

# Columbus Regional Airport Authority

## Financial Statements

*July 31, 2017*

*Respectfully Submitted*

**Randy Bush, CPA, CIA**

**Chief Financial Officer**

*Unaudited for internal purposes*



## CRAA Operating Revenue & Expenses

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

| REVENUE                                     | 2017            |                 |                |              | 2016            |                  |
|---|-----------------|-----------------|----------------|--------------|-----------------|------------------|
|   | ACTUAL          | BUDGET          | VARIANCE       | %            | ACTUAL          | VARIANCE         |
| PARKING                                     | \$21,486        | \$22,299        | (\$813)        | -3.6%        | \$21,009        | \$477            |
| AIRLINES                                    | 19,991          | 20,113          | (122)          | -0.6%        | 19,545          | 446              |
| GROUND TRANSPORTATION                       | 6,924           | 7,052           | (128)          | -1.8%        | 6,869           | 55               |
| CONCESSIONS & MISC LESSEES                  | 5,509           | 5,348           | 161            | 3.0%         | 5,251           | 258              |
| AIR FREIGHT                                 | 3,377           | 3,206           | 171            | 5.3%         | 2,818           | 559              |
| HOTEL                                       | 2,727           | 2,701           | 26             | 1.0%         | 2,575           | 152              |
| GENERAL AVIATION                            | 2,070           | 1,929           | 141            | 7.3%         | 1,886           | 184              |
| GROUND HANDLING FEES                        | 1,658           | 1,728           | (70)           | -4.1%        | 1,210           | 448              |
| FOREIGN TRADE ZONE                          | 320             | 320             | -              | 0.0%         | 329             | (9)              |
| INTERMODAL LIFT FEES                        | 537             | 520             | 17             | 3.3%         | 533             | 4                |
| OTHER INCOME                                | 536             | 303             | 233            | 77.0%        | 286             | 250              |
|   | <b>\$65,135</b> | <b>\$65,519</b> | <b>(\$384)</b> | <b>-0.6%</b> | <b>\$62,311</b> | <b>\$2,824</b>   |
| <b>EXPENSES</b>                             |                 |                 |                |              |                 |                  |
| SALARIES & WAGES                            | \$14,897        | \$15,457        | \$560          | 3.6%         | \$14,787        | (\$110)          |
| BENEFITS & PERSONNEL                        | 5,657           | 6,329           | 672            | 10.6%        | 6,170           | 513              |
| SUPPLIES & MATERIALS                        | 2,284           | 2,885           | 601            | 20.8%        | 2,392           | 108              |
| SERVICES                                    | 12,490          | 14,373          | 1,883          | 13.1%        | 11,299          | (1,191)          |
| HOTEL SERVICES                              | 1,391           | 1,401           | 10             | 0.7%         | 1,342           | (49)             |
| CONTRACT LABOR FBO/GSE                      | 1,237           | 1,081           | (156)          | -14.4%       | 876             | (361)            |
| CONTRACT LABOR OTHER                        | 4,995           | 5,113           | 118            | 2.3%         | 4,546           | (449)            |
| OTHER EXPENSES                              | -               | -               | -              | -            | 1               | 1                |
|   | <b>\$42,951</b> | <b>\$46,639</b> | <b>\$3,688</b> | <b>7.9%</b>  | <b>\$41,413</b> | <b>(\$1,538)</b> |
| <b>OPERATING INCOME BEFORE DEPRECIATION</b> |                 |                 |                |              |                 |                  |
|   | <b>\$22,184</b> | <b>\$18,880</b> | <b>\$3,304</b> | <b>17.5%</b> | <b>\$20,898</b> | <b>\$1,286</b>   |

## MANAGEMENT COMMENTS

### CURRENT YEAR BUDGET VARIANCE:

#### REVENUE

*Total Operating Revenue has a negative budget variance of (\$384).*

#### **PARKING - (\$813)**

The variance is due to decreased commission as a result of an agreement re-negotiation for the valet parking operations and a delay in the opening of the walking lot. Additionally, there is a decrease in the average daily rate for the Blue Lot due to a decrease in the length of stay and less utilization of the covered portion due to a mild winter. This is partially offset by increased passenger traffic at Rickenbacker.

#### **AIRLINES - (\$122)**

The variance is due to a Rates & Charges true-up for non-signatory leased apron fees which is partially offset by an increase in the utilization of unleased gates by signatory carriers.

#### **GROUND TRANSPORTATION - (\$128)**

The variance is due to a rental car industry trend of lower than expected average rental rates caused by a surplus of inventory and higher than anticipated activity for transportation network companies.

#### **CONCESSIONS & MISC LESSEES - \$161**

The variance is due to higher concession activity due to increased passenger traffic.

#### **AIR FREIGHT - \$171**

The variance is due to increase in sales of diesel to Fedex and selling 65,000 gallons more Jet A fuel than budgeted.

#### **GENERAL AVIATION - \$141**

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. Additionally, there is a favorable variance in space and ground rent as a result of an anticipated, but unbudgeted revenue item.

#### **OTHER INCOME - \$233**

The variance is due to recovery of a 2016 TZR customer bad debt plus ID badge pacing.

#### EXPENSES

*Total Operating Expenses have a positive budget variance of \$3,688.*

#### **SALARIES & WAGES - \$560**

The favorable variance is the result of 45 vacant positions, partially offset by a decrease in the allocation of project management hours.

#### **BENEFITS & PERSONNEL - \$672**

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 - \$601**

The variance is due to a decrease in the usage of snow supply materials as a result of a mild winter as well as the timing of spend for fleet and building maintenance supplies.

#### **SERVICES - \$1,883**

The favorable variance is the result of the timing of spend on airport maintenance, software maintenance and staff development and training programs as well as a decrease in costs related to glycol remediation due to a mild winter. 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 a rate increase in real estate taxes.

#### **CONTRACT LABOR FBO/GSE - (\$156)**

The variance is due to increased passenger flights at Rickenbacker.

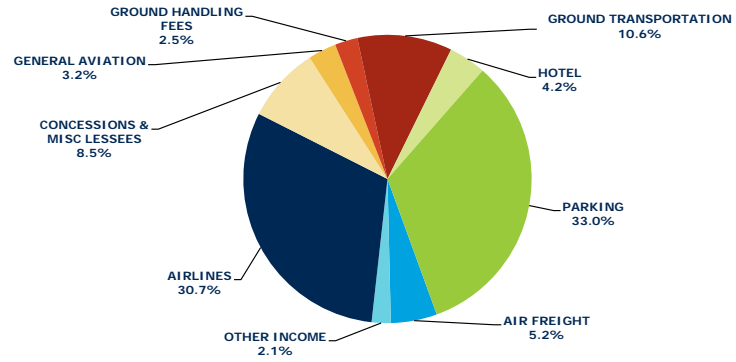
#### **CONTRACT LABOR OTHER - \$118**

The variance is due to a decrease in contracted labor costs for snow removal as a result of a mild winter. Additionally, there is a decrease for parking contract labor due to the valet operations operating as a concession agreement for Q1 and a delay in the opening of the walking lot.

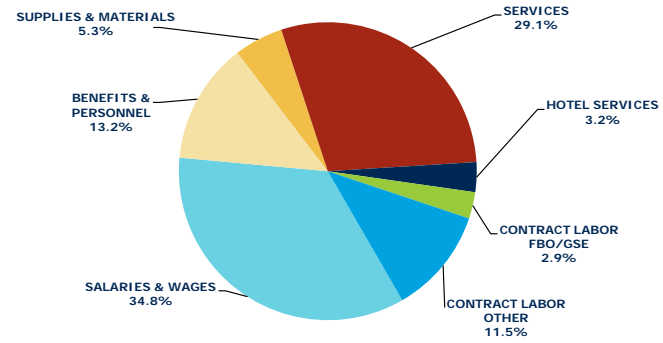
# COLUMBUS REGIONAL AIRPORT AUTHORITY

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

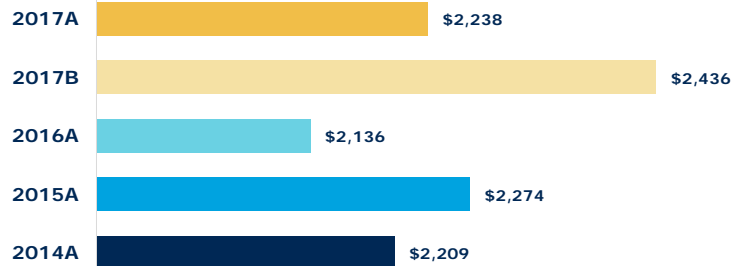
## COMPOSITION OF OPERATING REVENUE (Current Year Percentage)



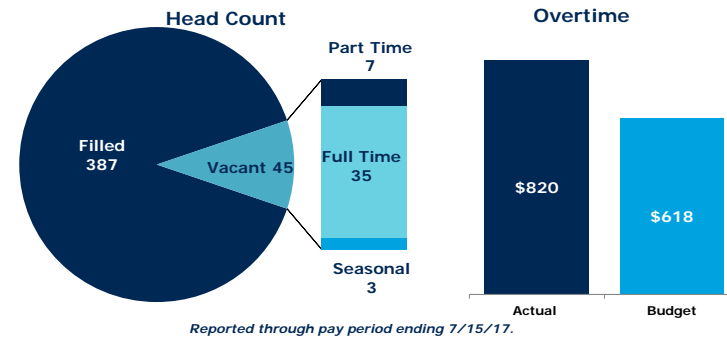
## COMPOSITION OF OPERATING EXPENSES (Current Year Percentage)



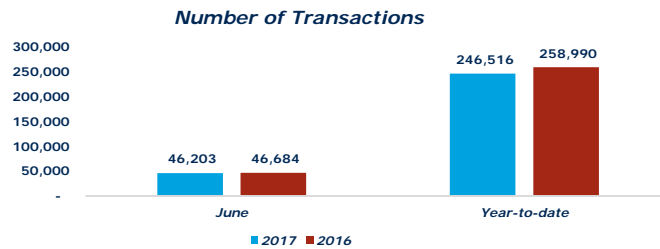
## UTILITY COSTS (Year over Year / Year to Date)



## CRAA SALARIES & WAGES (LCK & CMH)



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



|              | Gross Receipts  |                 |                  |
|--------------|-----------------|-----------------|------------------|
|              | 6/30/2017       | 6/30/2016       | Variance         |
| AVIS         | \$7,119         | \$8,203         | (\$1,083)        |
| BUDGET       | 5,341           | 5,779           | (438)            |
| DOLLAR       | 2,685           | 3,118           | (433)            |
| THRIFTY      | 1,801           | 2,192           | (391)            |
| ENTERPRISE   | 7,381           | 6,554           | 827              |
| HERTZ        | 8,487           | 8,901           | (414)            |
| NATIONAL     | 7,445           | 7,107           | 338              |
| ALAMO        | 1,287           | 1,305           | (17)             |
| <b>TOTAL</b> | <b>\$41,547</b> | <b>\$43,159</b> | <b>(\$1,612)</b> |

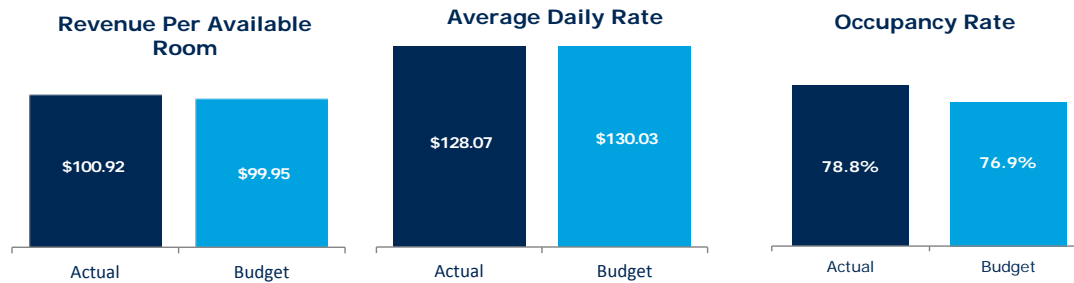
Reported 1 month in arrears.

# COLUMBUS REGIONAL AIRPORT AUTHORITY JOHN GLENN INTERNATIONAL

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

## HOTEL OPERATIONS

|                             | Actual         | Budget         | Variance    |
|-----------------------------|----------------|----------------|-------------|
| <b>REVENUE</b>              | \$2,726        | \$2,701        | \$25        |
| <b>EXPENSES</b>             | 1,391          | 1,401          | 10          |
| <b>Net Operating Income</b> | <b>\$1,335</b> | <b>\$1,300</b> | <b>\$35</b> |



Statistical Results are reported as of 6/30/17.

## EXPENSES BY COST CENTER



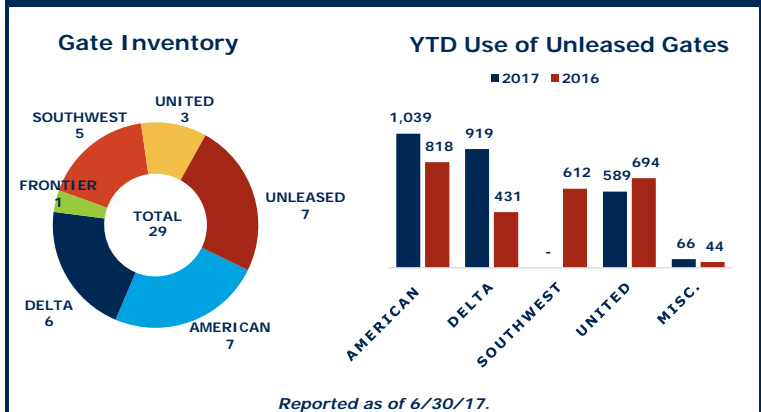
## NON-AIRLINE REVENUE

|                           |                 |
|---------------------------|-----------------|
| <b>Actual</b>             | <b>\$36,760</b> |
| <b>Budget</b>             | <b>\$37,515</b> |
| <b>Variance</b>           | <b>(\$756)</b>  |
| <b>% of Total Revenue</b> | <b>65.1%</b>    |

## LEASABLE LANDSIDE BUILDINGS

| (Square Feet)     |                |
|-------------------|----------------|
| <b>Occupied</b>   | <b>229,833</b> |
| Air Cargo - 4760  | 9,000          |
| Air Cargo - 4750  | 6,000          |
| <b>Vacant</b>     | <b>15,000</b>  |
| <b>Total</b>      | <b>244,833</b> |
| <b>% Occupied</b> | <b>94%</b>     |

## JOHN GLENN COLUMBUS GATES



Reported as of 6/30/17.

# COLUMBUS REGIONAL AIRPORT AUTHORITY RICKENBACKER INLAND PORT

For Period Ending July 31, 2017

(\$ In Thousands)

| <b>RICKENBACKER OPERATING INCOME</b> |                |               |                 |                |                 |
|--------------------------------------|----------------|---------------|-----------------|----------------|-----------------|
|                                      | <b>2017</b>    |               |                 | <b>2016</b>    |                 |
|                                      | <b>Actual</b>  | <b>Budget</b> | <b>Variance</b> | <b>Actual</b>  | <b>Variance</b> |
| <b>Revenue</b>                       |                |               |                 |                |                 |
| Aviation - Business Services         | \$2,946        | \$2,816       | \$130           | \$2,374        | \$572           |
| Aviation - Public Airport            | 3,201          | 2,993         | 208             | 2,426          | 775             |
| Aviation - Airside Buildings         | 803            | 750           | 53              | 689            | 114             |
| Real Estate                          | 1,309          | 1,312         | (3)             | 1,308          | 1               |
| Indirect                             | 9              | 9             | 0               | 279            | (270)           |
| <b>Total</b>                         | <b>8,268</b>   | <b>7,880</b>  | <b>388</b>      | <b>7,076</b>   | <b>1,192</b>    |
| <b>Expenses</b>                      |                |               |                 |                |                 |
| Aviation - Business Services         | 2,231          | 2,139         | (92)            | 1,821          | (410)           |
| Aviation - Public Airport            | 2,649          | 3,013         | 364             | 2,316          | (333)           |
| Aviation - Airside Buildings         | 401            | 514           | 113             | 238            | (163)           |
| Real Estate                          | 454            | 511           | 57              | 467            | 13              |
| Indirect                             | 1,197          | 1,159         | (38)            | 1,142          | (55)            |
| <b>Total</b>                         | <b>6,932</b>   | <b>7,336</b>  | <b>404</b>      | <b>5,984</b>   | <b>(948)</b>    |
| <b>Net Operating Income</b>          | <b>\$1,336</b> | <b>\$544</b>  | <b>\$792</b>    | <b>\$1,092</b> | <b>\$244</b>    |

| <b>FBO OPERATIONS</b>                       |                  |                  |                 |
|---|------------------|------------------|-----------------|
|   | <b>Actual</b>    | <b>Budget</b>    | <b>Variance</b> |
| <b>GROUND FUEL EVENT FEES</b>               |                  |                  |                 |
| UNLEADED                                    | \$8,450          | \$10,600         | (\$2,150)       |
| DIESEL                                      | 63,870           | 62,040           | 1,830           |
|   | <b>\$72,320</b>  | <b>\$72,640</b>  | <b>(\$320)</b>  |
| <b>FUEL INTO PLANE FEES</b>                 |                  |                  |                 |
| CARGO                                       | \$477,397        | \$409,414        | \$67,983        |
| PASSENGER                                   | 87,407           | 59,775           | 27,632          |
|   | <b>\$564,804</b> | <b>\$469,189</b> | <b>\$95,615</b> |
| <b>NUMBER OF AIRCRAFT TURNS</b>             |                  |                  |                 |
| CARGO                                       | 410              | 462              | (52)            |
| PASSENGER                                   | 623              | 433              | 190             |
|   | <b>1,033</b>     | <b>895</b>       | <b>138</b>      |
| <b>AVIATION RETAIL FUEL SALES (GALLONS)</b> |                  |                  |                 |
| JET A                                       | 99,745           | 35,000           | 64,745          |
| AVGAS                                       | 3,968            | 3,500            | 468             |
|   | <b>103,713</b>   | <b>38,500</b>    | <b>65,213</b>   |

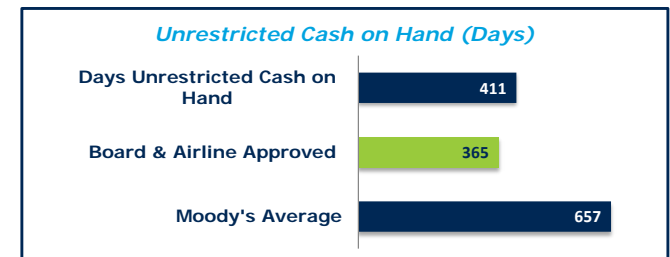
| <b>LEASABLE LANDSIDE BUILDINGS</b> |                |
|------------------------------------|----------------|
| <b>(Square Feet)</b>               |                |
| <b>Occupied</b>                    | <b>294,235</b> |
| Air Cargo - 7200                   | 15,000         |
| Air Cargo - 2566                   | 8,000          |
| <b>Vacant</b>                      | <b>27,000</b>  |
| <b>Total</b>                       | <b>321,235</b> |
| <b>% Occupied</b>                  | <b>92%</b>     |

# Statement of Net Position Analysis

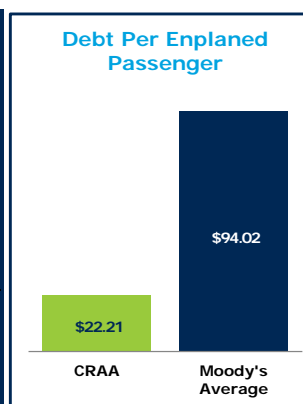
For Period Ending July 31, 2017  
(\$ In Thousands)

| <b>ASSETS</b>   | 7/31/2017        | 12/31/2016       | VARIANCE         |
|---|------------------|------------------|------------------|
| CASH & CASH EQUIVALENTS                                       | \$162,171        | \$152,861        | \$9,310          |
| ACCOUNTS RECEIVABLE, NET                                      | 12,065           | 20,534           | (8,469)          |
| INVENTORY & PREPAIDS  | 2,889            | 3,159            | (270)            |
| LAND, PROPERTY & EQUIPMENT, NET                               | 752,618          | 760,733          | (8,115)          |
| DEPOSITS, DEFERRED OUTFLOWS                                   | 12,027           | 12,027           | 0                |
| <b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>                   | <b>\$941,770</b> | <b>\$949,314</b> | <b>(\$7,544)</b> |
| <b>LIABILITIES</b>  |                  |                  |                  |
| <b>CURRENT LIABILITIES:</b>                                   |                  |                  |                  |
| ACCOUNTS PAYABLE  | \$5,263          | \$8,070          | (\$2,807)        |
| REVOLVING CREDIT FACILITY                                     | 9,500            | 9,500            | -                |
| ACCRUED EXPENSES  | 16,741           | 21,955           | (5,214)          |
| UNEARNED INCOME, DEFERRED INFLOWS                             | 5,276            | 7,898            | (2,622)          |
| <b>LONG-TERM LIABILITIES:</b>                                 |                  |                  |                  |
| REVENUE BONDS   | 85,082           | 90,362           | (5,280)          |
| UNFUNDED PENSION LIABILITY                                    | 27,916           | 27,916           | -                |
| TOTAL LIABILITIES & DEFERRED INFLOWS                          | 149,778          | 165,701          | (15,923)         |
| <b>NET POSITION</b>   |                  |                  |                  |
| NET POSITION - BEGINNING OF YEAR                              | 783,613          | 751,251          | 32,362           |
| INCREASE (DECREASE) IN NET POSITION                           | 8,379            | 32,362           | (23,983)         |
| NET POSITION - END OF PERIOD                                  | 791,992          | 783,613          | 8,379            |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; NET POSITION</b> | <b>\$941,770</b> | <b>\$949,314</b> | <b>(\$7,544)</b> |

| <b>CASH BALANCES</b>       |                  |                   |
|----------------------------|------------------|-------------------|
| <b>UNRESTRICTED FUNDS:</b> |                  | <b>% of Total</b> |
| REVENUE FUND               | \$19,075         | 11.76%            |
| GENERAL PURPOSE FUND       | 57,014           | 35.16%            |
| O&M/R&R FUND               | 12,297           | 7.58%             |
| HOTEL ESCROW FUND          | 619              | 0.38%             |
| SECURITY DEPOSIT FUND      | 376              | 0.23%             |
|                            | 89,381           | 55.12%            |
| <b>RESTRICTED FUNDS:</b>   |                  |                   |
| PASSENGER FACILITY FUND    | 12,480           | 7.70%             |
| RENTAL CAR FACILITY FUND   | 58,674           | 36.18%            |
| BOND DEBT SERVICE FUND     | 1,002            | 0.62%             |
| RETAINAGE DEPOSIT FUND     | 634              | 0.39%             |
|                            | 72,790           | 44.88%            |
| <b>TOTAL CASH</b>          | <b>\$162,171</b> |                   |



| <b>DEBT STRUCTURE</b>                         |                     |
|---|---------------------|
|   | Outstanding Balance |
| Revolving Credit Facility (72% LIBOR +85 bps) | \$ 9,500            |
| <b>Long-Term Debt</b>                         |                     |
| CMH Revenue Bonds:                            |                     |
| Series - 2013 (Mat. 2021, 1.66%)              | 9,379               |
| Series - 2015 (Mat. 2030, 2.48%)              | 36,167              |
| Series - 2016 (Mat. 2023, 1.62%)              | 39,536              |
|   | 85,082              |
| <b>Revolving Credit Facility &amp; Debt</b>   | <b>\$ 94,582</b>    |



| <b>CAPITAL EXPENDITURES</b>        |                 |
|------------------------------------|-----------------|
| 2017 Approved Capital Budget       | \$56,188        |
| Total Cash Expenditures to Date    | \$21,730        |
| % of Approved Capital Budget       | 39%             |
| Total Accrued Expenditures to Date | \$21,446        |
| % of Approved Capital Budget       | 38%             |
| <b>Total Baseline to Date</b>      | <b>\$21,282</b> |
| <b>% of Baseline to Date</b>       | <b>101%</b>     |