost of operation of each of the secondary airports. And while some have vital roles in the County, others are rarely used – at least by fixed wing aircraft. The strategic business plan will address potential airport closure in more detail.

While the budget appears to offer some small ways to generate savings, it is clear the Humboldt County airport system operates at near the lowest possible cost. Much of the budget balancing will have to come from activities to generate new revenue and grow current revenue. This analysis has found several options for increasing current revenue, including:

- > Standardize lease rates by airport and by type of lease;
- > Review the amount County agencies pay for their land and building leases on airport system property, or somehow credit the airport system for the savings it provides the County by providing land and buildings to County agencies at below-market rates;
- > Review the current Fixed Base Operator (FBO) lease agreement and ensure it is fair based on comparison to regional peer airports – the lease has not been negotiated since 2005;
- > End the contract with Republic Parking for the management of the ACV passenger vehicle parking and install an automated parking system:
 - o The County retains just 58% of current parking revenue, paying Republic almost \$391,000 over the last two years in management fees;
 - o The County could pay for an automated system in just two years based on the revenue it would retain by operating the system itself;
 - o The contract with Republic Parking expires in 2021;
- > Develop a sensitivity analysis for increasing passenger vehicle parking fees, to bring fees in-line with regional peer airports.

The County has an opportunity to grow airport system revenue based on how it decides to approach these revenue issues. It is evident from the budget analysis other County agencies receive benefits from low lease rates and there is room to retain more revenue from non-County current income generators.

While the airport system budget is officially balanced in fiscal year 2016-2017, the system is still drawing upon a previous loan to achieve said balance. The combined savings and conservative additional revenue estimate from bringing more work in-house, taking over parking, and increasing lease rates for some County tenants could exceed \$400,000 per year. This could be enough to help balance the airport system budget.

AVIATION SYSTEM OVERVIEW AND MISSION



The Humboldt County Aviation System includes six airports spread from the center of the County to its south and east borders (refer to map 1). The flagship of the system is California Redwood Coast Humboldt County Airport, also known as Arcata-Eureka Airport and its three-letter code of ACV. ACV is the County's commercial service airport, with daily flights to Portland on PenAir and San Francisco on United Express, operated by SkyWest Airlines. The County's aviation system assets are unique in that, for a County with a population of 136,000 people, there is significant aviation infrastructure and airports.

To that point, nearby Shasta County, California, with a population of 180,000, has three public use airports. To the south, San Luis Obispo County, with a population of 281,000 also has three public use airports operated by the County. The only counties in California with as many public use airports as Humboldt County are located in California's major metro areas.

Humboldt County is relatively isolated with more difficult geography, than most other counties within California. In some cases, the County states that its airport system provides access to services for rural residents, allowing their economies to survive in the interconnected world.

MAP 1: HUMBOLDT COUNTY AIRPORTS
MAY 2017; SOURCE: HUMBOLDT COUNTY



The Aviation Division is a sub-department of the County's Public Works Department, which also oversees many of the County's basic services such as parks, roads, and other public facilities. Public Works oversees seven divisions in total. The Aviation division has just 12 employees who manage and operate the County's six airports, which are spread over a huge area – as far as 82 miles apart. The Public Works Department defines the mission of the Aviation Division as:

"The Aviation Division is responsible for managing six County airports in a manner that ensures aeronautical safety, safety of the traveling public, continued air service, and complies with federal, state and/or local aviation rules, regulations and advisories."

The mission represents an immense job for just 12 employees, but it does not define any goals relative to running the Aviation Division as a business. The Aviation Division is an enterprise fund, meaning it has a goal of operating as a self-sustaining business. However, that goal is not found in the division's mission. In fact, a cursory overview of the division's budget would indicate it does not run like a business rather like a public service funded by taxpayers. The airports in Humboldt County certainly are a public service, but they should also have a businesslike mission to, at the very least, breakeven.

Each of the six airports has a specific mission, as defined by the County. While two of the airports facilitate passenger and cargo movement, the others facilitate transport between remote parts of the County and urban centers. The others are also critical in wildland firefighting efforts, medical transportation, and even film and television production.

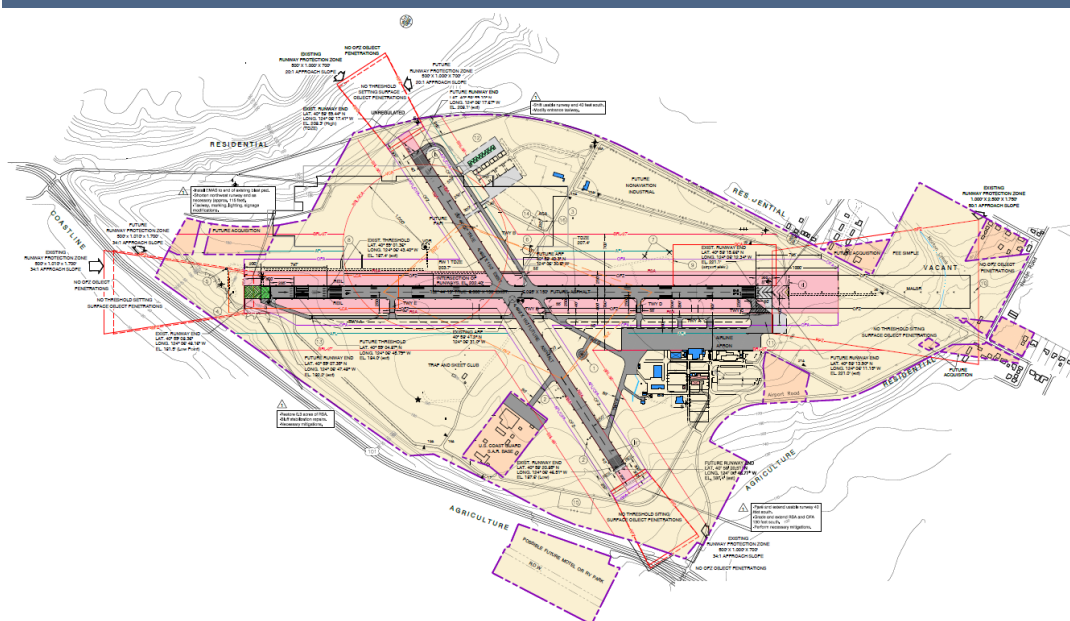
ACV
CALIFORNIA REDWOOD COAST HUMBOLDT COUNTY AIRPORT

California Redwood Coast Humboldt County Airport, also known as Arcata-Eureka Airport, is the flagship property of the Humboldt County Aviation System. It is classified by the Federal Aviation Administration (FAA) as a primary commercial service airport. It is also designated as an international Port of Entry. The Airport has current airline service on PenAir, to Alaska Airlines' Portland hub, and United Express, operated by SkyWest, to United Airlines' San Francisco hub. The Airport serves 140,000 annual passengers, or an average of 70,000 enplanements. The Airport's main mission is to serve the region with scheduled airline service, and its secondary mission is to serve as a base for the Coast Guard.

The Airport serves a crucial role as the site of the command center for the US Coast Guard's Air Station Humboldt Bay. The Coast Guard provides Pacific Ocean rescues and law enforcement for the area from San Francisco north to the Oregon border from the Airport location.

The Airport covers 745 acres. Its elevation is 222 feet above mean sea level. It has two asphalt runways (refer to map 2). The Airport's main runway, 14/32, is 6,085 feet in length and 150 feet in width, with the ability to

MAP 2: CALIFORNIA REDWOOD COAST HUMBOLDT COUNTY AIRPORT
MAY 2017; SOURCE: HUMBOLDT COUNTY

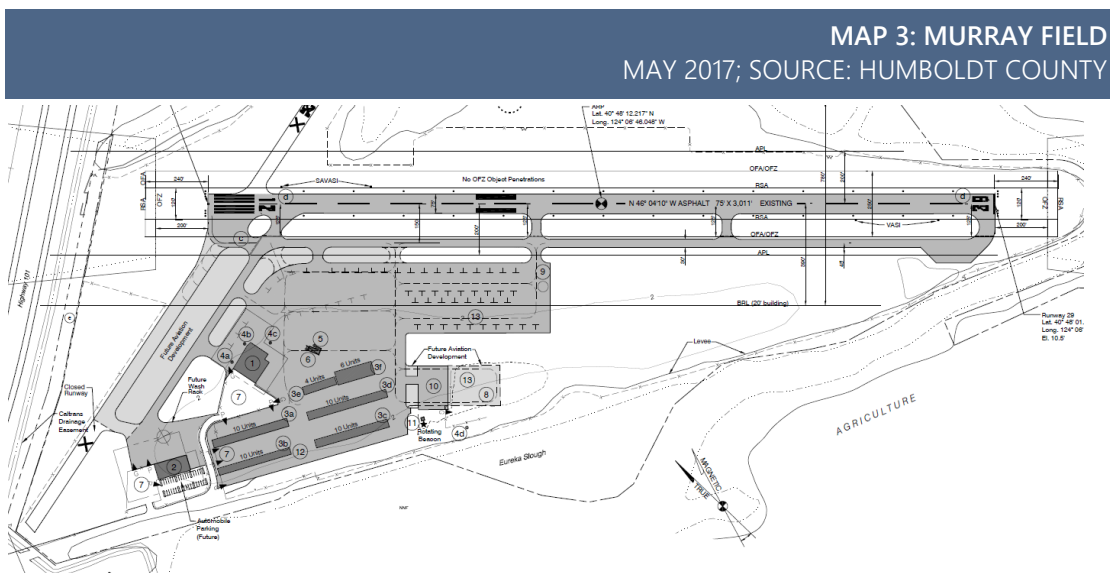


As of the year ended May 2016, the Airport saw 42,000 operations (defined as either a takeoff or a landing), according to FAA statistics. Air carrier operations represent 14% of all operations and totaled almost 6,000 for the same period. Military operations make-up over half of the activity at the Airport, with almost 26,000 operations, as of the year ended May 2016.

Just 11 aircraft are based at California Redwood Coast Humboldt County Airport, including nine single engine planes and two multi-engine planes, according to the FAA's registry as of the writing of this report. Four of the 11 based aircraft are owned and operated by the US Coast Guard.

Murray Field is located just three miles from Eureka. It serves as a public airport, with primary traffic from general aviation and air cargo. Murray Field is the busiest airport in Humboldt County, in terms of aircraft operations, with 55,500 takeoffs and landings as of the most recent available FAA data (calendar year 2014). Murray Field also has more based aircraft than any other airport in the County, with a total of 47 according to the most recent FAA aircraft census.

Murray Field covers 131 acres and is just seven feet above mean sea level. It has just one runway, as its secondary runway was closed in 1997. The main



runway, 12/30, is 3,011 feet in length and 75 feet in width (refer to map 3 on previous page). While this length and width is sufficient for the majority of general and transient aviation operations, and small aircraft air cargo operations, it is not sufficient for most jet operations and it would not be suitable for use by any air carriers.

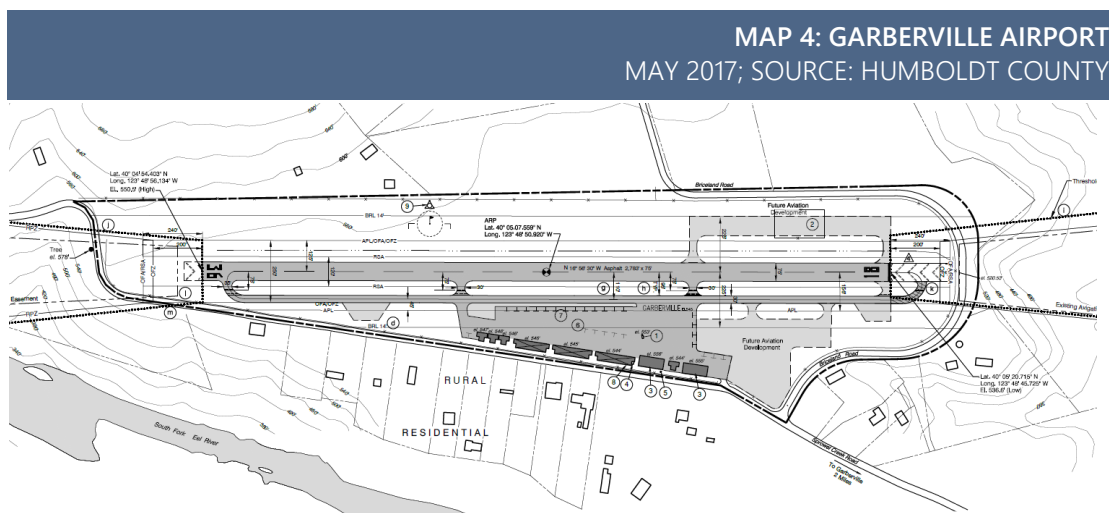
Murray Field is an important part of the County's Aviation System as it is the sole base of operations for FedEx Express' Cessna Caravan air cargo operation. It is also the only airport in the County with full service aircraft maintenance on-site. Murray Field contains a Civil Air Patrol base and the County's main flight school.

Roughly two-thirds of aircraft traffic at Murray Field is local general aviation aircraft that are based on the field according to the most recent data published by the FAA. A little less than 30% of traffic is transient general aviation, which includes aircraft based elsewhere flying either to Humboldt County, or transiting through the airport on their way to another destination. A small percentage of traffic is generated by FedEx Express and the Civil Air Patrol.

O16 GARBERVILLE AIRPORT

Garberville Airport serves as a base for air commuters. It is located just two miles from the center of Garberville, covering 44 acres. The airport has just one runway, 18/36, which is oriented due north/south (refer to map 4).

That runway is 2,783 feet in length and 75 feet wide, which is sufficient for the general aviation traffic it serves.

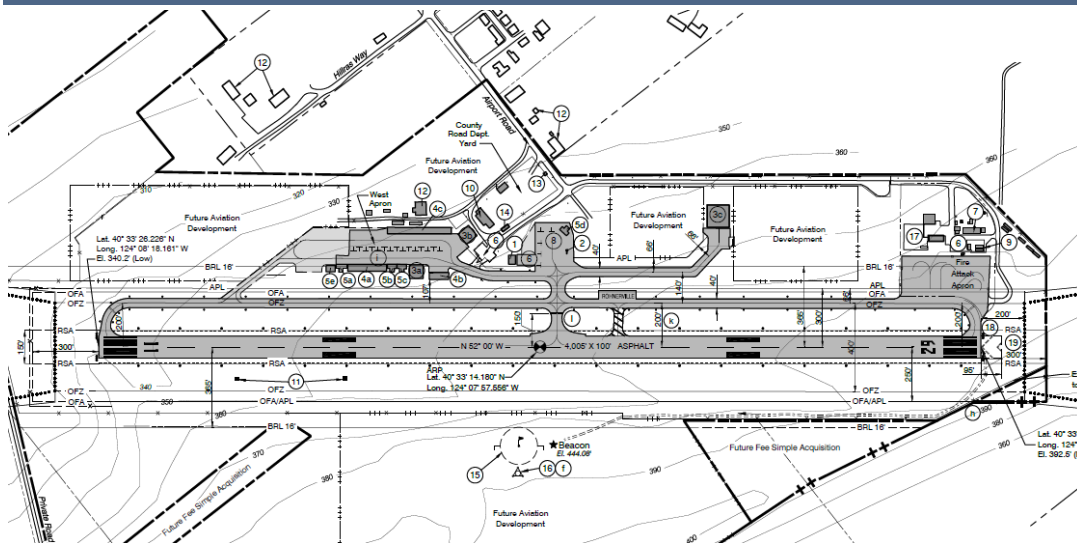


According to FAA data from calendar year 2015, which is the most recent data available, Garberville Airport saw 16,500 total aircraft operations. A little more than half of those operations or 55% - were local general aviation while the remainder were transient general aviation. Garberville Airport is home to 18-based aircraft according to the FAA's census at the time of the writing of this report. 17 of the 18-based aircraft were single engine with one aircraft being multi-engine.

FOT ROHNERVILLE AIRPORT

Of Humboldt County's general aviation airports, Rohnerville Airport has the longest and widest runway that can be used by larger general aviation aircraft. It is located three miles southeast of Fortuna, covering 541 acres, which is the largest physical plant of the County's general aviation airports, and 70% the size of Arcata-Eureka Airport's physical plant. The Airport's single runway, 11/29, is 4,005 feet in length and 100 feet in width (refer to map 5).

MAP 5: ROHNERVILLE AIRPORT
MAY 2017; SOURCE: HUMBOLDT COUNTY



Despite the Airport's size, it saw just 27,500 total aircraft operations in calendar year 2015, the latest available year for FAA data. The airport, as of the most recent FAA aircraft census, is home to just nine based aircraft, with eight of those aircraft being single engine.

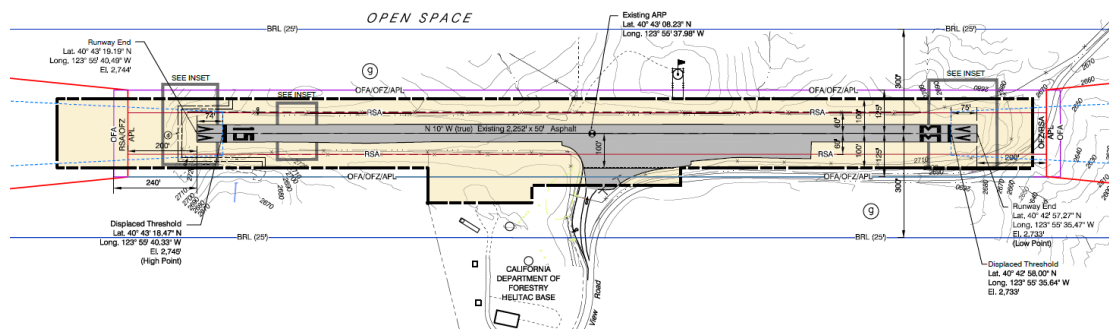
Arguably, the Airport's most important role is that of a Cal Fire base. Cal Fire has two based air tankers at Rohnerville, along with offices and its regional operations center. The Airport is critical to northern California's wildland firefighting efforts.

The Airport is also unique in that its physical plant is maintained by work crews of inmates supervised by the Humboldt County Sheriff's Office. The work program provides the Airport with landscaping, facility maintenance, and other odd jobs, although tenants believe the work program does little to help maintain the physical plant.

O19 KNEELAND AIRPORT

Kneeland Airport is the smallest, physically, of all Humboldt County airports, covering just 14 acres. It has one runway, which is quite narrow, at just 50 feet in width and 2,252 feet in length (refer to map 6). Kneeland's advantage is that it is located atop a mountain ridge at 2,700 feet in elevation (above mean sea level), keeping it out of the coastal fog. It is an alternate airport for general aviation traffic bound for the County's other airports in low visibility.

MAP 6: KNEELAND AIRPORT
MAY 2017; SOURCE: HUMBOLDT COUNTY



The California Department of Forestry uses Kneeland Airport as a base for monitoring wildland fire starts, as its location at ridgetop gives it unparalleled line of sight – but does not use its aviation facilities. The Department of Forestry operates a Helitack helicopter base adjacent to the field, but does not use the actual runway.

Kneeland has no based aircraft, according to the FAA's aircraft census completed before the writing of this report. It saw 7,000 operations in calendar year 2016, the most recent year for which the FAA reported the data.

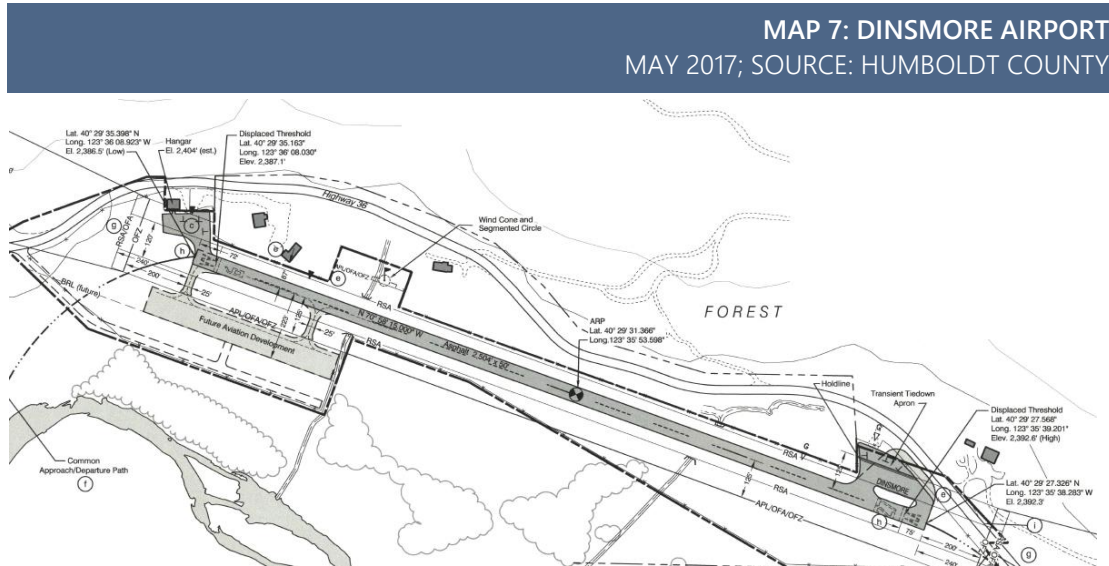
Kneeland only has one significant user of its aviation facilities on a regular basis – the US Coast Guard. The Coast Guard uses the field for helicopter operations when there is low visibility at its ACV base. The Coast Guard does not, however, use the airport's runway.

Kneeland has recently been used as a location and set for television and film production, due to its picturesque setting. This line of business could grow in the future as more productions are shot outside of Hollywood and southern California.

D63 DINSMORE AIRPORT

Dinsmore Airport is an infrequently used general aviation airport located one mile from Dinsmore. The Airport, according to the FAA survey, has just one based aircraft, which is an ultra-light. It is not frequently used by general aviation, with just 1,600 total operations per year.

The Airport has one runway, which is 2,510 feet in length and only 48 feet wide, limiting its usefulness for anything



larger than a single-engine aircraft (refer to map 7 on previous page). The Airport is used most frequently by helicopters, as hospitals use it as a medivac point. The runway is not needed for medivac operations.

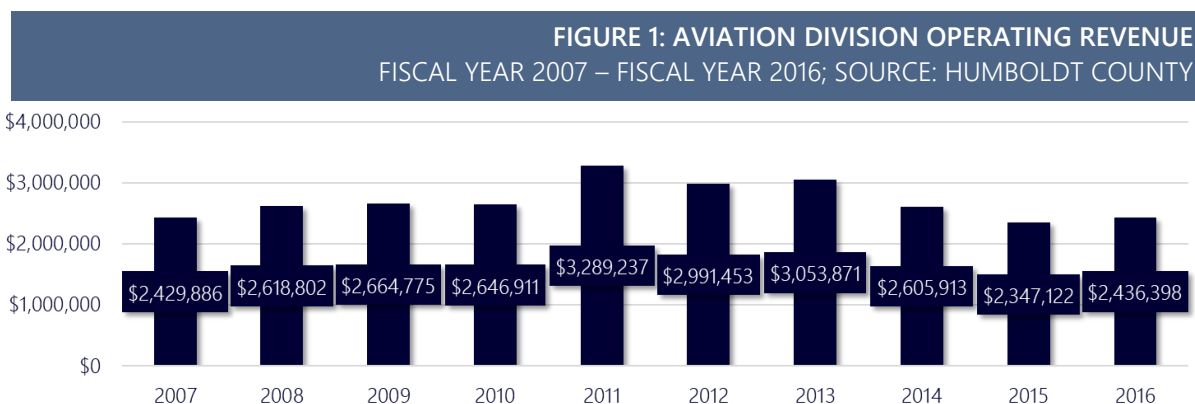
BUDGET ANALYSIS



The Humboldt County Airport System budget is tied to the budget of the Public Works Department, under which the airports are managed. Most budget items are allocated to Arcata-Eureka Airport, as it is the flagship of the system and the airport that generates almost all of the system's revenue. The budget is balanced for fiscal year 2017, but that has been accomplished mainly through cost-cutting. The entire airport system is operated by just 12 staff members, and without an airports division manager.

In analyzing the budget it is important to remove the operating revenue and costs from one-time costs and revenue. While one-time revenue, mostly in the form of grants, is important to the airport system in the form of funding to cover

major capital projects, it is developed on an as-needed basis. The operating



revenue and operating costs generated by the system are the true indicator of the financial health of the system.

The airport system's operating revenue, excluding revenue from one-time grants and revenue used to cover one-time capital projects, has declined by 26% since 2011 (refer to figure 1), a loss of almost \$853,000 per year in operating revenue. The system's peak revenue neared \$3.3 million per year in 2011. Current operating revenue is only marginally higher than 2007 revenue. Operating revenue did increase slightly from 2015 to

2016, and is forecast to increase again in 2017, highlighting some positive trends in revenue generation that will be outlined later in this report.

One of the reasons for the decline in operating revenue has been the loss of air service at Arcata-Eureka Airport.

Delta Connection service to Salt Lake City ended in 2010, while Horizon Air, operating as a connection to Alaska

Airlines, ended flights in 2011. The loss of

these carriers caused passengers to decline

from a ten-year high of more than 206,000 in

2007 to just 102,000 in 2014 (refer to figure 2).

Passengers have started to rebound from the

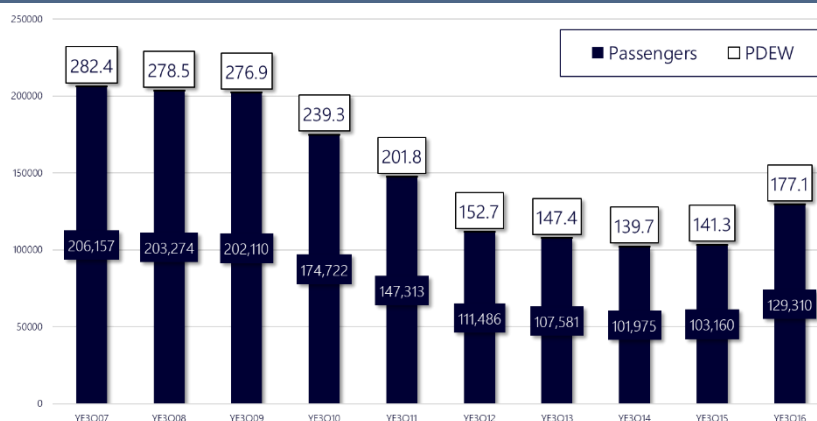
low point, with United Express now using

larger jets to San Francisco and PenAir adding

non-stops to Portland. In the last two years,

passengers have increased by 26%.

FIGURE 2: PASSENGERS AT ARCATA-EUREKA AIRPORT (ACV)
YEAR ENDED THIRD QUARTER 2007 – 2016; SOURCE: US DOT TABLE



While airport system operating revenue declined, its operating expenses have been increasing over the last

decade (refer to figure 3). Total expenses to operate the airport system topped \$4.5 million in fiscal year 2016

according to Humboldt

County records.

Operating expenses

are up 87% in the last

decade, but the trend is

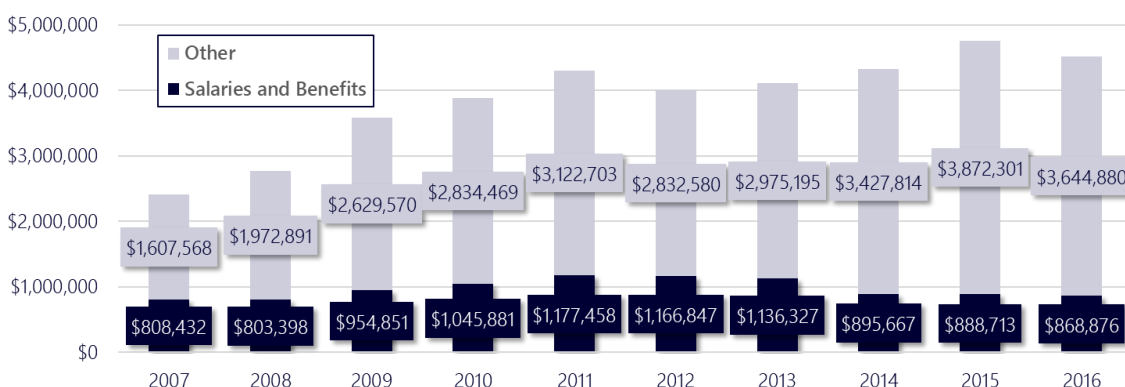
not uncommon in

airport systems around

the country as facilities

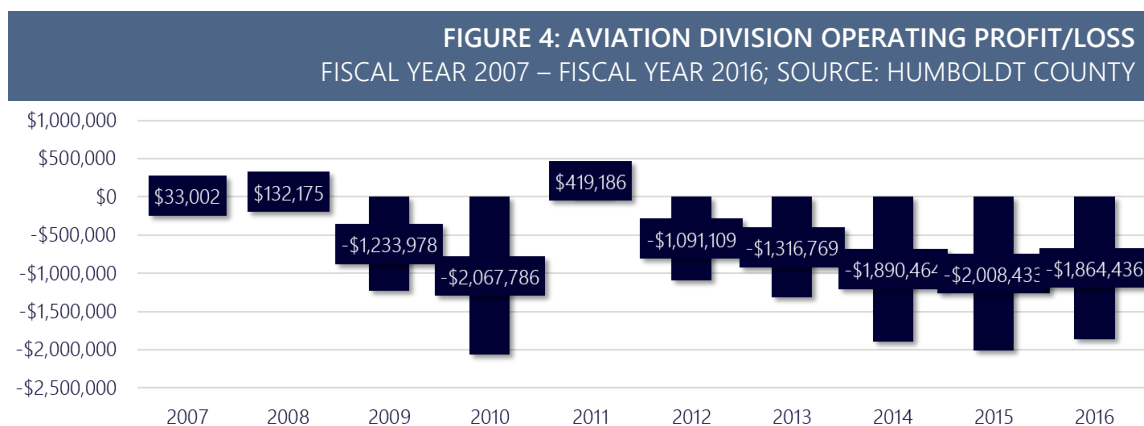
age and as more stringent security protocols have been put into place.

FIGURE 3: AVIATION DIVISION OPERATING EXPENSES
FISCAL YEAR 2007 – FISCAL YEAR 2016; SOURCE: HUMBOLDT COUNTY



Of key interest within operating expenses is the cost of salaries and benefits. Benefit costs have been quickly rising for virtually all government agencies in California as health care and retirement payments have risen exponentially. But the airport system's salary and benefit costs have only increased by 8% in the last decade (refer to figure 3 on previous page). In fact, the airport system has seen its salary and benefit costs decrease by 26% since 2011. This decrease, while good for the budget, has caused difficulties for the system. While the system used to have 19 full-time employees, including a full-time manager, it has had seven of its positions frozen in an effort to balance its budget. Just 12 employees are charged with operating the system, with no leadership from a full-time manager. This stretches the system's employees exceptionally thin, and doesn't provide enough staff time for any focus on increasing revenue – the only focus is on keeping the system operational.

The aviation division has seen sustained operating losses for the last five fiscal years, and seven of the last eight



fiscal years (refer to figure 4). In each of those years, the system lost more than \$1 million operationally, with one loss topping \$2 million. Again, it is important to analyze the operating profit/loss as the ultimate target for the airport system will be operational sustainability and self-sufficiency. While the total loss in each of these fiscal years is less than the operational loss, the operational loss is the key financial metric to overcome through future structural and strategic business changes.

As mentioned, the County allocates much of the expense of operating the airport system to Arcata-Eureka Airport, as that is where the entire airport system staff is based, and as ACV is the source of most of the system's operating revenue. However, this budgeting system does not allow for an analysis of the true operating

costs of each of the airports within the system – it appears as though the smaller general aviation airports cost virtually nothing to operate. Of the total 2017 fiscal year operating budget of the airport system, 92% is allocated to operating ACV, or almost \$3.1 million of the \$3.4 million total (refer to figure 5). Murray Field’s total operating budget is second, but represents just 4% of the airport system’s budget. No other airport represents more than 2% of the operating budget. And yet these airports all require significant time from the limited airport system staff.

The Public Works Department does “charge back” time logged as spent at each airport to each airport’s budget line-item. However, there is time spent from offices at ACV working on projects at other airports that never gets allocated back to the smaller airports – and instead is reflected in ACV’s overall cost. It is, in fact, impossible to know how much the other airports costs because the airport system staff works on many different projects in the course of each day – and it would be nearly impossible for staff to allocate its time by the minute to each airport properly. The conclusion is that the smaller airports are actually much more expensive to operate than the budget would reflect.

When these individual airport budgets are compared to the Federal Aviation Administration (FAA) operating budget for Arcata-Eureka Airport, itself, it is clear the smaller airports in the system have a greater financial impact on the system’s operation than their individual budgets indicate. In fact, the official FAA operating budget for ACV shows an operating profit of more than \$150,000 in fiscal year 2016 (refer to figure 6), while the County’s budget shows an operating loss of almost \$1.9 million for the system. It is not clear, specifically,

FIGURE 5: BUDGET BY AIRPORT
FISCAL YEAR 2017; SOURCE: HUMBOLDT COUNTY

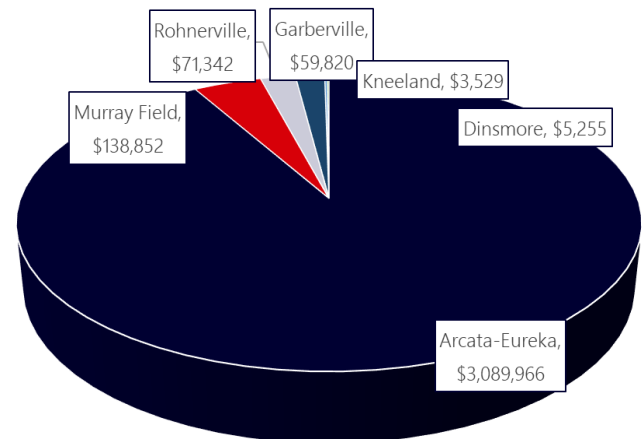
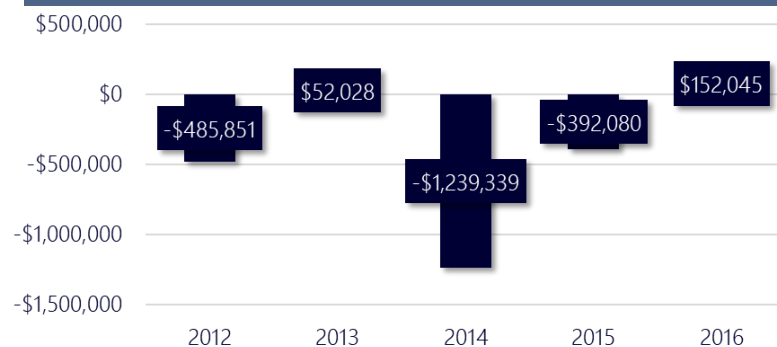


FIGURE 6: ACV’S OPERATING PROFIT/LOSS
FISCAL YEAR 2012 – FISCAL YEAR 2016; SOURCE: FAA FORM 127



with the way the County's airport budget is allocated relative to how the FAA reviews operational budgets, why the discrepancy is so large. But it is apparent the FAA is not allocating costs to ACV that the County decides to allocate to the largest of its airports.

Underscoring the difficulty in truly determining operating cost by airport within the system is the fact the FAA reports operating costs at Arcata-Eureka Airport are declining, while the County's budget shows them increasing. In the last two years, the FAA budget report for ACV shows

operating costs down almost 42% (refer to figure 7). At the same time, County budgets show the airport system's costs have increased by 6%. If ACV's operating costs are decreasing according to budgets filed with the FAA, but the airport system costs are increasing, it is fair to conclude that the other airports within the system are costing more to operate.

The FAA budget filings break down operational revenue by bucket, making it easy to analyze the performance of an airport. FAA budget filings are only published for airports with scheduled airline service. They are only valuable for analyzing the financial performance

of Arcata-Eureka Airport. The FAA budget shows ACV's overall revenue per passenger has increased almost 14% in the last five years (refer to figure 8). Passenger revenue is generated habitually through parking fees and rental car fees. The FAA budget shows parking fee revenue has increased by 33% in the last five years

FIGURE 7: ACV'S OPERATING COST
FISCAL YEAR 2012 – FISCAL YEAR 2016; SOURCE: FAA FORM 127

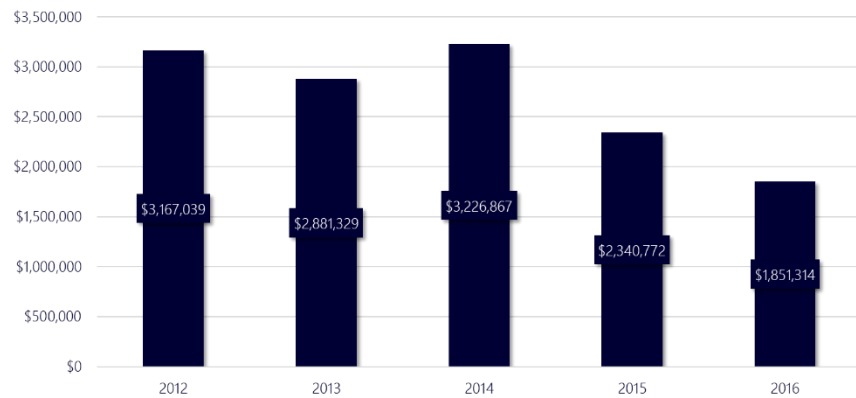
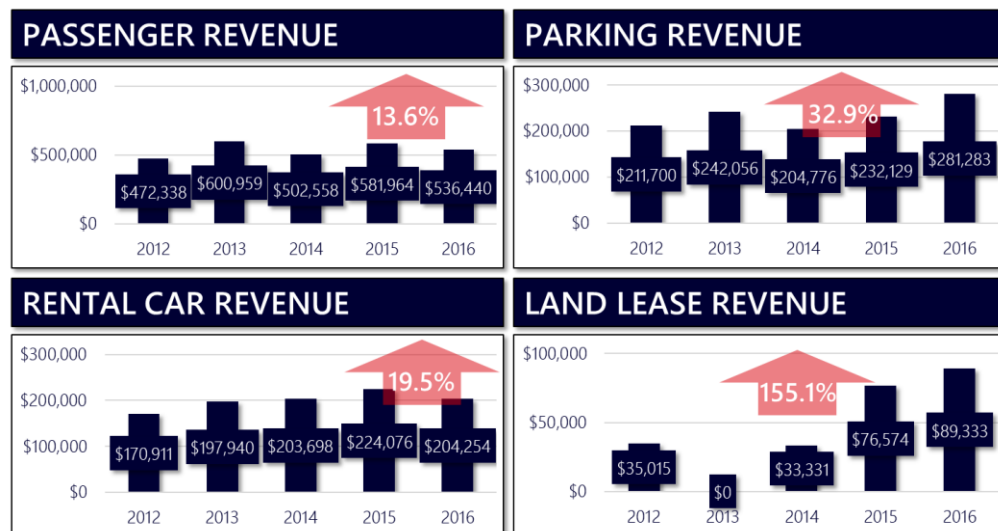


FIGURE 8: ACV'S REVENUE BY SOURCE
FISCAL YEAR 2012 – FISCAL YEAR 2016; SOURCE: FAA FORM 127



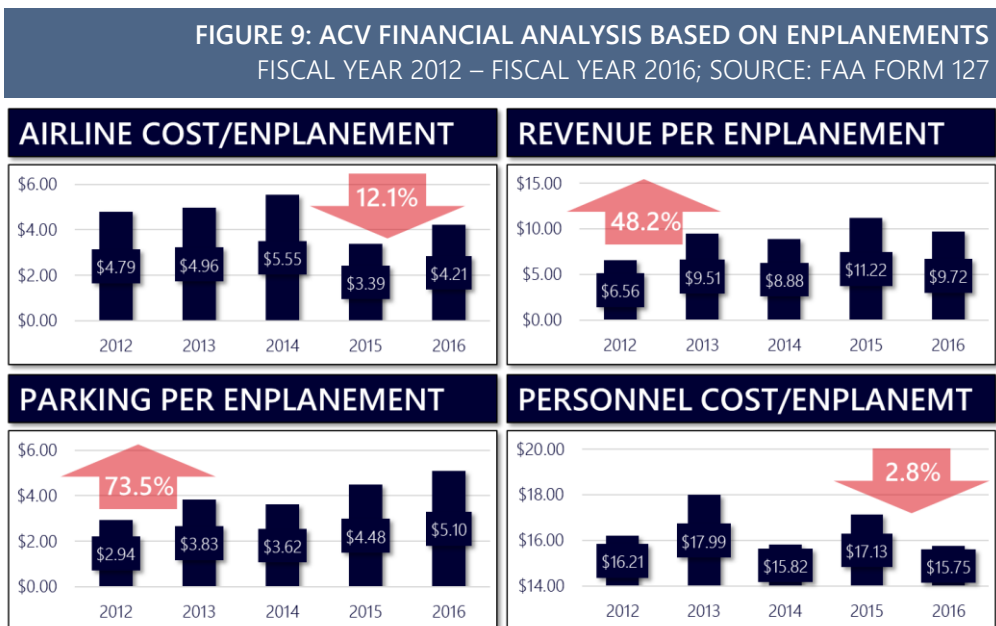
while rental car revenue has increased by almost 20% in the same period. Similarly, but unrelated to airline passengers, ACV's land lease revenue is up 155% in the last five years. Revenues at ACV are up in all major categories, according to the FAA's financial analysis of Arcata-Eureka Airport, verifying the airport has done a good job in growing revenue, paired with deep cost-cutting.

In the case of airports with scheduled passenger airline service, it is important to understand costs and revenue on a

per passenger basis. Generally, analysts review airline costs, personnel costs, and revenue on a "per enplanement" basis, or those costs and revenues divided by the number of passengers enplaned – or boarding a flight – at that airport. Arcata-Eureka Airport's key indicators are all trending in the right direction on a "per enplanement" basis.

The airport's airline cost per enplanement, or the amount airlines pay the airport for each enplaned passenger, has gone down by 12% in the last five years, to an average of \$4.21 (refer to figure 9). Airlines allocate capacity based on the amount of revenue they can generate versus the cost of operation. ACV has been able to leverage its low airline cost for additional capacity with both United and PenAir in the last two years – and it ought to endeavor to keep airline costs low as it works to recruit additional service.

The airport has also been able to reduce its personnel costs to \$15.75 per enplanement, down nearly 3% in the last five years (refer to figure 9). It is important to keep in mind these personnel costs include all the employees of the entire airport system, as all were included in the FAA's budget.



While costs are being reduced, revenue per enplanement is growing. ACV increased its average revenue per enplaned passenger to \$9.72 in fiscal year 2016, up 48% in the last five years (refer to figure 9 on previous page). The largest portion of this passenger revenue comes from parking. Parking revenue is up almost 74% in the last five years to an average of \$5.10 per enplanement.

These trends are encouraging. It is difficult to uncover the true cost of the operation of the smaller airports within the system. Additionally, there are some areas where financial performance could likely be improved with small changes to the way the system does business. These options will be discussed in later sections of this report.

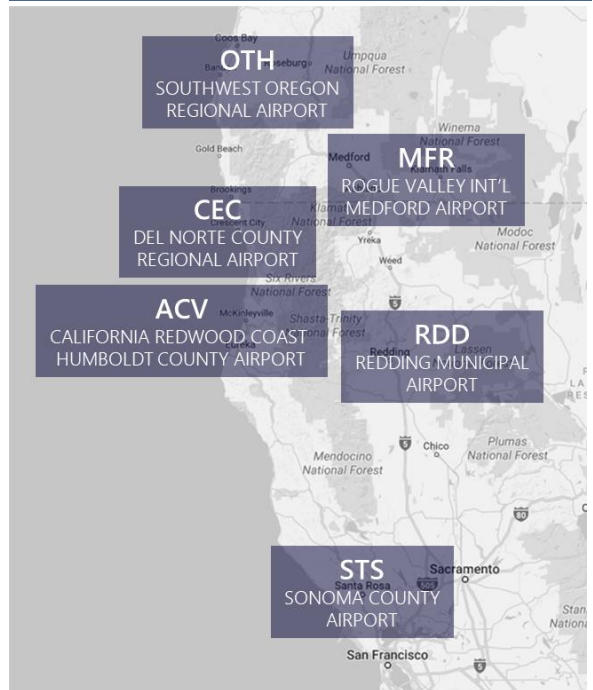
BUDGET BENCHMARK AGAINST PEERS



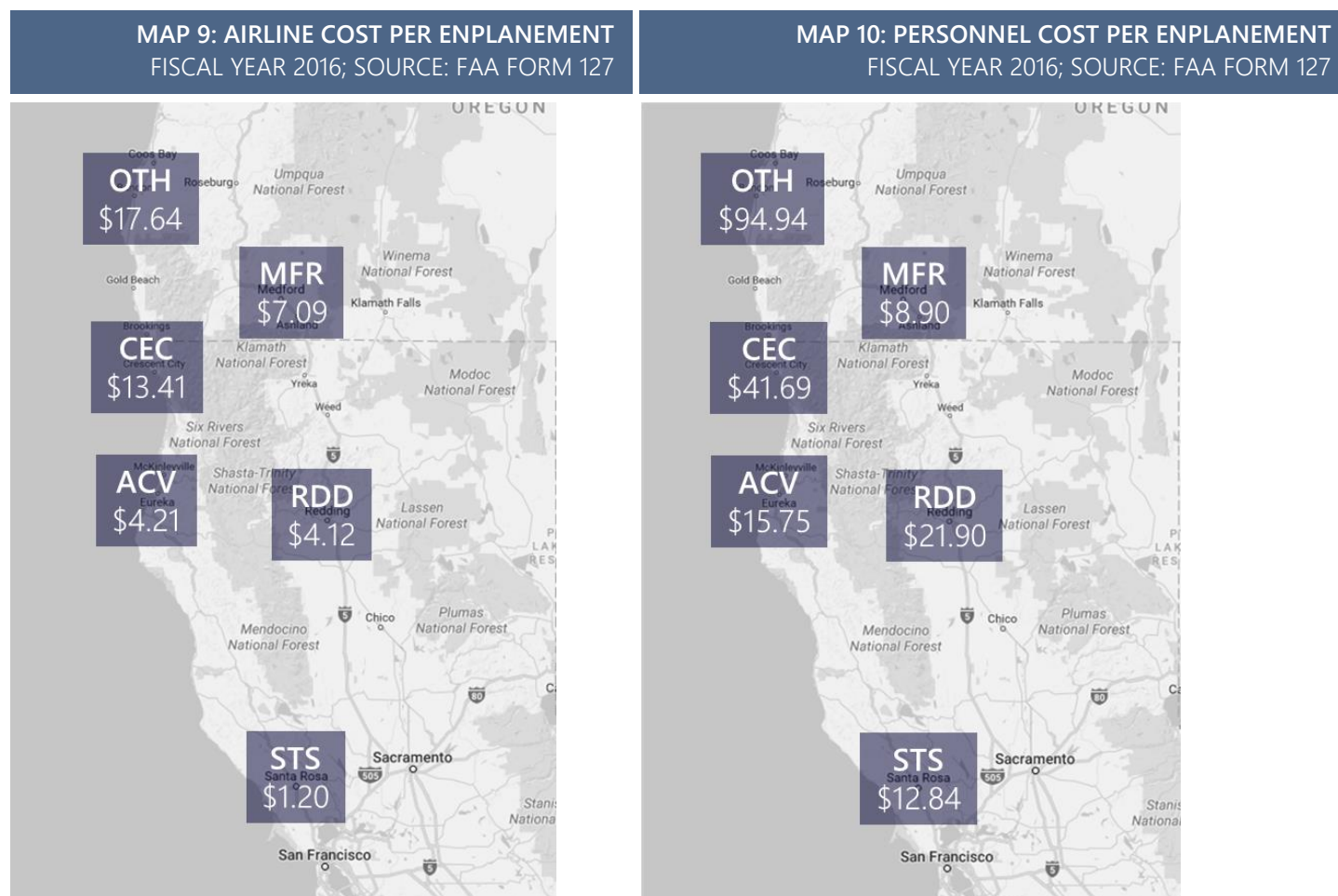
Arcata-Eureka Airport stacks up well when compared to peer airports within the region. ACV was compared to a set of airports, based on all of the airports' fiscal year 2016 Federal Aviation Administration (FAA)-filed budgets. Peers include Del Norte County Regional Airport in Crescent City (CEC), Redding Municipal Airport (RDD), Rogue Valley – Medford International Airport (MFR), Sonoma County Airport in Santa Rosa (STS), and Southwest Oregon Regional Airport in Coos Bay (OTH) (refer to map 8). These airports were chosen for comparison because of both their proximity and their scheduled airline service. Only airports with scheduled airline service have their budgets published by the FAA, and comparisons are only valuable if the budgets being compared are structured in exactly the same way.

Arcata-Eureka Airport has advantages over its peers in many areas of our financial analysis, illustrating the airport and the County system have a strong financial footing from which to improve operational performance. For example, ACV is a cheaper airport for airlines to operate in and out of than three of the other peers. Airlines pay ACV an average of \$4.21 per enplanement – or per passenger who boards a plane at the airport – which is \$3.74 less per enplanement than the regional average of \$7.95 (refer to map 9 on next page). Only STS and RDD have lower costs than Arcata-Eureka Airport, helping to ensure airlines can be profitable serving the market.

MAP 8: REGIONAL PEER AIRPORTS
MAY 2017; SOURCE: VOLAIRE AVIATION



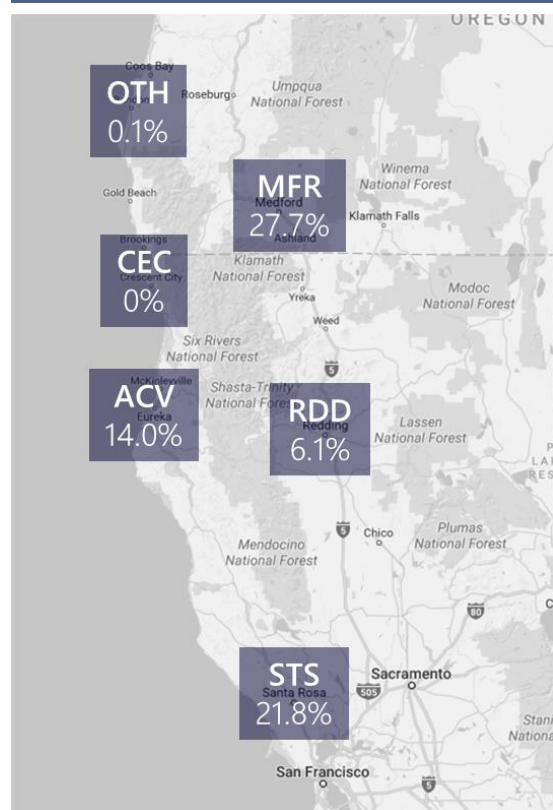
Arcata-Eureka Airport also operates efficiently compared to peer markets. The personnel cost per enplanement at ACV was \$15.75 in fiscal year 2016 (refer to map 10). The average personnel cost in the region was \$15.90 per enplanement, with ACV just under the average. Other airports, including MFR, CEC, and OTH have significantly higher costs for employees than ACV. These other airports also have significantly more staff than ACV.



In other areas of comparison, the budget data from peer airports shows potential room for improvement at Arcata-Eureka Airport. ACV earns 14% of its operating revenue from passengers parking their cars at the terminal while they travel (refer to map 11 on next page). The regional peer average airport earns almost 18% of its revenue from parking. STS earns 22% of its operating revenue from parking while MFR earns almost 28% of its revenue from parking.

At the same time, Arcata-Eureka Airport earns \$1.40 less per enplanement in parking fees than its regional peer airports. ACV earns an average of \$5.10 per enplanement in parking revenue, while the regional average is \$6.50 in parking revenue per enplanement (see map 12). Both CEC and OTH offer free parking, but both airports see fewer passengers than ACV. No study has ever been able to illustrate a change in consumer behavior due to the cost of airport parking. Both MFR and STS earn significantly more than ACV in parking per enplaned passenger.

MAP 11: SHARE OF PARKING REVENUE
FISCAL YEAR 2016; SOURCE: FAA FORM 127



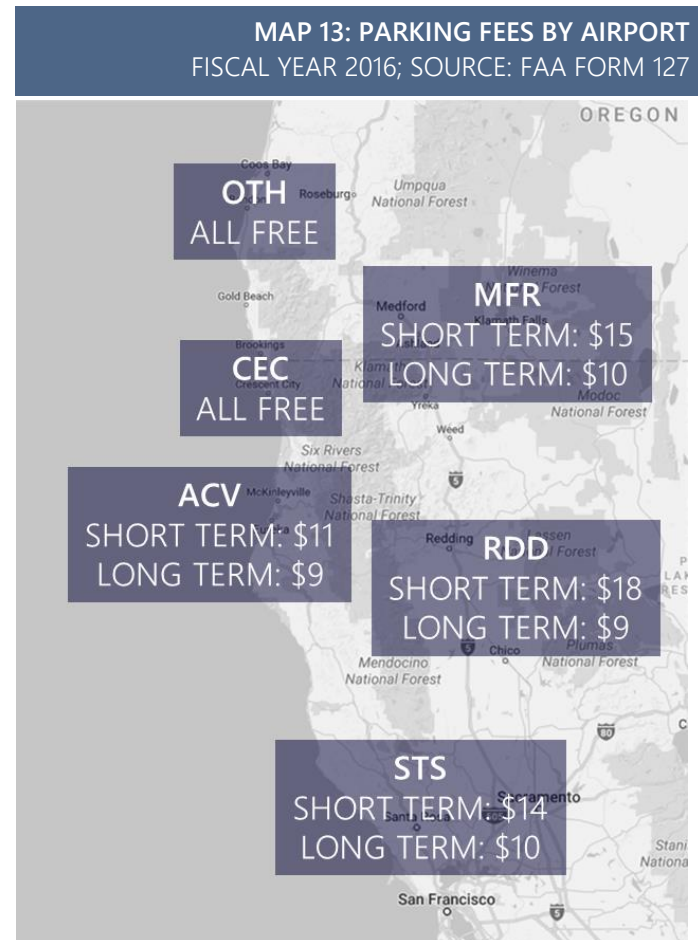
MAP 12: PARKING REVENUE PER ENPLANEMENT
FISCAL YEAR 2016; SOURCE: FAA FORM 127



Based on this data, and parking fees currently charged by other peer airports in the region, Arcata-Eureka Airport likely has an opportunity to raise parking fees marginally to generate additional income, without any significant drop off in parking demand. Medford earns almost \$2 more per enplanement in parking fees than ACV (refer to map 12) because its long term fee is \$1 higher per day than ACV and its short term fee is \$4 higher than ACV (refer to map 13). Similarly, Santa Rosa earns \$2.59 more in parking fees per enplanement

than ACV (refer to map 12 on previous page) because its short term fee is \$3 per day higher than ACV while its long term fee is \$1 per day higher (refer to map 13). Even Redding, which earns less parking revenue per enplanement than ACV, has higher parking fees than Arcata-Eureka Airport.

The peer analysis shows Arcata-Eureka Airport has done a good job of reducing expenses, albeit at the expense of severe personnel cuts, while increasing revenue in key areas. The airport system will need to leverage its revenue generating activities in order to grow back the staff needed to further develop business and new revenue streams. Parking fees represent one area where the airport should be able to quickly increase revenue. But it will need additional new revenue to cover the rising cost of operating all six airports in the County.



OPTIONS TO REDUCE COSTS



It is apparent airport system staff has been cut to a bare minimum in order to reduce system expenses. But the lack of staff has caused the system to lean on its parent department, Public Works, to cover some work that would otherwise be done by airport system employees. The net effect of this division of labor is that the airport system pays roughly a quarter-million dollars a year to Public Works to cover necessary activities

**"...THE AIRPORT SYSTEM PAYS
ROUGHLY A QUARTER-
MILLION DOLLARS A YEAR TO
PUBLIC WORKS TO COVER
NECESSARY ACTIVITIES."**

The airport system is currently staffed by just 12 full-time employees. The system was previously authorized for a total of 19 employees, but positions have been unfilled for a number of years in order to reduce airport system expenses in hopes of balancing the budget. While staff reductions have saved several hundred thousand dollars per year, they have also cost the airport system a significant portion of revenue in reimbursements to Public Works. Moreover, with limited staff, there is little emphasis put towards the generation of new revenue sources to bolster the budget. The focus, from the perspective of outside analysis, has been on cutting costs to balance the budget rather than working to increase revenue to balance the budget.

An analysis of Public Works charges to the airport system for fiscal year 2016 was completed to determine how much money the airport system is paying to Public Works, how much of the work is in areas of expertise outside the airport system (even if it was fully staffed), and how much of the work is duplicating that of airport system employees (who don't currently have enough time to accomplish all necessary tasks to maintain all airports

within the system). This analysis shows the airport system paid almost \$274,000 to Public Works in fiscal year 2016 (refer to figure 10).

The majority of operating expenses, or 60%, the airport system paid to Public Works in 2016 were for the use of what can be classified as “extra staff.” This money was paid to Public Works employees to cover jobs normally completed by airport system employees, if those employees had time to complete them. In other words, if the airport system were fully staffed, or even slightly better staffed, it would be expected that airport system employees could accomplish this work within the normal course of the year and that it would not need to be accomplished by employees in Public Works.

In fiscal year 2016, the airport system paid Public Works more than \$91,000 for extra staff time from Public Works employees according to the County’s operational budget (refer to figure 11). The airport system paid almost \$44,000 to Public Works for administrative work and another \$20,000 for maintenance of airport facilities. The airport system also paid Public Works more than \$27,000 for property management services for several of the airports within the County.

In addition to charges for extra staffing, Public Works charged the airport system more than \$60,000 for services that required “outside expertise” (refer to figure 11). These services are sufficiently specialized to the point where it would be uneconomical for the system to retain its own employees in these specialties. These areas of expertise include architecture, engineering, environmental, and electrical, along with the County Clerk’s services. The airport system could contract these services to outside firms, but a detailed analysis of the true costs and savings would need to be performed.

FIGURE 10: PUBLIC WORKS CHARGES TO AVIATION
 FISCAL YEAR 2016; SOURCE: PUBLIC WORKS DEPT.

Total Charge Summary	
Operating Charges	\$151,504
Capital Charges	\$44,891
Motor Pool Charges	\$77,361
Total Charges	\$273,756

FIGURE 11: OPERATING CHARGES TO AIRPORTS
 FISCAL YEAR 2016; SOURCE: PUBLIC WORKS DEPT.

Operating Charge Summary	
Electrical	\$5,759
Mechanical	\$703
Architecture	\$3,552
Construction	\$1,839
Environmental	\$5,302
Engineering	\$10,265
Clerk	\$32,077
Other	\$920
Maintenance	\$20,328
Administration	\$43,506
Property Management	\$27,254
Total Charges	\$151,504

If the airport system had a full-time manager – a job which has been left open since 2013 – it would be expected the project manager position could accomplish most of the administration and property management tasks currently outsourced to Public Works.

County data shows the airport system paid Public Works almost \$45,000 in fiscal year 2016 for work on capital projects (refer to figure 12). The majority of these charges were for items outside the expertise of airport system employees. However, the administrative expenses paid to Public Works for overseeing airport grants, totaling \$7,664 in 2016, would likely be saved if the airport system had a full-time manager.

The airport system paid Public Works a total of \$98,753 for administrative, maintenance, and property management staff time in fiscal year 2016. Much of this cost could likely be saved if the airport system had additional staff. Extra staff would also help free-up airport management time for expanded work in business development, air service development, and business analysis, all of which would help to grow revenue. The cost of an airport manager and an additional airport service worker could be partially covered by the savings in this area.

The airport system also pays Public Works for the use of its 38 vehicles, including everything from the trucks it uses to travel between airports to the Oshkosh firefighting truck and to large lawnmowers. In fiscal year 2016, County records show the airport system paid Public Works almost \$60,000 in total expenses for the operation of its vehicles (refer to figure 13 on next page).

FIGURE 12: CAPITAL CHARGES TO AIRPORTS
 FISCAL YEAR 2016; SOURCE: PUBLIC WORKS

Capital Charge Summary	
Electrical	
Mechanical	\$133
Architecture	\$2,548
Construction	
Environmental	\$44
Engineering	\$8,000
Clerk	\$26,178
Other	\$324
Maintenance	\$293
Administration	\$7,009
Property Management	\$362
Total Charges	\$44,891

Before July of 2012, airport system employees maintained their own vehicles and the airport system was responsible for operations of the entire fleet. On July 1, 2012, Public Works moved to merge the system's vehicles into the rest of its fleet, and the County Supervisors approved this move. Public Works' reasoning was that it would be more effective for its employees to maintain the entire fleet, even though most of the airport system vehicles are extremely specialized for their missions – such as the airport firefighting equipment. The move added expenses to the airport budget, but also allowed for

FIGURE 13: MOTOR POOL CHARGES TO AIRPORTS
 FISCAL YEAR 2016; SOURCE: PUBLIC WORKS DEPT.

Motor Pool Charge Summary

Fuel	\$102
Depreciation	\$17,488
O&M Costs	\$59,771
Total Charges	\$77,361

Public Works to reduce airport staff that would otherwise be needed to maintain vehicles. However, it must be noted, only a fraction of the time of one employee would be required to maintain all airport vehicles, based on how much the airport system currently pays Public Works for the labor required for vehicle maintenance.

O&M (operations and maintenance) charges paid to Public Works by the airport system totaled almost \$60,000 in 2016 (refer to figure 13). A significant portion of these payments to Public Works could be eliminated if the airport system's fleet was brought back under its control, assuming its airport service workers had the time to perform maintenance on the vehicle fleet.

Another option to reduce the expense of the airport system is to close or abandon one or more of the County's six airports. It is difficult to gauge the true cost of operating each of these airports, as the County budget places most of the cost of staff on the Arcata-Eureka Airport budget. However, the County's own accounting shows the smaller airports do come at some expense.

For example, the fiscal year 2016-2017 budget, provided by the County, shows a total cost of nearly \$60,000 to operate Garberville Airport; a total cost of \$5,300 to operate Dinsmore Airport; and a total cost of \$3,529 to operate Kneeland. At these costs, it is clear little staff time is being devoted to these airports. But the smaller airports could come with large capital price tags in the future as their infrastructure deteriorates.

It is not the goal of this document to recommend strategic closures of airports. But that issue will be analyzed in the upcoming full strategic plan for the system. This document merely points out the fact that smaller airports might not be sustainable to the County over the long term.

OPTIONS TO INCREASE REVENUE



While the budget appears to offer some small ways to generate savings, it is clear the Humboldt County airport system operates at near the lowest possible cost. There are not a host of areas in which to further cut costs and generate savings. Much of the budget balancing will have to come from activities to generate new revenue and grow current revenue. Future work to develop a strategic framework will detail options to generate new revenue. But this analysis has found several options for increasing current revenue.

Together, land leases and building leases on the County's airports generate \$250,000 per year, according to an analysis of internal County revenue statements for fiscal year 2016. Building leases, rented by square foot, generate a little more than \$171,000 per year while land leases, also by square foot, generate almost \$77,000 per year in revenue.

Lease rates, however, vary greatly, and not just by airport. They vary greatly at each airport by tenant. The current County lease rate for new leases on space in existing buildings is 79-cents

per square foot per month. The current County land lease rate is 35-cents per square foot per year. Many tenants' leases remain from agreements that were signed a number of years ago, with much lower rates than current. One of the beneficiaries of lower lease rates is the County, itself which has favorable leases on airport property.

**"ONE OF THE BENEFICIARIES OF
LOWER LEASE RATES IS THE
COUNTY, ITSELF – BUT THE
COUNTY DEPRIVES THE
AIRPORT SYSTEM OF REVENUE
WITH FAVORABLE LEASES OF
AIRPORT PROPERTY."**

Public Works Department agencies currently lease a total of more than 962,000 square feet of space on the County's airport lands, with leases at Arcata-Eureka Airport (ACV), Murray Field (EKA), Garberville Airport (O16), and Rohnerville Airport (FOT). Public Works pays the airport system more than \$32,000 per year for this space. Its building lease rates range from nine cents per square foot per month to almost 11-cents per square foot per month. Its land lease rates are all charged at 2.6-cents per square foot per year.

Other county agencies also lease space from the airport system. The District Attorney's office leases 2,000 square feet of building space at ACV at a cost of 10.5-cents per square foot per month, or more than \$2,500 per year. Animal Control leases 142,000 square feet of land at ACV for 3.2-cents per square foot per year, which is 0.6-cents per square foot more than the leases paid by Public Works.

The Humboldt County Sheriff's Office leases more than 4-million square feet of land from the airport system at Rohnerville Airport, with the lowest square footage rates of any County agency. In exchange for low lease rates, the Sheriff's inmate work program is charged with providing maintenance services at Rohnerville Airport.

Humboldt County agencies receive large discounts over standard airport system lease pricing. At the very least, the airport system should be credited, in its annual budget, with a line-item for the savings it is currently providing other County agencies, who would likely pay more for similar land on the open market.

Lease rates for the airport system vary greatly for other tenants, outside County government, as well. Some of the variation is due to the quality of the buildings leased, or the specific space requested. But it's important to point out the differences in this analysis.

FIGURE 14: AIRPORT SYSTEM BUILDING LEASE RATES
 FISCAL YEAR 2016; SOURCE: HUMBOLDT COUNTY DOCUMENTS

Airport	Building Leases	Monthly Rate Per Sq Ft
ACV	Cornucopia (Airport Advertising)	\$ 1.54
ACV	FAA SSC Air Freight Storage Bldg.	\$ 0.70
ACV	FAA SSC Terminal Office	\$ 1.31
ACV	Murphy's Markets - Building Rent	\$ 0.07
ACV	Mercer, Fraser & Company - Kodia Hangar	\$ 0.07
ACV	(TSA) Terminal Rent	\$ 3.32
ACV	United/Skywest Airlineoffice	\$ 1.00

At Arcata-Eureka Airport (ACV), building tenants pay anywhere from 7-cents per square foot per month for hangar space to as much as \$3.32 per square foot per month for office space (refer to figure 14 on the previous page). Only three leases are well below the current standard build lease rate of 79-cents per square foot per month, but if those three leases were brought up to County standard rates the additional revenue per year would total more than \$33,000.

FIGURE 15: AIRPORT SYSTEM LAND LEASE RATES
 FISCAL YEAR 2016; SOURCE: HUMBOLDT COUNTY DOCUMENTS

Airport	Land Leases	Annual Rate Per Sq Ft
ACV	Humboldt Trap and Skeet Club	\$ 0.01
ACV	Mercer, Fraser & Company - Land Lease	\$ 0.37
ACV	Mercer, Fraser & Company - Tiedowns	\$ 0.39
ACV	CAL-ORE LIFE FLIGHT	\$ 0.38
GAR	Hans Lange	\$ 0.32
GAR	John Zulauf (Jesse Gray)	\$ 0.32
GAR	Paul Hutchinson (Jesse Gray)	\$ 0.36
GAR	South Cox / Ben Wilke	\$ 0.42
GAR	Trent Sanders	\$ 0.36
ROH	Fortuna ACE Hardware, INC	\$ 0.35

Land lease rates at airports throughout the system, for private lessees, range from a penny per square foot per year to 42-cents per square foot per year (refer to figure 15). Most of these lease rates are near the current County standard of 35-cents per square foot per year. It would still benefit the airport system to develop a set of standard lease rates based on the quality of the land being leased and in the interest of maximizing land lease revenue without discouraging use of the land.

Finally, on the subject of lease rates, the airport system has not negotiated a new lease with its main Fixed Base Operator (FBO), Northern Air at Murray Field, since 2005. The lease expired in

2010, but no new lease was furnished for the analysis in this report. The lease includes Northern Air fees of just \$1,355 per month which includes the concession fee (\$75 per month) and the rental of two buildings, including a hangar. This fee is significantly lower than the fees charges to most other FBOs in California. While it is important to ensure low fees to encourage business expansion, it is recommended, as part of the strategic

**“...IT IS RECOMMENDED, AS
 PART OF THE STRATEGIC
 BUSINESS PLAN PROJECT, THAT
 FBO LEASE TERMS BE REVIEWED
 AGAINST PEER MARKETS AND
 ADJUSTED ACCORDINGLY IN
 THE NEXT NEW LEASE.”**

business plan project, that FBO lease terms be reviewed against peer markets and adjusted accordingly in the next new lease.

As mentioned in benchmarking the airport system's budget against peers in this report, airline passenger vehicle parking is one of the main sources of revenue for the system. The County outsources the management of its parking operation to Republic Parking on a 20-year contract that will expire in 2021. Under this contract, Republic collects all gross receipts for parking fees and pays the County rent based on its share of those receipts. Republic is responsible for staffing the kiosk, but the County is still responsible for all maintenance and upkeep of the parking lots.

In 2015, Arcata-Eureka Airport (ACV) passenger vehicle parking generated more than \$400,000 in total gross receipts (refer to figure 16). Based on the agreement with Republic, the County only retained 56% of the gross receipts, or \$223,000, with the rest going to Republic. In 2016, parking gross receipts increased by 30%, to almost \$519,000. But the County only retained 59% of the revenue – a total of just over \$305,000.

FIGURE 16: BREAKDOWN OF ACV PARKING RECEIPTS
 SOURCE: REPUBLIC PARKING REPORTING

Year	Gross Parking Fees	County Share	Republic Share	County %
2015	\$400,306	\$223,007	\$177,299	55.7%
2016	\$518,721	\$305,327	\$213,394	58.9%
Total	\$919,027	\$528,334	\$390,693	57.5%

Over the two-year period from 2015 to 2016, Republic Parking generated almost \$391,000 in total revenue from managing the parking lots at ACV (refer to figure 16). Republic, based on its agreement with the County, retained 42.5% of all parking revenue for the two-year period.

It is strongly suggested that, at the conclusion of the Republic Parking contract, the County take over the management of the ACV parking operation. Parking automation, including all equipment and technology required, costs between \$250,000 and \$450,000 to install, based on which system an airport chooses. The County can cover the expense of installing the system in just two years through the re-patriation of revenue currently being spent on Republic management. Beyond the two-year payoff phase, an automated system

would allow the County to access at least \$200,000 per year in additional parking revenue based on recent financial results.

Beyond the County taking over the management of the ACV passenger vehicle parking operation, it is also recommended the airport system review its parking rates relative to peers, similar to the analysis in this report. It is feasible the airport system could raise parking rates without a loss of any parking business. A full sensitivity analysis of parking rate increases and increased revenue will be completed in the strategic business plan portion of study for Humboldt County.

It is likely there are other options to generate increased revenue for the airport system, including expanded and new lines of business. These options will be researched and developed through upcoming SWOT (strengths, weaknesses, opportunity, and threats) sessions and the upcoming strategic plan process.

APPENDIX ONE: AVIATION DIV. BUDGET



Aviation Division Budget		Actual							
REVENUES		2003	2004	2005	2006	2007	2008	2009	2010
Operating Revenue/Contributions/Charges		1,736,969	1,750,116	1,923,603	2,350,725	2,429,886	2,619,802	2,664,775	2,646,911
Use of Money and Property		318	4,744	7,144	10,906	22,938	11,725	3,175	7,071
Other Governmental Agencies		1,108,528	244,194	755,848	1,044,962	3,390,073	5,989,775	2,890,234	4,883,863
Other Revenues		-	-	-	-	-	-	48,214	253,323
Trust Fund Revenue/Airport Enterprise		-	-	-	-	333,617	17,661	-	-
General Fund Contribution		-	-	-	-	-	-	-	-
Not Applicable		-	-	-	-	-	-	-	-
Total		2,845,815	1,999,054	2,686,595	3,406,593	6,176,514	8,638,963	5,606,398	7,791,168
OPERATING EXPENDITURES									
Other Charges		155,135	937,263	117,935	158,752	91,850	356,904	1,238,400	1,296,598
Salaries and Benefits		695,637	581,614	673,470	791,461	808,432	803,398	954,851	1,045,881
Supplies and Services		967,709	982,910	1,037,608	1,430,185	1,515,718	1,615,987	1,391,170	1,537,871
Subtotal		1,818,481	2,501,787	1,829,013	2,380,398	2,416,000	2,776,289	3,584,421	3,880,350
Balance Before Fixed Assets or Transfers		1,027,334	(502,733)	857,582	1,026,195	3,760,514	5,862,674	2,021,977	3,910,818
Fixed Assets		879,637	305,945	680,588	1,108,722	3,727,512	5,730,499	3,255,955	5,978,604
Intrafund Transfers		-	-	-	-	-	-	-	-
Total		2,698,118	2,807,732	2,509,601	3,489,120	6,143,512	8,506,788	6,840,376	9,858,954
Balance		147,697	(808,678)	176,994	(82,527)	33,002	132,175	(1,233,978)	(2,067,786)
Additional Funding Support									
(To)/From Airport Enterprise Fund		(147,698)	807,767	(176,994)	82,527	(33,002)	(132,175)	1,233,978	2,067,786
Aviation Capital Projects		-	-	-	-	-	-	-	-
Total		(1)	(911)	-	-	-	-	-	-

Aviation Division Budget		Actual						Adopted
REVENUES		2011	2012	2013	2014	2015	2016	2017
Operating Revenue/Contributions/Charges		3,289,237	2,991,453	3,053,871	2,605,913	2,347,122	2,436,398	2,232,470
Use of Money and Property		3,399	344	685	272	245	981	-
Other Governmental Agencies		8,489,801	2,951,358	160,155	2,521,773	517,368	297,637	4,252,812
Other Revenues		412,043	187,461	158,251	754,591	122,358	115,098	436,294
Trust Fund Revenue/Airport Enterprise		-	-	-	-	-	-	-
General Fund Contribution		-	-	-	-	15,000	16,116	35,500
Not Applicable		-	-	-	-	-	-	-
Total		12,194,480	5,984,695	3,372,962	5,887,600	3,004,128	2,866,230	6,957,076
OPERATING EXPENDITURES								
Other Charges		1,196,455	1,141,248	1,404,930	1,947,205	2,348,024	2,413,520	1,628,682
Salaries and Benefits		1,177,458	1,166,847	1,136,327	895,667	888,713	868,876	914,247
Supplies and Services		1,926,248	1,691,332	1,570,265	1,480,609	1,524,277	1,231,360	1,061,116
Subtotal		4,300,161	3,999,427	4,111,522	4,323,481	4,761,014	4,513,756	3,604,045
Balance Before Fixed Assets or Transfers		7,894,319	1,985,268	(738,560)	1,564,119	(1,756,886)	(1,647,526)	3,353,031
Fixed Assets		7,475,133	3,076,377	699,025	3,562,282	344,052	252,516	3,315,079
Intrafund Transfers		-	-	(120,816)	(107,699)	(92,505)	(35,606)	(25,878)
Total		11,775,294	7,075,804	4,689,731	7,778,064	5,012,561	4,730,666	6,893,246
Balance		419,186	(1,091,109)	(1,316,769)	(1,890,464)	(2,008,433)	(1,864,436)	63,830
Additional Funding Support								
(To)/From Airport Enterprise Fund		(419,186)	1,377,401	1,010,245	1,765,184	2,171,063	1,829,792	(63,830)
Aviation Capital Projects		-	(286,292)	306,524	125,280	(162,630)	34,644	-
Total		-	-	-	-	-	-	-

APPENDIX TWO: BUDGETS BY AIRPORT



County of Humboldt
3530381 - Arcata-Eureka Airport ACV
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016

Revenues	Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
11 Operating Revenue & Contributions							
682303 Landing Fees	113,000.00	113,000.00	40,673.11	192,523.65		(79,523.65)	170.4%
682304 Terminal Income	55,000.00	55,000.00	16,947.47	120,728.49		(65,728.49)	219.5%
682310 Security Requirements	65,390.00	65,390.00		104,782.01		(39,392.01)	160.2%
682311 Aircraft Storage T-Hanger	11,802.00	11,802.00	284.50	12,302.12		(500.12)	104.2%
682312 Aircraft Storage-Tie Downs	24,000.00	24,000.00	841.72	22,025.32		1,974.68	91.8%
682314 Building Rent	38,000.00	38,000.00	5,370.37	50,571.89		(12,571.89)	133.1%
682315 Ground Rent	40,800.00	40,800.00	546.67	38,761.27		2,038.73	95.0%
682316 Rental Cars - Terminal Income	197,000.00	197,000.00	36,454.88	204,253.84		(7,253.84)	103.7%
682317 Auto Parking - Terminal Income	224,000.00	224,000.00	55,199.97	281,282.93		(57,282.93)	125.6%
682318 Other Concessions-Terminal Inc	65,000.00	65,000.00	2,846.50	20,145.02		44,854.98	31.0%
682400 Sales - Fuel & Oil	480,000.00	600,000.00	66,223.99	793,608.48		(193,608.48)	132.3%
682401 Fuel Flowage	510.00	510.00				510.00	0.0%
682402 Fuel Flowage Non-retail	75,000.00	75,000.00	33,669.52	156,296.85		(81,296.85)	208.4%
682501 Misc. General Revenue	12,000.00	12,000.00	4,991.64	26,029.07		(14,029.07)	216.9%
682611 Transfer from Hanger Trust	74,910.00	74,910.00				74,910.00	0.0%
Total Operating Revenue & Cont	1,476,412.00	1,596,412.00	264,050.34	2,023,310.94		(426,898.94)	126.7%
50 Other Governmental Agencies							
532088 ACV - DOT MRG Grant	710,000.00	710,000.00		6,843.95		703,156.05	1.0%
Total Other Governmental Agencies	710,000.00	710,000.00		6,843.95		703,156.05	1.0%
60 Charges for Current Services							
681200 Road Labor-Oth Co Fund PW/Real				1,338.90		(1,338.90)	
Total Charges for Current Serv				1,338.90		(1,338.90)	
70 Other Revenues							
704016 Insurance Reimbursement	62,939.00	62,939.00		62,939.00			100.0%
705501 Capital Projects Trust		125,000.00	52,159.43	52,159.43		72,840.57	41.7%
706250 Inter-Fund Loans Trust Transfr	500,000.00	500,000.00				500,000.00	0.0%
707012 Donations		1,317.00				1,317.00	0.0%

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710050 Fund Balance Transfer	15,000.00			15,000.00	0.0%
Total Other Revenues	562,939.00	704,256.00	52,159.43	115,098.43	16.3%
90 General Fund Contribution					
Total General Fund Contribution					
99 Not Applicable					
806530 IGS-Airport Enterprise			(5,948.95)		
Total Not Applicable			(5,948.95)		
Total Revenues	2,749,351.00	3,010,668.00	310,260.82	2,146,592.22	71.3%
Expenditures					
01 Salaries & Employee Benefits					
1100 Salaries And Wages	561,362.00	542,313.00	55,760.09	539,286.28	99.4%
1300 Tool Allowance	250.00	250.00		250.00	0.0%
1310 Uniform Allowance	2,565.00	2,565.00		2,565.00	0.0%
1450 Unemployment Insurance	4,211.00	4,211.00	449.13	4,048.15	96.1%
1460 Overtime	15,000.00	15,000.00	2,453.60	27,008.64	180.1%
1470 Health Insurance	110,043.00	108,091.00	9,424.94	106,461.91	98.5%
1471 Life & Air Travel Insurance	447.00	447.00	37.20	446.40	99.9%
1472 Dental Insurance	10,500.00	10,500.00	874.92	10,499.04	100.0%
1500 Retirement	150,608.00	150,608.00	13,599.47	147,059.20	97.6%
1600 FICA	26,613.00	26,613.00	1,919.91	18,354.95	69.0%
1700 Workers' Compensation	15,712.00	15,712.00		15,712.00	100.0%
Total Salaries & Employee Bene	897,311.00	876,310.00	84,519.26	868,876.57	99.2%
02 Services and Supplies					
2103 Clothing / Employee	200.00	200.00		200.00	0.0%
2106 Communications	11,000.00	11,000.00	1,780.51	13,008.69	118.3%
2109 Household Expense	20,000.00	20,000.00	3,406.23	22,787.03	113.9%
2110 Insurance	163,350.00	163,350.00		163,351.00	100.0%
2112 Maintenance-Equipment	12,500.00	12,500.00	1,501.25	12,395.49	99.2%
2115 Memberships	500.00	500.00		490.00	98.0%
2116 Postage	500.00	500.00	14.12	321.30	64.3%
2117 Office Supplies	2,000.00	2,000.00	267.24	1,094.37	54.7%
2118 Professional & Special Service	10,000.00	5,858.00	300.00	1,325.00	22.6%
2120 Rents & Leases - Equipment	10,000.00	10,000.00	108.84	6,257.33	62.6%
2122 Small Tools	600.00	400.00	41.08	305.56	76.4%
2123 Special Departmental Expense	2,000.00	2,000.00	457.09	2,169.08	108.5%
2125 Transportation & Travel	23,000.00	18,391.00	631.35	14,844.67	80.7%
2126 Utilities	150,000.00	150,000.00	26,814.71	156,237.18	104.2%

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2127	Security Guard	107,500.00	112,321.56	112,720.61	(5,220.61)	104.9%
2148	Computer Software	7,500.00		7,200.00	300.00	96.0%
2163	Heavy Equipment Use	51,000.00		49,418.34	1,581.66	96.9%
2187	Flashing Beacon Placement	15,000.00		15,729.89	(729.89)	104.9%
2225	Transportation-Out of County	500.00			500.00	0.0%
2250	Aircraft Rescue Fire Fighting	16,000.00		14,622.18	1,377.82	91.4%
2317	Office Expense - Equipment	1,200.00			1,200.00	0.0%
2350	Safety Related Expenses	2,000.00			1,260.18	37.0%
2550	Maintenance-Landing Areas	39,482.00		11.75	(.05)	100.0%
2551	Maintenance-Terminal Building	56,331.00		935.92	1,161.93	86.0%
2552	Maintenance-Other Bldgs & Area	8,317.00		7,155.07	(842.24)	105.7%
2553	Maintenance-Landscaping	3,000.00		12,596.61	824.28	17.6%
2614	Staff Development & Training	1,000.00		13.99	(24.01)	101.0%
2650	Industrial Permits & Fees	7,600.00		10,275.78	(2,675.78)	135.2%
2651	Fuel Purchases For Resale	310,000.00		403,356.38	(971.38)	100.2%
2813	Elevator Maintenance	5,027.00		4,876.32	150.68	97.0%
Total Services and Supplies		965,459.00	1,095,162.00	1,095,157.11	4.89	100.0%
03 Other Charges						
3125	Information Services Charges	13,688.00		13,688.00		100.0%
3137	A-87 Overhead Charges	27,215.00		27,215.00		100.0%
3300	Depreciation Expense	1,500.00		1,961,426.53	(1,961,426.53)	379.9%
3344	Negative Interest Expense	20,743.00		5,699.23	(4,199.23)	100.0%
3395	Interest Expense	20,743.00		20,743.00		100.0%
3396	Principle Loan Payments	54,167.00		54,167.00		100.0%
3508	ACV - MRG	725,000.00		8,416.90	716,583.10	1.2%
3513	Communications/Utility Charges	3,220.00		3,220.00		100.0%
3928	Expense Transfers	100,000.00		95,417.71	4,582.29	95.4%
3940	Central Service Charges	1,268.00		1,268.00		100.0%
Total Other Charges		946,801.00	946,801.00	2,191,261.37	(1,244,460.37)	231.4%
08 Fixed Assets						
8186	Improvements	125,000.00		52,159.43	72,840.57	41.7%
Total Fixed Assets		125,000.00	38,072.16	52,159.43	72,840.57	41.7%
09 Intrafund Transfers						
9346	Public Works Services	(113,400.00)		(35,606.50)	(77,793.50)	31.4%
Total Intrafund Transfers		(113,400.00)	(113,400.00)	(35,606.50)	(77,793.50)	31.4%
Total Expenditures		2,696,171.00	2,929,873.00	4,171,847.98	(1,241,974.98)	142.4%
Net Revenues Over (Under) Expenditures		53,180.00	80,795.00	(1,990,247.71)	2,106,050.76	

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**County of Humboldt
3530373 – Rohnerville Airport
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016**

		Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
Revenues								
11	Operating Revenue & Contributn							
682303	Landing Fees	11,700.00	11,700.00	1,012.50	23,923.99		(12,223.99)	204.5%
682311	Aircraft Storage T-Hanger	46,000.00	46,000.00	3,258.60	43,765.60		2,234.40	95.1%
682312	Aircraft Storage-Tie Downs	1,000.00	1,000.00	42.00	227.50		772.50	22.8%
682314	Building Rent	660.00	660.00		660.48		(.48)	100.1%
682315	Ground Rent	12,200.00	12,200.00	357.00	12,888.63		(688.63)	105.6%
682400	Sales - Fuel & Oil	30,000.00	30,000.00	2,749.43	22,346.98		7,653.02	74.5%
682402	Fuel Flowage Non-retail	4,000.00	4,000.00	455.05	1,322.40		2,677.60	33.1%
682501	Misc. General Revenue	200.00	200.00		21,258.67		(21,058.67)	10,629.3%
682657	CAAP Rohnerville	10,000.00	10,000.00		10,000.00			100.0%
	Total Operating Revenue & Cont	115,760.00	115,760.00	7,874.58	136,394.25		(20,634.25)	117.8%
	Total Revenues	115,760.00	115,760.00	7,874.58	136,394.25		(20,634.25)	117.8%
Expenditures								
02	Services and Supplies							
2106	Communications	650.00	650.00	108.23	814.51		(164.51)	125.3%
2110	Insurance	8,234.00	8,234.00		8,234.00			100.0%
2112	Maintenance-Equipment	4,200.00	4,600.00	1,525.00	5,665.64		(1,065.64)	123.2%
2115	Memberships	100.00	100.00				100.00	0.0%
2116	Postage	50.00	50.00				50.00	0.0%
2118	Professional & Special Service	3,200.00	3,200.00	360.00	3,565.24		(365.24)	111.4%
2122	Small Tools	150.00	150.00	1.84	1.84		148.16	1.2%
2123	Special Departmental Expense	1,800.00	15.00	17.00	32.00		(17.00)	213.3%
2125	Transportation & Travel	1,800.00	1,800.00	397.89	2,806.15		(1,006.15)	155.9%
2126	Utilities	11,300.00	11,300.00	1,849.02	11,003.56		296.44	97.4%
2148	Computer Software	1,100.00	1,100.00		995.00		105.00	90.5%
2163	Heavy Equipment Use	1,500.00	1,500.00	56.76	682.22		817.78	45.5%
2317	Office Expense - Equipment		2,500.00		1,384.53		1,115.47	55.4%
2350	Safety Related Expenses	150.00	150.00	4.65	4.65		145.35	3.1%
2550	Maintenance-Landing Areas	2,800.00	30,000.00	2,236.84	5,180.65		24,819.35	17.3%

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2552	Maintenance-Other Bldgs & Area	1,000.00	1,000.00		6.22	993.78	0.6%
2553	Maintenance-Landscaping	204.00	204.00			204.00	0.0%
2650	Industrial Permits & Fees	1,700.00	1,700.00		1,723.87	(23.87)	101.4%
2651	Fuel Purchases For Resale	23,000.00	23,000.00	3,199.22	19,099.28	3,900.72	83.0%
	Total Services and Supplies	61,138.00	91,253.00	9,756.45	61,199.36	30,053.64	67.1%
03 Other Charges							
3125	Information Services Charges	690.00	690.00		690.00		100.0%
3137	A-87 Overhead Charges	1,372.00	1,372.00		1,372.00		100.0%
3513	Communications/Utility Charges	162.00	162.00		162.00		100.0%
3928	Expense Transfers	42,600.00	40,100.00	2,030.57	27,331.84	12,768.16	68.2%
3940	Central Service Charges	151.00	151.00		151.00		100.0%
	Total Other Charges	44,975.00	42,475.00	2,030.57	29,706.84	12,768.16	69.9%
	Total Expenditures	106,113.00	133,728.00	11,787.02	90,906.20	42,821.80	68.0%
	Net Revenues Over						
	(Under) Expenditures	9,647.00	(17,968.00)	(3,912.44)	45,488.05	(63,456.05)	

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**County of Humboldt
3530372 - Murray Field Airport
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016**

Revenues		Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
11 Operating Revenue & Contributions								
682300	Fixed-Based Operator	2,000.00	2,000.00	192.00	2,304.00		(304.00)	115.2%
682303	Landing Fees	22,000.00	22,000.00	3,782.60	24,688.52		(2,688.52)	112.2%
682311	Aircraft Storage T-Hanger	102,000.00	102,000.00	11,765.88	106,613.99		(4,613.99)	104.5%
682312	Aircraft Storage-Tie Downs	11,000.00	11,000.00	4,286.25	11,452.75		(452.75)	104.1%
682314	Building Rent	3,700.00	3,700.00	182.00	4,340.00		(640.00)	117.3%
682315	Ground Rent	10,080.00	10,080.00	368.40	8,137.22		1,942.78	80.7%
682401	Fuel Flowage	2,700.00	2,700.00	895.60	4,423.60		(1,723.60)	163.8%
682501	Misc. General Revenue	100.00	100.00				100.00	0.0%
682655	CAAP Murray	10,000.00	10,000.00		10,000.00			100.0%
Total Operating Revenue & Cont		163,580.00	163,580.00	21,472.73	171,960.08		(8,380.08)	105.1%
Total Revenues		163,580.00	163,580.00	21,472.73	171,960.08		(8,380.08)	105.1%
Expenditures								
02 Services and Supplies								
2106	Communications	250.00	250.00	38.52	284.45		(34.45)	113.8%
2109	Household Expense	1,300.00	850.00	86.03	1,145.48		(295.48)	134.8%
2110	Insurance	9,387.00	9,387.00		9,387.00			100.0%
2112	Maintenance-Equipment	700.00	390.00		819.80		(429.80)	210.2%
2115	Memberships	100.00	100.00				100.00	0.0%
2116	Postage	50.00	50.00		19.62		30.38	39.2%
2117	Office Supplies	10.00	10.00				10.00	0.0%
2122	Small Tools	200.00	200.00	1.36	1.36		198.64	0.7%
2125	Transportation & Travel	4,200.00	4,200.00	123.53	1,002.05		3,197.95	23.9%
2126	Utilities	10,500.00	10,500.00	1,300.54	10,464.28		35.72	99.7%
2163	Heavy Equipment Use	2,000.00	2,000.00	198.66	1,980.72		19.28	99.0%
2350	Safety Related Expenses	150.00	150.00	(37.53)	(37.53)		187.53	-25.0%
2550	Maintenance-Landing Areas	900.00	900.00	173.48	285.26		614.74	31.7%
2552	Maintenance-Other Bldgs & Area	1,000.00	1,110.00		1,876.19		(766.19)	169.0%
2650	Industrial Permits & Fees	4,300.00	4,950.00		6,247.00		(1,297.00)	126.2%

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Total Services and Supplies		35,047.00	35,047.00	1,884.59	33,475.68	1,571.32	95.5%
03 Other Charges							
3125 Information Services Charges	787.00	787.00			787.00		100.0%
3137 A-87 Overhead Charges	1,564.00	1,564.00			1,564.00		100.0%
3513 Communications/Utility Charges	185.00	185.00			185.00		100.0%
3928 Expense Transfers	47,000.00	47,000.00		941.57	13,972.58	33,027.42	29.7%
3940 Central Service Charges	95.00	95.00			95.00		100.0%
Total Other Charges	49,631.00	49,631.00		941.57	16,603.58	33,027.42	33.5%
08 Fixed Assets							
8989 Equipment-Miscellaneous	99,000.00	99,000.00				99,000.00	0.0%
Total Fixed Assets	99,000.00	99,000.00				99,000.00	0.0%
Total Expenditures	183,678.00	183,678.00		2,826.16	50,079.26	133,598.74	27.3%
Net Revenues Over (Under) Expenditures	(20,098.00)	(20,098.00)		18,646.57	121,880.82	(141,978.82)	

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County of Humboldt
3530374 - Garberville Airport
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016

	Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
Revenues							
11 Operating Revenue & Contributions							
682311 Aircraft Storage T-Hanger	12,000.00	12,000.00	574.00	11,581.80		418.20	96.5%
682312 Aircraft Storage-Tie Downs	4,500.00	4,500.00	4,977.70	8,617.20		(4,117.20)	191.5%
682315 Ground Rent	15,000.00	15,000.00	956.34	15,887.82		(887.82)	105.9%
682400 Sales - Fuel & Oil	32,000.00	32,000.00	1,888.37	16,827.56		15,172.44	52.6%
682501 Misc. General Revenue	200.00	200.00		2,400.00		(2,200.00)	1,200.0%
682660 CAAP Garberville	10,000.00	10,000.00		10,000.00			100.0%
Total Operating Revenue & Cont	73,700.00	73,700.00	8,396.41	65,314.38		8,385.62	88.6%
Total Revenues	73,700.00	73,700.00	8,396.41	65,314.38		8,385.62	88.6%
Expenditures							
02 Services and Supplies							
2106 Communications	1,200.00	1,200.00	129.59	1,249.17		(49.17)	104.1%
2109 Household Expense	2,000.00	2,000.00	203.87	1,853.29		146.71	92.7%
2110 Insurance	3,127.00	3,127.00		3,127.00			100.0%
2112 Maintenance-Equipment	5,000.00	5,000.00	1,525.00	4,597.91		402.09	92.0%
2115 Memberships	100.00	100.00				100.00	0.0%
2116 Postage	50.00	50.00		19.62		30.38	39.2%
2118 Professional & Special Service	2,500.00	2,500.00	480.00	3,122.90		(622.90)	124.9%
2122 Small Tools	75.00	75.00	1.36	1.36		73.64	1.8%
2123 Special Departmental Expense	50.00	50.00	4.00	4.00		46.00	8.0%
2125 Transportation & Travel	5,200.00	5,200.00	1,324.25	5,956.55		(756.55)	114.5%
2126 Utilities	3,800.00	3,800.00	446.67	2,652.63		1,147.37	69.8%
2148 Computer Software	2,700.00	2,700.00		595.00		2,105.00	22.0%
2163 Heavy Equipment Use	1,100.00	1,100.00	227.04	391.74		708.26	35.6%
2350 Safety Related Expenses	100.00	100.00	3.43	3.43		96.57	3.4%
2550 Maintenance-Landing Areas	500.00	500.00	173.48	285.25		214.75	57.1%
2552 Maintenance-Other Bldgs & Area	1,600.00	1,600.00		372.66		1,227.34	23.3%
2650 Industrial Permits & Fees	1,600.00	1,600.00		1,723.87		(123.87)	107.7%
2651 Fuel Purchases For Resale	21,500.00	21,500.00	(2,088.94)	12,143.37		9,356.63	56.5%

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Total Services and Supplies									
03 Other Charges									
3125 Information Services Charges	262.00	262.00			262.00				100.0%
3137 A-87 Overhead Charges	521.00	521.00			521.00				100.0%
3513 Communications/Utility Charges	62.00	62.00			62.00				100.0%
3928 Expense Transfers	17,500.00	17,500.00		1,825.54	13,324.64			4,175.36	76.1%
3940 Central Service Charges	114.00	114.00			114.00				100.0%
Total Other Charges	18,459.00	18,459.00		1,825.54	14,283.64			4,175.36	77.4%
Total Expenditures	70,661.00	70,661.00		4,255.29	52,383.39			18,277.61	74.1%
Net Revenues Over									
(Under) Expenditures	3,039.00	3,039.00		4,141.12	12,930.99			(9,891.99)	

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**County of Humboldt
3530376 - Kneeland Airport
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016**

	Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
Revenues							
11 Operating Revenue & Contributions							
682664 CAAP Kneeland	10,000.00	33,000.00	19,029.14	21,869.74		11,130.26	66.3%
Total Operating Revenue & Cont	10,000.00	33,000.00	19,029.14	21,869.74		11,130.26	66.3%
Total Revenues	10,000.00	33,000.00	19,029.14	21,869.74		11,130.26	66.3%
Expenditures							
02 Services and Supplies							
2106 Communications	75.00	75.00				75.00	0.0%
2109 Household Expense	1,600.00	1,600.00	86.05	1,145.74		454.26	71.6%
2110 Insurance	721.00	721.00		721.00			100.0%
2112 Maintenance-Equipment	700.00	700.00				700.00	0.0%
2115 Memberships	100.00	100.00				100.00	0.0%
2116 Postage	50.00	50.00				50.00	0.0%
2122 Small Tools	75.00	75.00				75.00	0.0%
2125 Transportation & Travel	400.00	400.00		54.27		345.73	13.6%
2163 Heavy Equipment Use	150.00	150.00				150.00	0.0%
2350 Safety Related Expenses	75.00	75.00				75.00	0.0%
2550 Maintenance-Landing Areas	350.00	350.00		111.77		238.23	31.9%
Total Services and Supplies	4,296.00	4,296.00	86.05	2,032.78		2,263.22	47.3%
03 Other Charges							
3125 Information Services Charges	60.00	60.00		60.00			100.0%
3137 A-87 Overhead Charges	120.00	120.00		120.00			100.0%
3513 Communications/Utility Charges	14.00	14.00		14.00			100.0%
3928 Expense Transfers	3,800.00	8,800.00		1,223.92		7,576.08	13.9%
Total Other Charges	3,994.00	8,994.00		1,417.92		7,576.08	15.8%
08 Fixed Assets							
8862 Safety Equipment		18,000.00		15,578.44		2,421.56	86.5%

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Total Fixed Assets	18,000.00	15,578.44	2,421.56	86.5%
Total Expenditures	8,290.00	31,290.00	12,260.86	60.8%
Net Revenues Over (Under) Expenditures	1,710.00	1,710.00	(1,130.60)	

**County of Humboldt
3530375 - Dinsmore Airport
Revenues and Expenditures with Encumbrances
For the Period Ending June 30, 2016**

	Adopted Budget	Adjusted Budget	Month to Date	Fiscal Year to Date	Encumbrances	Remaining Balance	Percentage Used
Revenues							
11 Operating Revenue & Contributions							
682402 Fuel Flowage Non-retail				564.49		(564.49)	
682501 Misc. General Revenue				5,600.00		(5,600.00)	
682662 CAAP Dinsmore				1,800.00		(43.89)	100.4%
Total Operating Revenue & Cont	10,000.00	10,000.00	1,800.00	16,208.38		(6,208.38)	162.1%
Total Revenues	10,000.00	10,000.00	1,800.00	16,208.38		(6,208.38)	162.1%
Expenditures							
02 Services and Supplies							
2106 Communications	75.00	75.00				75.00	0.0%
2110 Insurance	1,082.00	1,082.00		1,082.00			100.0%
2112 Maintenance-Equipment	700.00	700.00				700.00	0.0%
2115 Memberships	100.00	100.00				100.00	0.0%
2116 Postage	50.00	50.00		8.43		41.57	16.9%
2122 Small Tools	75.00	75.00	.49	.49		74.51	0.7%
2123 Special Departmental Expense			9.00	9.00		(9.00)	
2125 Transportation & Travel	750.00	750.00		122.11		627.89	16.3%
2163 Heavy Equipment Use	150.00	150.00				150.00	0.0%
2350 Safety Related Expenses	75.00	75.00	1.21	1.21		73.79	1.6%
2550 Maintenance-Landing Areas	1,500.00	1,500.00	61.97	173.74		1,326.26	11.6%
Total Services and Supplies	4,557.00	4,557.00	72.67	1,396.98		3,160.02	30.7%
03 Other Charges							
3125 Information Services Charges	91.00	91.00		91.00			100.0%
3137 A-87 Overhead Charges	180.00	180.00		180.00			100.0%
3513 Communications/Utility Charges	21.00	21.00		21.00			100.0%
3928 Expense Transfers	2,500.00	2,500.00	175.79	2,178.50		321.50	87.1%
3940 Central Service Charges	19.00	19.00		19.00			100.0%
Total Other Charges	2,811.00	2,811.00	175.79	2,489.50		321.50	88.6%

Total Expenditures	7,368.00	7,368.00	248.46	3,886.48	3,481.52	52.7%
Net Revenues Over (Under) Expenditures	2,632.00	2,632.00	1,551.54	12,321.90	(9,689.90)	

APPENDIX THREE: ACV FAA BUDGETS



Operating Budget Analysis ARCAT Fiscal Year 2012			
Operating Revenue		Operating Expenses	
Passenger Airline Revenue		Operating Expenses	
Landing Fees	\$151,025	Personnel (Compensation and Benefits)	\$1,166,848
Terminal Rent	\$135,814	Communications and Utilities	\$179,903
Apron Charges	\$57,744	Supplies and Materials	\$34,570
Federal Inspection Fees	\$0	Contractual Services	\$323,389
Other Fees	\$0	Insurance Claims and Settlements	\$132,875
Subtotal	\$344,583	Other Operating Expenses	\$1,329,454
Passenger-Related Revenue		Subtotal	\$3,167,039
Terminal Food and Beverage	\$89,727	Operating Profit/Loss Analysis	
Terminal Retail	\$0	Total Operating Revenue	\$2,681,188
Terminal Services	\$0	Total Operating Expenses	\$3,167,039
Rental Cars	\$170,911		
Airport Hotel	\$0	Total Operating Profit/Loss	-\$485,851
Parking and Ground Transport	\$211,700		
Subtotal	\$472,338		
Non-Passenger Aeronautical Revenue		Per Enplaned Passenger	
Landing Fees from Cargo	\$15,290	Enplaned Passengers	71,991
Landing Fees from GA and Military	\$0	Airline Cost Per Enplaned Passenger	\$4.79
FBO Revenue	\$4,083	Airport Revenue Per Enplaned Pax	\$6.56
Hangar Rentals	\$211,102	Terminal Concessions Per Enplaned Pax	\$1.25
Aviation Fuel Tax	\$100,214	Parking Per Enplaned Passenger	\$2.94
Fuel Flowage	\$1,201,609	Rental Car Per Enplaned Passenger	\$2.37
Security Reimbursement	\$187,472	Personnel Cost Per Enplaned Passenger	\$16.21
Other Fees	\$109,482		
Subtotal	\$1,829,252		
Non-Aeronautical Revenue		Source: Federal Aviation Administration Financial Summary Report Form 127	
Land Leases	\$35,015		
Other Revenue	\$0		
Subtotal	\$35,015		
Total Operating Revenue	\$2,681,188		

Operating Budget Analysis ARCATa Fiscal Year 2013			
Operating Revenue		Operating Expenses	
Passenger Airline Revenue		Operating Expenses	
Landing Fees	\$173,703	Personnel (Compensation and Benefits)	\$1,136,625
Terminal Rent	\$139,664	Communications and Utilities	\$162,796
Apron Charges	\$0	Supplies and Materials	\$24,554
Federal Inspection Fees	\$0	Contractual Services	\$244,656
Other Fees	\$0	Insurance Claims and Settlements	\$126,169
Subtotal	\$313,367	Other Operating Expenses	\$1,186,529
Passenger-Related Revenue		Subtotal	\$2,881,329
Terminal Food and Beverage	\$99,995	Operating Profit/Loss Analysis	
Terminal Retail	\$0	Total Operating Revenue	\$2,933,357
Terminal Services	\$60,968	Total Operating Expenses	\$2,881,329
Rental Cars	\$197,940		
Airport Hotel	\$0	Total Operating Profit/Loss	\$52,028
Parking and Ground Transport	\$242,056		
Subtotal	\$600,959		
Non-Passenger Aeronautical Revenue		Per Enplaned Passenger	
Landing Fees from Cargo	\$0	Enplaned Passengers	63,194
Landing Fees from GA and Military	\$0	Airline Cost Per Enplaned Passenger	\$4.96
FBO Revenue	\$0	Airport Revenue Per Enplaned Pax	\$9.51
Hangar Rentals	\$40,511	Terminal Concessions Per Enplaned Pax	\$2.55
Aviation Fuel Tax	\$0	Parking Per Enplaned Passenger	\$3.83
Fuel Flowage	\$1,305,403	Rental Car Per Enplaned Passenger	\$3.13
Security Reimbursement	\$151,298	Personnel Cost Per Enplaned Passenger	\$17.99
Other Fees	\$72,994		
Subtotal	\$1,570,206		
Non-Aeronautical Revenue		Source: Federal Aviation Administration Financial Summary Report Form 127	
Land Leases	\$0		
Other Revenue	\$448,825		
Subtotal	\$448,825		
Total Operating Revenue	\$2,933,357		

Operating Budget Analysis ARCATa Fiscal Year 2014			
Operating Revenue		Operating Expenses	
Passenger Airline Revenue		Operating Expenses	
Landing Fees	\$140,806	Personnel (Compensation and Benefits)	\$895,667
Terminal Rent	\$85,845	Communications and Utilities	\$160,142
Apron Charges	\$0	Supplies and Materials	\$31,836
Federal Inspection Fees	\$0	Contractual Services	\$239,076
Other Fees	\$87,506	Insurance Claims and Settlements	\$169,376
Subtotal	\$314,157	Other Operating Expenses	\$1,730,770
Passenger-Related Revenue		Subtotal	\$3,226,867
Terminal Food and Beverage	\$94,084	Operating Profit/Loss Analysis	
Terminal Retail	\$0	Total Operating Revenue	\$1,987,528
Terminal Services	\$0	Total Operating Expenses	\$3,226,867
Rental Cars	\$203,698		
Airport Hotel	\$0	Total Operating Profit/Loss	-\$1,239,339
Parking and Ground Transport	\$204,776		
Subtotal	\$502,558		
Non-Passenger Aeronautical Revenue		Per Enplaned Passenger	
Landing Fees from Cargo	\$3,917	Enplaned Passengers	56,623
Landing Fees from GA and Military	\$0	Airline Cost Per Enplaned Passenger	\$5.55
FBO Revenue	\$0	Airport Revenue Per Enplaned Pax	\$8.88
Hangar Rentals	\$17,154	Terminal Concessions Per Enplaned Pax	\$1.66
Aviation Fuel Tax	\$0	Parking Per Enplaned Passenger	\$3.62
Fuel Flowage	\$899,987	Rental Car Per Enplaned Passenger	\$3.60
Security Reimbursement	\$121,404	Personnel Cost Per Enplaned Passenger	\$15.82
Other Fees	\$59,168		
Subtotal	\$1,101,630		
Non-Aeronautical Revenue		Source: Federal Aviation Administration Financial Summary Report Form 127	
Land Leases	\$33,331		
Other Revenue	\$35,852		
Subtotal	\$69,183		
Total Operating Revenue	\$1,987,528		

Operating Budget Analysis ARCATa Fiscal Year 2015			
Operating Revenue		Operating Expenses	
Passenger Airline Revenue		Operating Expenses	
Landing Fees	\$126,669	Personnel (Compensation and Benefits)	\$888,713
Terminal Rent	\$31,980	Communications and Utilities	\$193,564
Apron Charges	\$0	Supplies and Materials	\$26,690
Federal Inspection Fees	\$0	Contractual Services	\$210,983
Other Fees	\$17,055	Insurance Claims and Settlements	\$182,840
Subtotal	\$175,704	Other Operating Expenses	\$837,932
Passenger-Related Revenue		Subtotal	\$2,340,722
Terminal Food and Beverage	\$30,758	Operating Profit/Loss Analysis	
Terminal Retail	\$21,288	Total Operating Revenue	\$1,948,642
Terminal Services	\$73,713	Total Operating Expenses	\$2,340,722
Rental Cars	\$224,076		
Airport Hotel	\$0	Total Operating Profit/Loss	-\$392,080
Parking and Ground Transport	\$232,129		
Subtotal	\$581,964		
Non-Passenger Aeronautical Revenue		Per Enplaned Passenger	
Landing Fees from Cargo	\$2,915	Enplaned Passengers	51,872
Landing Fees from GA and Military	\$11,569	Airline Cost Per Enplaned Passenger	\$3.39
FBO Revenue	\$0	Airport Revenue Per Enplaned Pax	\$11.22
Hangar Rentals	\$72,194	Terminal Concessions Per Enplaned Pax	\$2.42
Aviation Fuel Tax	\$0	Parking Per Enplaned Passenger	\$4.48
Fuel Flowage	\$932,942	Rental Car Per Enplaned Passenger	\$4.32
Security Reimbursement	\$93,350	Personnel Cost Per Enplaned Passenger	\$17.13
Other Fees	\$0		
Subtotal	\$1,112,970		
Non-Aeronautical Revenue		Source: Federal Aviation Administration Financial Summary Report Form 127	
Land Leases	\$76,574		
Other Revenue	\$1,430		
Subtotal	\$78,004		
Total Operating Revenue	\$1,948,642		

Operating Budget Analysis ARCATa Fiscal Year 2016			
Operating Revenue		Operating Expenses	
Passenger Airline Revenue		Operating Expenses	
Landing Fees	\$180,921	Personnel (Compensation and Benefits)	\$868,877
Terminal Rent	\$31,980	Communications and Utilities	\$169,246
Apron Charges	\$0	Supplies and Materials	\$435,065
Federal Inspection Fees	\$0	Contractual Services	\$120,506
Other Fees	\$19,391	Insurance Claims and Settlements	\$163,351
Subtotal	\$232,292	Other Operating Expenses	\$94,269
Passenger-Related Revenue		Subtotal	\$1,851,314
Terminal Food and Beverage	\$30,758	Operating Profit/Loss Analysis	
Terminal Retail	\$0	Total Operating Revenue	\$2,003,359
Terminal Services	\$20,145	Total Operating Expenses	\$1,851,314
Rental Cars	\$204,254		
Airport Hotel	\$0	Total Operating Profit/Loss	\$152,045
Parking and Ground Transport	\$281,283		
Subtotal	\$536,440		
Non-Passenger Aeronautical Revenue		Per Enplaned Passenger	
Landing Fees from Cargo	\$2,110	Enplaned Passengers	55,168
Landing Fees from GA and Military	\$9,493	Airline Cost Per Enplaned Passenger	\$4.21
FBO Revenue	\$0	Airport Revenue Per Enplaned Pax	\$9.72
Hangar Rentals	\$72,366	Terminal Concessions Per Enplaned Pax	\$0.92
Aviation Fuel Tax	\$0	Parking Per Enplaned Passenger	\$5.10
Fuel Flowage	\$949,905	Rental Car Per Enplaned Passenger	\$3.70
Security Reimbursement	\$104,782	Personnel Cost Per Enplaned Passenger	\$15.75
Other Fees	\$0		
Subtotal	\$1,138,656		
Non-Aeronautical Revenue		Source: Federal Aviation Administration Financial Summary Report Form 127	
Land Leases	\$89,333		
Other Revenue	\$6,638		
Subtotal	\$95,971		
Total Operating Revenue	\$2,003,359		

	<u>AIRLINE REVENUE</u>	<u>PAX REVENUE</u>	<u>CONCESSION REV</u>	<u>RENTAL CAR REV</u>	<u>PARKING REV</u>
FY12	\$344,583	\$472,338	\$89,727	\$170,911	\$211,700
FY13	\$313,367	\$600,959	\$99,995	\$197,940	\$242,056
FY14	\$314,157	\$502,558	\$94,084	\$203,698	\$204,776
FY15	\$175,704	\$581,964	\$30,758	\$224,076	\$232,129
FY16	\$232,292	\$536,440	\$30,758	\$204,254	\$281,283
	-\$112,291	\$64,102	-\$58,969	\$33,343	\$69,583
	-32.6%	13.6%	-65.7%	19.5%	32.9%

	<u>FBO REVENUE</u>	<u>HANGAR RENT</u>	<u>FUEL FLOWAGE</u>	<u>LAND LEASES</u>	<u>PERSONNEL EXP</u>
FY12	\$4,083	\$211,102	\$1,201,609	\$35,015	\$1,166,848
FY13	\$0	\$40,511	\$1,305,403	\$0	\$1,136,625
FY14	\$0	\$17,154	\$899,987	\$33,331	\$895,667
FY15	\$0	\$72,194	\$932,942	\$76,574	\$888,713
FY16	\$0	\$72,366	\$949,905	\$89,333	\$868,877
	-\$4,083	-\$138,736	-\$251,704	\$54,318	-\$297,971
	-100.0%	-65.7%	-20.9%	155.1%	-25.5%

	<u>OP REVENUE</u>	<u>OP EXPENSES</u>	<u>PROFIT/LOSS</u>
FY12	\$2,681,188	\$3,167,039	-\$485,851
FY13	\$2,933,357	\$2,881,329	\$52,028
FY14	\$1,987,528	\$3,226,867	-\$1,239,339
FY15	\$1,948,642	\$2,340,772	-\$392,080
FY16	\$2,003,359	\$1,851,314	\$152,045
	-\$677,829	-\$1,315,725	
	-25.3%	-41.5%	

	<u>CPE</u>	<u>REV PER PAX</u>	<u>PARKING PER PAX</u>	<u>CONCESSION CPE</u>
FY12	\$4.79	\$6.56	\$2.94	\$1.25
FY13	\$4.96	\$9.51	\$3.83	\$3.13
FY14	\$5.55	\$8.88	\$3.62	\$1.66
FY15	\$3.39	\$11.22	\$4.48	\$2.42
FY16	\$4.21	\$9.72	\$5.10	\$0.92
	-\$0.58	\$3.16	\$2.16	-\$0.33
	-12.1%	48.2%	73.5%	-26.4%

	<u>PERSONNEL CPE</u>	<u>AIRLINE REV SHARE</u>	<u>PARKING REV SHARE</u>
FY12	\$16.21	12.9%	7.9%
FY13	\$17.99	10.7%	5.5%
FY14	\$15.82	15.8%	10.3%
FY15	\$17.13	9.0%	11.9%
FY16	\$15.75	11.6%	14.0%
	-\$0.46	-\$0.01	\$0.06
	-2.8%	-10.1%	77.2%

APPENDIX FOUR: PEER COMPARISON DATA



<u>Airport</u>	<u>CPE</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>REV/ENPL</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>CONCESSION/EMPL</u>	<u>DIFF</u>	<u>% DIFF</u>
ACV	\$4.21			\$9.72			\$0.92		
CEC	\$13.41	\$9.20	218.5%	\$0.00	-\$9.72	-100.0%	\$0.00	-\$0.92	-100.0%
MFR	\$7.09	\$2.88	68.4%	\$12.52	\$2.80	28.8%	\$1.39	\$0.47	51.1%
OTH	\$17.64	\$13.43	319.0%	\$7.53	-\$2.19	-22.5%	\$0.55	-\$0.37	-40.2%
RDD	\$4.12	-\$0.09	-2.1%	\$11.20	\$1.48	15.2%	\$2.27	\$1.35	146.7%
STS	\$1.20	-\$3.01	-71.5%	\$11.94	\$2.22	22.8%	\$0.11	-\$0.81	-88.0%
TOTAL	\$47.67			\$52.91			\$5.24		
AVG	\$7.95	\$3.74	88.7%	\$8.82	-\$0.90	-9.3%	\$0.87	-\$0.05	-5.1%
	AIRLINE			TERM					
	REV			CONCESSION			RENTAL CAR		
<u>Airport</u>	<u>SHARE</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>SHARE</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>SHARE</u>	<u>DIFF</u>	<u>% DIFF</u>
ACV	11.6%			2.5%			10.2%		
CEC	35.7%	24.1%	207.8%	0.0%	-2.5%	-100.0%	0.0%	-10.2%	-100.0%
MFR	27.8%	16.2%	139.7%	5.4%	2.9%	116.0%	15.9%	5.7%	55.9%
OTH	16.3%	4.7%	40.5%	0.5%	-2.0%	-80.0%	6.4%	-3.8%	-37.3%
RDD	8.3%	-3.3%	-28.4%	4.6%	2.1%	84.0%	12.0%	1.8%	17.6%
STS	3.4%	-8.2%	-70.7%	30.0%	27.5%	1100.0%	11.7%	1.5%	14.7%
TOTAL	103.1%			43.0%			56.2%		
AVG	17.2%	5.6%	48.1%	7.2%	4.7%	186.7%	9.4%	-0.8%	-8.2%

<u>Airport</u>	<u>PARKING/ENPL</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>RENTAL CAR/ENPL</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>PERSONNEL/ENPL</u>	<u>DIFF</u>	<u>% DIFF</u>
ACV	\$5.10			\$3.70			\$15.75		
CEC	\$0.00	-\$5.10	-100.0%	\$0.00	-\$3.70	-100.0%	\$41.69	\$25.94	164.7%
MFR	\$7.08	\$1.98	38.8%	\$4.06	\$0.36	9.7%	\$8.90	-\$6.85	-43.5%
OTH	\$0.10	-\$5.00	-98.0%	\$6.87	\$3.17	85.7%	\$94.94	\$79.19	502.8%
RDD	\$3.01	-\$2.09	-41.0%	\$5.92	\$2.22	60.0%	\$21.90	\$6.15	39.0%
STS	\$7.69	\$2.59	50.8%	\$4.14	\$0.44	11.9%	\$12.84	-\$2.91	-18.5%
TOTAL	\$22.98			\$24.69			\$196.02		
AVG	\$6.50	\$1.40	27.5%	\$4.12	\$0.41	11.2%	\$32.67	\$16.92	107.4%
	PARKING			LAND LEASE					
<u>Airport</u>	<u>SHARE</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>SHARE</u>	<u>DIFF</u>	<u>% DIFF</u>			
ACV	14.0%			4.5%					
CEC	0.0%	-14.0%	-100.0%	0.0%	-4.5%	-100.0%			
MFR	27.7%	13.7%	97.9%	5.3%	0.8%	17.8%			
OTH	0.1%	-13.9%	-99.3%	52.1%	47.6%	1057.8%			
RDD	6.1%	-7.9%	-56.4%	30.5%	26.0%	577.8%			
STS	21.8%	7.8%	55.7%	22.9%	18.4%	408.9%			
TOTAL	69.7%			115.3%					
AVG	11.6%	-2.4%	-17.0%	19.2%	14.7%	327.0%			

<u>Airport</u>	<u>SHORT TERM</u>	<u>DIFF</u>	<u>% DIFF</u>	<u>LONG TERM</u>	<u>DIFF</u>	<u>% DIFF</u>
ACV	\$11.00			\$9.00		
CEC	\$0.00	-\$11.00	-100.0%	\$0.00	-\$9.00	-100.0%
MFR	\$15.00	\$4.00	36.4%	\$10.00	\$1.00	11.1%
OTH	\$0.00	-\$11.00	-100.0%	\$0.00	-\$9.00	-100.0%
RDD	\$18.00	\$7.00	63.6%	\$9.00	\$0.00	0.0%
STS	\$14.00	\$3.00	27.3%	\$10.00	\$1.00	11.1%
TOTAL	\$58.00			\$38.00		
AVERAGE	\$14.50	\$3.50	31.8%	\$9.50	\$0.50	5.6%

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