

# Columbus Regional Airport Authority

## Financial Statements

December 31, 2016

*Respectfully Submitted*

**Randy Bush, CPA, CIA**

**Chief Financial Officer**

*Unaudited for internal purposes*



## CRAA Operating Revenue & Expenses

For Period Ending December 31, 2016  
(\$ In Thousands)

REVENUE	2016				2015	
	ACTUAL	BUDGET	VARIANCE	%	ACTUAL	VARIANCE
PARKING	\$34,826	\$35,750	(\$924)	-2.6%	\$32,603	\$2,223
AIRLINES	30,618	32,216	(1,598)	-5.0%	26,608	4,010
GROUND TRANSPORTATION	12,041	12,159	(118)	-1.0%	11,317	724
CONCESSIONS & MISC LESSEES	9,724	8,928	796	8.9%	9,082	641
AIR FREIGHT	5,338	5,478	(139)	-2.5%	5,478	(139)
HOTEL	4,572	4,278	294	6.9%	4,094	477
GENERAL AVIATION	3,242	3,133	109	3.5%	3,205	37
GROUND HANDLING FEES	2,334	1,960	374	19.1%	1,809	525
FOREIGN TRADE ZONE	326	319	8	2.4%	308	19
INTERMODAL LIFT FEES	1,006	590	416	70.6%	840	166
OTHER INCOME	505	383	123	32.1%	536	(31)
	<b>\$104,533</b>	<b>\$105,192</b>	<b>(\$659)</b>	<b>-0.6%</b>	<b>\$95,879</b>	<b>\$8,654</b>
<b>EXPENSES</b>						
SALARIES & WAGES	\$25,956	\$25,631	(\$325)	-1.3%	\$24,339	(\$1,617)
BENEFITS & PERSONNEL	11,640	11,393	(247)	-2.2%	8,666	(2,974)
SUPPLIES & MATERIALS	4,386	5,644	1,258	22.3%	4,909	523
SERVICES	21,296	19,938	(1,357)	-6.8%	18,879	(2,417)
HOTEL SERVICES	2,434	2,273	(161)	-7.1%	2,149	(285)
CONTRACT LABOR FBO/GSE	1,519	1,307	(212)	-16.3%	1,351	(169)
CONTRACT LABOR OTHER	7,871	7,524	(347)	-4.6%	7,119	(752)
OTHER EXPENSES	143	-	(143)	-	63	(80)
	<b>\$75,245</b>	<b>\$73,710</b>	<b>(\$1,535)</b>	<b>-2.1%</b>	<b>\$67,475</b>	<b>(\$7,770)</b>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>						
	<b>\$29,288</b>	<b>\$31,482</b>	<b>(\$2,194)</b>	<b>-7.0%</b>	<b>\$28,404</b>	<b>\$883</b>

## MANAGEMENT COMMENTS

### CURRENT YEAR BUDGET VARIANCE:

#### REVENUE

**Total Operating Revenue has a negative budget variance of \$659.**

**PARKING - (\$924)**

The variance is a result of under performance of the garage, blue and green lots. Additionally, there is a decrease in valet operations as a result of the re-negotiation of the contract which is offset by an increase in the red lot.

**AIRLINES - (\$1,598)**

The variance is the result of a true-up from estimate to budget for the airline carry forward as well as an increase in the supplemental credit as a result of increased enplanements compared to budget. This is partially offset by an increase in landing fees, space rent, gate use and terminal use fees due to higher than expected landed weights and enplanements as well as the entrance of Frontier Airlines.

**GROUND TRANSPORTATION - (\$118)**

The variance is due to lower than expected rental car commissions due to a market trend decrease in the average daily rental rate. This is partially offset by unbudgeted transportation network company revenue.

**CONCESSIONS & MISC LESSEES - \$796**

The variance is due to an increase in giftshop, food and beverage, and lodging revenue due to increased enplanements. Additionally, an increase in space rent is due to lessees who were budgeted to vacate, but did not.

**AIR FREIGHT - (\$139)**

The variance is the result of a decrease in the quantity and retail price of diesel ground fuel for FedEx. This is offset by an increase in cargo landing fees and fuel into plane fees as a result of increased activity at LCK.

**HOTEL - \$294**

The variance is due to higher than planned occupancy and an average daily rate.

**GENERAL AVIATION - \$109**

The variance is due primarily to higher than budgeted use fees as a result of increased enplanements.

**GROUND HANDLING FEES - \$374**

The variance is due to higher than expected ground handling services by Atlas, Cargolux, Etihad and Emirates due to increased activity at LCK.

**INTERMODAL LIFT FEES - \$416**

The variance is the result of an increase in the number of lifts as compared to budget. There are 13% more lifts in 2016 vs. 2015.

**OTHER INCOME - \$123**

The variance is due to an increase in IT related bill-backs for tenants as well as an increase in badging fees.

#### EXPENSES

**Total Operating Expenses have a negative budget variance of \$1,535.**

**SALARIES & WAGES - (\$325)**

The variance is due to an increase in PTO accruals for annual merit increases of \$23 and comp. time of \$238, as well as paid overtime of \$287. Additionally, there is an under allocation of project management hours of \$464 and an increase due to the PRP of \$144. This is partially offset by higher than expected vacant full time positions.

**BENEFITS & PERSONNEL - (\$247)**

The variance is due to an increase in OPERS expense of \$1,625 for GASB 68 adjustments and the under allocation of project management hours. This is partially offset by a favorable variance for health insurance costs as a result of vacant positions and CRAA being self-funded and a reduction in worker's compensation claims.

**SUPPLIES & MATERIALS - \$1,258**

The variance is due to unpurchased maint. and misc. supplies and equipment of \$115 as well as paint supplies of \$120. Additionally, there is a decrease in snow supplies of \$100 due to a mild winter, and fuel purchases of \$923 due to a decrease in the unit price and quantity due to a decrease in FBO customers.

**SERVICES - (\$1,357)**

The unfavorable variance is the result of legal costs of \$1,218 for software litigation and an increase in real estate taxes of \$214 for unbudgeted parcels and an increase to taxes.

**HOTEL SERVICES - (\$161)**

The variance is due to increased sales & marketing costs of \$30 plus increased management fees and room expenses due to increased occupancy.

**CONTRACT LABOR FBO/GSE - (\$212)**

The variance is due to an increase in cargo and passenger ground handling services as well as contracted labor at the FBO as a result of increased activity at LCK.

**CONTRACT OTHER - (\$347)**

The variance is due to contracted labor for Parking, Accounting, and IT for open positions and staff augmentation for full-time employees.

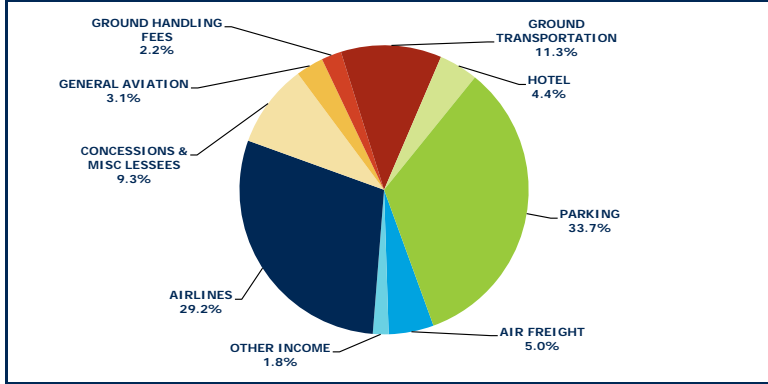
**OTHER EXPENSES - (\$143)**

The variance is the result of an increase in bad debt expense due to receivables determined to be uncollectible.

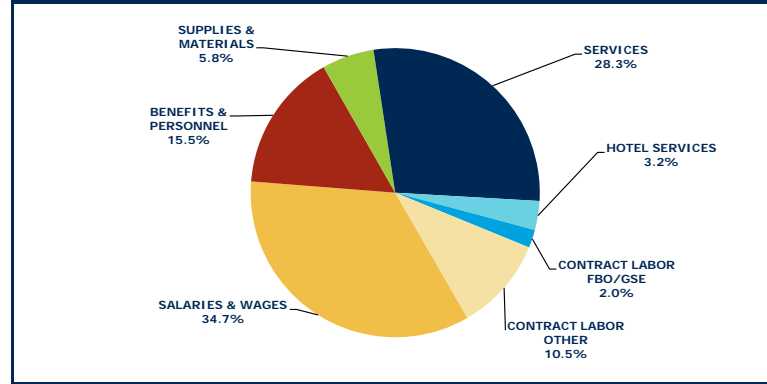
# COLUMBUS REGIONAL AIRPORT AUTHORITY

For Period Ending December 31, 2016  
(\$ In Thousands)

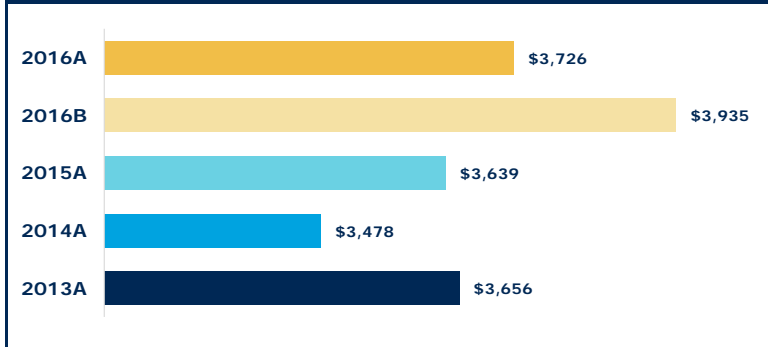
## COMPOSITION OF OPERATING REVENUE (Current Year Percentage)



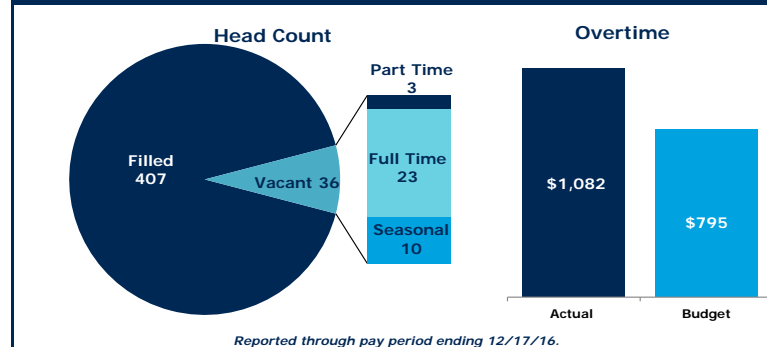
## COMPOSITION OF OPERATING EXPENSES (Current Year Percentage)



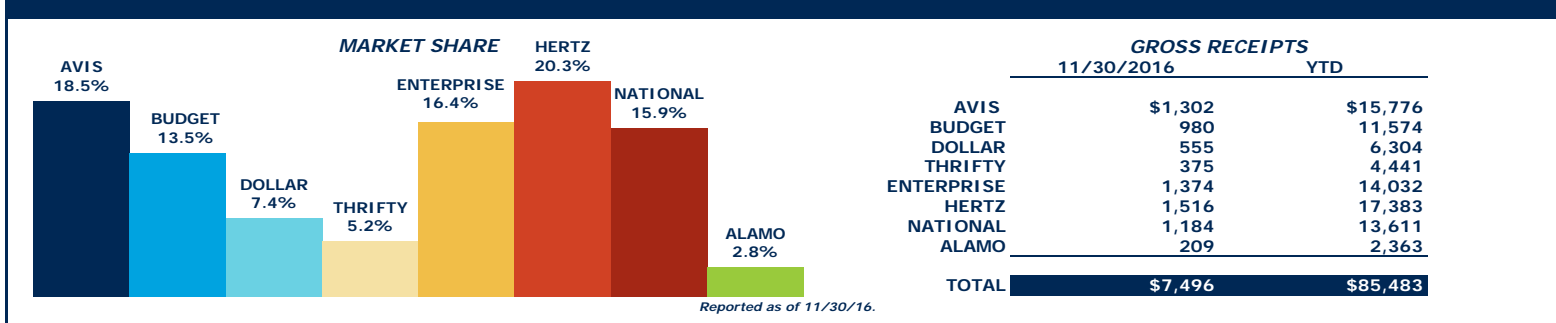
## UTILITY COSTS (Year over Year / Year to Date)



## CRAA SALARIES & WAGES (LCK & CMH)



## RENTAL CAR GROSS RECEIPTS AND MARKET SHARE

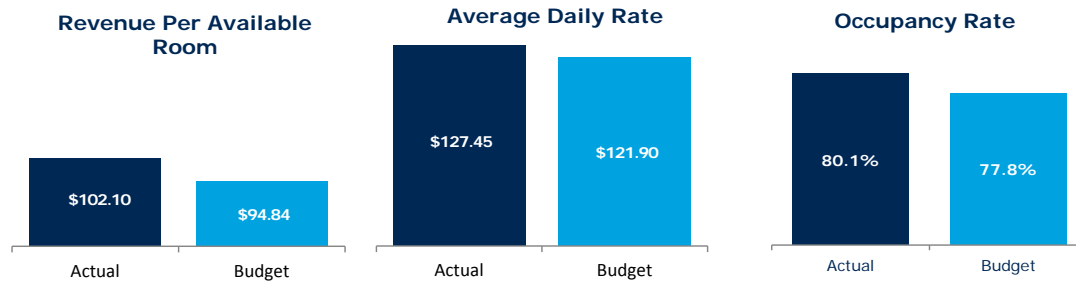


# COLUMBUS REGIONAL AIRPORT AUTHORITY JOHN GLENN INTERNATIONAL

For Period Ending December 31, 2016  
(\$ In Thousands)

## HOTEL OPERATIONS

	Actual	Budget	Variance
<b>REVENUE</b>	\$4,572	\$4,278	\$294
<b>EXPENSES</b>	2,434	2,273	(161)
<b>Net Operating Income</b>	<b>\$2,138</b>	<b>\$2,005</b>	<b>\$133</b>



Statistical Results are reported as of 11/30/16.

## EXPENSES BY COST CENTER



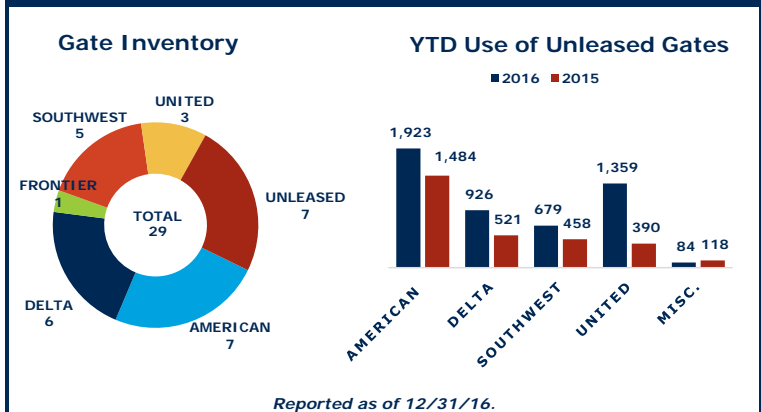
## NON-AIRLINE REVENUE

<b>Actual</b>	<b>\$61,042</b>
<b>Budget</b>	<b>\$61,131</b>
<b>Variance</b>	<b>(\$90)</b>
<b>% of Total Revenue</b>	<b>66.9%</b>

## LEASABLE LANDSIDE BUILDINGS

(Square Feet)	
<b>Occupied</b>	<b>229,833</b>
<b>Vacant</b>	<b>15,000</b>
<b>Total</b>	<b>244,833</b>
<b>% Occupied</b>	<b>94%</b>

## JOHN GLENN INTERNATIONAL GATES



Reported as of 12/31/16.

# COLUMBUS REGIONAL AIRPORT AUTHORITY RICKENBACKER INLAND PORT

For Period Ending December 31, 2016

(\$ In Thousands)

<b>RICKENBACKER OPERATING INCOME</b>					
	<b>2016</b>			<b>2015</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>					
Aviation - Business Services	\$4,500	\$4,574	(\$73)	\$4,198	\$302
Aviation - Public Airport	4,455	4,113	342	4,057	399
Aviation - Airside Buildings	1,212	1,075	137	1,091	121
Real Estate	2,125	1,531	595	1,926	199
Indirect	514	491	23	501	13
<b>Total</b>	<b>12,807</b>	<b>11,784</b>	<b>1,023</b>	<b>11,773</b>	<b>1,034</b>
<b>Expenses</b>					
Aviation - Business Services	3,232	3,803	571	3,286	54
Aviation - Public Airport	3,965	4,239	275	3,985	20
Aviation - Airside Buildings	680	334	(346)	350	(331)
Real Estate	810	784	(26)	792	(18)
Indirect	1,974	1,991	17	1,686	(289)
<b>Total</b>	<b>10,661</b>	<b>11,151</b>	<b>490</b>	<b>10,098</b>	<b>(563)</b>
<b>Net Operating Income</b>	<b>\$2,146</b>	<b>\$633</b>	<b>\$1,513</b>	<b>\$1,675</b>	<b>\$471</b>

<b>FBO OPERATIONS</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>GROUND FUEL EVENT FEES</b>			
UNLEADED	\$15,715	\$19,750	(\$4,035)
DIESEL	102,560	114,700	(12,140)
	<b>\$118,275</b>	<b>\$134,450</b>	<b>(\$16,175)</b>
<b>FUEL INTO PLANE FEES</b>			
CARGO	\$750,672	\$461,130	\$289,542
PASSENGER	106,365	91,125	15,240
	<b>\$857,036</b>	<b>\$552,255</b>	<b>\$304,782</b>
<b>NUMBER OF AIRCRAFT TURNS</b>			
CARGO	592	478	114
PASSENGER	699	685	14
	<b>1,291</b>	<b>1,163</b>	<b>128</b>
<b>AVIATION RETAIL FUEL SALES (GALLONS)</b>			
JET A	168,348	60,000	108,348
AVGAS	20,394	35,000	(14,606)
	<b>188,742</b>	<b>95,000</b>	<b>93,742</b>

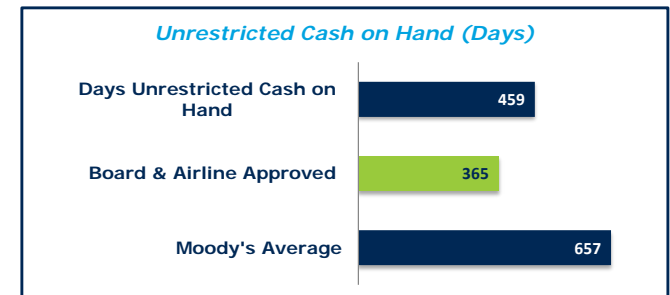
<b>LEASABLE LANDSIDE BUILDINGS</b>	
<b>(Square Feet)</b>	
<b>Occupied</b>	<b>305,435</b>
<b>Vacant</b>	<b>15,800</b>
<b>Total</b>	<b>321,235</b>
<b>% Occupied</b>	<b>95%</b>

# Statement of Net Position Analysis

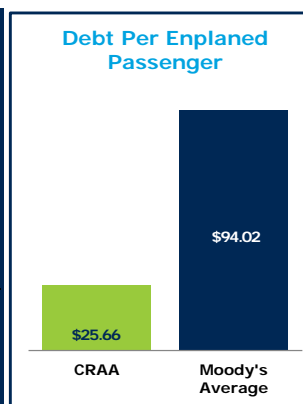
For Period Ending December 31, 2016  
(\$ In Thousands)

<b>ASSETS</b>	12/31/2016	12/31/2015	VARIANCE
CASH & CASH EQUIVALENTS	\$152,453	\$129,087	\$23,366
ACCOUNTS RECEIVABLE, NET	19,247	22,498	(3,251)
INVENTORY & PREPAIDS	3,379	2,624	755
LAND, PROPERTY & EQUIPMENT, NET	760,570	758,904	1,667
DEPOSITS, DEFERRED OUTFLOWS	11,622	5,728	5,893
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>\$947,270</b>	<b>\$918,841</b>	<b>\$28,429</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$5,936	\$7,032	(\$1,096)
REVOLVING CREDIT FACILITY	9,500	2,000	7,500
ACCRUED EXPENSES	21,479	19,004	2,475
UNEARNED INCOME, DEFERRED INFLOWS	7,492	11,889	(4,397)
<b>LONG-TERM LIABILITIES:</b>			
REVENUE BONDS	90,361	108,727	(18,366)
UNFUNDED PENSION LIABILITY	27,722	18,938	8,785
<b>TOTAL LIABILITIES &amp; DEFERRED INFLOWS</b>	<b>162,490</b>	<b>167,590</b>	<b>(5,100)</b>
<b>NET POSITION</b>			
NET POSITION - BEGINNING OF YEAR	751,251	742,837	8,414
INCREASE (DECREASE) IN NET POSITION	33,529	8,414	25,115
NET POSITION - END OF PERIOD	784,780	751,251	33,529
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; NET POSITION</b>	<b>\$947,270</b>	<b>\$918,841</b>	<b>\$28,429</b>

<b>CASH BALANCES</b>		
<b>UNRESTRICTED FUNDS:</b>		<b>% of Total</b>
REVENUE FUND	\$23,408	15.35%
GENERAL PURPOSE FUND	56,550	37.09%
O&M/R&R FUND	12,167	7.98%
HOTEL ESCROW FUND	470	0.31%
	92,595	60.74%
<b>RESTRICTED FUNDS:</b>		
PASSENGER FACILITY FUND	4,976	3.26%
RENTAL CAR FACILITY FUND	52,899	34.70%
BOND DEBT SERVICE FUND	569	0.37%
DEPOSIT FUND	1,415	0.93%
	59,858	39.26%
<b>TOTAL CASH</b>	<b>\$152,453</b>	



<b>DEBT STRUCTURE</b>	
	Outstanding Balance
<b>Revolving Credit Facility (72% LIBOR +85 bps)</b>	<b>\$ 9,500</b>
<b>Long-Term Debt</b>	
CMH Revenue Bonds:	
Series - 2013 (Mat. 2021, 1.66%)	10,783
Series - 2015 (Mat. 2030, 2.48%)	37,597
Series - 2016 (Mat. 2023, 1.62%)	41,982
	<b>90,361</b>
<b>Revolving Credit Facility &amp; Debt</b>	<b>\$ 99,861</b>



<b>CAPITAL EXPENDITURES</b>	
<b>2016 Approved Capital Budget</b>	<b>\$54,801</b>
<b>Total Cash Expenditures to Date</b>	<b>\$50,099</b>
<b>% of Approved Capital Budget</b>	<b>91%</b>
<b>Total Accrued Expenditures to Date</b>	<b>\$52,800</b>
<b>% of Approved Capital Budget</b>	<b>96%</b>
<b>Total Baseline to Date</b>	<b>\$54,801</b>
<b>% of Baseline to Date</b>	<b>96%</b>