

**RESOLUTION
2020-05**

WHEREAS, a proposed budget for the operation of the Authority for the year 2021 has been prepared; and

WHEREAS, Section 29-1-106 C.R.S. requires that a meeting be set for the adoption of the 2021 Budget and that a notice be published advertising the date of said meeting.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. On the 10th day of December 2020 at the hour of 3:00 p.m. in the Board Room of the Aviation Community & Administrative Facility, 7565 South Peoria Street, Englewood, Colorado, the proposed 2021 Budget of the Arapahoe County Public Airport Authority will be considered.
2. The following notice of said hearing date will be published in the Villager and the Douglas County News Press, at least one time prior to said hearing in accordance with law, to wit:

NOTICE OF BUDGET HEARING

Notice is hereby given that a proposed budget has been submitted to the Board of Commissioners of the Arapahoe County Public Airport Authority for the ensuing year of 2021. That a copy of such proposed budget has been filed in the office of Centennial Airport, where same is open for public inspection. That such proposed budget will be considered at the regular meeting of the Board of Commissioners of the Arapahoe County Public Airport Authority to be held at 7565 South Peoria Street on December 10, 2020 at 3:00 p.m.

Any interested elector of Arapahoe County or Douglas County may inspect the proposed budget and file or register any objections thereto prior to the final adoption of the budget.

ADOPTED this 8th day of October 2020.

Arapahoe County Public Airport Authority

Nancy Sharpe, Chair

Jeff Baker, Clerk

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CENTENNIAL AIRPORT
ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

7800 South Peoria Street, Unit G1
Englewood, Colorado 80112
main: 303.790.0598
fax: 303.790.2129
www.centennialairport.com

MEMORANDUM

To: Arapahoe County Public Airport Authority Board of Commissioners
From: Roxana L. Hahn, Chief Financial Officer
Date: October 8, 2020
Subject: Proposed Annual Budget for the Fiscal Year 2021

Enclosed are the operating and capital budgets proposed for 2021, the 2020 estimates, and the actual results of operations for 2019.

1. Operating revenues are based on current contracts, agreements, and anticipated miscellaneous revenue sources. The budget anticipates that the COVID 19 pandemic will continue to impact 2021 revenues. Revenues are projected to increase in 2021 by \$59,372 or less than 1 percent. This increase in revenue is primarily due to increases in land rent and building rent. Total aviation fees are expected to stay the same. Commercial activity fees and some other sources of revenue may have minor increases, but overall, most are expected to stay the same as 2020.
2. Other funds anticipated in 2021 include Federal Aviation Administration (FAA) reimbursements of \$4,675,000 in Airport Improvement Program (AIP) grants. This represents approximately a 90% reimbursement of the project cost for the AIP projects. Funds are also anticipated from state grants for \$222,222. This represents a reimbursement of a portion of the grant match for the FAA AIP grant for the reconstruction of Taxiway C.
3. Expenses (net of depreciation) reflect an increase of \$347,290 or 6.01% in 2021. The increase in expense is primarily due to increases in supplies, service, maintenance and other expenses.
4. Capital expenditures of \$5,416,666 under the Federal Aviation Administration Airport Improvement Program are projected for 2021. The grants are expected to finance the reconstruction of Taxiway C and Wildlife Fence improvements.
Non-Grant capital expenditures for 2021 of \$860,700 are projected for airfield & landside improvements, security gates and cameras, computers and servers, maintenance building improvement design, tower cab remodel, maintenance equipment, mailboxes, and office equipment.
5. This budget is prepared on the modified accrual basis.

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ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

STATEMENT OF REVENUE, EXPENSES AND AVAILABLE FUNDS

	2019 Actual	2020 Estimate	2021 Proposed
Audited Funds Available (Beginning)	\$ 13,502,841	\$ 15,960,304	\$ 6,245,528
Revenue	\$ 7,151,062	\$ 7,054,915	\$ 7,114,287
Sale of Asset #1	\$ 295,004	\$ -	\$ -
Sale of Asset #2	\$ 2,537,575	\$ -	\$ -
Grant Reimbursement	\$ 255,549	\$ 5,926,026	\$ 4,897,222
Total Revenue and Funds Available	\$ 23,742,031	\$ 28,941,245	\$ 18,257,037
Expense (Net of Depreciation)	\$ 5,388,215	\$ 5,778,246	\$ 6,125,536
Aviation Community & Administrative Facility	\$ 432,213	\$ 8,467,787	\$ -
Grant-Funded Projects	\$ 606,710	\$ 6,143,769	\$ 5,416,666
Other Capital Expenditures	\$ 1,354,589	\$ 2,305,915	\$ 860,700
Total Expenditures	\$ 7,781,727	\$ 22,695,717	\$ 12,402,902
NET FUNDS AVAILABLE (Ending)	\$ 15,960,304	\$ 6,245,528	\$ 5,854,135

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ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

REVENUE

	2019 Actual	2020 Estimate	2021 Proposed
Operating Revenue:			
Land Rent & Option Fees			
Air Methods	\$ 224,061	\$ 230,476	\$ 237,085
TAC Air	\$ 83,937	\$ 137,863	\$ 167,873
APA Centre	\$ 70,051	\$ 72,153	\$ 74,317
Arapahoe County Road & Bridge	\$ 330,063	\$ 335,534	\$ 341,004
Arapahoe AP Joint Venture #1	\$ 54,249	\$ 55,020	\$ 55,792
Denver jetCenter	\$ 511,425	\$ 869,602	\$ 869,602
South Suburban	\$ 125,531	\$ 129,297	\$ 133,177
Hotel	\$ 86,165	\$ 88,750	\$ 91,411
Sunborne	\$ 229,999	\$ 231,089	\$ 231,089
Willowbrook Association	\$ 75,195	\$ 77,354	\$ 79,513
Other	\$ 323,186	\$ 344,709	\$ 352,826
Total Land Rent & Option Fees	\$ 2,113,862	\$ 2,571,847	\$ 2,633,689
Building Rent			
Denver jetCenter	\$ 76,801	\$ 76,801	\$ 79,105
FAA Tower/Office	\$ 146,725	\$ 146,725	\$ 197,431
Total Building Rent	\$ 223,526	\$ 223,526	\$ 276,536
Aviation Fees			
Aviation Fuel Fees from FBOs	\$ 1,418,439	\$ 1,247,000	\$ 1,247,000
Colorado Fuel Tax	\$ 1,273,833	\$ 1,108,250	\$ 1,108,250
Tie Down Fees	\$ 358,274	\$ 360,000	\$ 360,000
T-Hangar Management Fees	\$ 164,643	\$ 173,000	\$ 173,000
Other Fuel Tax Fees	\$ 96,365	\$ 84,000	\$ 89,000
Total Aviation Fees	\$ 3,311,554	\$ 2,972,250	\$ 2,977,250
Commercial Activity Fees			
Aircraft Fees	\$ 44,058	\$ 46,000	\$ 46,000
Activity Fees	\$ 16,250	\$ 16,200	\$ 15,500
Additional Compensation	\$ 321,342	\$ 130,000	\$ 200,000
Application Fees	\$ 900	\$ 600	\$ 1,000
Total Commercial Activity Fees	\$ 382,550	\$ 192,800	\$ 262,500
Other Sources of Revenue			
Car Rental Concession Fees	\$ 105,843	\$ 56,000	\$ 60,000
Security Gate Cards	\$ 18,067	\$ 17,000	\$ 17,000
Vending Machine Concession Fees	\$ 1,111	\$ 290	\$ 305
Directory Sign Fees	\$ 4,318	\$ 4,331	\$ 4,050
Restaurant Concession Fees	\$ 188,582	\$ 103,148	\$ 110,000
Construction Fees	\$ -	\$ 375,000	\$ 250,000
Customs Fees	\$ 320,013	\$ 183,000	\$ 209,000
Other	\$ 285,853	\$ 257,932	\$ 262,194
Total Other Sources of Revenue	\$ 923,787	\$ 996,701	\$ 912,549
Total Operating Revenue	\$ 6,955,279	\$ 6,957,124	\$ 7,062,524

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

	REVENUE		
	2019 Actual	2020 Estimate	2021 Proposed
Other Revenue:			
Note Receivable Parcel 50 Ramp	\$ -	\$ 23,800	\$ 5,679
CACNR Revenue	\$ 22,250	\$ -	\$ 22,250
Interest			
Note Receivable Interest	\$ -	\$ 3,805	\$ 3,834
Investment Interest	\$ 173,463	\$ 70,140	\$ 20,000
Interest Other	\$ 70	\$ 46	\$ -
Total Interest	\$ 173,533	\$ 73,991	\$ 23,834
Total Other Revenue	\$ 195,783	\$ 97,791	\$ 51,763
TOTAL ALL REVENUE	\$ 7,151,062	\$ 7,054,915	\$ 7,114,287

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ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

EXPENSE

	2019 Actual	2020 Estimate	2021 Proposed
Operating Expenses:			
Personnel Service			
Salaries	\$ 2,048,559	\$ 2,040,050	\$ 2,080,351
Temporary Personnel	\$ -	\$ 5,000	\$ -
Employee's Insurance	\$ 226,995	\$ 283,500	\$ 280,000
Workers' Compensation Insurance	\$ 44,790	\$ 51,001	\$ 52,009
FICA Taxes	\$ 147,363	\$ 156,064	\$ 159,147
Pension-Authority's Share	\$ 122,587	\$ 142,804	\$ 145,625
Pension Plan Administration Fee	\$ 3,800	\$ 8,000	\$ 6,000
Deferred Comp Plan	\$ 60,000	\$ 60,000	\$ 30,000
Unemployment Compensation	\$ -	\$ -	\$ -
Recruiting Expense	\$ 4,196	\$ 6,000	\$ 10,000
Total Personnel Service	\$ 2,658,290	\$ 2,752,419	\$ 2,763,132
Supplies, Services, & Maintenance			
Office Supplies	\$ 18,278	\$ 56,200	\$ 41,565
Postage	\$ 1,935	\$ 3,000	\$ 2,500
Advertising	\$ 640	\$ 600	\$ 600
Public Relations/Business Development	\$ 80,483	\$ 41,695	\$ 72,700
Dues & Publications	\$ 46,405	\$ 48,500	\$ 48,500
Printing & Copying	\$ 3,299	\$ 10,000	\$ 5,000
Copier, FAX & Postage Machine Leases	\$ 8,114	\$ 8,183	\$ 5,403
Insurance	\$ 120,075	\$ 140,780	\$ 172,000
Financial	\$ 36,750	\$ 46,500	\$ 50,450
Legal	\$ 64,830	\$ 100,000	\$ 100,000
Transportation, Meetings, & Seminars	\$ 148,469	\$ 58,485	\$ 100,000
Engineering & Surveying	\$ 9,949	\$ 35,000	\$ 50,000
Noise	\$ 37,185	\$ 120,500	\$ 130,500
Gas & Electricity	\$ 93,184	\$ 120,700	\$ 133,700
Telephone	\$ 67,199	\$ 93,000	\$ 118,000
Water & Sewer	\$ 228,355	\$ 239,908	\$ 255,150
Operating/Maintenance Supplies	\$ 28,101	\$ 33,550	\$ 44,000
Gasoline & Oil	\$ 46,074	\$ 50,000	\$ 60,000
Laundry	\$ 9,420	\$ 9,000	\$ 10,000
Small Tools & Minor Equipment	\$ 19,666	\$ 11,000	\$ 23,500
Customs Expense	\$ 305,477	\$ 286,000	\$ 285,000
R&M - Equipment	\$ 146,373	\$ 210,400	\$ 234,639
R&M - Buildings & Improvements	\$ 272,350	\$ 362,900	\$ 424,500
Equipment Rental	\$ 9,575	\$ 9,500	\$ 11,000
Miscellaneous	\$ 16,735	\$ 17,530	\$ 21,150
Total Supplies, Services, Maintenance	\$ 1,818,921	\$ 2,112,931	\$ 2,399,857
Non-Cash Operating Expense			
Depreciation	\$ 5,069,728	\$ 5,300,000	\$ 5,400,000
Total Non-Cash Operating Expense	\$ 5,069,728	\$ 5,300,000	\$ 5,400,000
Total Operating Expenses	\$ 9,546,939	\$ 10,165,350	\$ 10,562,989

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

EXPENSE

	2019 Actual	2020 Estimate	2021 Proposed
Other Expenses	\$ 714,070	\$ 731,922	\$ 750,220
Loan Payment	\$ -	\$ -	\$ 4,000
Studies requested by the Authority Board	\$ -	\$ -	\$ 4,000
Centennial Airport Foundation	\$ -	\$ 2,500	\$ 10,000
Consulting	\$ 2,065	\$ -	\$ 4,000
GA Security	\$ -	\$ -	\$ -
Board Education	\$ 189,242	\$ 171,474	\$ 152,854
Interest Expense	\$ -	\$ -	\$ 5,600
Legislative Expense	\$ 5,627	\$ 7,000	\$ 31,873
CACNR Expense	\$ -	\$ -	\$ -
Non-Cash Expense	\$ -	\$ -	\$ -
Unrealized loss on Investment	\$ -	\$ -	\$ -
Loss on the Sale of Assets	\$ 1,806,277	\$ -	\$ -
Total Other Expenses	<u>\$ 2,717,281</u>	<u>\$ 912,896</u>	<u>\$ 962,547</u>
Total Exp. Including Non-Cash Exp.	\$ 12,264,220	\$ 11,078,246	\$ 11,525,536
Less: Non-Cash Expense	\$ 6,876,005	\$ 5,300,000	\$ 5,400,000
TOTAL ALL EXPENSES	<u>\$ 5,388,215</u>	<u>\$ 5,778,246</u>	<u>\$ 6,125,536</u>

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

	<u>2020 Estimate</u>	<u>2021 Proposed</u>
Capital Expenditures		
Grant Projects		
2020 Projects (Per Schedule A)	\$ 6,143,769	
2021 Projects (Per Schedule B)		\$ 5,416,666
Total Grants	\$ 6,143,769	\$ 5,416,666
Less Grants Reimbursement	\$ 5,926,026	\$ 4,897,222
TOTAL	\$ 217,743	\$ 519,444
Non-Grant Projects		
2020 Expenditures (Per Schedule C)	\$ 2,305,915	
2021 Expenditures (Per Schedule D)		\$ 860,700
TOTAL	\$ 2,305,915	\$ 860,700
Total Capital Expenditures Net of Grant Reimbursement	\$ 2,523,658	\$ 1,380,144

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ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2021 BUDGET

Schedule A - Grants - 2020

AIP 51	\$	227,436
Update Master Plan / Airport Geographical Information System		
AIP 52	\$	5,750,555
Rehabilitation Taxiway N & Runway 17R/35L & Taxiway B Electrical		
AIP 53	\$	157,000
Coronavirus Aid, Relief and Economic Security Act		
State Grant - Update Master Plan / GIS Match	\$	<u>8,778</u>
TOTAL	\$	<u><u>6,143,769</u></u>

Schedule B - Grants - 2021

AIP 54	\$	750,000
Wildlife Fence		
AIP 55	\$	4,444,444
Reconstruct Taxiway C		
State Grant - Reconstruct Taxiway C	\$	<u>222,222</u>
TOTAL	\$	<u><u>5,416,666</u></u>

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Schedule C - Non-Grant Projects - 2020

Furniture and Fixtures	\$	700,000
Construction Administration	\$	350,000
Audio Visual	\$	300,000
Parking Lot Improvements & Grounds Maint Equip Storage	\$	225,000
Airfield Striping & Rubber Removal	\$	150,000
Reconstruct East Control Tower Road	\$	130,000
Security Gates and Cameras	\$	125,000
Computers and Servers	\$	115,000
Building Security	\$	100,000
Landscaping	\$	50,000
ARFF Foam Testing Equipment	\$	22,000
Relocation Costs	\$	20,000
Mailbox Replacement / Expansion	\$	9,500
Office Equipment	\$	8,000
Peristaltic Pump	\$	1,415
	\$	<u>2,305,915</u>

Schedule D - Non-Grant Projects - 2021

Security Gates and Cameras	\$	180,000
Airfield Striping & Rubber Removal	\$	175,000
Computers and Servers	\$	145,000
Design of SRE Maintenance Building Expansion	\$	120,000
Gate One Concrete Replacement	\$	80,000
Airfield Sealcoat	\$	75,000
Tower Cab Remodel	\$	60,000
Office Equipment	\$	9,500
Flail Mower Replacement	\$	9,000
Mailbox Replacement	\$	7,200
	\$	<u>860,700</u>