



Public Services Committee Meeting

Meeting Date: November 14, 2023

Augusta Regional Airport

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| Department: | Augusta Regional Airport – Budget Amendment for Aircraft Fuel Expense | |
| Presenter: | Herbert Judon | |
| Caption: | Motion to Approve increasing the Augusta Regional Airport 2023 budget in the amount of \$1,000,000 for October, November, and December aircraft fuel expense. | |
| Background: | <p>After undergoing challenges amid the COVID-19 pandemic in 2020 and 2021, Augusta Regional Airport (AGS) operating revenues continued increasing during 2023. September 30, 2023 year-to-date total operating revenue was \$19 million, exceeded September 30, 2019 year-to-date total operating revenue by \$6 million or by 41%.</p> <p>The increase is significant, especially in aircraft fuel sales. The sales peaked during the week of the Masters Tournament. In addition, demands from Department of Defense (DoD) customers were higher than anticipated.</p> <p>Increased demand naturally resulted in increased aircraft fuel expense. September 30, 2023 year-to-date expense already totaled \$3 million out of \$3.1 million of the annual budget. AGS has become in need of funding October-December 2023 aircraft fuel expenses without breaching budgetary control.</p> | |
| Analysis: | <p>The increase is significant, especially in aircraft fuel sales. The sales peaked during the week of the Masters Tournament. In addition, demands from Department of Defense (DoD) customers were higher than anticipated.</p> <p>Increased demand naturally resulted in increased aircraft fuel expense. September 30, 2023 year-to-date expense already totaled \$3 million out of \$3.1 million of the annual budget. AGS has become in need of funding October-December 2023 aircraft fuel expenses without breaching budgetary control.</p> | |
| Financial Impact: | The projected expense from October through December 2022 is \$1,000,000. | |
| Alternatives: | To deny. | |
| Recommendation: | Recommend Approval. Approved by the Augusta Aviation Commission on October 26, 2023. | |
| Funds are available in the following accounts: | 551000000-3492117 | \$1,000,000 |
| | 551081106-5315120 | \$1,000,000 |
| <u>REVIEWED AND APPROVED BY:</u> | N/A | |

