

# THE CITY OF PRINCE ALBERT



## AIRPORT FUND BUDGET FOR YEAR ENDING DECEMBER 31, 2020

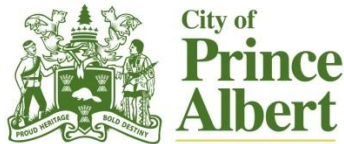
**TABLE OF CONTENTS**

December 31, 2020 Consolidated Budget Document

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<b>Airport Fund Budget Overview</b>	<b>Page 3</b>
<b>Airport Fund Operating Budget</b>	<b>Page 5</b>
<b>Airport Fund Capital and Reserve Projections</b>	<b>Page 6</b>

## Budget Overview



The City Of Prince Albert received ownership of the Airport in 1996 and since that time, has attempted to operate the facility as a self-funding entity. In 2006 City Council authorized a transfer of 30 percent of the total cost of the Airport operation to be funded from the City's General Fund, and in 2010 implemented the Passenger Facility Fee (PFF) as a means to fund capital Airport improvements.

For 2020 there are budgetary adjustments to the revenues and expenditures of this particular Fund. These adjustments are discussed in detail on Pages 6 to 8 of this document.

### **Budgeted Revenue – Decrease of \$43,900**

The most significant budgetary adjustments to revenue are discussed below:

- \$62,550 decrease to parking revenue due to continued reduced contract parking due to the suspension of operations at some northern mines.
- \$18,000 increase to aircraft landing fees as the decrease budgeted in prior years based on mine closures was more conservative than required.

### **Budgeted Expenses – Increase of \$71,210**

Some of the significant budgetary adjustments to expenses are discussed below:

- \$11,800 increase to salaries wages and benefits related to base adjustments and a review of actual costs charged.
- \$8,800 increase to contracted and general services primarily due to the following:
  - \$50,000 increase for the development of an Airport Strategic Plan that will be utilized by the Airport Advisory Committee and PREDA.
  - \$57,000 decrease related to the removal of one-time funding for projects budgeted in the prior year.
- \$38,380 increase to maintenance materials and supplies primarily due one-time expenditures for a Quality Assurance Audit, snow blower, and the replacement of overhead door openers. These expenditures are offset by a decreased cost for deicer products.

**2020 Capital Budget**

Administration is requesting \$1,283,000 in capital spending at the Airport for 2020. A brief description of the projects and their funding source is provided below.

A total of \$390,000 is to be funded from the Passenger Facility Fee. These projects have been reviewed with the Airline Users:

- Buried wildlife fence - \$200,000
- Terminal renovations - \$190,000

A total of \$288,000 is to be funded from the Airport Improvement Fund. These items include the following:

- Maintenance garage renovations - \$150,000
- Taxiway F resurfacing - \$132,000
- Snowmobile for winter airport fence and ground inspections - \$6,000

A total of \$185,000 is to be funded from the Equipment Fleet Reserve

- Replacement of agricultural style tractor - \$135,000
- Replacement of rough mover - \$50,000

A total of \$420,000 of capital projects are to be funded from the Airport Capital Assistance Program (ACAP) subject to approvals being received.

- Replacement of runway plow truck and sander - \$420,000

**Airport Improvement Fund Balance**

A summary of the 2020 budget's impact on the Airport Improvement Fund balance is as follows:

- The budgeted deficit from operations to be funded by the Airport Improvement Fund in 2020 is \$8,000.
- A transfer of \$288,000 to the Capital Committed Reserve is required for 2020 capital expenditures.
- This results in an estimated decrease to the Airport Improvement Fund in 2020 of \$296,000 and an estimated closing surplus of \$657,107.

**AIRPORT FUND  
OPERATING BUDGET**

For the Year Ending December 31, 2020

	2020 Budget	2019 Budget	(Favourable) Unfavourable Change
<b>REVENUES</b>			
Aircraft Landing Fees	\$ (200,000)	\$ (182,000)	\$ (18,000)
Aircraft Parking Fees	(5,600)	(5,600)	-
Passenger Facility Fees	(244,000)	(266,000)	22,000
Parking Revenue	(206,000)	(268,550)	62,550
Airport Lease Revenue	(254,960)	(247,960)	(7,000)
Interest and Penalties	(1,500)	(1,500)	-
Sundry	(22,650)	(7,000)	(15,650)
<b>Total Revenues</b>	<b>(934,710)</b>	<b>(978,610)</b>	<b>43,900</b>
<b>EXPENSES</b>			
Salaries Wages and Benefits	371,370	359,570	11,800
Contracted and General Services	168,300	159,500	8,800
Financial Charges	750	750	-
Utilities	118,730	109,210	9,520
Fleet Expenses	108,260	108,040	220
Maintenance Materials and Supplies	166,910	128,530	38,380
Insurance	23,660	21,170	2,490
Bad Debt Expense	2,700	2,700	-
<b>Total Expenses</b>	<b>960,680</b>	<b>889,470</b>	<b>71,210</b>
<b>Operating (Surplus) Deficit</b>	<b>25,970</b>	<b>(89,140)</b>	<b>115,110</b>
<b>CAPITAL AND INTERFUND TRANSACTIONS</b>			
Amortization	530,000	-	530,000
Transfer from General Fund	(266,840)	(295,560)	28,720
Transfer from Utility Fund	(5,130)	(3,810)	(1,320)
<b>Capital and Interfund Transactions</b>	<b>258,030</b>	<b>(299,370)</b>	<b>557,400</b>
<b>TOTAL (SURPLUS) DEFICIT</b>	<b>284,000</b>	<b>(388,510)</b>	<b>672,510</b>
<b>Allocated as Follows:</b>			
Total (Surplus) Deficit	284,000	(388,510)	672,510
Non-Cash Adjustment - Amortization	(530,000)	-	(530,000)
<b>Total (Surplus) Deficit - Adjusted for Amortization</b>	<b>(246,000)</b>	<b>(388,510)</b>	<b>142,510</b>
Passenger Facility Fees Reserve	244,000	266,000	(22,000)
Airport Maintenance Reserve	10,000	10,000	-
Airport Improvement Fund Balance	(8,000)	112,510	(120,510)
	-	-	-

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS**

For the Year Ending December 31, 2020

<b>CAPITAL COMMITTED RESERVE</b>	<b>2020</b>	2019
	<b>Budget</b>	Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Funding for Capital - via transfer from Airport Improvement Fund Balance (Uncommitted)	<b>(\$288,000)</b>	(\$413,000)
Passenger Facility Fee Reserve	<b>(390,000)</b>	
Airport Capital Assistance Program (ACAP)	<b>(420,000)</b>	(290,000)
Equipment Fleet Reserve	<b>(185,000)</b>	-
Total Funding	<b>(1,283,000)</b>	(703,000)
<b>Expenditures:</b>		
Replacement Runway Plow Truck, Plow and Sander (ACAP)	<b>420,000</b>	-
Buried Wildlife Fence	<b>200,000</b>	-
Terminal Renovations	<b>190,000</b>	-
Maintenance Garage Renovation	<b>150,000</b>	-
Replacement Agricultural Style Tractor	<b>135,000</b>	-
Taxiway F Resurfacing	<b>132,000</b>	-
Replacement Rough Mower	<b>50,000</b>	-
Airport Snowmobile	<b>6,000</b>	-
Sand shed road paving	-	43,000
Apron II utilites - design	-	50,000
Snow removal equipment	-	150,000
Apron II rehabilitation and expansion - design	-	150,000
Airport utilities map	-	20,000
Airport grader (ACAP)	-	290,000
Total expenditures	<b>1,283,000</b>	703,000
Budgeted (Increase) Decrease to Reserve	-	-
Reserve Balance, beginning of year (estimated)	-	(20,191)
Capital Carryforward - Outstanding from Prior Years	-	20,191
Reserve Balance, end of year (estimated)	-	-

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS**

For the Year Ending December 31, 2020

	<b>2020</b>	2019
<b>PASSENGER FACILITY FEE RESERVE</b>	<b>Budget</b>	Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Passenger Facility Fee Levies	( <b>\$244,000</b> )	(\$266,000)
<b>Expenditures:</b>		
Buried Wildlife Fence	<b>200,000</b>	-
Terminal Renovations	<b>190,000</b>	-
Budgeted (Increase) Decrease to Reserve	<b>146,000</b>	(266,000)
Reserve Balance, beginning of year (estimated)	<b>(2,362,264)</b>	(2,096,264)
Capital Carryforward - Outstanding from Prior Years	-	-
Reserve Balance, end of year (estimated)	<b>(2,216,264)</b>	(2,362,264)

	<b>2020</b>	2019
<b>AIRPORT MAINTENANCE RESERVE</b>	<b>Budget</b>	Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Funding for Reserve - via transfer from Airport Improvement Fund Balance (Uncommitted) - Note 1	( <b>\$10,000</b> )	(\$10,000)
<b>Expenditures:</b>		
Preventative Runway Cracksealing	-	20,000
Budgeted (Increase) Decrease to Reserve	<b>(10,000)</b>	10,000
Reserve Balance, beginning of year (estimated)	<b>(20,000)</b>	(30,000)
Reserve Balance, end of year (estimated)	<b>(30,000)</b>	(20,000)

**Notes:**

1) In the 2016 Budget, Council approved \$10,000 per year to be transferred to reserve for future cracksealing costs at the Airport.

**AIRPORT FUND**  
**CAPITAL EXPENDITURES AND RESERVE PROJECTIONS**

For the Year Ending December 31, 2020

<b>AIRPORT IMPROVEMENT FUND BALANCE (UNCOMMITTED EQUITY)</b>	<b>2020 Budget</b>	<b>2019 Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Contribution from Operations- (Surplus) Deficit	\$8,000	(\$112,510)
Funding for Operations: via Maintenance Reserve	\$0	(\$20,000)
Total Funding	<b>\$8,000</b>	<b>(\$132,510)</b>
<b>Expenditures:</b>		
Transfer to Capital Committed Reserve	<b>288,000</b>	413,000
Budgeted (Increase) Decrease	<b>296,000</b>	280,490
Fund Surplus, beginning of year (estimated)	<b>(953,107)</b>	(1,233,597)
Fund Surplus, end of year (estimated)	<b>(657,107)</b>	(953,107)