



AIRPORT BOARD FINANCE COMMITTEE AGENDA

June 26, 2024 at 1:00 PM

Airport Manager Conference Room/Zoom

<https://juneau.zoom.us/j/82619530831?pwd=99n4B5epXo7KmOEb97WE0mRZgHciP8.1>

or Dial: 1-833-548-0276 Meeting ID: 826 1953 0831, Passcode: 496665

TO TESTIFY: CONTACT PAM CHAPIN, 907-586-0962

BY 3:00 PM ON JUNE 25, 2024

A. CALL TO ORDER

B. ROLL CALL

C. UNFINISHED BUSINESS

1. **Airport Finance 101 (Attachment #1).** Attached is an overview of airport finance; how the allocations and cost centers are set up. This provides the basis for budget process modeling and calculations and not the actual fiscal year budget/numbers.
2. **Capital Improvement Program (CIP) Snapshot (Attachments #2 and #3).** The most up-to-date CIP and Financial budget sheets are presented as a snapshot of non-operational capital projects. The CIP plan (Attachment #2) shows CIP projects well into the future and the required match. This is always a fluid document and changes based on higher priorities, emergencies, federal funding availability and eligibility, all subject to change. The CIP Project Financial spreadsheet (Attachment #3) is a quick summary of each project that is still open, or upcoming for FFY24; current budget and balance remaining. The Project Financial Summary does not include the transfers and appropriations that the Board approved in June. Staff anticipates continued transfers and movement of local funds for the best use and maximizing local funding.
3. **Passenger Facility Charge 9 (PFC9) Status (Attachment #4).** This summary shows the current FAA-approved PFC 9 allowances by project and what has been collected/appropriated for each to-date. Staff is working with Finance to appropriate/apply PFCs to closed projects and free up sales tax or other local match dollars for other projects. The summary of PFCs, what is needed and what remains to be collected is getting closer to the end of PFC9 collections. The Airport will need to begin PFC 10 application process NOW. As of June 2023, \$6.2M had been applied. As of June 2024, it looks to be in excess of another \$1M collected, but not yet applied. This means that PFC only requires approximately \$1.7M more in collections with the proposed amendments, as shown. This is a little over a year remaining for collections. Staff will be bringing the proposed PFC10 projects to the Finance Committee by this fall to begin the process.

Referring back to Attachment #2 CIP, the areas in green are anticipated projects eligible for the new PFC10. Note that new projects can only be programmed out two years from a new PFC application, but reimbursement of past eligible projects are allowed. PFC applications take approx. one year to complete the process so there is no lapse in PFC collections. Projects will be looked at for match requirements and may even collect retroactively for projects if approved by airlines and FAA.

4. **Operating Budget Snapshot FY24 To-date; Airport Fund Balance (Attachment #5, #6, #7 and #8).** Attachment #5 show the "FY24 Expenses" (as of 6/20/2024), Attachment #6 shows "FY24 Revenues" (as of 6/20/2024), Attachment #7 is the "Explanation of Fund Balance Calculation", and Attachment #8 is the "JNU Airport Fund Balance Projection" as prepared for FY25/26 Budget.

The operating budget has only a 12-month life (July 1 through June 30), thus we have to appropriate a new Fiscal Year (FY) budget every year. Reports presented are YTD ('date' shown on reports). CBJ does not have 'hard' monthly closures which means that amounts on prior periods can change as long as Fiscal Year is opened. FY24 amounts are not Final/audited! Final/audited FY24 amounts will not be available until December 2024 at the earliest. This includes the final ending FY24 Fund Balance. So, Fund Balance projections for FY24 and beyond are not final numbers. Remember some expenses are billed in arrears, and some payments are not reported/received until 30 days after month-end. Reports are only a snapshot in time and do not accurately represent the report to-date.

The FY23 close-out shows an ending available fund balance of \$3.785M, less three-month operating reserves of \$2.472M, for a fund balance of \$1.312M. Again, calculations of fund balance are done one of three ways depending on financial picture.

D. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.gov.