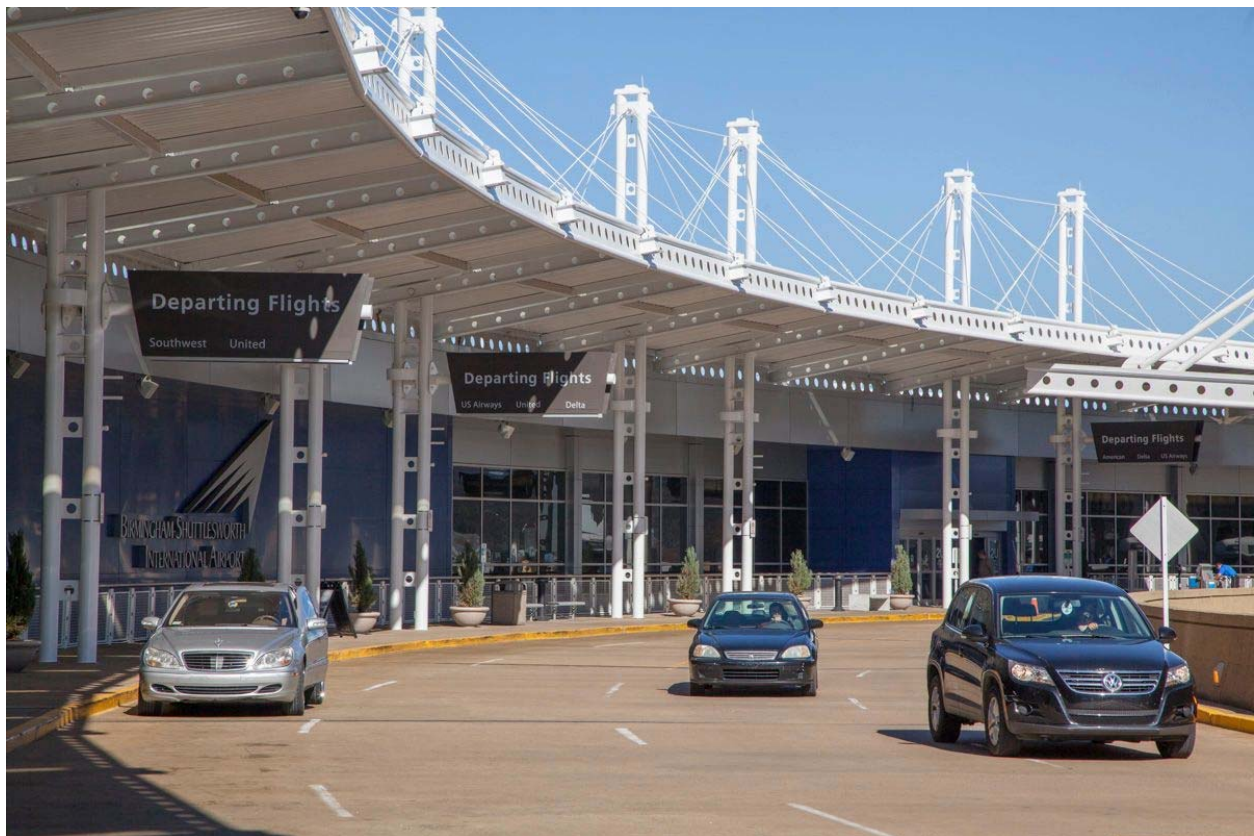




BIRMINGHAM AIRPORT AUTHORITY

FISCAL YEAR 2021

BUDGET BOOK



**Prepared for the Birmingham Airport Authority
Audit and Finance Committee
September 28, 2020**

Budget Development

The Birmingham Airport Authority's (BAA or the Authority) budget is developed in multiple steps. The first step involves determining the operating expenses. Each department submits their projected spending to the Finance Department. Finance reviews the individual departmental budgets, adjusts as necessary, and forwards the budgets to the Executive Department for review. The Executive Department, Finance and the remaining departments work collectively to agree on the final budgets.

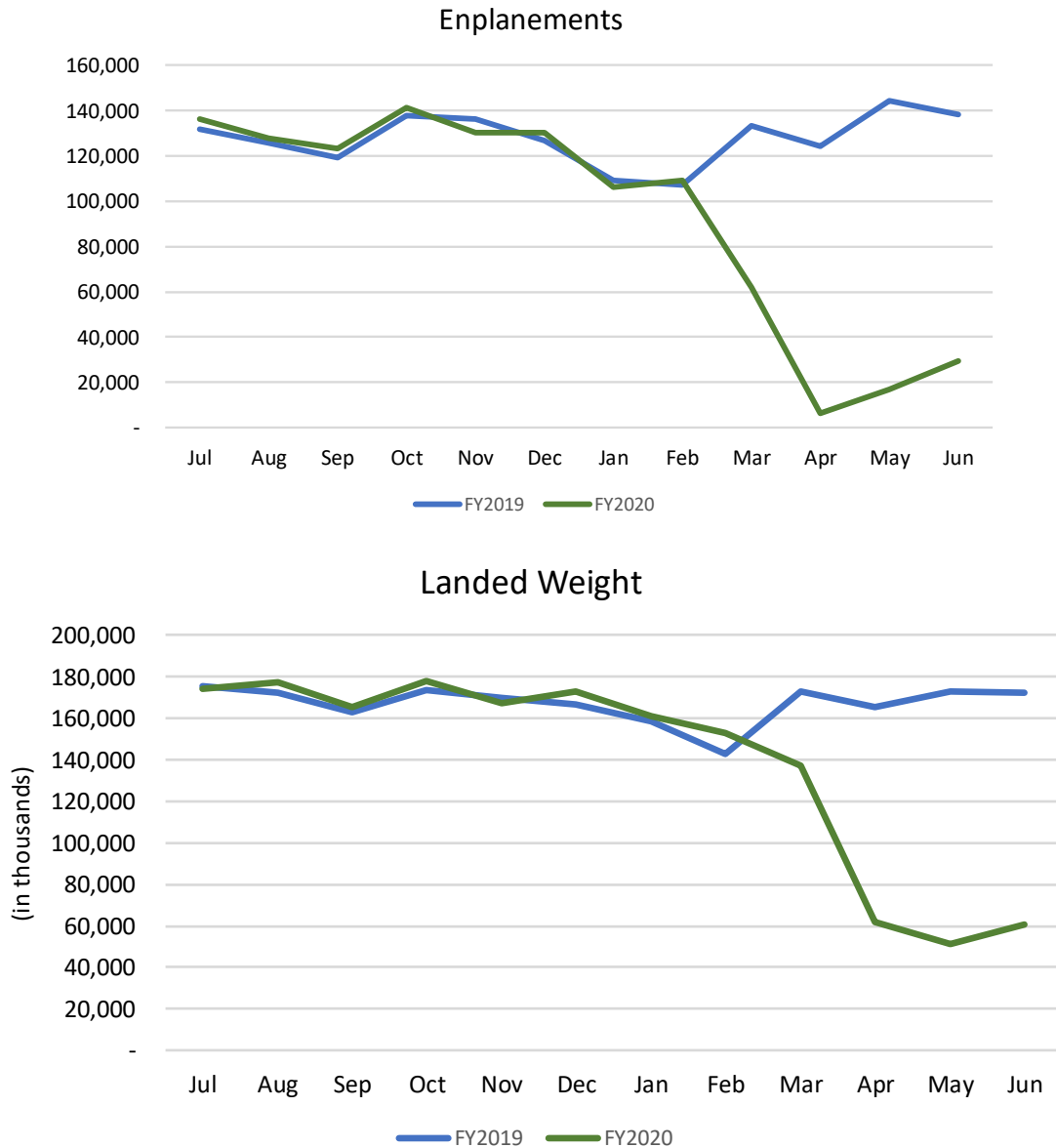
Once the operating expense budgeting process has been completed, the next step is to develop the operating revenue budget. The operating budget consists of airline and non-airline revenues. The non-airline revenues are projected based on historical revenues, projected traffic and existing leases and agreements. Lastly, the airline terminal and landing fee rates are calculated based upon the operating expenses and the methodology prescribed in the airline use agreement. After the rates have been determined, the airline revenues can be calculated, and the pro-forma financial statements created.

Budget Rationale and Assumptions

Operating Revenues

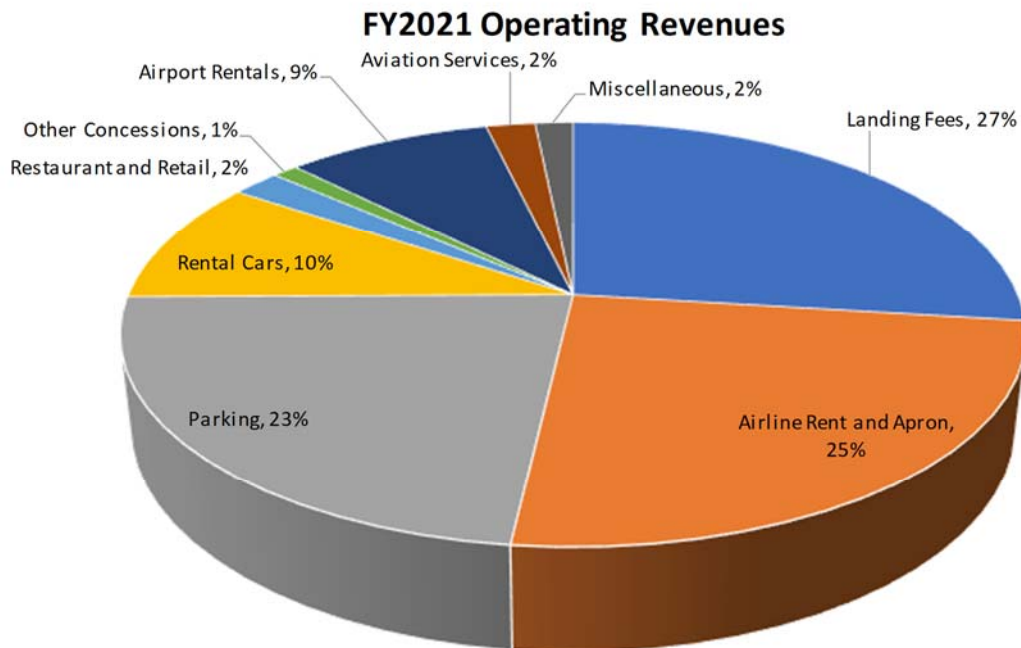
The major driver of the Authority's budget is air traffic, which consists of passengers and aircraft landed weight. This is largely dependent on the strength of the local economy and the region's ability to attract visitors. This year, the national and local economies have been impacted by the COVID-19 virus. More importantly, national and global air travel have been greatly affected by this virus. The virus was declared a pandemic on March 11, 2020. In the month of April, air traffic in the US was down 95% when compared to April 2019.

The Airport experienced a similar decline in its traffic starting midway through March. We anticipate significantly reduced levels of scheduled air service and cannot predict how long it will take for operations to return to pre-COVID-19 levels. During the last four months of FY2020, BHM experienced a decline of nearly 80% in passenger enplanements when compared to FY2019. This resulted in enplanements that were 27% lower for the total year. The decrease in passengers was the result of two factors; the public's reluctance to fly and airlines cancelling and eliminating flights, thereby giving those that did want to fly fewer options. The impact on landed weight was not as severe as the decline in passengers. Total operations (departures and landings) were 20% lower in FY2020, which caused a 17% decrease in landed weight in FY2020. From March to June, landed weight was 55% lower in FY2020 when compared to FY2019. Cargo landed weight accounts for approximately 10% of total landed weight at the Airport. The reduction in landed weight was partially offset by cargo landed weight which remained unchanged from FY2019 to FY2020.



The FY2021 forecasts for passenger enplanements and landed weight are therefore the most important drivers in the budget. Industry experts such as Fitch Ratings, expect enplanement declines of between 50% to 75% in CY2020, and 15% to 20% in CY2021, relative to 2019. Thus far, the TSA checkpoint traffic at BHM is trending slightly ahead of the rest of the nation. Based on that fact and what we have experienced in our enplanement growth since April, we have conservatively forecasted our enplanements for FY2021 at 800,754 passengers, or 48% lower than FY2019. Our CY2020 enplanements are 58% below CY2019. The decrease in landed weight has not been as severe so our forecast for landed weight is 1,204,200,000, or 40% lower than FY2019. It is very important to understand that the forecast is just that, a forecast. We have no assurance that the traffic will materialize as expected or when it will recover to historical levels.

FY 2021 Operating Revenues Budget						
	2020 Actual	2020 Budget	2020 Actual vs. 2020 Budget	2021 Budget	2020 Actual vs. 2021 Budget	2020 Budget vs. 2021 Budget
Aviation Revenue						
Landing Fees	8,832,723	11,229,562	(2,396,839)	9,146,445	313,722	(2,083,117)
Airline Space Rentals	7,635,662	7,648,708	(13,046)	7,627,179	(8,483)	(21,529)
Other Airline Fees & Charges	1,098,368	1,158,080	(59,712)	809,887	(288,481)	(348,193)
Subtotal Aviation Revenues	\$ 17,566,753	\$ 20,036,350	\$ (2,469,597)	\$ 17,583,512	\$ 16,759	\$ (2,452,838)
Concession Revenues						
Automobile Parking	11,641,774	15,511,753	(3,869,979)	7,804,407	(3,837,367)	(7,707,346)
Rental Car Operations	5,281,777	6,338,902	(1,057,125)	3,234,812	(2,046,965)	(3,104,090)
Restaurant and Retail	1,615,359	2,231,402	(616,043)	699,575	(915,784)	(1,531,827)
Ground Transportation	220,394	267,618	(47,224)	89,289	(131,105)	(178,328)
Terminal Advertising	264,683	360,458	(95,775)	216,000	(48,683)	(144,458)
Vending	50,770	37,220	13,550	62,982	12,212	25,762
Subtotal Concession Revenues	\$ 19,074,757	\$ 24,747,353	\$ (5,672,596)	\$ 12,107,064	\$ (6,967,693)	\$ (12,640,288)
Airport Rentals						
Terminal Office Space	435,778	435,665	113	435,778	0	113
Building Leases	2,605,255	2,388,140	217,115	2,539,366	(65,889)	151,226
Subtotal Airport Rentals	\$ 3,041,033	\$ 2,823,805	\$ 217,228	\$ 2,975,144	\$ (65,889)	\$ 151,339
Aviation Services						
Airfield Operations	460,463	419,253	41,210	439,649	(20,814)	20,396
Fuel Commissions and Sales	350,775	423,142	(72,367)	269,664	(81,111)	(153,479)
Subtotal Aviation Services	\$ 811,238	\$ 842,395	\$ (31,157)	\$ 709,313	\$ (101,925)	\$ (133,083)
Miscellaneous Revenues						
Airport Services Sold	534,675	667,024	(132,348)	495,259	(39,417)	(171,765)
Miscellaneous Income	74,156	19,245	54,911	53,044	(21,112)	33,800
Subtotal Miscellaneous Revenues	\$ 608,831	\$ 686,268	\$ (77,437)	\$ 548,303	\$ (60,528)	\$ (137,965)
TOTAL OPERATING REVENUES	\$ 41,102,612	\$ 49,136,171	\$ (8,033,559)	\$ 33,923,336	\$ (7,179,276)	\$ (15,212,835)



Total Operating Revenues for FY2021 are budgeted at \$33.9 million, \$7.2 million less than the \$41.1 million that was earned in FY2020. Details of the Operating Revenue budget are discussed below.

Aviation Revenues

Aviation Revenues, which include landing fees, and airline rentals of terminal and apron space, are the Airport's largest source of operating revenue and are expected to account for slightly more than half of the operating revenue in FY2021. Aviation Revenues are budgeted at \$17.6 million, which is nearly unchanged from FY2020.

Concession Revenues

Concession Revenues, which includes parking, account for the second largest category of operating revenues. Since these revenues are largely dependent on passenger enplanements, they are projected to be \$7.0 million, or 37% lower, than in FY2020. Although Concessions are impacted by enplanements, they are affected differently due to actual conditions at the Airport. For example, the percentage decline in Restaurant and Retail revenues is budgeted to be greater than the decrease in Parking because the number of restaurant and retail locations that are open for service have been limited by the operators.

Airport Rentals

Airport Rentals revenue is derived by space that is rented at the Airport by governmental agencies, cargo operators and hangar tenants. The budget for this category is approximately \$3.0 million, which is 2% less than what was received in FY2020.

Aviation Services

Aviation Services consists of revenue received from fixed-based operators (FBO), aircraft fuel sales, and companies that provide services to airlines. Aviation Services are budgeted to be nearly \$102,000, or 13% lower than what was received in FY2020. This is largely due to lower anticipated fuel sales resulting from fewer aircraft operations.

Miscellaneous Revenues

The largest components of Miscellaneous Revenues are reimbursements of utilities charged to tenants, TSA reimbursement of a portion of law enforcement costs, and airport badge revenue. These revenues are budgeted to be approximately \$61,000 lower, or 10%, than what was received in FY2020.

Operating Expenses

When the World Health Organization determined that the COVID-19 virus was a pandemic, the Authority proactively reduced costs and expenses. The Authority implemented the following action plan to reduce costs:

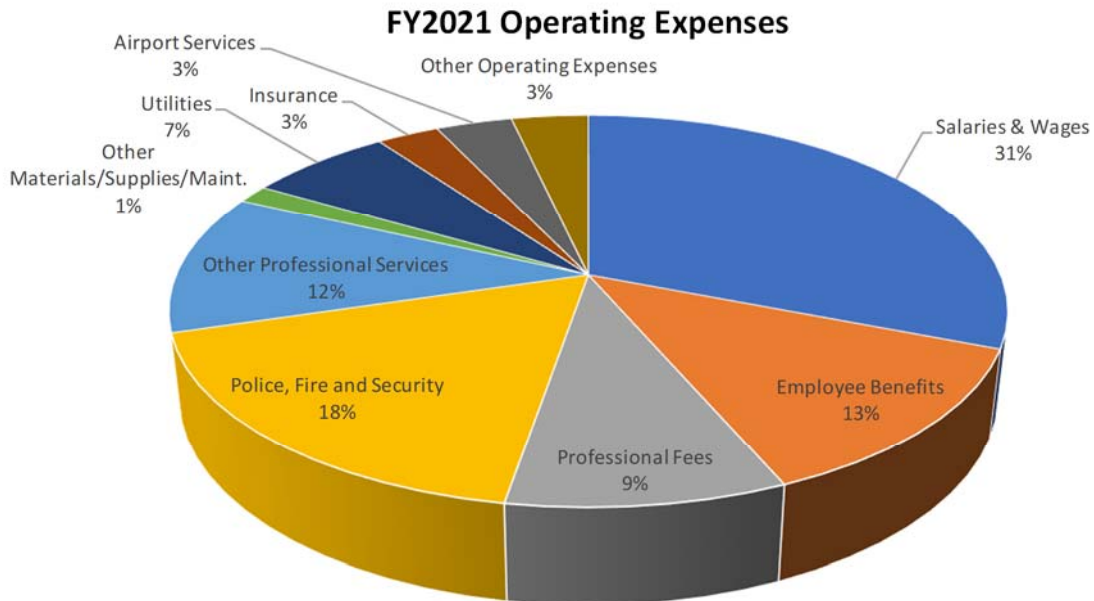
- No staff travel to conferences or training sessions until further notice.
- No new hires unless an exception is made for a critical position by the CEO.
- 2020 merit raises were deferred to calendar year 2021.
- No overtime unless preapproved by the COO or the CEO.
- All expenses and purchases must be operationally essential.
- All expenses are approved by the CEO prior to payment.
- Any capital improvement project that is funded solely by the Authority has been postponed until further notice.
- Authority staff reviewed all contracts with vendors. Some were temporarily reduced, and some were terminated which resulted in a monthly savings of over \$170,00.

The Authority's approach on operating expenses will continue into FY2021 and the budget reflects that philosophy. Overall, operating expenses are budgeted to be \$27.2 million, which is an 8% reduction from the FY2020 budget and a 3% increase in FY2020 actual expenditures. The Operating Expense budget is discussed below.

FY 2021 Operating Expense Budget						
	2020 Actual	2020 Budget	2020 Actual vs. 2020 Budget	2021 Budget	2020 Actual vs. 2021 Budget	2020 Budget vs. 2021 Budget
Salaries & Benefits						
Salaries & Wages	8,124,659	8,733,694	609,035	8,089,327	(35,332)	(644,367)
Employee Benefits	3,252,674	3,677,382	424,708	3,293,060	40,386	(384,322)
OPEB Benefits	(19,894)	-	19,894	-	19,894	-
Subtotal Salaries & Benefits	\$ 11,357,439	\$ 12,411,075	\$ 1,053,636	\$ 11,382,387	\$ 24,948	\$ (1,028,689)
Professional/Contracted Services						
Professional Fees	2,446,316	2,048,633	(397,683)	2,380,982	(65,334)	332,349
Maintenance & Repairs	564,082	731,043	166,961	700,577	136,495	(30,466)
Facilities & Grounds	540,705	484,920	(55,785)	541,276	571	56,356
Police, Fire and Security	4,394,660	4,755,136	360,476	4,614,393	219,733	(140,743)
Technical Support Contracts	387,994	392,567	4,573	374,236	(13,758)	(18,331)
Other Contracts	881,208	965,820	84,612	1,419,764	538,556	453,944
Subtotal Professional/Contracted Services	\$ 9,214,965	\$ 9,378,120	\$ 163,155	\$ 10,031,228	\$ 816,263	\$ 653,108

Birmingham Airport Authority
FY 2021 Budget Book

FY 2021 Operating Expense Budget cont.						
	2020 Actual	2020 Budget	2020 Actual vs. 2020 Budget	2021 Budget	2020 Actual vs. 2021 Budget	2020 Budget vs. 2021 Budget
Materials/Supplies/Maintenance						
Office Supplies	87,832	138,252	50,420	118,059	30,227	(20,193)
Facilities & Grounds	31,173	25,669	(5,504)	29,069	(2,104)	3,400
Uniforms	121,716	120,138	(1,578)	107,585	(14,131)	(12,553)
Airfield Supplies	236,972	131,087	(105,885)	139,979	(96,993)	8,892
Technical/Trade Supplies	480,212	517,311	37,099	493,217	13,005	(24,094)
Vehicle/Fuel Supplies	253,206	276,903	23,697	224,334	(28,872)	(52,570)
Technology Supplies (IT/ET)	162,886	121,477	(41,409)	378,487	215,601	257,010
Subtotal Materials/Supplies/Maintenance	\$ 1,373,997	\$ 1,330,838	\$ (43,159)	\$ 1,490,730	\$ 116,733	\$ 159,893
Other Operating Expenses						
Utilities	1,874,787	2,041,954	167,167	1,732,573	(142,214)	(309,381)
Employee Relations	129,560	128,766	(794)	59,500	(70,060)	(69,266)
Public Relations	294,233	2,035,205	1,740,972	126,000	(168,233)	(1,909,205)
Furniture, Fixtures and Equipment (FF&E)	38,507	33,793	(4,714)	132,713	94,206	98,920
Insurance	707,931	728,123	20,192	750,178	42,247	22,054
Travel, Training & Meeting	81,454	164,336	82,882	192,707	111,253	28,371
Permits, Licenses and Fees	26,472	-	(26,472)	2,450	(24,022)	2,450
Dues & Subscriptions	117,567	160,905	43,338	83,530	(34,037)	(77,375)
Airport Services	777,793	644,409	(133,384)	917,650	139,857	273,240
Equipmental Rental	94,804	63,151	(31,653)	68,000	(26,804)	4,849
Other Operating Expenses	407,539	520,458	112,919	261,435	(146,104)	(259,022)
Subtotal Other Operating Expenses	\$ 4,550,647	\$ 6,521,100	\$ 1,970,453	\$ 4,326,736	\$ (223,911)	\$ (2,194,364)
TOTAL OPERATING EXPENSES	\$ 26,497,048	\$ 29,641,133	\$ 3,144,085	\$ 27,231,081	\$ 734,033	\$ (2,410,052)



Salaries and Benefits

Employee salaries and benefits are the Authority’s largest expense and together account for 42% of operating expenses. Salaries and Benefits are largely driven by the size of the staff. The budget for FY2021 is expected to be relatively flat at \$11.4 million when compared to the amount spent in FY2020. The personnel budget for FY2021 is \$1.0 million less than the prior year’s budget and includes 22 fewer positions.

Full-Time Positions				
Department	FY2020		FY2021	
	Budgeted	Filled *	Budgeted	Filled **
Planning and Development	5	7	8	7
Maintenance	42	30	32	31
Custodial	43	43	42	40
Operations	61	54	56	52
Executive	5	6	7	7
Human Resource	13	7	4	3
Finance	13	8	9	8
Parking	3	3	3	3
Properties and Business Dev.	0	0	4	3
Legal	2	0	0	0
Total Positions	187	159	165	154

* Average for the fiscal year.

** As of July 31, 2020

Professional/Contractual Services

This budget category includes fees paid for consultants, contractual repairs and police and fire costs. These services are budgeted to increase by 9% over FY2020. There are three major drivers of the increase. \$315,000 is budgeted to pay for LED lighting in the parking garage. This cost will continue at a cost of approximately \$20,000 a month until to the \$1.6 million cost is repaid. \$550,000 is budgeted to replace components of the baggage handling system and \$220,000 of the growth is attributed to the estimated increase in the cost of police and fire services.

Materials/Supplies/Maintenance

Materials and supplies used by the Airport, such as office supplies, uniforms, paint, and janitorial supplies are budgeted in this section. The Authority is plans to spend nearly \$117,000 more in FY2021 than was spent in FY2020. The increase is the result of higher expenditures in Information Technology, including long range cameras for the airfield and business intelligence analytics.

Other Operating Expenses

Other Operating Expenses includes several expense types, the largest being Utilities, Insurance and Airport Services. Other Operating Expenses are budgeted \$224,000 lower than what was expended in FY2020. The major drivers of the decline are lower utilities, public relations and parking garage credit card fees. The decrease is partially offset by anticipated increased spending in training and meeting costs and Airport Services. Travel and conferences were halted after the pandemic was declared and BAA is budgeting for some training to resume in FY2021. The budget for Airport Services has increased due to a few major maintenance projects, including airfield re-marking and filter replacements.

Departmental Budgets

The operating expense budget, by department, is presented below. The departments that have a material increase or decrease in budget are explained below.

Departmental Operating Budget Summary							
Department	No.	2020 Actual	2020 Budget	2020 Actual vs. 2020 Budget	2021 Budget	2020 Actual vs. 2021 Budget	2020 Budget vs. 2021 Budget
Planning and Development	30	887,921	593,242	(294,679)	900,811	12,890	307,569
Maintenance	31	7,539,089	7,861,389	322,300	7,949,862	410,773	88,473
Insurance	32	685,406	696,800	11,394	720,178	34,772	23,378
Summer Intern Program	99	22,322	61,769	39,447	35,000	12,678	(26,769)
Custodial	33	2,429,967	2,349,986	(79,981)	2,110,184	(319,783)	(239,802)
Operations	34	3,548,290	3,956,181	407,891	4,285,657	737,367	329,476
Executive	35	1,973,609	3,244,487	1,270,878	2,714,325	740,716	(530,162)
Human Resources	36	1,551,200	2,222,652	671,452	825,427	(725,773)	(1,397,225)
Finance	37	1,330,080	1,679,503	349,423	1,377,117	47,037	(302,386)
Parking	38	1,347,601	1,581,645	234,044	1,147,542	(200,059)	(434,103)
Properties and Business Dev.	39	6,017	-	(6,017)	550,584	544,567	550,584
Legal	40	780,886	638,341	(142,545)	-	(780,886)	(638,341)
Police and Fire	75	4,394,660	4,755,136	360,476	4,614,393	219,733	(140,743)
		\$ 26,497,048	\$ 29,641,133	\$ 3,144,085	\$ 27,231,081	\$ 734,033	\$ (2,410,052)

Department 30 – Planning and Development

The FY2021 budget for Planning and Development is approximately \$300,000 higher than the FY2020 budget due to a realignment of the department’s personnel that occurred in FY2020. The realignment was not anticipated at the time the budget was developed. The FY2021 budget represents a 1% increase over the amount that was spent in FY2020.

Department 33 – Custodial

The Custodial Department is projected to spend 13% less than was expended in FY2020 and the budget is 10% less than the FY2020 budget. The budget decline is mainly driven by the Authority’s plan to limit overtime in FY2021. Additionally, the department will have one less person than in FY2020.

Department 34 – Operations

The Operations Department's budget is set at \$4.3 million, which is \$737,000 more than the \$3.5 million that was spent in FY2020. The Information Technology function was moved from the Human Resources Department to Operations in FY2020. This change will cause large increases in Operations' Materials and Supplies, Repairs and Maintenance, Other Services and Professional Services. The Human Resources budget will experience an offsetting decline in FY2021. Department 34's budget also includes nearly \$83K in operational equipment which is contributing to the increase.

Department 35 – Executive

The Executive Department's budget is planned to be 38%, or \$741,000 higher than what was spent in FY2020. The increase is mostly due to the Authority's legal costs being assigned to the Executive Department since the Authority no longer has a legal department. The addition of legal fees was somewhat offset by a reduction in the amount expected to be spent on public relations.

Department 36 – Human Resources

Department 36 was previously Administration. It has been rebranded as Human Resources. Based on the change, certain functions have been transitioned to other departments. The outcome of those changes has resulted in a FY2021 budget that is less than \$1.4 million than the FY2020 budget. The department is expected to spend \$726,000 less than what was spent in the prior year. The headcount for Human Resources has declined from 7 employees to 3 and has reduced the personnel cost budget by 64% from last year's budget.

As mentioned above, the IT function was moved from Department 36 to Department 34. This move was responsible for 4 of the positions and the removal of budget resources formerly allocated to computer equipment, software service contracts, and telephone expenses.

Department 37 – Finance

The Finance Department's budget has decreased by approximately \$300,000 largely because the department has 5 fewer employees than were budgeted in FY2020.

Department 38 – Parking

The budget for Parking is \$1.1 million, which is 15% lower than the amount spent in FY2020 and 27% lower than the FY2020 budget. The decrease is attributed to estimated lower credit card and parking management fees due to fewer parkers in FY2021.

Department 39 – Properties and Business Development

Department 39 is a new department for FY2021. The department is responsible for oversight and management of all Airport owned property, including working with tenants, managing leases and administering the Disadvantaged Business Enterprise program. The budget for Department 39 is set at \$551,000 for FY2021.

Pro-Forma Financial Statements

Statements of Revenues, Expenses and Changes in Net Position

The Authority's Income Statement is presented below. The FY2021 budget is for a \$12.1 million change in net position. As described in detail above, the budget for Operating Revenues is \$7.2 million lower than FY2020 while Operating Expenses are budgeted to increase by \$734,000. This is estimated to result in \$6.7 million in Operations Before Depreciation, which is \$7.9 million less than in FY2020. Depreciation Expense is projected to be approximately \$1.2 million less than the prior year with Results from Operations budgeted at (\$10.5) million.

The budget for Non-Operating Revenues/(Expenses) is \$22.6 million, which is \$11.8 million higher than in FY2021. This is largely the result of an \$11.2 million increase in FAA Contributions and a \$3.3 million decrease in interest expense. These improvements were offset by a collective \$2.2 million decline in PFC and CFC revenue due to the lower enplanement forecast.

FY 2021 Statements of Revenues, Expenses and Changes in Net Position						
	2020 Actual	2020 Budget	2020 Actual vs. 2020 Budget	2021 Budget	2020 Actual vs. 2021 Budget	2020 Budget vs. 2021 Budget
Aviation Revenues	17,566,753	20,036,350	(2,469,597)	17,583,512	16,759	(2,452,838)
Concession Revenues	19,074,757	24,747,353	(5,672,596)	12,107,064	(6,967,693)	(12,640,288)
Airport Rentals	3,041,033	2,823,805	217,228	2,975,144	(65,889)	151,339
Aviation Services	811,238	842,395	(31,157)	709,313	(101,925)	(133,083)
Miscellaneous Revenues	608,831	686,268	(77,437)	548,303	(60,528)	(137,965)
Total Operating Revenues	\$ 41,102,612	\$ 49,136,171	\$ (8,033,559)	\$ 33,923,336	\$ (7,179,276)	\$ (15,212,835)
Salaries & Benefits	11,357,439	12,411,075	1,053,636	11,382,387	24,948	(1,028,689)
Professional/Contracted Services	9,214,965	9,378,120	163,155	10,031,228	816,263	653,108
Materials/Supplies/Maintenance	1,373,997	1,330,838	(43,159)	1,490,730	116,733	159,893
Other Operating Expenses	4,550,647	6,521,100	1,970,453	4,326,736	(223,911)	(2,194,364)
Total Operating Expenses	\$ 26,497,048	\$ 29,641,133	\$ 3,144,085	\$ 27,231,081	\$ 734,033	\$ (2,410,052)
Results From Operations Before Depreciation	\$ 14,605,564	\$ 19,495,038	\$ (11,177,644)	\$ 6,692,255	\$ (7,913,309)	\$ (12,802,784)
Depreciation Expense	18,349,338	17,252,089	(1,097,249)	17,149,245	(1,200,093)	(102,844)
Results From Operations	\$ (3,743,774)	\$ 2,242,949	\$ (10,080,395)	\$ (10,456,991)	\$ (6,713,216)	\$ (12,699,940)
Interest Income	878,887	752,500	126,387	258,961	(619,926)	(493,539)
Settlement - Insurance & Other	(4,591)	-	(4,591)	-	4,591	-
Gain/(Loss) on Investments	469	159,999	(159,530)	17,897	17,428	(142,102)
PFC Revenue and Interest	4,327,974	7,814,525	(3,486,551)	3,213,910	(1,114,064)	(4,600,615)
CFC Revenue and Interest	3,857,229	5,409,566	(1,552,337)	2,741,039	(1,116,190)	(2,668,527)
TSA Contributions	-	-	-	108,844	108,844	108,844
FAA Contributions	9,840,839	10,319,942	(479,103)	20,993,796	11,152,957	10,673,854
Interest Expense	(8,071,941)	(8,917,110)	845,169	(4,754,758)	3,317,183	4,162,352
Non-Operating Revenues/(Expenses)	\$ 10,828,866	\$ 15,539,421	\$ (4,710,555)	\$ 22,579,689	\$ 11,750,823	\$ 7,040,267
Change In Net Position	\$ 7,085,092	\$ 17,782,371	\$ (14,790,950)	\$ 12,122,698	\$ 5,037,606	\$ (5,659,673)

Statement of Net Position

The Balance Sheet for FY2021 is below. It projects that assets and liabilities and net position will decline by \$29 million when compared to FY2020. It is important to note that the decrease in restricted cash and investments is due to the 2010 bond refunding that occurred in early FY2021. The refunding resulted in a \$36 million decrease in long-term debt.

FY 2021 Statement of Net Position			
	Actual 2020	Budget 2021	Change Over 2020 Actual
ASSETS			
Cash, Cash equivalents and Investments	53,142,354	59,914,148	6,771,794
Restricted Cash and Investments	30,458,018	8,066,289	(22,391,729)
OPEB Trust Account	1,393,895	1,395,002	1,107
PFC Cash	3,166,437	5,691,194	2,524,757
CFC Cash	1,258,444	2,536,989	1,278,545
Receivables	1,642,292	2,088,572	446,280
Prepaid items	612,292	623,600	11,308
Inventory	276,155	270,402	(5,753)
Total current assets	\$ 91,949,887	\$ 80,586,196	\$ (11,363,691)
Land	196,045,615	196,045,615	-
Buildings and Other Improvements	570,012,240	580,058,949	10,046,709
Construction in progress	45,124,397	1,101,484	(44,022,913)
Total P, P & E	811,182,252	810,292,699	(889,553)
Less: Accumulated depreciation	(274,358,159)	(291,507,404)	(17,149,245)
Net property, plant and equipment	\$ 536,824,093	\$ 518,785,295	\$ (18,038,798)
Deferred assets	12,419,744	12,419,734	(10)
Total Non - Current Assets	12,419,744	12,419,734	(10)
TOTAL ASSETS	641,193,724	611,791,225	(29,402,497)
LIABILITIES AND EQUITY			
Accounts Payable and accrued expenses	884,861	908,498	23,637
Contracts Payable	1,099,689	1,277,568	177,879
BBVA Compass Bank Loan - QTA	7,000,000	7,000,000	
Interest payable	3,781,108	2,330,829	(1,450,279)
Current maturities of revenue bonds	1,645,000	-	(1,645,000)
Total current liabilities	\$ 14,410,658	\$ 11,516,895	\$ (2,893,763)
Long - Term Liabilities			
Compensated absences & Longevity Pay	583,657	595,818	12,161
Revenue bond payable	138,590,000	102,130,000	(36,460,000)
Deferred Refunding	7	-	(7)
OPEB and Pension Liab. and Deferred Inflow	40,949,015	39,957,279	(991,736)
Total Long - Term Liabilities	180,122,679	142,683,097	(37,439,582)
TOTAL LIABILITIES	\$ 194,533,337	\$ 154,199,992	\$ (40,333,345)
Net Position			
Net Investment in capital assets	395,489,408	421,767,990	26,278,582
Restricted for:			
Capital projects	5,633,484	8,862,397	3,228,913
Debt service	16,530,385	18,930,343	2,399,958
Total restricted net position	22,163,869	27,792,740	5,628,871
Unrestricted	29,007,112	8,030,503	(20,976,609)
Total Net Position	446,660,388	457,591,233	10,930,844
TOTAL LIABILITIES AND NET POSITION	\$ 641,193,724	\$ 611,791,225	\$ (29,402,499)

Airline Rates and Charges

Airlines pay the Authority rates and charges that are calculated in accordance with the methodology described in the Airport Use and Lease Agreement. The current agreement expires on June 30, 2021. The Airline Rates and Charges for FY2021 are based on the budget and estimated landed weight.

FY 2021 Signatory Airline Rates and Charges		
Rate Type	FY2020	FY2021
Passenger Airline Landing Fees * (\$ per 000 pounds)	\$5.23	\$7.56
Cargo Airline Landing Fees * (\$ per 000 pounds)	\$5.23	\$7.56
Terminal Building Rent * (\$ Per Square Ft.)	\$71.51	\$74.95
Common Use Facilities Rent * (\$ per Sq. Ft. allocated on 80/20 formula)	\$71.51	\$74.95
Aircraft Parking Positions Rent * (\$ Per Square Ft.)	\$1.33	\$1.10

* Per the Airline Use and Lease Agreement, the rate for Non-Signatory airlines is 1.25x the Signatory rate.

Financial Indicators

Three important financial indicators are listed below. Despite the projected decrease in revenue, the Authority expects to remain fiscally sound.

Financial Indicators		
	FY2020	2021 Budget
Days Cash on Hand		
Cash and Investments	\$53,142,354	\$59,914,148
Total Operating Expenses	\$26,497,048	\$27,231,081
Days Cash on Hand	732	803
Debt Service Coverage Ratio		
Operations Before Depr.	\$14,605,564	\$6,692,255
Annual Debt Service	\$11,084,484	\$4,660,578
Coverage Ratio	1.32	1.44
Airline Cost per Enplanement		
Airline Space Rentals	6,618,500	6,736,606
Landing Fees	7,785,308	7,871,774
Apron and Facility Fees	1,098,368	809,887
Total Airline Costs	\$15,502,176	\$15,418,268
Enplanements	1,119,455	800,754
Airline CPE	\$13.85	\$19.25

Capital Purchases

The Authority's list of anticipated capital purchases and funding sources are shown on the following pages. They include equipment, vehicles and other projects that are not on the ACIP. These purchases will not be charged to the airlines and therefore do not impact the airline rates and charges.

FY 2021 Capital Purchases		
Project	Description	Cost
Executive Office Build Out	Convert vacant space in the Executive Suite to office space.	\$600,000
Small Airfield Mower	Purchase new, more efficient mower to mow around lights and signs on the airfield.	\$25,000
Large Airfield Mower	Replacement of 2002 model 90 HP mower for airfield mowing.	\$50,000
Runway De-Icer Sprayer Tank	Replacement of current 25 year old trailer mounted sprayer for runway de-icing liquid for safer, truck mounted tank.	\$50,000
Snow Plow for Dump Truck	Purchase snow plow for new Dump Truck purchased in FY20.	\$25,000
Fleet Vehicle Replacement	Replace vehicles ranging from year model 1990 to 2010. Maintenance costs exceed FMV.	\$250,000
WiFi-6 Upgrade	Upgrade the terminal Wi-Fi to a 6 system that is compatible with the IEEE 802.11ax standards and supports the highest rate of data transmission at all public locations within the terminal building.	\$550,800
Radio Frequency ID System Upgrade	RFID system for a fully operational Automatic Vehicle Identification and curbside taxi dispatch with one commercial vehicle lane controlled by the AVI system. Also includes RFID readers for parking deck entry and exit lanes via fixed windshield vehicular RFID decals.	\$185,500
CCTV Headend Upgrade	Closed-circuit TV security camera system upgrade. All cameras will record virtually 24 hours per day and store all video recording for 30-days, prior to overwriting. The current video switcher and video encoders have reached end of life. Post upgrade, the BAA can install new IP video cameras to increase coverage on the system.	\$1,850,000
Exit Lane Breach Control System	Installation of automated exit lane devices at A & C Concourse exit lanes. System will consist of modular automatic breach control system, that allows traffic to flow through a one-way exit corridor. System will alleviate six personnel per day at the exit lanes.	\$650,000

FY 2021 Capital Purchases Funding Sources				
	BAA	CARES	Grant	Total
Executive Office Build Out	600,000			600,000
Small Airfield Mower		25,000		25,000
Large Airfield Mower		50,000		50,000
Runway De-Icer Sprayer Tank		50,000		50,000
Snow Plow for Dump Truck		25,000		25,000
Fleet Vehicle Replacement		250,000		250,000
WiFi-6 Upgrade		550,800		550,800
Radio Frequency ID System Upgrade		185,500		185,500
CCTV Headend Upgrade *	185,000		1,665,000	1,850,000
Exit Lane Breach Control System *	65,000		585,000	650,000
TOTAL	\$850,000	\$1,136,300	\$2,250,000	\$4,236,300

* Project will proceed only if grant funds are received.