

JUNEAU INTERNATIONAL AIRPORT
FY 25/26 BUDGET
April 6, 2024



*Jet on Departure w/Northern Lights
Juneau International Airport
Photo by Jack Beedle, 2021*

EXPENSES

	Actuals	Actuals	Amended	Projected ¹	Proposed	Proposed
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Personnel	\$3,171,223	\$3,361,122	\$3,573,400	\$3,641,800	\$3,909,700	\$3,963,800
Commodities & Services	\$5,146,141	\$6,504,175	\$6,088,100	\$6,311,900	\$6,630,800	\$6,733,700
Travel & Training	\$37,526	\$22,980	\$49,600	\$49,600	\$66,200	\$58,300
Total	\$8,354,890	\$9,888,277	\$9,711,100	\$10,003,300	\$10,606,700	\$10,755,800

¹ FY24 Expenses will require Supplemental Spending Authority.

REVENUES

	Actuals	Actuals	Amended	Projected	Proposed ₃	Proposed ₃
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Rents ¹	\$1,339,296	\$1,549,524	\$3,280,000	\$1,580,300	\$3,481,900	\$3,481,900
Landing Fees	\$2,179,036	\$2,335,188	\$2,781,900	\$2,993,000	\$3,379,500	\$3,379,500
Fuel Flowage Fees	\$780,010	\$969,104	\$1,468,400	\$1,380,600	\$1,625,200	\$1,625,200
Security Screening Fees	\$456,461	\$305,141	\$845,200	\$733,200	\$872,700	\$872,700
Federal Reimburse	\$245,819	\$141,401	\$280,900	\$287,600	\$288,100	\$288,100
Interest Income ²	(\$231,110)	(\$56,871)	\$203,600	\$72,700	\$87,200	\$90,500
Miscellaneous Revenues	\$972,016	\$913,555	\$811,220	\$825,500	\$872,100	\$872,100
Total	\$5,741,528	\$6,157,042	\$9,671,220	\$7,872,900	\$10,606,700	\$10,610,000

- *1 RENTS in FY22, FY23 and Project FY24 were abated for commercial aviation tenants; CARES funding applied in-lieu; approx. \$1.5M*
- *2 INTEREST INCOME FY22, FY23 Actuals came in at a loss*
- *3 FY25/26 Revenues include proposed increases to Airport Rates & Fees Regulation: Landing Fees, Fuel Flowage Fees, Security Screening Fees and Terminal Lease Rates (Regulation currently out for public comment)*

EXPENSES VS REVENUES

	Actuals	Actuals	Amended	Projected ²	Proposed ³	Proposed ^{3, 4}
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
REVENUES ¹	\$5,741,528	\$6,157,042	\$9,671,220	\$7,872,900	\$10,606,700	\$10,610,000
EXPENSES	(\$8,354,890)	(\$9,888,277)	(\$9,711,100)	(\$10,003,300)	(\$10,606,700)	(\$10,755,800)
Surplus (Deficit)	(\$2,613,362)	(\$3,731,235)	(\$39,880)	(\$2,130,400)	-0-	(\$145,800)
CARES Funding (Revenues)	\$2,613,362	\$3,731,235	\$39,880	\$2,130,400		
Total	-0-	-0-	-0-	-0-	-0-	(\$145,800)

- ¹ FY22, FY23 and FY24 Projected Revenues reflect the abated rent for commercial aviation tenants; CARES funding applied in-lieu; approx. \$1.5M. FY22 and FY23 Revenue shortage due to COVID/fewer travelers and lower revenues.
- ² FY24 Projected Expenses will require Supplemental Spending Authority.
- ³ FY25/26 Revenues include proposed increases to Airport Rates & Fees Regulation: Landing Fees, Fuel Flowage Fees, Security Screening Fees and Terminal Lease Rates (Regulation currently out for public comment)
- ⁴ FY26 Proposed shows deficit budget of \$145,800; to be revisited for Rates/Fees increases next year during budget review.

EXPENSES

FY25/FY26 Expense increases compared to FY24 Amended :

Personnel increased \$336,300 (FY25), \$390,400 (FY26)

- Terminal added two janitorial positions and a maintenance mechanic
- union increases/ longevity increases



Commodities and Services increased \$542,700 (FY25), \$645,600 (FY26)

Increases:

- CBJ contractual increases- JPD, ARFF (FY25: \$221.5K; FY26: \$229.8K)
- Contract Mgmt increases-Bldg Equipment, runway paint, Wildlife program (FY25: \$89.4K FY26: \$71.4K)
- Minor Equipment increases – snow blowers, floor cleaners (FY25: \$42.5K; FY26: \$38.5K)
- Insurance increases (FY25: \$20.0K; FY26: \$59.6K)
- Commodities increases - runway deicer, sand, paper products (FY25: \$87.7K; FY26: \$164.5K)
- Fleet Reserves (both FY25/26: \$30K)
- Interim ARFF Truck Lease; (both FY25/26: \$24.0K)



Travel & Training increased \$16,600 (FY25), \$8,700 (FY26)

Expenses increased \$895,600 (FY25), \$1,044,700 (FY26)



REVENUES

Revenues are assessed two-fold:

1. Shortfalls in *prior year Revenues (why were revenues less than anticipated); combined with
2. Projected increases in Expenses.

**FY24 Note: in assessing prior year revenues, \$1.5M of the projected shortfall is rent/lease abatement paid by CARES; technically tenant credits, not a decrease in revenue collections.*

FY24 anticipates Revenue shortfall due to decreased passenger traffic, decreased aircraft traffic and less aircraft fuel used. These decreases in aviation activity are factored into the FY25/26 revenue projections. This is coupled with increased expenses anticipated for both FY25/26. The result is adjusting Airport Rates & Fees to balance the shortfall.



REVENUES

FY25 REVENUE SHORTAGE (by cost center)

Based on cost center needs

-Security Cost Center: Increased JPD costs; fewer passenger/fees collected

-short \$150.3K

-ARFF Cost Center: Fulltime supervisor (rather than PT); increased training costs, leased ARFF truck

-short \$65.9K

-Terminal/Airfield Cost Center: increased Personnel hired, increased cost of commodities

-short \$431.9K



To balance FY25

INCREASES TO REVENUES (through RATES/FEES Increases):

***Security Screening Fees:**

-Additional revenue \$139.5K

***Fuel Flowage Fees (all carriers/users):**

- Additional revenue \$209.3K

***Landing Fees:**

-Additional revenue \$281.6K

***Rents (Terminal):**

-Additional revenue \$17.7K



**Airport Rates & Fees Regulation increases currently out for public comment; estimate \$648,000 in additional revenues.*

FY25/26 Revenues increased \$648,100*

(FY26 remains short by \$145,800, to be reviewed next year)

AIRPORT SUMMARY



- FY24 anticipates the use of \$2,130,400 of **CARES Funding** to balance (includes \$1.5M in tenant rent abatement). *CARES funds expire in 2024.*
- *FY25/26 Revenues include proposed increases to Airport Rates & Fees Regulation: Landing Fees, Fuel Flowage Fees, Security Screening Fees and Terminal Lease Rates (Regulation currently out for public comment)*
- FY26 Proposed shows deficit budget of \$145,800; to be revisited for Rates/Fees increases next year during budget review.

- Airport will require Supplemental Spending Authority of \$292,200 for FY24, funding provided by the Airport CARES grants.



Airport Board approved the budget at the March 14, 2024 Airport Board meeting.



CARES/CRRSAA/ARPA Grant Funding Use/Availability

<u>Description</u>	<u>Amount Proj</u>	<u>Actuals & Encumb</u>
TOTAL GRANTS:	30,491,786	30,491,786
FY20 Operational Expenses	(724,664)	(724,664)
FY21 Oper Exp incl tenant relief; yearend	(3,693,321)	(3,693,321)
FY22 Op Exp+tenant relief+ 107.9K int hit	(2,456,528)	(2,456,528)
FY21 Airport GO Bond debt service	(602,375)	(602,375)
FY22 Airport GO Bond debt service	(662,600)	(662,600)
FY23 Airport GO Bond debt service	(660,300)	(660,300)
TWY Regulator Upgrade (appropriated)	(118,814)	(118,814)
Terminal Suspended Ceiling Tile Replac	(350,000)	(213,506)
Terminal Seating portion in FY23	(145,000)	(145,000)
SREB Circulation Pump Upgrade	(165,000)	(183,949)
SREB Wash Bay Protection	(49,925)	(49,925)
Float Pond Electrical Upgrades	(190,000)	(156,348)
Forklift vehicle	(48,715)	(48,715)
Bagwell Gas Det \$43k desgn, const 195.4k	(238,400)	(217,043)
FY23 Tenant Rent Relief	(1,250,000)	
FY23 Operational Expenses	(950,900)	(3,342,716)
Exp thru FY23	(12,306,542)	(13,275,804)
FY24 Tenant Rent Relief (est)	(1,600,000)	(1,600,000)
FY24 Operational Expenses (est)	(118,700)	(118,700)
FY24 Airport GO Bond debt service	(657,125)	(657,125)
Ramp Project Match	(312,500)	(312,500)
Terminal Seating portion in FY24	(305,000)	(305,000)
NWDA Electrical Upgrades	(296,400)	(296,400)
Temsco Sewer hookup	(295,000)	0
Bag Belt Replace; + \$50K design	(1,469,716)	(1,469,716)
Parking Lot Design & Construction	(10,454,010)	(10,454,010)
Parking Lot Quantity Amendment	(600,000)	(460,745)
Gate K Culvert Replace D+C	(670,426)	(670,426)
Gate K culvert PFAS/Dewater/remedia	(600,000)	(123,000)
Sand/Chem Backup Boiler Design/Trench	(175,000)	(175,000)
Sand/Chem bldg Portable oil-fired Boiler		0
Fuel Station Access Control & Generator	(35,000)	0
Buried Tank Removal & Replacmt	(254,950)	(254,950)
Man Lift	(20,000)	(19,210)
FY24 Expenses	(17,863,827)	(16,916,782)
Available CARES:	321,417	299,200

Reminder: 'CARES' Grant Summary

The Airport received three 'CARES' grants for financial assistance:

- Airport operational costs
- Federal AIP grant match
- Capital projects not eligible for Federal \$
- Concessionaire Relief
- Tenant Relief
- GO Bond debt service

Estimate \$300K remaining, but will be drawn down with eligible expenses prior to grant sunset date (4 years after grant issue).

CURRENT MAJOR PROJECTS

Airport Capital Improvement Projects:

- \$17.7M Main Apron/Tarmac Rehab & Aircraft Parking *Awarded grant/underway*
- \$ 2M Passenger Board. Bridge Gate 5 Replace *Awarded grant/underway*
- \$ 1.5M ARFF Truck Acquisition *Grant application submitted*
- \$ 300K Wetland Rescue Vehicle Acquisition *Working on specs*
- \$ 500K Airport Master Plan Update *RFP in process*
- \$ 400K Runway Safety Area Shoulder Design *RFP in process*
- \$ 300K Mendenhall Riverbank Stabilization (post-flood) *in Design*

Recently completed:

- \$10.5M Parking Lots Rehab
- \$ 1.6M Outbound Baggage Conveyor Replace
- \$ 2.4M Float Pond Access Rd Rehab/ Embankment Stabilization
- \$ 700M Culvert Replacement at Gate K (airport emergency access gate)
- \$ 200K Underground Fuel Tank Removal

Questions?



*JNU Airport circa 1940s
Photo by Austin Hegarty Collection*