

Real Estate Assets Department

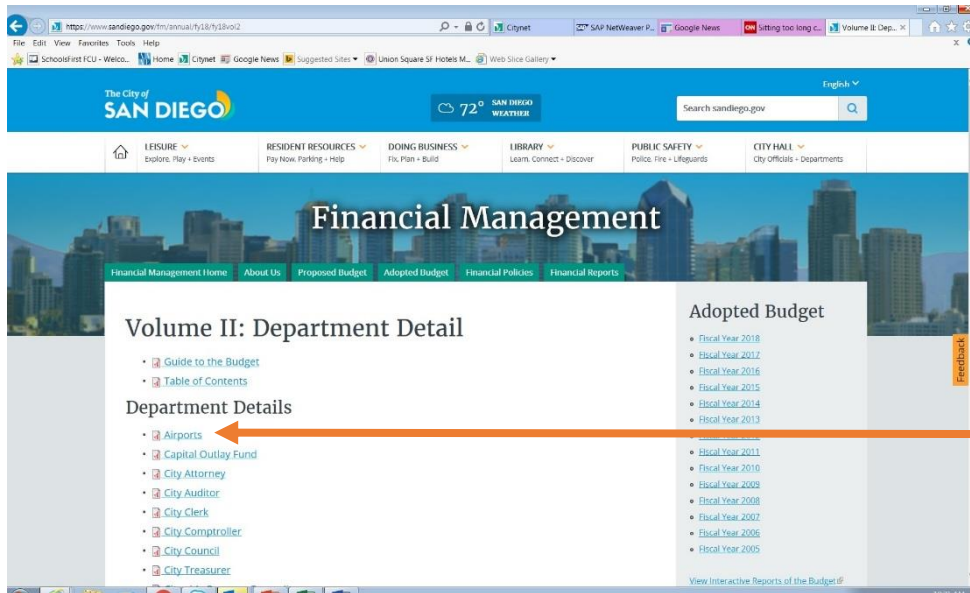
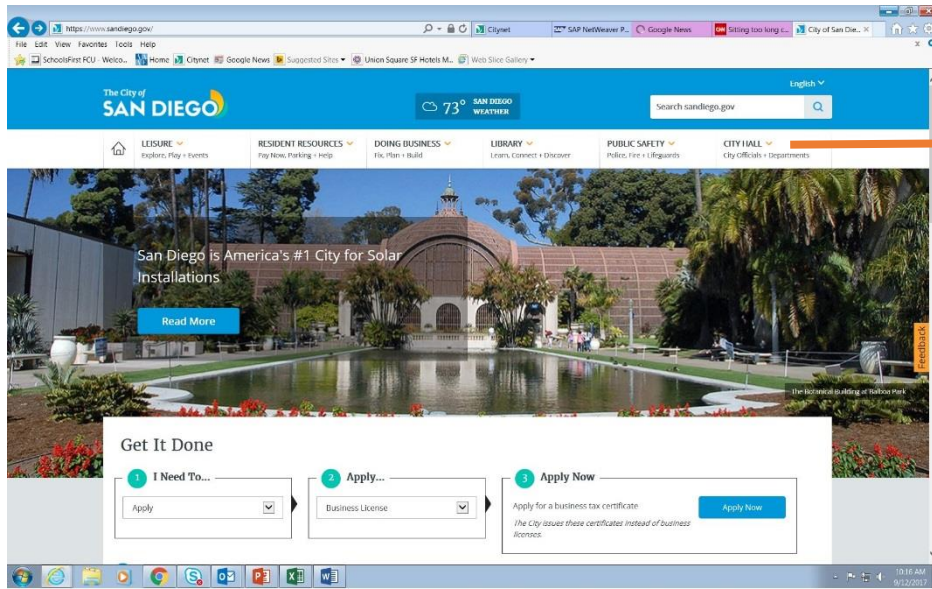
Airports Division
FY 2018 Adopted Budget

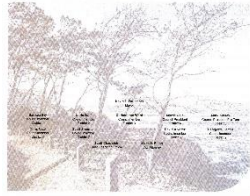
Airports Advisory Committee
September 12, 2017

Rod Propst A.A.E., Deputy Director



Real Estate Assets Airports Division





Airports

Department Summary

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
FTE Positions (Budgeted)	19.00	22.00	22.00	0.00
Personnel Expenditures	\$ 1,734,264	\$ 1,964,184	\$ 2,045,606	\$ 81,422
Non-Personnel Expenditures	2,142,954	3,114,986	3,677,133	562,147
Total Department Expenditures	\$ 3,877,218	\$ 5,079,170	\$ 5,722,739	\$ 643,569
Total Department Revenue	\$ 4,891,501	\$ 5,022,359	\$ 5,371,548	\$ 349,189

Airports Fund

Department Expenditures

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Airports	\$ 3,877,218	\$ 5,079,170	\$ 5,722,739	\$ 643,569
Total	\$ 3,877,218	\$ 5,079,170	\$ 5,722,739	\$ 643,569

Department Personnel

	FY2016 Budget	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Airports	19.00	22.00	22.00	0.00
Total	19.00	22.00	22.00	0.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Brown Field Terminal Addition of one-time non-personnel expenditures for structural repair of the Brown Field Airport terminal.	0.00	\$ 225,000	\$ -
Montgomery Field Terminal Addition of one-time non-personnel expenditures for structural repair of the Montgomery Field Airport terminal.	0.00	200,000	-
Fleet Services Vehicle Replacement Program Addition of one-time non-personnel expenditures associated with vehicle replacement for field operations.	0.00	90,000	-
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	81,422	-
One-Time Reductions and Annualizations Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2017.	0.00	75,000	(140,477)
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	31,992	-

The FY 2018 Budget for the Airports Division projects Revenues of **\$5,371,548** and Expenditures of **\$5,722,739**.

The difference is **(\$351,191)**, due primarily to Budget Adjustments for both Terminal Buildings which were carried over from FY 2017.



Airports

Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
Support for Information Technology	0.00	19,547	-
Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.			
Supplemental Cost of Living Adjustment (COLA)	0.00	608	-
Adjustment to reflect the allocation of the pay-go costs for the continued funding of the Supplemental COLA Benefit.			
Reduction of Non-Personnel Expenditures	0.00	(80,000)	-
Reduction of one-time non-personnel expenditures related to professional services, fees, and maintenance.			
Revised Revenue	0.00	-	489,666
Adjustment to reflect revised revenue projections.			
Total	0.00	\$ 643,569	\$ 349,189

Expenditures by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
PERSONNEL				
Personnel Cost	\$ 1,086,301	\$ 1,231,872	\$ 1,190,271	\$ (41,601)
Fringe Benefits	647,963	732,312	855,335	123,023
PERSONNEL SUBTOTAL	1,734,264	1,964,184	2,045,606	81,422
NON-PERSONNEL				
Supplies	\$ 128,143	\$ 166,622	\$ 171,042	\$ 4,420
Contracts	1,584,502	2,568,881	3,100,089	531,208
Information Technology	193,241	162,215	181,762	19,547
Energy and Utilities	191,382	195,448	207,389	11,941
Other	5,311	4,643	5,251	608
Transfers Out	756	844	844	-
Capital Expenditures	39,618	15,577	10,000	(5,577)
Debt	-	756	756	-
NON-PERSONNEL SUBTOTAL	2,142,954	3,114,986	3,677,133	562,147
Total	\$ 3,877,218	\$ 5,079,170	\$ 5,722,739	\$ 643,569

Revenues by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Charges for Services	\$ 586,150	\$ 591,192	\$ 633,220	\$ 42,028
Other Revenue	3,070	-	-	-
Rev from Money and Prop	4,302,281	4,431,167	4,738,328	307,161
Total	\$ 4,891,501	\$ 5,022,359	\$ 5,371,548	\$ 349,189

Personnel Expenditures

Job Number	Job Title / Wages	FY2016 Budget	FY2017 Budget	FY2018 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000012	Administrative Aide 1	1.00	1.00	1.00	\$36,962 - \$44,533	\$ 44,533
20000036	Airport Manager	2.00	2.00	2.00	51,272 - 61,797	123,594
20000035	Airport Operations Assistant	3.00	4.00	4.00	34,944 - 41,642	163,792
20000119	Associate Management Analyst	1.00	1.00	1.00	54,059 - 65,333	52,978

The FY 2018 Budget for the Airports Division is projecting a Total Personnel Cost of **\$2,045,606**. This includes \$1,190,271 for wages & salaries (58.2%) and \$855,335 for benefits (41.8%).

Total Personnel Cost is 35.7% of Total Expenditures.

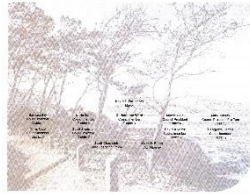


Airports

Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2016 Budget	FY2017 Budget	FY2018 Adopted	Salary Range	Total
20000648	Biologist 3	0.00	1.00	0.00	62,005 - 75,067	-
20000649	Biologist 3	0.00	0.00	1.00	62,005 - 75,067	62,005
20001168	Deputy Director	1.00	1.00	1.00	46,966 - 172,744	125,000
20000426	Equipment Operator 1	1.00	1.00	1.00	37,690 - 45,115	45,115
20000468	Grounds Maintenance Worker 2	1.00	1.00	1.00	31,762 - 37,773	37,702
20001222	Program Manager	1.00	1.00	1.00	46,966 - 172,744	104,000
20000768	Property Agent	1.00	2.00	2.00	59,363 - 71,760	126,734
20000831	Senior Airport Operations Assistant	2.00	2.00	2.00	38,376 - 45,802	91,604
20000927	Senior Clerk/Typist	1.00	1.00	1.00	36,067 - 43,514	43,514
20001003	Supervising Property Agent	1.00	1.00	1.00	66,768 - 80,891	80,891
20001053	Utility Worker 2	2.00	2.00	2.00	33,322 - 39,666	75,762
20000756	Word Processing Operator	1.00	1.00	1.00	31,491 - 37,918	37,918
	Bilingual - Regular					2,912
	Budgeted Vacancy Savings					(59,363)
	Overtime Budgeted					26,380
	Pesticide App Licens					5,200
FTE, Salaries, and Wages Subtotal		19.00	22.00	22.00		\$ 1,190,271
		FY2016 Actual	FY2017 Budget	FY2018 Adopted		FY2017-2018 Change
Fringe Benefits						
	Employee Offset Savings	\$ 4,864	\$ 4,993	\$ 5,093	\$	100
	Flexible Benefits	154,262	208,869	238,520		29,651
	Long-Term Disability	3,532	3,749	-		(3,749)
	Medicare	16,397	17,227	16,907		(320)
	Other Post-Employment Benefits	119,622	124,209	126,021		1,812
	Retiree Medical Trust	1,302	1,616	1,588		(28)
	Retirement 401 Plan	724	764	809		45
	Retirement ADC	231,791	240,597	334,612		94,015
	Retirement DROP	3,837	3,390	2,755		(635)
	Risk Management Administration	20,229	21,462	21,231		(231)
	Supplemental Pension Savings Plan	69,093	80,946	78,869		(2,077)
	Unemployment Insurance	2,015	2,144	2,072		(72)
	Workers' Compensation	20,294	22,346	26,858		4,512
Fringe Benefits Subtotal		\$ 647,963	\$ 732,312	\$ 855,335	\$	123,023
Total Personnel Expenditures					\$ 2,045,606	

✈️ The Airports Division compensation costs **average** is \$48.43 per hour, consisting of \$28.18 per hour in *wages* and \$20.25 per hour in *benefits*.



NEWS RELEASE

BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF LABOR



For release 10:00 a.m. (EDT) Friday, **September 8, 2017**

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EMPLOYER COSTS FOR EMPLOYEE COMPENSATION – JUNE 2017

Employer costs for employee compensation averaged \$35.28 per hour worked in June 2017, the U.S. Bureau of Labor Statistics reported today. Wages and salaries averaged \$24.10 per hour worked and accounted for 68.3 percent of these costs, while benefits averaged \$11.18 and accounted for the remaining 31.7 percent. The employer costs for retirement and savings averaged \$1.92 per employee hour worked (5.4 percent of total compensation). (See table 1.)

Total employer compensation costs for **private industry** workers averaged \$33.26 per hour worked where wages and salaries averaged \$23.15 (69.6 percent of total compensation) and benefit costs averaged \$10.11 (30.4 percent). (See table 5.)

Chart 1. Employer retirement and savings costs per employee hour worked by selected private industry group, June 2017

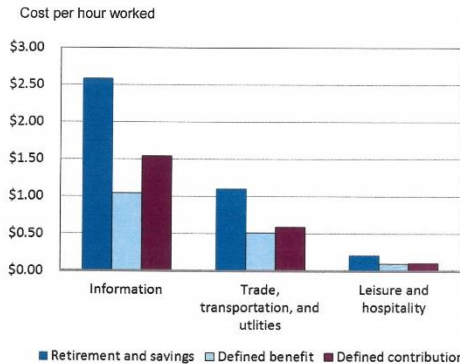
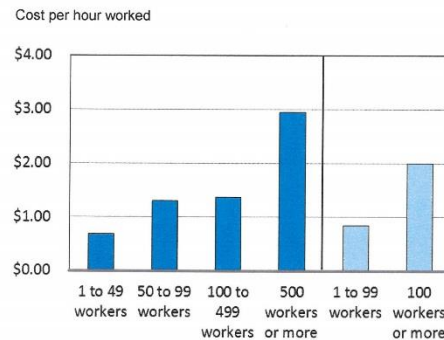


Chart 2. Employer retirement and savings costs per employee hour worked by selected establishment size, private industry, June 2017



Total employer compensation costs for state and local government workers averaged \$48.06 per hour worked, where wages and salaries averaged \$30.12 (62.7 percent of total compensation) and benefit costs averaged \$17.94 (37.3 percent). (See table 3.)

Employer Costs for Employee Compensation (ECEC), a product of the National Compensation Survey, measures employer costs for wages, salaries, and employee benefits for nonfarm private and state and local government workers.

The **Bureau of Labor Statistics** news release of September 8th states that *“state and local”* government compensation costs **average \$48.06** per hour, consisting of \$30.12 per hour in wages and \$17.94 per hour in benefits.



Airports

Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	19,547	-
Supplemental Cost of Living Adjustment (COLA) Adjustment to reflect the allocation of the pay-go costs for the continued funding of the Supplemental COLA Benefit.	0.00	608	-
Reduction of Non-Personnel Expenditures Reduction of one-time non-personnel expenditures related to professional services, fees, and maintenance.	0.00	(80,000)	-
Revised Revenue Adjustment to reflect revised revenue projections.	0.00	-	489,666
Total	0.00	\$ 643,569	\$ 349,189

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Transfers Out	756	844	844	-
Capital Expenditures	39,618	15,577	10,000	(5,577)
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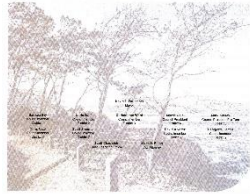
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20000119	Associate Management Analyst	1.00	1.00	1.00	54,059 - 65,333	52,978

Non-Personnel
Costs are projected to be **\$3,677,133** (64.3%), of which the majority, \$3,100,89 are contracts.




Airports

Revenue and Expense Statement (Non-General Fund)

Airports Fund	FY2016 Actual	FY2017 Budget	FY2018 Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 7,335,194	\$ 8,311,886	\$ 8,740,369
Continuing Appropriation - CIP	9,034,559	6,039,472	5,588,856
Pension Stability Reserve	-	37,590	37,590
TOTAL BALANCE AND RESERVES	\$ 16,369,753	\$ 14,388,948	\$ 14,366,815
REVENUE			
Charges for Services	\$ 586,150	\$ 591,192	\$ 633,220
Other Revenue	3,070	-	-
Revenue from Use of Money and Property	4,302,281	4,431,167	4,738,328
TOTAL REVENUE	\$ 4,891,501	\$ 5,022,359	\$ 5,371,548
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 21,261,253	\$ 19,411,307	\$ 19,738,363
OPERATING EXPENSE			
Personnel Expenses	\$ 1,086,301	\$ 1,231,872	\$ 1,190,271
Fringe Benefits	647,963	732,312	855,335
Supplies	128,143	166,622	171,042
Contracts	1,584,502	2,568,881	3,100,089
Information Technology	193,241	162,215	181,762
Energy and Utilities	191,382	195,448	207,389
Other Expenses	5,311	4,643	5,251
Transfers Out	756	844	844
Capital Expenditures	39,618	15,577	10,000
Debt Expenses	-	756	756
TOTAL OPERATING EXPENSE	\$ 3,877,218	\$ 5,079,170	\$ 5,722,739
EXPENDITURE OF PRIOR YEAR FUNDS			
CIP Expenditures	\$ 2,995,087	\$ -	\$ -
TOTAL EXPENDITURE OF PRIOR YEAR FUNDS	\$ 2,995,087	\$ -	\$ -
TOTAL EXPENSE	\$ 6,872,305	\$ 5,079,170	\$ 5,722,739
RESERVES			
Continuing Appropriation - CIP	\$ 6,039,472	\$ 6,039,472	\$ 5,588,856
Pension Stability Reserve	37,590	37,590	-
TOTAL RESERVES	\$ 6,077,062	\$ 6,077,062	\$ 5,588,856
BALANCE	\$ 8,311,886	\$ 8,255,075	\$ 8,426,768
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 21,261,253	\$ 19,411,307	\$ 19,738,363

* At the time of publication, audited financial statements for Fiscal Year 2017 were not available. Therefore, the Fiscal Year 2017 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2017 Adopted Budget, while the beginning Fiscal Year 2017 balance amount reflects the audited Fiscal Year 2016 ending balance.

✈ Note that the ending Balance of \$8,426,768 is **(\$313,601)** less than the Balance the Prior Year, again primarily due to the rehab of both Terminal Buildings. Also, note that the Pension Stability Reserve has been removed or the reduction would be projected to be **(\$351,191)**, or the projected difference between Revenues and Expenditures.

 As of the end of August, using straight line trend analysis, the Airports Division would have received 17% of the annual budgeted *revenue* and obligated 17% of the projected *expenditures*. The Division has received **8.6% of the budgeted revenue** and has obligated **10.3% of the projected expenditures**.

(Note: the month of August has not been closed out, so the above will change.)



Conclusion

- Questions?