

AIRPORTS

**BOARD OF COUNTY COMMISSIONERS
OKALOOSA COUNTY, FLORIDA**

SERVICE AREA: TRANSPORTATION

DEPARTMENT/PROGRAM: AIRPORTS/DESTIN-FORT WALTON BEACH AIRPORT (VPS) – OPERATIONS AND MAINTENANCE

PROGRAM DESCRIPTION: Northwest Florida Regional Airport operates and maintains a 130 acre facility with a 121,000 square foot terminal building to provide scheduled airline service to over 800,000 passengers annually through four (4) airlines. Six (6) rental car companies (7 brands) and other concessions provide services to an additional 1 million visitors.

REVENUE: Destin-Fort Walton Beach Airport generates revenue from concession agreements, parking fees, landing fees and terminal rents. Passenger Facility Charges (PFC) associated with airline tickets and Customer Facility Charges (CFC) associated with rental car agreements provides revenue for specific projects.

MAJOR ACCOMPLISHMENTS LAST YEAR:

- Maintained an upgraded bond rating from Standard & Poor's of BBB+ with stable outlook for 5th straight year.
- Upgraded three Passenger Loading Bridges (PLBs) with Bag Lifts
- Replaced two Regional Boarding Ramps with PLBs
- Installed automated Exit Lane Security System
- Secured 4 acre lease on Eglin to construct a joint Aircraft Rescue and Fire Fighting Facility: designed and bid same for construction to be completed for Eglin firefighters in early FY 2016.
- Completed repairs resulting from significant storm event in the amount of \$250,000.

The following projects are planned for Fiscal Year 2016:

- Baggage Inspection System modernization/upgrade
 - Replace Terminal area carpeting with terrazzo
- Construct an ARFF on EAFB.

PROGRAM GOAL: To provide safe, affordable, dependable air transportation and support services in a premier facility that ensures comfort and convenience for business, military and leisure travelers.

KEY OBJECTIVES:

1. Exceed all federal (FAA, TSA, etc.) and state (FDOT) regulatory operating standard for safety and security.
2. Provide a financially self-sufficient enterprise where airport specific revenue exceeds expenditures.
3. Continue to develop air carrier services and support businesses that provide a positive economic impact on the community that exceeds \$500 million annually.
4. Build upon successful advertising and marketing campaigns to showcase the attributes of VPS to prevent passenger leakage to other competing airports in the region.
5. Maintain the lowest cost per enplaned passenger in the region.
6. Keep all operations and maintenance related expenses at the lowest possible level.
7. Increase sources of non-airline revenue to lower airport rates and charges.

PERFORMANCE MEASURES:

Performance Measures		Actual FY13/14	Estimated FY14/15	Adopted FY15/16
	Achieve the lowest Cost per Enplaned Passenger (CEP)	\$4.98	\$5.38	\$5.50
	Maintain lowest debt per enplaned passenger	\$46.32	\$43.26	\$43.10
	Maintain high debt service coverage ratio	1.81	2.01	2.10
	Increase non-airline revenue per sq. ft. of terminal space	\$44.13	\$45.50	\$45.58
	Achieve high non-airline revenue per enplaned passenger	\$14.31	\$15.00	\$15.65
	Compare enplaned passengers per employee	7,460:1	7,680:1	7,900:1

Notes: FY 15 CEP rose due to increased expenditures and fewer passengers than anticipated.

**BOARD OF COUNTY COMMISSIONERS
OKALOOSA COUNTY, FLORIDA**

SERVICE AREA: TRANSPORTATION

DEPARTMENT/PROGRAM: AIRPORTS/DESTIN EXECUTIVE AIRPORT (DTS), GENERAL AVIATION

PROGRAM DESCRIPTION: This program consists of the operation and maintenance of the general aviation airport in Destin which provides excellent accessibility to coastal communities and resorts. Revenues are derived from leases and fees charged through business operations based at the airport. With over 65,000 annual flight operations of private and corporate aircraft, and approximately 395 acres DTS serves a variety of travelers via two fixed base operators.

REVENUE: Destin Airport generates revenue from landing fees, hangar leases and fixed-base operators.

MAJOR ACCOMPLISHMENTS LAST YEAR:

- The Destin Air Traffic Control Tower (ATCT) location has been sited, designed and bid.
- Funding for the Air Traffic Control Tower FAA grant has been approved.
- Completed repairs resulting from significant storm event in the amount of \$100,000.

The following projects are planned for FY2016:

- Construction of the new Air Traffic Control Tower is to be completed.
- Design and reconstruction of taxiway, including adding new connector and widening intersections.

PROGRAM GOAL: To provide a general aviation airport environment that is beneficial, distinctive, and conducive for private and business aircraft operations. DTS will provide a safe and secure operating environment that is an exceptional value for customers while minimizing noise impact and improving compatibility with surrounding residential areas.

KEY OBJECTIVES:

1. Exceed all federal (FAA, TSA) and state (FDOT) regulatory operating standards for security and security.
2. Provide a financially self-sufficient enterprise where airport specific revenue exceeds expenditures.
3. Implement recommendations of FAA Part 150 Noise Study.
4. Complete construction of the new Air Traffic Control Tower.
5. Develop residential noise mitigation plan to include voluntary home insulation or purchase.

PERFORMANCE MEASURES:

Performance Measures		Actual FY13/14	Estimated FY14/15	Adopted FY15/16
	Compare aircraft operations to employees (ratio)	16,250:1	16,250:1	16,250:1
	Divide O&M expense by annual activity levels (ratio).	\$4.70:1(1)	\$1.94:	\$3.76:1
	Determine cost per day acre by dividing annual O&M expense by facility size.	\$536.55	\$317.55	\$620.38

**BOARD OF COUNTY COMMISSIONERS
OKALOOSA COUNTY, FLORIDA**

SERVICE AREA: TRANSPORTATION

DEPARTMENT/PROGRAM: AIRPORTS/BOB SIKES AIRPORT (CEW) GENERAL AVIATION

PROGRAM DESCRIPTION: This program consists of the operation and maintenance of the Bob Sikes general aviation airport near Crestview. CEW serves as the region's logistical base providing a home to several aerospace manufacturing and modification companies. With over 1,080 acres and an ILS equipped 8,000 foot runway, the facility accommodates over 67,000 aircraft operations annually. An adjoining County industrial park is also home to several non-aviation related companies and forms a designated Enterprise Zone for future development opportunities. Over \$26 million has been invested in airport infrastructure over the past three years in anticipation of future growth.

REVENUE: Bob Sikes Airport revenue comes from fuel flowage fees, land and building leases and percentage of gross sales by the Fixed Base Operator as well as other land and building (hangar) leases.

MAJOR ACCOMPLISHMENTS LAST YEAR:

- Environmental and Design for a new Airport Access Road
- Completed repairs resulting from significant storm event in the amount of \$435,000.

The following projects are planned for FY2016:

- Continue design efforts on Foy Shaw Parkway

PROGRAM GOAL: To provide a general aviation airport environment that is beneficial, distinctive and conducive for business activity and industrial operations. CEW will provide a safe and secure operating environment that is an exceptional value for customers and business partners.

KEY OBJECTIVES:

1. Exceed all federal (FAA, TSA) and state (FDOT) regulatory operating standards for safety and security.
2. Provide a financially self-sufficient enterprise where airport specific revenue exceeds expenditures.
3. Attract new companies and expand tenant occupancy on airfield and industrial park through aggressive marketing.
4. Support military related programs and assist on-site aerospace companies with related operational requirements needed to win contracts.
5. Work with Economic Development Council and other agencies to fast track development initiatives.
6. Operate facility with efficiency and lowest possible O&M expense.

PERFORMANCE MEASURES:

Performance Measures		Actual FY13/14	Estimated FY14/15	Adopted FY15/16
	Compare aircraft operations to employees (ratio)	15,000:1	13,400:1	13,750:1
	Divide O&M expense by annual activity levels (ratio)	\$5.66:1	\$4.19:1	\$5.75:1
	Determine cost per acre by dividing annual O&M expense by facility size. Includes land purchase debt service.	\$842.27	\$779.30	\$741.21

HISTORICAL STAFFING SUMMARY:

Category	FY13	FY14	FY15	FY16
Full-time Administrative & Support	26	26	26	28
Full-time Management & Professional	6	6	6	7
Full-time Operations & Trades	10	10	10	8
Relief	10	10	10	10
Total	52	52	52	53

EXPENDITURES:

Airport Operating

Category	Expenditures		Budget		FY15/FY16 +/-	Increase/ Decrease
	FY13 Actual	FY14 Actual	FY15 Original	FY16 Approved		
Personnel Services	\$2,060,326	\$2,208,769	\$2,500,407	\$2,653,682	\$153,275	6.1%
Operating Expenses	\$4,826,784	\$5,385,968	\$5,788,691	\$5,721,186	-\$67,505	-1.2%
Capital Outlay	\$34,939	\$165,628	\$149,441	\$57,930	-\$91,511	-61.2%
Debt Service	\$102,002	\$194,981	\$484,192	\$484,189	-\$3	-0%
Grants & Aids	\$0	\$0	\$0	\$0	\$0	0%
Other Uses	\$0	\$0	\$2,612,760	\$5,991,484	\$3,378,724	129.3%
Total	\$7,024,051	\$7,955,346	\$11,535,491	\$14,908,471	\$3,372,980	29.2%

ACCOUNTS:

Code	Category	FY14 Approved	FY15 Approved	FY16 Approved	FY15/FY16 +/-	Increase/ Decrease
10	SALARIES & WAGES	\$1,723,228	\$1,797,151	\$1,853,827	\$56,676	3.2%
	Added Financial Manager, incentive pay for 9 employees (\$495*24), incentive pay county match					
20	BENEFITS	\$653,268	\$703,256	\$805,204	\$101,947	14.5%
	Function of Salaries and Wages and number of FTEs calculated by Human Resources					
31	PROFESSIONAL SERVICES	\$142,800	\$419,550	\$337,900	-\$81,650	-19.5%
	Reduced scope from 2015 since Forensic Audit and Mgt. Consultant overlap not required.					
32	ACCOUNTING & AUDITING	\$36,500	\$36,500	\$36,500	\$0	0%
34	CONTRACT SERVICES	\$1,695,489	\$1,723,496	\$1,729,596	\$6,100	0.4%
	Temporary personnel – airport operations center, CEI janitorial - maintenance agreement for vehicle tag reader					
40	TRAVEL & PER DIEM	\$31,485	\$32,870	\$33,290	\$420	1.3%
41	COMMUNICATIONS SERVICES	\$30,530	\$27,735	\$24,970	-\$2,765	-10.0%
	Operation and Maintenance personnel issued cell phones for work order processing and Part 139 compliance					
42	FREIGHT & POSTAGE	\$5,100	\$2,400	\$2,500	\$100	4.2%
43	UTILITY SERVICES	\$723,150	\$810,000	\$761,500	-\$48,500	-6.0%
	Electric consumption down slightly due to use of natural gas generators. Gas consumption increased slightly as a result.					
44	RENTS & LEASES	\$575,709	\$581,400	\$568,133	-\$13,267	-2.3%
	Mobile mini 20' storage unit leased terminated, Eglin enhanced uses lease (EUL) 3% annual increase for use of 130.8 acres					
45	RISK MANAGEMENT ALLOCATION	\$244,516	\$273,503	\$311,160	\$37,657	13.8%
	Property reappraised at a higher value by Risk Management broker					
46	REPAIR & MAINTENANCE	\$543,599	\$727,523	\$724,975	-\$2,548	-0.4%
	Gate repairs, tree removal, maintenance of radios, ACAMS increased security equipment, fingerprint system--Cross Match, IET computer training system—AAAE					
47	PRINTING & BINDING	\$3,000	\$500	\$1,000	\$500	100.0%
48	PROMOTIONAL ACTIVITY	\$308,500	\$308,500	\$341,000	\$32,500	10.5%
	Airport re-branding FY15 carry forward of BCC approved amount, Airport Terminal holiday season enhancements					

49	MISCELLANEOUS CHARGES	\$18,600	\$25,738	\$16,450	-\$9,288	-36.1%
	Expect fewer miscellaneous charges—more specific identification of expenses has been implemented					
51	OFFICE SUPPLIES	\$8,300	\$13,250	\$12,010	-\$1,240	-9.4%
	Attempting to reduce paper consumption for sustainability					
52	OPERATING SUPPLIES	\$781,238	\$739,026	\$758,452	\$19,426	2.6%
	Gasoline & special fuels purchased for resale to rental car companies and airlines, clothing/wearing apparel uniforms not purchased in 4 years, janitorial supplies local purchase rather than reimburse contractor, ammunition and tasers/ training supplies					
54	BOOKS/PUBS/SUBS & MEMBERSHIPS	\$16,300	\$18,830	\$24,800	\$5,970	31.7%
	Additional memberships in professional associations AAAE/ACI					
55	TRAINING & EDUCATION EXPENSES	\$21,000	\$47,870	\$36,950	-\$10,920	-22.8%
	Staff training and development done in-house instead of at off-site venues					
60	CAPITAL OUTLAY	\$392,400	\$149,441	\$57,930	-\$91,511	-61.2%
	Two electric courtesy shuttles for public parking lots, license tag reader					
71	PRINCIPAL	\$382,190	\$391,406	\$402,949	\$11,543	2.9%
	Required debt service on Airport Revenue Bonds and FDOT State Infrastructure Bank Loans					
72	INTEREST	\$102,002	\$92,786	\$81,240	-\$11,546	-12.4%
	Required interest on debt service for bonds and loans					
99	RESERVES	\$6,397,501	\$2,612,760	\$5,986,135	\$3,373,375	129.1%
	Restricted Reserves for Passenger Facility Charges (PFC Airline/FAA approved expenditures) and Customer Facility Charges (CFC rental car ready return). Unrestricted reserves based on estimates for cash by Clerk's office. Increase is a function of a planned reduction of operating expenses for capital projects in order to provide local matching funds required for Foy Shaw Parkway (\$1.2 million) and FAA/FDOT grants for the Eglin Aircraft Rescue and Fire Fighting facility and Destin Air Traffic Control Tower (\$500 K).					
	TOTAL	\$14,836,405	\$11,535,491	\$14,908,471	\$3,372,980	29.2%

Passenger Facility Charge (PFC)

Category	Expenditures		Budget		FY15/FY16 +/-	Increase/ Decrease
	FY13 Actual	FY14 Actual	FY15 Original	FY16 Approved		
Personnel Services	\$0	\$0	\$0	\$0	\$0	0%
Operating Expenses	\$0	\$0	\$0	\$0	\$0	0%
Capital Outlay	\$397,144	\$0	\$1,529,650	\$0	-\$1,529,650	-100.0%
Debt Service	\$0	\$487,584	\$561,500	\$765,490	\$203,990	36.3%
Grants & Aids	\$0	\$0	\$0	\$0	\$0	0%
Other Uses	\$0	\$0	\$6,363,086	\$9,266,510	\$2,903,424	45.6%
Total	\$397,144	\$487,584	\$8,454,236	\$10,032,000	\$1,577,764	18.7%

ACCOUNTS:

Code	Category	FY14 Approved	FY15 Approved	FY16 Approved	FY15/FY16 +/-	Increase/ Decrease
60	CAPITAL OUTLAY	\$502,300	\$1,529,650	\$0	-\$1,529,650	-100.0%
71	PRINCIPAL	\$315,000	\$360,000	\$510,000	\$150,000	41.7%
72	INTEREST	\$483,144	\$200,000	\$253,890	\$53,890	26.9%
73	OTHER DEBT SERVICE COSTS	\$1,500	\$1,500	\$1,600	\$100	6.7%
99	RESERVES	\$4,632,180	\$6,363,086	\$9,266,510	\$2,903,424	45.6%
	TOTAL	\$5,934,124	\$8,454,236	\$10,032,000	\$1,577,764	18.7%

Car Rental Facility Charge (CFC)

Category	Expenditures		Budget		FY15/FY16 +/-	Increase/ Decrease
	FY13 Actual	FY14 Actual	FY15 Original	FY16 Approved		
Personnel Services	\$0	\$0	\$0	\$0	\$0	0%
Operating Expenses	\$0	\$0	\$0	\$0	\$0	0%
Capital Outlay	\$0	\$0	\$0	\$0	\$0	0%
Debt Service	\$888,731	\$894,375	\$894,375	\$939,788	\$45,413	5.1%
Grants & Aids	\$0	\$0	\$0	\$0	\$0	0%
Other Uses	\$0	\$0	\$3,132,228	\$3,585,212	\$452,984	14.5%
Total	\$888,731	\$617,106	\$4,026,603	\$4,525,000	\$498,397	12.4%

ACCOUNTS:

Code	Category	FY14 Approved	FY15 Approved	FY16 Approved	FY15/FY16 +/-	Increase/ Decrease
49	MISCELLANEOUS CHARGES	\$518,788	\$0	\$0	\$0	0%
71	PRINCIPAL	\$295,000	\$315,000	\$380,000	\$65,000	20.6%
72	INTEREST	\$595,575	\$577,875	\$558,188	-\$19,687	-3.4%
73	OTHER DEBT SERVICE COSTS	\$1,700	\$1,500	\$1,600	\$100	6.7%
99	RESERVES	\$2,415,409	\$3,132,228	\$3,585,212	\$452,984	14.5%
	TOTAL	\$3,826,472	\$4,026,603	\$4,525,000	\$498,397	12.4%