

# THE CITY OF PRINCE ALBERT



## AIRPORT FUND BUDGET FOR YEAR ENDING DECEMBER 31, 2019

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December 31, 2019 Consolidated Budget Document

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## Budget Overview



The City Of Prince Albert received ownership of the Airport in 1996 and since that time, has attempted to operate the facility as a self-funding entity. In 2006 City Council authorized a transfer of 30 percent of the total cost of the Airport operation to be funded from the City's General Fund, and in 2010 implemented the Passenger Facility Fee (PFF) as a means to fund capital Airport improvements.

For 2019 there are budgetary adjustments to the revenues and expenditures of this particular Fund which include the items highlighted below.

### **Budgeted Revenue – Decrease of \$95,000**

The most significant budgetary adjustments to revenue are discussed below:

- \$50,000 decrease to Parking Revenue due to reduced contract parking from Cameco. As a result of the suspension of operations at some of their northern mines, Cameco has reduced the number of contracted parking stalls they lease at the Airport.
- \$45,000 decrease to Passenger Facility Fees due to reduced usage from northern traffic to mines.

### **Budgeted Expenses – Decrease of \$95,720**

Some of the significant budgetary adjustments to expenses are discussed below:

- \$24,070 decrease to Salaries Wages and Benefits related to airfield snow maintenance and grass cutting costs based on a review of actual costs incurred. The overall decrease was offset by base adjustments and an increase in MEPP contribution rates.
- \$51,900 increase to Contracted and General Services primarily due to required runway painting, runway cracksealing, and tree removal.
- \$48,490 decrease to Fleet Expenses related to airfield snow maintenance and grass cutting fleet expenses based on a review of actual costs incurred. The decrease was offset by the 6% increase in fleet charge out rates proposed by Administration for the 2019 Budget.
- \$78,510 decrease to Maintenance Materials and Supplies primarily due to removal of one-time funding for special projects budgeted in the prior year. The decrease is offset by increased costs for deicer products, wildlife management activities, and annual costs for the new Airfield Inspection and Maintenance, Safety and Wildlife Management operating system.

## AIRPORT FUND BUDGET OVERVIEW

For the Year Ending December 31, 2019

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### 2019 Capital Budget

Administration is requesting \$703,000 in capital spending at the Airport for 2019. A brief description of the projects and their funding source is provided below.

A total of \$290,000 is budgeted for 2019 to be funded from the Airport Capital Assistance Program (ACAP) subject to approval being received.

- New Airport Grader - \$290,000

A total of \$413,000 is to be funded from the Airport Improvement Fund Balance / Airport Reserve. These items include the following:

- Snow Removal Equipment (Blizzard Forced Air Blower) - \$150,000
- Apron II Rehabilitation and Expansion Design - \$150,000
- Apron II Utilities Design - \$50,000
- Paving from Sand Shed to Runway - \$43,000
- Airport Utilities Mapping - \$20,000

### Airport Improvement Fund Balance

A summary of the 2019 Budget's impact on the Airport Improvement Fund Balance is as follows:

- The budgeted surplus from operations to be transferred to the Airport Improvement Fund in 2019 is \$112,510.
- A transfer of \$413,000 to the Capital Committed Reserve is required for 2019 Capital Expenditures.
- A transfer in of \$20,000 from the Maintenance Reserve for the 2019 cracksealing operating expense.
- This results in an estimated net decrease to the Airport Improvement Fund in 2019 of \$280,490 and an estimated closing surplus of \$747,974.

**AIRPORT FUND  
OPERATING BUDGET**

For the Year Ending December 31, 2019

	2019 Budget	2018 Budget	(Favourable) Unfavourable Change
<b>REVENUES</b>			
Aircraft Landing Fees	\$ (182,000)	\$ (182,000)	\$ -
Aircraft Parking Fees	(5,600)	(5,600)	-
Passenger Facility Fees	(266,000)	(311,000)	45,000
Parking Revenue	(268,550)	(318,550)	50,000
Airport Lease Revenue	(247,960)	(247,960)	-
Interest and Penalties	(1,500)	(1,500)	-
Sundry	(7,000)	(7,000)	-
<b>Total Revenues</b>	<b>(978,610)</b>	<b>(1,073,610)</b>	<b>95,000</b>
<b>EXPENSES</b>			
Salaries Wages and Benefits	359,570	383,640	(24,070)
Contracted and General Services	159,500	107,600	51,900
Financial Charges	750	750	-
Utilities	109,210	106,590	2,620
Fleet Expenses	108,040	156,530	(48,490)
Maintenance Materials and Supplies	128,530	207,040	(78,510)
Insurance	21,170	20,340	830
Bad Debt Expense	2,700	2,700	-
<b>Total Expenses</b>	<b>889,470</b>	<b>985,190</b>	<b>(95,720)</b>
<b>Operating (Surplus) Deficit</b>	<b>(89,140)</b>	<b>(88,420)</b>	<b>(720)</b>
<b>CAPITAL AND INTERFUND TRANSACTIONS</b>			
Transfer from General Fund	(295,560)	(303,140)	7,580
Transfer from Utility Fund	(3,810)	(4,490)	680
<b>Capital and Interfund Transactions</b>	<b>(299,370)</b>	<b>(307,630)</b>	<b>8,260</b>
<b>TOTAL (SURPLUS) DEFICIT</b>	<b>(388,510)</b>	<b>(396,050)</b>	<b>7,540</b>

To be Allocated to Airport Reserves as Follows:

Passenger Facility Fees Reserve	\$ 266,000	\$ 311,000
Airport Maintenance Reserve	10,000	10,000
Airport Improvement Fund Balance	112,510	75,050
	<b>388,510</b>	<b>396,050</b>

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS**

For the Year Ending December 31, 2019

	<b>2019</b>	<b>2018</b>
<b>CAPITAL COMMITTED RESERVE</b>	<b>Budget</b>	<b>Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Funding for Capital - via transfer from Airport Improvement Fund Balance (Uncommitted)	<b>(\$413,000)</b>	(\$37,000)
Airport Capital Assistance Program (ACAP)	<b>(290,000)</b>	(602,200)
Total Funding	<b>(703,000)</b>	(639,200)
<b>Expenditures:</b>		
Sand shed road paving	<b>43,000</b>	-
Apron II utilites - design	<b>50,000</b>	-
Snow removal equipment	<b>150,000</b>	-
Apron II rehabilitation and expansion - design	<b>150,000</b>	-
Airport utilities map	<b>20,000</b>	-
Airfield electrical upgrades (ACAP)	-	312,200
Airfield electrical upgrades	-	12,000
Airport grader (ACAP)	<b>290,000</b>	290,000
Apron II rehabilitation and expansion - preliminary design	-	25,000
Total expenditures	<b>703,000</b>	639,200
Budgeted (Increase) Decrease to Reserve	-	-
Reserve Balance, beginning of year (estimated)	-	(38,343)
Capital Carryforward - Outstanding from Prior Years	-	38,343
Reserve Balance, end of year (estimated)	-	-

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS (Continued)**

For the Year Ending December 31, 2019

	<b>2019</b>	<b>2018</b>
<b>PASSENGER FACILITY FEE RESERVE</b>	<b>Budget</b>	<b>Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Passenger Facility Fee Levies	( <b>\$266,000</b> )	(\$311,000)
<b>Expenditures:</b>		
Safety and customer service requirements	-	50,000
Terminal septic system modifications	-	32,000
	<b>(266,000)</b>	(229,000)
Budgeted (Increase) Decrease to Reserve		
Reserve Balance, beginning of year (estimated)	<b>(2,212,019)</b>	(1,983,019)
Capital Carryforward - Outstanding from Prior Years	-	-
	<b>(2,478,019)</b>	(2,212,019)
Reserve Balance, end of year (estimated)		

	<b>2019</b>	<b>2018</b>
<b>AIRPORT MAINTENANCE RESERVE</b>	<b>Budget</b>	<b>Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Funding for Reserve - via transfer from Airport Improvement Fund Balance (Uncommitted) - Note 1	( <b>\$10,000</b> )	(\$10,000)
<b>Expenditures:</b>		
Preventative Runway Cracksealing	<b>20,000</b>	-
	<b>10,000</b>	(10,000)
Budgeted (Increase) Decrease to Reserve		
Reserve Balance, beginning of year (estimated)	<b>(30,000)</b>	(20,000)
	<b>(20,000)</b>	(30,000)
Reserve Balance, end of year (estimated)		

**Notes:**

1) In the 2016 Budget, Council approved \$10,000 per year to be transferred to reserve for

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS (Continued)**

For the Year Ending December 31, 2019

<b>AIRPORT IMPROVEMENT FUND BALANCE (UNCOMMITTED EQUITY)</b>	<b>2019 Budget</b>	2018 Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Contribution from Operations	(\$112,510)	(\$75,050)
Funding for Operations: via Maintenance Reserve	<u>(20,000)</u>	
Total Funding	(132,510)	(75,050)
<b>Expenditures:</b>		
Transfer to Capital Committed Reserve	<u>413,000</u>	37,000
Budgeted (Increase) Decrease	280,490	(38,050)
Fund Surplus, beginning of year (estimated)	<u>(1,028,464)</u>	(990,414)
Fund Surplus, end of year (estimated)	<u><u>(747,974)</u></u>	<u>(1,028,464)</u>