

Columbus Regional Airport Authority

Financial Statements

October 31, 2017

Respectfully Submitted

Randy Bush, CPA, CIA

Chief Financial Officer

Unaudited for internal purposes



CRAA Operating Revenue & Expenses

For Period Ending October 31, 2017
(\$ In Thousands)

| REVENUE | 2017 | | | | 2016 | |
|---|-----------------|-----------------|----------------|--------------|-----------------|------------------|
| | ACTUAL | BUDGET | VARIANCE | % | ACTUAL | VARIANCE |
| PARKING | \$30,536 | \$32,190 | (\$1,653) | -5.1% | \$29,693 | \$843 |
| AIRLINES | 28,801 | 28,786 | 15 | 0.1% | 26,842 | 1,959 |
| GROUND TRANSPORTATION | 10,192 | 10,434 | (242) | -2.3% | 10,250 | (58) |
| CONCESSIONS & MISC LESSEES | 7,960 | 7,496 | 464 | 6.2% | 7,772 | 188 |
| AIR FREIGHT | 5,098 | 4,655 | 443 | 9.5% | 4,203 | 895 |
| HOTEL | 3,867 | 3,898 | (31) | -0.8% | 3,894 | (26) |
| GENERAL AVIATION | 2,952 | 2,749 | 203 | 7.4% | 2,688 | 264 |
| GROUND HANDLING FEES | 2,465 | 2,420 | 45 | 1.8% | 1,856 | 609 |
| FOREIGN TRADE ZONE | 320 | 320 | - | 0.0% | 326 | (6) |
| INTERMODAL LIFT FEES | 807 | 743 | 64 | 8.6% | 775 | 32 |
| OTHER INCOME | 694 | 527 | 167 | 31.6% | 403 | 291 |
| | \$93,694 | \$94,218 | (\$525) | -0.6% | \$88,704 | \$4,989 |
| EXPENSES | | | | | | |
| SALARIES & WAGES | \$22,046 | \$22,468 | \$423 | 1.9% | \$20,756 | (\$1,290) |
| BENEFITS & PERSONNEL | 7,866 | 9,048 | 1,181 | 13.1% | 8,927 | 1,060 |
| SUPPLIES & MATERIALS | 3,259 | 3,792 | 533 | 14.0% | 3,372 | 113 |
| SERVICES | 18,725 | 20,083 | 1,358 | 6.8% | 16,480 | (2,245) |
| HOTEL SERVICES | 2,040 | 2,014 | (26) | -1.3% | 1,999 | (42) |
| CONTRACT LABOR FBO/GSE | 1,735 | 1,545 | (190) | -12.3% | 1,340 | (395) |
| CONTRACT LABOR OTHER | 7,206 | 7,140 | (66) | -0.9% | 6,604 | (602) |
| OTHER EXPENSES | - | - | - | - | - | - |
| | \$62,877 | \$66,090 | \$3,214 | 4.9% | \$59,477 | (\$3,400) |
| OPERATING INCOME BEFORE DEPRECIATION | | | | | | |
| | \$30,817 | \$28,128 | \$2,689 | 9.6% | \$29,227 | \$1,589 |

MANAGEMENT COMMENTS

CURRENT YEAR BUDGET VARIANCE:

REVENUE

Total Operating Revenue has a negative budget variance of (\$525).

PARKING - (\$1,653)

The variance is the result of a delayed start date for the Valet agreement and the opening of the Walking Lot as well as a decrease due to an aggressive budget for the Blue Lot and alternative transportation options for the Garage. This is partially offset by an increase in passenger traffic for Rickenbacker and an increase in utilization of the Red Lot.

GROUND TRANSPORTATION - (\$242)

The variance is due to lower rental car revenue as the result of a payment policy change which is partially offset by increased utilization of alternative transportation.

CONCESSIONS & MISC LESSEES - \$464

The variance is due to higher concession activity due to increased passenger traffic and as well as the introduction of new food and beverage concepts in Concourse B, Concourse C, and the Food Court. Additionally there is an increase in misc. lessees as a result of unplanned renewals.

AIR FREIGHT - \$443

The variance is due to an increase in the sale of diesel fuel to FedEx and an increase in fuel into plane fees for cargo and passenger flights.

GENERAL AVIATION - \$203

The favorable variance is the result of an increase in fuel flow and use fees from CMH's FBO provider due to increased flight operations for Frontier Airlines as well as a use fee audit recovery for 2015 and 2016.

OTHER INCOME - \$167

The variance is due to recovery of a 2016 TZR customer bad debt.

EXPENSES

Total Operating Expenses have a positive budget variance of \$3,214.

SALARIES & WAGES - \$423

The favorable variance is the result of vacant positions, partially offset by a decrease in the allocation of project management hours.

BENEFITS & PERSONNEL - \$1,181

The variance is a result of a decrease in employee health insurance costs due to self funding as well as vacant positions anticipated to utilize health insurance.

SUPPLIES & MATERIALS - \$533

The variance is due to a decrease in the usage of snow supply materials as a result of a mild winter. This is partially offset by an increase in the rate of diesel fuel purchased compared to budget.

SERVICES - \$1,358

The favorable variance is the result of the non-execution of paving and building maintenance costs as well as staff development and training programs. Additionally, there is a decrease in costs related to glycol remediation and utilities due to a mild winter and a favorable variance due to a budget error for insurance premiums. This is partially offset by an increase in legal costs as a result of union negotiations and an annexation agreement at LCK as well as professional services for the Midfield Development Program.

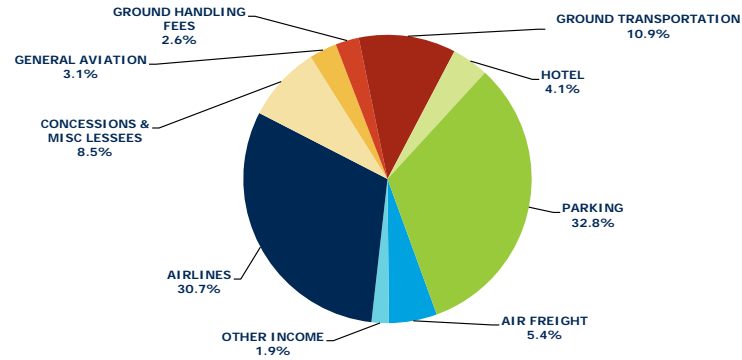
CONTRACT LABOR FBO/GSE - (\$190)

The variance is due to increased passenger flights at Rickenbacker.

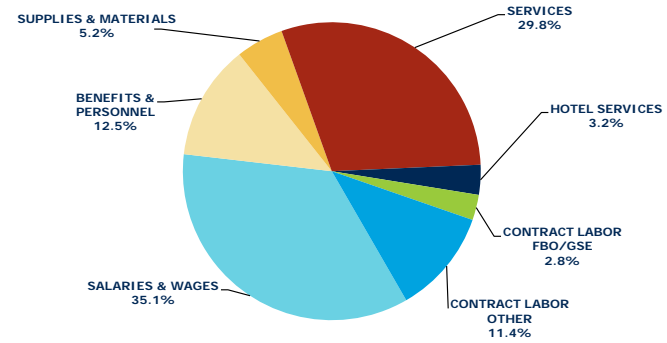
COLUMBUS REGIONAL AIRPORT AUTHORITY

For Period Ending October 31, 2017
(\$ In Thousands)

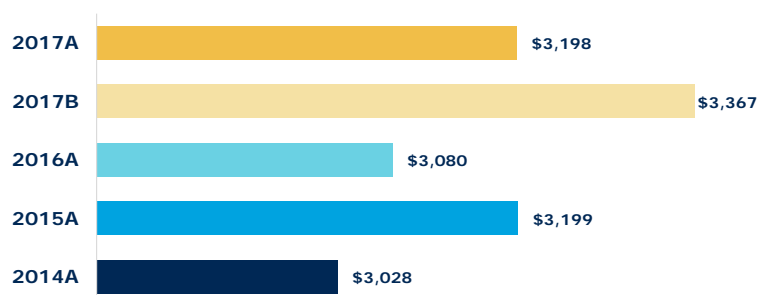
COMPOSITION OF OPERATING REVENUE (Current Year Percentage)



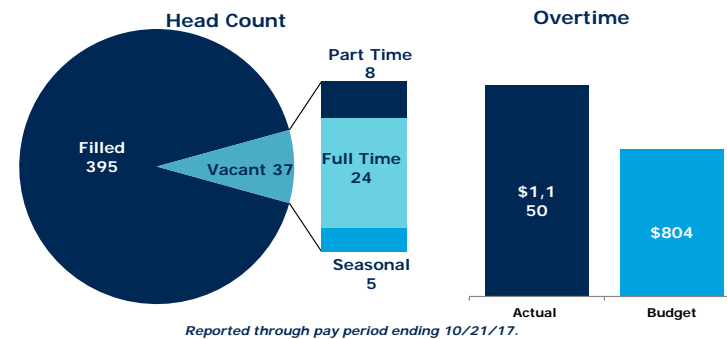
COMPOSITION OF OPERATING EXPENSES (Current Year Percentage)



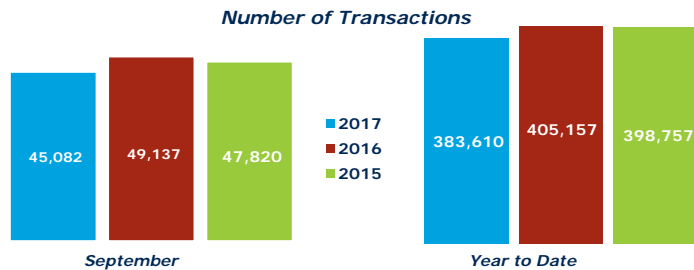
UTILITY COSTS (Year over Year / Year to Date)



CRAA SALARIES & WAGES (LCK & CMH)



RENTAL CAR ACTIVITY (Year over Year / Year to Date)



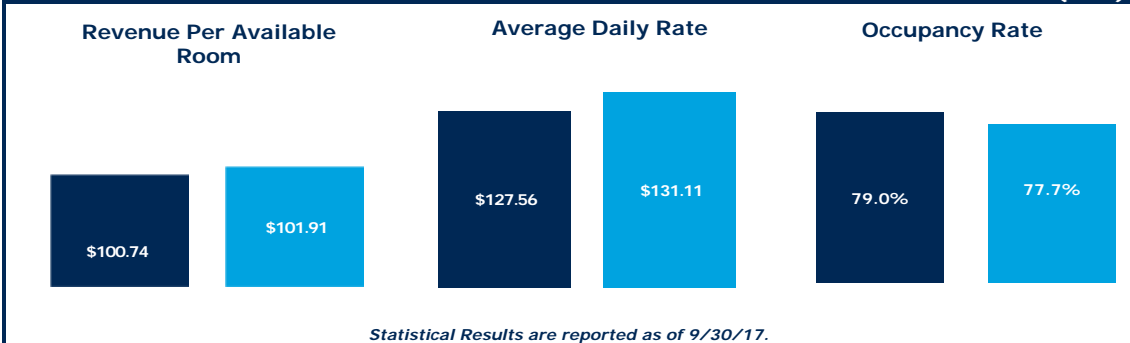
| | Gross Receipts | | |
|--------------|-----------------|-----------------|------------------|
| | 9/30/2017 | 9/30/2016 | Variance |
| AVIS | \$11,042 | \$12,970 | (\$1,928) |
| BUDGET | 8,822 | 9,521 | (699) |
| DOLLAR | 4,235 | 5,158 | (923) |
| THRIFTY | 3,134 | 3,591 | (457) |
| ENTERPRISE | 12,298 | 11,121 | 1,177 |
| HERTZ | 13,080 | 14,096 | (1,016) |
| NATIONAL | 11,385 | 11,113 | 273 |
| ALAMO | 2,110 | 2,000 | 110 |
| TOTAL | \$66,105 | \$69,570 | (\$3,464) |

COLUMBUS REGIONAL AIRPORT AUTHORITY JOHN GLENN INTERNATIONAL

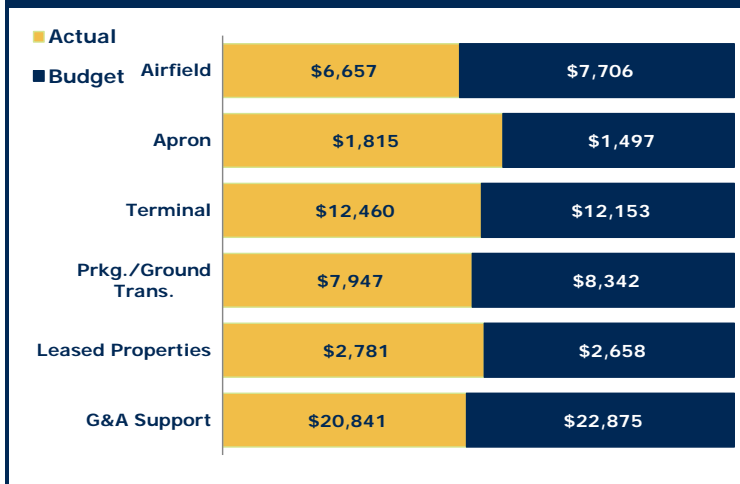
For Period Ending October 31, 2017
(\$ In Thousands)

HOTEL OPERATIONS

| | Actual | Budget | Variance |
|-----------------------------|---------|---------|----------|
| REVENUE | \$3,867 | \$3,898 | (\$31) |
| EXPENSES | 2,040 | 2,014 | (26) |
| Net Operating Income | \$1,827 | \$1,884 | (\$56) |



EXPENSES BY COST CENTER



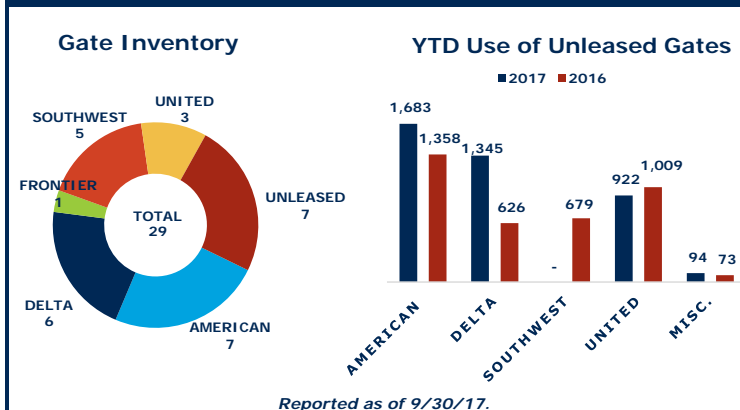
NON-AIRLINE REVENUE

| | |
|---------------------------|------------------|
| Actual | \$52,802 |
| Budget | \$54,390 |
| Variance | (\$1,588) |
| % of Total Revenue | 65.1% |

LEASABLE LANDSIDE BUILDINGS

| (Square Feet) | |
|-------------------|----------------|
| Occupied | 220,833 |
| Air Cargo - 4760 | 18,000 |
| Air Cargo - 4750 | 6,000 |
| Vacant | 24,000 |
| Total | 244,833 |
| % Occupied | 90% |

JOHN GLENN COLUMBUS GATES



COLUMBUS REGIONAL AIRPORT AUTHORITY RICKENBACKER INLAND PORT

For Period Ending October 31, 2017

(\$ In Thousands)

| RICKENBACKER OPERATING INCOME | | | | | | |
|-------------------------------|----------------|---------------|----------------|----------------|----------------|--|
| | 2017 | | | 2016 | | |
| | Actual | Budget | Variance | Actual | Variance | |
| Revenue | | | | | | |
| Aviation - Business Services | \$4,425 | \$3,972 | \$454 | \$3,569 | \$856 | |
| Aviation - Public Airport | 4,668 | 4,323 | 345 | 3,588 | 1,080 | |
| Aviation - Airside Buildings | 1,118 | 994 | 124 | 1,002 | 116 | |
| Real Estate | 1,791 | 1,718 | 73 | 1,761 | 31 | |
| Indirect | 14 | 14 | - | 396 | (382) | |
| Total | 12,017 | 11,021 | 996 | 10,316 | 1,700 | |
| Expenses | | | | | | |
| Aviation - Business Services | 3,221 | 2,992 | (229) | 2,697 | (524) | |
| Aviation - Public Airport | 3,811 | 4,238 | 427 | 3,258 | (552) | |
| Aviation - Airside Buildings | 582 | 733 | 151 | 444 | (138) | |
| Real Estate | 649 | 732 | 83 | 653 | 4 | |
| Indirect | 1,656 | 1,608 | (48) | 1,627 | (29) | |
| Total | 9,918 | 10,302 | 383 | 8,679 | (1,240) | |
| Net Operating Income | \$2,098 | \$719 | \$1,379 | \$1,637 | \$461 | |

| FBO OPERATIONS | | | |
|---|------------------|------------------|------------------|
| | Actual | Budget | Variance |
| GROUND FUEL EVENT FEES | | | |
| UNLEADED | \$11,545 | \$14,640 | (\$3,095) |
| DIESEL | 91,130 | 87,640 | 3,490 |
| | \$102,675 | \$102,280 | \$395 |
| FUEL INTO PLANE FEES | | | |
| CARGO | \$773,472 | \$585,854 | \$187,618 |
| PASSENGER | 117,512 | 83,963 | 33,549 |
| | \$890,983 | \$669,817 | \$221,167 |
| NUMBER OF AIRCRAFT TURNS | | | |
| CARGO | 621 | 665 | (44) |
| PASSENGER | 854 | 596 | 258 |
| | 1,475 | 1,261 | 214 |
| AVIATION RETAIL FUEL SALES (GALLONS) | | | |
| JET A | 160,215 | 50,000 | 110,215 |
| AVGAS | 6,834 | 5,000 | 1,834 |
| | 167,049 | 55,000 | 112,049 |

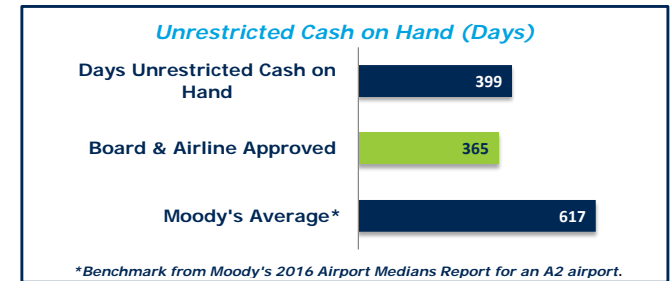
| LEASABLE LANDSIDE BUILDINGS | |
|-----------------------------|----------------|
| (Square Feet) | |
| Occupied | 270,235 |
| Air Cargo - 7200 | 19,000 |
| Air Cargo - 2566 | 8,000 |
| Air Cargo - 7280 | 24,000 |
| Vacant | 51,000 |
| Total | 321,235 |
| % Occupied | 84% |

Statement of Net Position Analysis

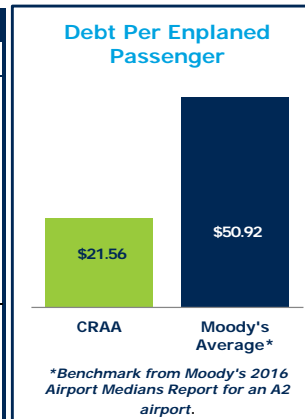
For Period Ending October 31, 2017
(\$ In Thousands)

| ASSETS | 10/31/2017 | 12/31/2016 | VARIANCE |
|---|------------------|------------------|-----------------|
| CASH & CASH EQUIVALENTS | \$167,092 | \$152,861 | \$14,232 |
| ACCOUNTS RECEIVABLE, NET | 12,015 | 20,534 | (8,520) |
| INVENTORY & PREPAIDS | 2,705 | 3,159 | (454) |
| LAND, PROPERTY & EQUIPMENT, NET | 758,061 | 760,733 | (2,672) |
| DEPOSITS, DEFERRED OUTFLOWS | 12,027 | 12,027 | - |
| TOTAL ASSETS & DEFERRED OUTFLOWS | \$951,900 | \$949,314 | \$2,586 |
| LIABILITIES | | | |
| CURRENT LIABILITIES: | | | |
| ACCOUNTS PAYABLE | \$10,533 | \$8,070 | \$2,463 |
| REVOLVING CREDIT FACILITY | 9,500 | 9,500 | - |
| ACCRUED EXPENSES | 17,931 | 21,955 | (4,024) |
| UNEARNED INCOME, DEFERRED INFLOWS | 3,620 | 7,898 | (4,278) |
| LONG-TERM LIABILITIES: | | | |
| REVENUE BONDS | 82,626 | 90,361 | (7,735) |
| UNFUNDED PENSION LIABILITY | 27,916 | 27,916 | - |
| TOTAL LIABILITIES & DEFERRED INFLOWS | 152,127 | 165,700 | (13,574) |
| NET POSITION | | | |
| NET POSITION - BEGINNING OF YEAR | 783,613 | 751,251 | 32,362 |
| INCREASE (DECREASE) IN NET POSITION | 16,160 | 32,362 | (16,202) |
| NET POSITION - END OF PERIOD | 799,773 | 783,613 | 16,160 |
| TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION | \$951,900 | \$949,314 | \$2,586 |

| CASH BALANCES | | |
|--------------------------|------------------|------------|
| UNRESTRICTED FUNDS: | | % of Total |
| REVENUE FUND | \$16,467 | 9.85% |
| GENERAL PURPOSE FUND | 57,069 | 34.15% |
| O&M/R&R FUND | 12,305 | 7.36% |
| HOTEL ESCROW FUND | 650 | 0.39% |
| SECURITY DEPOSIT FUND | 394 | 0.24% |
| | 86,886 | 52.00% |
| RESTRICTED FUNDS: | | |
| PASSENGER FACILITY FUND | 17,036 | 10.20% |
| RENTAL CAR FACILITY FUND | 61,613 | 36.87% |
| BOND DEBT SERVICE FUND | 1,002 | 0.60% |
| RETAINAGE DEPOSIT FUND | 555 | 0.33% |
| | 80,207 | 48.00% |
| TOTAL CASH | \$167,092 | |



| DEBT STRUCTURE | |
|---|---------------------|
| | Outstanding Balance |
| Revolving Credit Facility (72% LIBOR +85 bps) | \$ 9,500 |
| Long-Term Debt | |
| CMH Revenue Bonds: | |
| Series - 2013 (Mat. 2021, 1.66%) | 8,773 |
| Series - 2015 (Mat. 2030, 2.48%) | 35,548 |
| Series - 2016 (Mat. 2023, 1.62%) | 38,305 |
| | 82,626 |
| Revolving Credit Facility & Debt | \$ 92,126 |



| CAPITAL EXPENDITURES | |
|------------------------------------|-----------------|
| 2017 Approved Capital Budget | \$56,188 |
| Total Cash Expenditures to Date | \$26,721 |
| % of Approved Capital Budget | 48% |
| Total Accrued Expenditures to Date | \$33,131 |
| % of Approved Capital Budget | 59% |
| Total Baseline to Date | \$40,078 |
| % of Baseline to Date | 83% |