



BIRMINGHAM AIRPORT AUTHORITY

**THE FISCAL YEAR 2024
OPERATING AND CAPITAL BUDGET**



**Prepared for the Birmingham Airport Authority
Audit and Finance Committee
June 29, 2023**

Financial Summary

The Authority is projecting its strong financial performance will continue in FY2024 with a nearly \$15.5 million increase in Net Position.

FY2024 Summary Income Statement					
(in thousands)	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
Total Operating Revenues	44,474	52,149	55,188	10,714	3,039
Total Operating Expenses	23,355	35,833	37,659	14,304	1,826
Results From Operations Before Depreciation	\$21,119	\$16,316	\$17,529	(\$3,590)	\$1,213
Depreciation and Amortization Expense	17,450	18,882	19,542	2,091	660
Results From Operations	\$3,669	(\$2,566)	(\$2,013)	(\$5,682)	\$553
Non-Operating Revenues/(Expenses)	\$22,383	\$23,029	\$17,461	(\$4,922)	(\$5,568)
Change In Net Position	\$26,052	\$20,463	\$15,449	(\$10,603)	(\$5,015)

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 its 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 individual departments work collectively to agree on the final budgets.

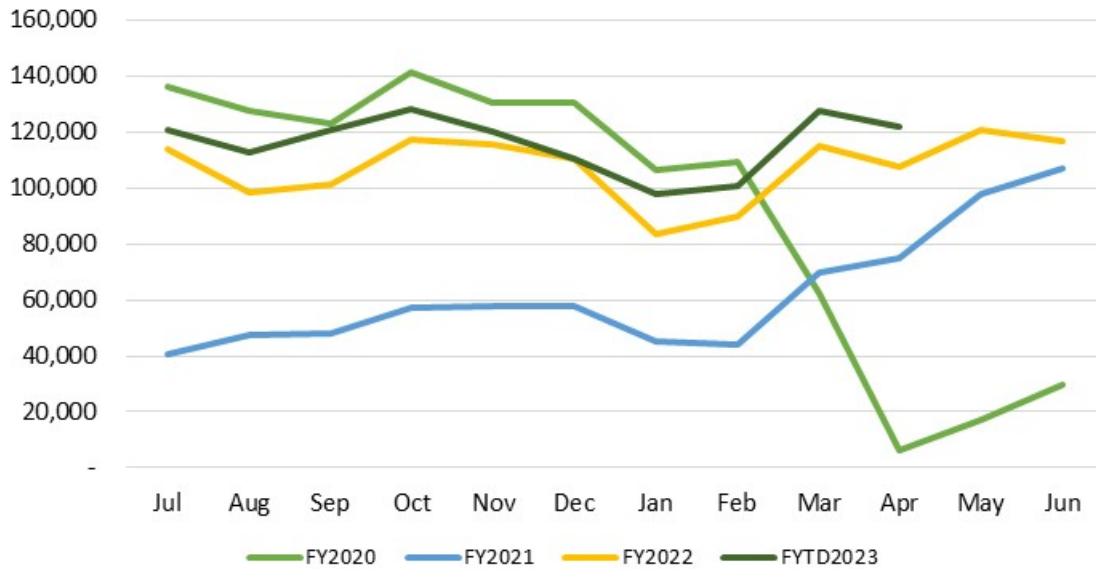
Once the operating expense budgeting process has been completed, the next step is to develop the operating revenue budget. The operating budget consists of airline and non-airline revenues. The non-airline revenues are projected based on historical revenues, projected traffic, and existing leases and agreements. Lastly, the airline terminal and landing fee rates are calculated based on 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 are created.

Budget Rationale and Assumptions

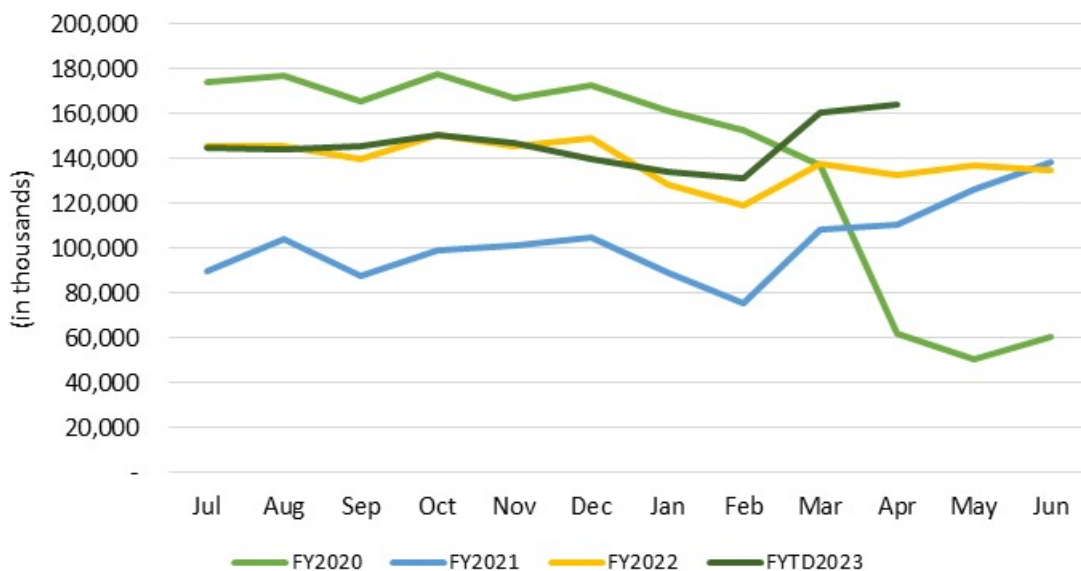
The major driver of the Authority's budget is air traffic, which consists of passengers and aircraft landed weight. This is largely dependent on the strength of the local economy and the region's ability to attract visitors.

Traffic at BHM continues to recover from the COVID-19 pandemic and is closing in on FY2019 levels. Passenger enplanements as of FYTD April 2023 are 10% greater than the same period in FY2022 and account for 93% of the enplanements during the same period in FY2019. Landed weight as of FYTD April 2023 was 5% greater than the same period in FY2022 and accounted for 88% of the landed weight during the same period in FY2019.

Enplanements

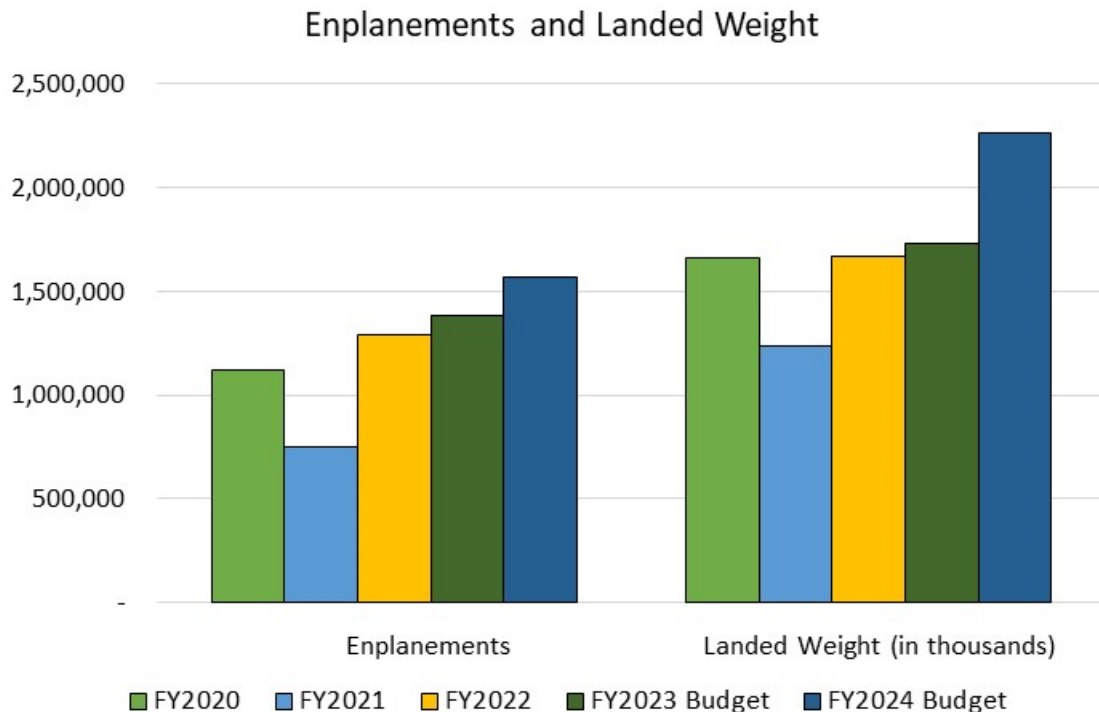


Landed Weight



The projections for passenger enplanements and landed weight are very important drivers in the revenue budget. The Authority contracted with an aviation consulting firm to develop the FY2024 traffic forecast. The firm utilized a hybrid modeling framework to develop the forecast. Based on a combination of traffic recovery trends, published airline schedules, seat completion rates, boarding load factors and multivariate regression analyses, they developed forecasts for enplanements, seats, aircraft departures, load factors, and aircraft landed weight.

The enplanement forecast for FY2024 is 1,564,000 passengers. This projection is 40% higher than FY2020, 109% higher than FY2021, and 21% greater than FY2022. The landed weight forecast is 2,257,614 thousand pounds. That is 36% more than FY2020, 83% higher than FY2021, and 35% greater than FY2022. Approximately 282,000 of the landed weight forecast, or 12%, is attributable to certain general aviation activity that the Authority does not currently receive landing fees from. The Authority plans to implement a new policy in FY2024 to collect landing fees from certain general aviation aircraft. This policy will drive additional revenue to the Authority and lower the landing fee. 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.

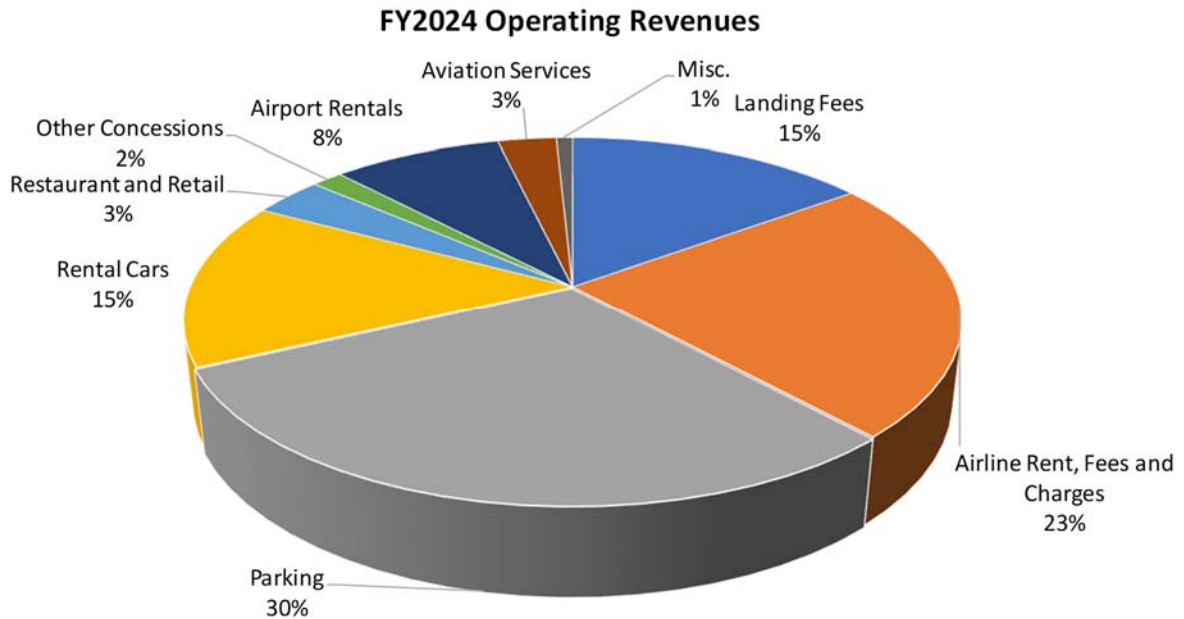


Operating Revenues

Total Operating Revenues for FY2024 are budgeted at \$55.2 million, which is \$10.7 million more than FY2022 and \$3.0 million than was budgeted in FY2023. The largest differences between

the FY2023 and 2024 revenue budgets are lower Aviation Fees and higher anticipated Concession Revenue. Aviation Revenue is less than the FY2023 budget due to the implementation of discretionary credits to the landing fee and terminal rental rates. The airline agreement permits the Authority to include credits in the airline rates to lower costs. The Authority has chosen to utilize a \$2 million landing fee credit and a \$3 million terminal rental rate credit in the FY2024 budget. Concession revenues are budgeted to grow in proportion to the increase in passenger enplanements. The major revenues are presented on the pie chart and details of the Operating Revenue budget are discussed below.

FY2024 Operating Revenues Budget					
(in thousands)	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
Aviation Revenues					
Landing Fees	9,032	9,776	8,256	(776)	(1,521)
Airline Space Rental	7,678	11,883	11,691	4,013	(192)
Other Airline Fees and Charges	1,126	1,086	1,101	(25)	15
	\$17,836	\$22,746	\$21,048	\$3,212	(\$1,698)
Concession Revenues					
Automobile Parking	14,119	14,309	16,502	2,383	2,193
Rental Car Operations	5,875	7,284	8,170	2,295	886
Restaurants & Retail	1,582	1,753	1,929	346	175
Ground Transportation	136	186	177	41	(9)
Advertising	223	220	350	127	130
Vending and Other Concessions	217	224	330	113	106
	\$22,153	\$23,976	\$27,457	\$5,304	\$3,482
Airport Rentals					
Terminal Space Rent	280	281	258	(21)	(23)
Building Leases	2,722	3,551	4,376	1,654	825
	\$3,002	\$3,832	\$4,634	\$1,632	\$802
Aviation Services					
Airfield Operations	540	652	1,167	627	515
Fuel Commissions and Sales	456	444	436	(20)	(8)
	\$996	\$1,097	\$1,603	\$607	\$507
Miscellaneous Revenues					
Airport Services Sold	193	183	95	(98)	(87)
Miscellaneous Income	294	316	350	56	34
	\$487	\$499	\$445	(\$42)	(\$53)
TOTAL OPERATING REVENUES	\$44,474	\$52,149	\$55,188	\$10,714	\$3,039



Aviation Revenues

Aviation Revenues, which include landing fees, and airline rentals of terminal and apron space, are the Airport's second largest source of operating revenue and are expected to account for 38% of the operating revenue in FY2024. Aviation Revenues are budgeted at \$21.0 million, which is \$3.2 million and \$1.7 million less than the FY2022 and the FY2023 budget, respectively.

Concession Revenues

Concession Revenues, which include parking, rental cars, restaurants and retail, and other concessions, account for the largest category of operating revenues. These revenues are largely dependent on passenger enplanements and are expected to perform better than in fiscal year 2023. Concession Revenues are budgeted at \$27.5 million, which is \$5.3 million more than FY2022 revenues and \$3.5 million more than the FY2023 budget.

Airport Rentals

The revenue from Airport Rentals is obtained from space that is rented at the Airport by governmental agencies, cargo operators and hangar tenants. The budget for this category is \$4.6 million, which is \$1.6 million more than the revenues received in FY2022 and \$802 thousand more than was budgeted for FY2023.

Aviation Services

Aviation Services consist of revenue received from fixed-based operators (FBO), aircraft fuel sales, and companies that provide services to airlines. A new FBO provider, Million Air, will begin operations on June 1, 2023, and is expected to increase revenue to the Airport. Aviation

Services revenue is budgeted at \$1.6 million, which is nearly 40% more than the amount received in FY2022.

Miscellaneous Revenues

Miscellaneous Revenues are largely derived from utility reimbursements, law enforcement reimbursements, and BHM badges. The budget for Miscellaneous Revenues for FY2024 is \$445 thousand which is a slight decline from the amount received in FY2022 and the budget for FY2023.

Operating Expenses

The budget for Operating expenses is \$37.7 million, which is \$14.3 million more than FY2022 actuals and a \$1.8 million increase over the FY2023 budget. In FY2022, the industry was still recovering from COVID and Authority continued to operate in a fiscally conservative manner. The Authority underspent its expense budget of \$32.1 million by nearly \$9.0 million. The Authority's expenditures through April of FY2023 are \$28.3 million. Therefore, it is more appropriate to compare the FY2024 budget to the FY2023 budget rather than FY2022 expenditures. The Operating Expense budget is discussed below.

Salaries and Benefits

Employee salaries and benefits are the Authority's largest expense and together account for 39% of the FY2024 operating budget. Salaries and Benefits are largely driven by the size of the staff. Excluding the Pension Expenses for FY2024, which will not be determined until the end of the fiscal year, the budget for FY2024 is \$7.5 million higher than FY2022 expenditures and \$1.1 million higher than the FY2023 budget. In FY2022 the Authority's pension expense was a negative \$3.7 million. The negative expense is responsible for nearly 50% of the increase compared to the FY2024 budget.

The Authority ended FY2022 with 100 employees and the budget for the upcoming year includes 142 positions. That is six fewer positions than were budgeted for last year. The overall personnel cost has increased due to pay raises that were implemented in FY2022 to help offset the inflationary pressures of the US economy and the higher cost of employee benefits.

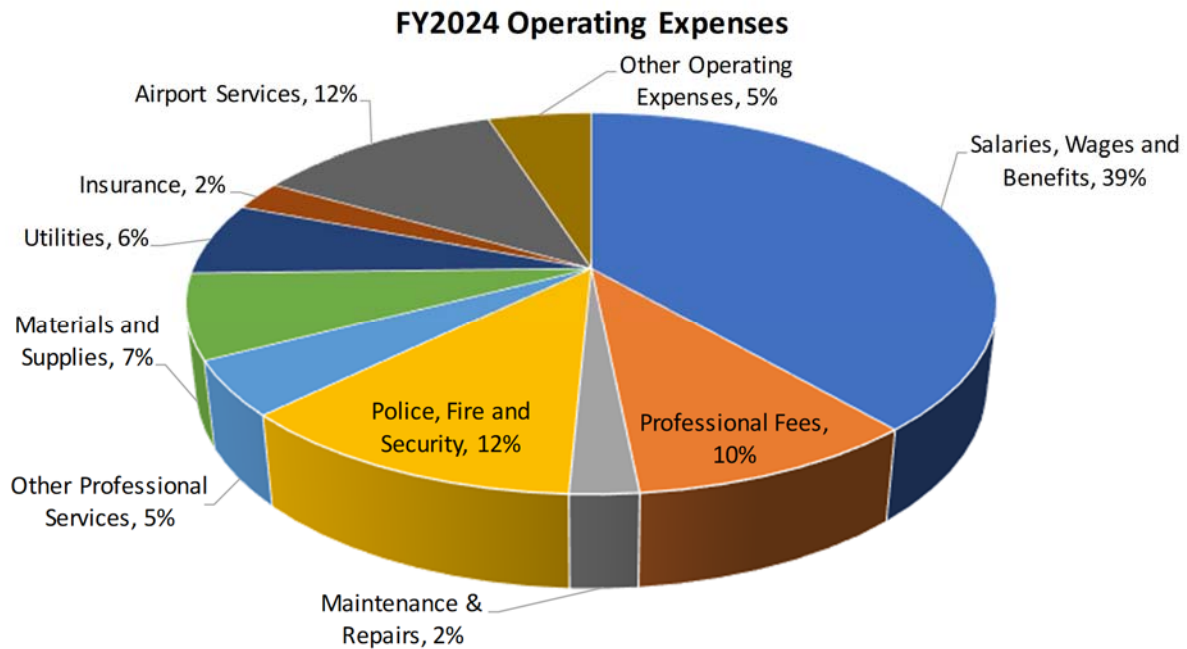
Birmingham Airport Authority
FY2024 Budget Book

Full-Time Positions			
Department	FY2023		FY2024
	Budgeted	Filled *	Budgeted
Planning and Development	9	4	9
Maintenance	39	37	44
Custodial	17	11	12
Operations	42	26	37
Executive	8	6	6
Human Resource	7	4	7
Finance	7	7	8
Parking	4	3	3
Properties and Business Dev.	4	3	4
IT	6	5	7
Procurement	5	5	5
Total Positions	148	111	142

* As of 5/19/23

Birmingham Airport Authority
FY2024 Budget Book

FY2024 Operating Expenses Budget					
(in thousands)	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
Salaries & Benefits					
Salaries & Wages	7,384	9,049	10,063	2,679	1,014
Employee Benefits	3,337	4,384	4,490	1,153	106
Pension Expenses	(3,659)	-	-	3,659	-
	\$7,062	\$13,433	\$14,553	\$7,491	\$1,120
Professional/Contracted Services					
Professional Fees	2,798	3,819	3,681	883	(138)
Maintenance & Repairs	643	730	871	228	141
Facilities & Grounds	371	285	500	129	215
Police, Fire and Security	2,841	4,929	4,313	1,472	(616)
ARFF	69	179	199	130	20
Technical Support Contracts	433	689	446	13	(243)
Other Contracts	807	788	800	(7)	12
	\$7,961	\$11,418	\$10,809	\$2,848	(\$609)
Materials/Supplies/Maintenance					
Office Supplies	107	122	142	35	20
Facilities & Grounds	78	74	74	(4)	0
Uniforms	51	54	75	24	22
Airfield Supplies	642	1,002	871	229	(130)
Technical/Trade Supplies	701	547	754	53	206
Vehicle/Fuel Supplies	262	249	343	81	94
Technology Supplies (IT/ET)	169	474	471	303	(2)
	\$2,010	\$2,521	\$2,732	\$722	\$210
Other Operating Expenses					
Utilities	2,043	2,110	2,325	283	215
Employee Relations	70	69	130	60	61
Public Relations	398	237	397	(2)	159
Furniture, Fixtures and Equipment (FF&E)	171	155	134	(37)	(22)
Insurance	698	878	931	233	54
Travel, Training & Meeting	181	284	394	213	110
Dues & Subscriptions	111	127	111	0	(15)
Airport Services	2,043	4,042	4,454	2,411	412
Equipment Rental	160	109	73	(87)	(36)
Other Operating Expenses	446	450	617	171	167
	\$6,322	\$8,461	\$9,565	\$3,243	\$1,105
TOTAL OPERATING EXPENSES	\$23,355	\$35,833	\$37,659	\$14,304	\$1,826



Professional/Contractual Services

This budget category includes fees paid for consultants, contractual repairs and police and fire costs. These services are budgeted at \$10.8 million, which is 5% less than the amount budgeted in FY2023. The decline in Police, Fire and Security cost is responsible for most of the decrease. The Authority has worked with the City of Birmingham regarding the number of police officers at the Airport and to refine cost estimates. This has resulted in an anticipated lower cost to the Authority.

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 expects to spend \$722 thousand more in FY2024 than was spent in FY2022 and \$210 thousand more than was budgeted in FY2022. The increase is due to higher anticipated expenditures on janitorial and electrical supplies.

Other Operating Expenses

Other Operating Expenses include several expense types, the largest being Utilities and Airport Services. Other Operating Expenses are budgeted to be \$3.2 million higher than in FY2022 and \$1.1 million more than was budgeted in FY2023. Costs in FY2022 were lower than normal as the Authority continued to closely manage expenditures as the industry recovered from the COVID-19 pandemic. The main drivers of the increase from the FY2023 budget are planned expenditures on the roadways, cargo building, and parking garage.

Departmental Budgets

The operating expense budget, by department, is presented below. The Maintenance Department has the largest increase from the FY2023 budget. The major drivers of the increase are Salaries and Benefits, Airport Services and Maintenance and Repairs.

Departmental Operating Budget Summary (\$'s in thousands)					
Department	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
Planning and Development	891	1,248	1,728	837	480
Maintenance	8,196	9,853	12,046	3,849	2,193
Insurance	664	790	815	150	25
Custodial	2,265	3,505	3,379	1,115	(126)
Operations	2,623	3,483	3,648	1,025	166
Executive	3,522	3,194	3,190	(332)	(4)
Human Resources	626	1,025	1,190	564	165
Finance	1,176	1,268	1,457	281	189
Parking	1,632	2,680	2,279	647	(402)
Properties and Business Dev.	763	938	933	170	(5)
IT	1,138	1,920	1,685	546	(236)
Procurement	534	802	780	246	(23)
Police and Fire	2,910	5,108	4,512	1,602	(595)
Summer Intern Program	14	19	19	6	0
Pension and OPEB	(3,598)	-	-	3,598	-
	\$23,355	\$35,833	\$37,659	\$14,304	\$1,826

Pro-Forma Financial Statements

Statements of Revenues, Expenses and Changes in Net Position

The Authority's Income Statement is presented below. The changes in Operating Revenues and Expense are described in detail above. The Non-Operating Revenues/(Expenses) budget is \$17.5 million, which is \$4.9 million lower than in FY2022 and \$5.6 million less than the FY2023 budget. The decline from the FY2023 budget is due largely to decreases in the anticipated TSA and FAA grant contributions. Net position is budgeted to decline by \$5.0 million compared to last year's budget.

FY2024 Income Statement					
(in thousands)	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
Aviation Revenues	17,836	22,746	21,048	3,212	(1,698)
Concession Revenues	22,153	23,976	27,457	5,304	3,482
Airport Rentals	3,002	3,832	4,634	1,632	802
Aviation Services	996	1,097	1,603	607	507
Miscellaneous Revenues	487	499	445	(42)	(53)
Total Operating Revenues	\$44,474	\$52,149	\$55,188	\$10,714	\$3,039
Salaries & Benefits	7,062	13,433	14,553	7,491	1,120
Professional/Contracted Services	7,961	11,418	10,809	2,848	-609
Materials/Supplies/Maintenance	2,010	2,521	2,732	722	210
Other Operating Expenses	6,322	8,461	9,565	3,243	1,105
Total Operating Expenses	23,355	35,833	37,659	14,304	1,826
Results From Operations Before Depreciation	\$21,119	\$16,316	\$17,529	(\$3,590)	\$1,213
Depreciation and Amortization Expense	17,450	18,882	19,542	2,091	660
Results From Operations	\$3,669	(\$2,566)	(\$2,013)	(\$5,682)	\$553
Interest Income	1,876	272	2,412	537	2,140
Settlement - Insurance & Other	52	-	-	(52)	-
Gain/(Loss) on Investments	(929)	-	-	929	-
PFC Revenue	5,141	5,464	6,003	862	539
CFC Revenue	3,856	4,736	4,735	879	(1)
TSA Contributions	150	5,200	4,000	3,850	(1,200)
FAA Contributions	5,068	10,500	3,604	(1,464)	(6,896)
FAA COVID-19 Grants	12,234	1,624	1,299	(10,935)	(325)
Gain/(Loss) on Disposal of Fixed Assets	22	-	-	(22)	-
Interest Expense	(5,085)	(4,767)	(4,592)	494	175
Non-Operating Revenues/(Expenses)	\$22,383	\$23,029	\$17,461	(\$4,922)	(\$5,568)
Change In Net Position	\$26,052	\$20,463	\$15,449	(\$10,603)	(\$5,015)

Statement of Net Position

The Balance Sheet for FY2023 is below. It projects that assets, liabilities and net position grow by \$50.5 million more than the FY2023 budget to \$701.3 million. This increase is largely due to additional assets being completed.

FY2024 Statement of Net Position					
	2022 Actual	2023 Budget	2024 Budget	2022 Actual vs. 2024 Budget	2023 Budget vs. 2024 Budget
ASSETS					
Cash and Cash Equivalents	44,602	57,446	34,255	(10,346)	(23,190)
Investments	34,698	16,501	27,126	(7,571)	10,625
Trade Accounts, Grants and Lease Receivables	10,581	1,665	9,918	(663)	8,253
Prepaid Expenses	628	475	586	(42)	111
Inventory	262	277	400	139	123
Restricted Cash (OPEB, PFC and CFC)	10,271	16,495	11,327	1,056	(5,168)
PFC & CFC Receivable - Restricted	797	846	1,033	236	187
Total Current Assets	101,837	93,705	84,646	(17,191)	(9,059)
Investments	27,737	27,165	16,220	(11,517)	(10,944)
Lease Receivable	23,808		23,809	0	23,809
Lease Right of Use Assets, net of amortization	40		40	0	40
Prepaid Expenses	550	-		(550)	-
Capital Assets, net of Acc. Depreciation	530,448	520,801	566,880	36,432	46,079
Total Non - Current Assets	582,584	547,965	606,949	24,365	58,984
Total Assets	684,421	641,670	691,595	7,174	49,925
Total Deferred Outflows of Resources	10,046	9,158	9,704	(342)	546
Total Assets and Deferred Outflows of Resources	\$694,467	\$650,828	\$701,299	\$6,832	\$50,471
LIABILITIES AND NET POSITION					
Accounts Payable - Trade	6,735	1,084	2,678	(4,057)	1,594
Security Deposits and Unearned Revenue	518	71	65	(453)	(5)
Deferred Revenue			787	787	787
Lease Liabilities	14		41	27	41
Total Current Liabilities and Payments from Unrestricted Assets	7,267	1,154	3,571	(3,696)	2,417
Accounts Payable - Construction	2,355	1,389	206	(2,149)	(1,183)
Accrued Interest	2,383	2,383	2,253	(131)	(131)
Current Maturity of Revenue Bonds		5,230	5,490	5,490	260
Total Current Liabilities Payable from Restricted Assets	4,738	9,003	7,948	3,211	(1,054)
Total Current Liabilities	12,005	10,157	11,520	(485)	1,362
Accrued Wages & Benefits	583	479	1,189	606	709
Long Term Lease Obligations	27			(27)	-
Revenue Bonds Payable	120,844	96,900	91,410	(29,434)	(5,490)
Net OPEB Liabilities	(575)	-		575	-
Net Pension Liabilities	19,773	17,041		(19,773)	(17,041)
Total Non-Current Liabilities Payable	140,652	114,421	92,599	(48,053)	(21,822)
Total Liabilities	152,657	124,578	104,118	(48,539)	(20,460)
Total Deferred Inflows of Resources	48,196	30,916	65,305	17,109	34,389
Total Liabilities and Def. Inflows of Resources	200,852	155,494	169,423	(31,429)	13,929
Net Position					
Net Investment in Capital Assets	459,101	424,829	494,486	35,386	69,658
Restricted for:				0	-
Capital projects	11,120	21,573	9,735	(1,385)	(11,838)
Debt service	5,304	9,997	9,995	4,691	(2)
Total Restricted Net Position	16,425	31,570	19,730	3,305	(11,839)
Unrestricted	18,089	38,936	17,659	(429)	(21,277)
Total Net Position	493,614	495,334	531,876	38,262	36,542
TOTAL LIABILITIES AND NET POSITION	\$694,467	\$650,828	\$701,299	\$6,832	\$50,471

Airline Rates and Charges

The rates and charges that airlines pay to operate at the Airport are calculated in accordance with the methodology described in the Airport Use and Lease Agreement. Under the new Airline Use and Lease Agreement, airline rents, fees, and charges for airlines utilize a hybrid rate-setting methodology that provides a residual approach to recover costs associated with the Airfield Area and a compensatory approach to recover costs associated with the Terminal Building (including Terminal Aprons and other costs associated with the Loading Bridges).

Under the residual methodology, the Airport calculates the Landing Fee Rate from revenue derived from Airline landing fees plus revenues from other applicable sources to ensure the funds received are sufficient to meet the cost requirements of the Airfield Area for the current fiscal year. As previously discussed, the airfield costs have been reduced by \$2 million because of the discretionary credit applied by the Authority. Landing fees are imposed on commercial passenger and cargo airline service based on the aircraft maximum authorized gross takeoff weight, to the nearest 1,000 pounds. The Authority has historically excluded General Aviation, Corporate Aviation, and Military Operations from paying a landing fee. The Authority anticipates revising this policy and expects to begin imposing landing fees on certain General and Corporate Aviation aircraft in FY2024.

Under the compensatory rate setting methodology, the Airport calculates the Terminal Rental Rate (per square foot) based on the Airport's FY2043 budgeted costs of operating the terminal during the fiscal year. The airlines pay a rental rate based upon the airline usable square footage within the terminal. The terminal rental includes a \$3 million discretionary credit which has the result of lowering the rates. Airlines are also charged for other rents, fees and charges that are calculated on a cost recovery basis.

The FY2024 Airline Rates and Charges are as follows:

FY2024 Airline Rates and Charges		
Rate Type	FY2023 Budget	FY2024 Budget
Passenger Airline Landing Fees (\$ per 000 pounds)	\$5.71	\$3.66
Cargo Airline Landing Fees (\$ per 000 pounds)	\$5.71	\$3.66
Terminal Building Rent (\$ Per Square Ft.)	\$92.57	\$95.43
Joint Use Facilities Rent ¹ (\$ per Sq. Ft. allocated on enplanements)	\$92.57	\$95.43
Common Use Gate Fee (per use)	\$214.89	\$168.97
Aircraft Apron Parking Fee (per gate)	\$31,271	\$33,581
Cargo Building Apron Rate (per square ft.)	\$0.34	\$0.37
Annual Loading Bridge Fee (per gate)	\$9,761	\$15,127

¹ Includes baggage claim areas, baggage makeup belts, CBRA, and TSA screening area.

Financial Indicators

The Days Cash on Hand, Debt Service Coverage Ratio, and the Airline Cost Per Enplanement financial indicators are calculated below. The Days Cash on Hand and Coverage Ratio declined by approximately 20% due to the construction of the new cargo facility and the increase in debt service. The Airline Cost Per Enplanement is projected to improve by \$2.85 compared to the FY2023 budget.

Financial Indicators		
(in thousands)	FY2023 Budget	FY2024 Budget
Days Cash on Hand		
Cash and Investments	\$88,770	\$74,791
Total Operating Expenses	\$35,833	\$37,659
Days Cash on Hand	904	725
Debt Service Coverage Ratio		
Results from Operations Before Depr. Annual Debt Service *	\$16,316	\$17,529
	\$4,997	\$6,801
Coverage Ratio	3.27	2.58
Airline Cost per Enplanement		
Airline Space Rentals	\$12,203	\$11,995
Landing Fees	\$9,776	\$8,256
Apron and Facility Fees	\$605	\$682
Total Airline Costs	\$22,585	\$20,933
Less: Cargo Revenue	(\$1,086)	(\$1,032)
	\$21,498	\$19,900
Enplanements	1,380	1,564
Airline CPE	\$15.57	\$12.72

* Net of \$5,000,000 PFC funds used for principal

Capital Purchases

The Authority's Capital Improvement Program and Capital Outlay projects and funding sources are shown below. The Airport plans to spend \$56.0 million on these projects. The Authority will be providing slightly more than half of the funding due to the new air cargo project. The FAA will be providing 29%. Starting in FY2024, the airlines will be charged amortization for certain capital projects. This is a major change from the prior airline agreement as it allows BAA to recover its portion of funds used for capital assets. Capital Outlays are capital projects that are \$100,000 or less that are expensed to the airlines in the year of purchase rather than amortized.

Birmingham Airport Authority
FY2024 Budget Book

Birmingham Airport Authority
FY2024 Capital Improvement Projects and Capital Outlays

(\$s in thousands)

Airfield & Apron

	FY2024
Taxiway H Connectors Rehabilitation	2,750
Taxiway B / F Rehabilitation	7,202
RW 36 Runway Protection Zone Property Acquisition (Demolition)	1,000
Installation of Sump Pumps in all Manholes	200
Taxiway H Realignment	230
Terminal Apron Joint Seal	1,600
Pump Station Work (Backup Generator, Control Panel, Gate Door)	700
Runway 6, 24, and 36 Safety Area Improvements	3,403
Taxiway P/N Mill & Overlay	70
Regulator Replacement Program	100
Replace Obsolete Runway Elevated Guard Lights	75
	\$17,329

General Aviation

GA Improvements	1,515
Hangar 7 Taxiway Reconstruction (Design and Construction)	400
	\$1,915

Terminal

Upgrade Closed Circuit Security Cameras (CCTV)	500
Terminal Carpet Replacement (Including TSA Checkpoint)	600
Terminal Cooling tower Replacement	400
CBRA Recapitalization Project	4,000
Office Expansion (Design and Construction)	790
Replacement of Obsolete PLC, VFS, Circuit Breakers, Control Consoles	700
New Baggage Claim Monitors/Mounts	22
SARA Improvements : Design & Construction	90
	\$7,102

Roadways

Irrigation System	160
	\$160

Other

FY2024 Vehicle Replacement	350
	\$350

Cargo

Air Cargo Building and Apron (Design and Construction)	27,128
Cargo Apron Joint Seal	1,136
	\$28,264

Parking

Parking and Ground Transportation RFID System	161
Replace Generator for Parking Deck Elevators	700
Cellphone Waiting Lot FID Display	50
	\$911

TOTAL CAPITAL IMPROVEMENT PROGRAM

\$56,031

SOURCE OF FUNDS				
AIP	Other	BAA	AIRLINES	TOTAL
2,475			275	2,750
6,482			720	7,202
900			100	1,000
			200	200
207			23	230
1,440			160	1,600
			700	700
3,062			340	3,403
63			7	70
90			10	100
68			8	75
\$14,786	\$0	\$0	\$2,543	\$17,329
\$1,364	\$0	\$552	\$0	\$1,915
		500		500
			600	600
			400	400
	4,000			4,000
			790	790
			700	700
			22	22
			90	90
\$0	\$4,000	\$500	\$2,602	\$7,102
		80	80	160
\$0	\$0	\$80	\$80	\$160
			350	350
\$0	\$0	\$0	\$350	\$350
		27,128		27,128
		1,136		1,136
\$0	\$0	\$28,264	\$0	\$28,264
		161		161
		700		700
		50		50
\$0	\$0	\$911	\$0	\$911
\$16,150	\$4,000	\$30,306	\$5,575	\$56,031

Capital Outlay = Capital Purchases that are \$100,000 or less. Expensed to airline in year of purchase rather than amortized.