

RECOMMENDED BUDGET

The Airports Enterprise Fund budget is recommended at \$2,010,805, which is a decrease of \$266,774 (12%) when compared to the FY 2023-24 Adopted Budget. This change is mostly due to federally funded projects at the Placerville and Georgetown Airports that have been completed.

The Airports program is funded through the Airport Enterprise Fund (Fund 5114), as well as the Special Aviation fund (1105). Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the program is self-supported and financed or recovered primarily through user charges. A transfer in from the General Fund to each airport has occurred historically as a property tax offset. Historically, this amount has been approximately \$30,000 for the Placerville Airport and \$3,500 for the Georgetown Airport. In addition, the Georgetown Airport has received additional funding of approximately \$15,000 each year for operational needs. Beginning in FY 2020-21, an additional General Fund contribution was needed in order to continue the operation of both airports. For FY 2024-25, the total budgeted amount of General Fund is \$505,414 for the Placerville Airport (a 52% increase) and \$218,151 for the Georgetown Airport (an 18% increase). Upon conclusion of the Economic Development study for the two Airports, a recommendation will be prepared for the Board's consideration of development projects at the Airports. The study will also include a desired cost recovery for the Airports and an implementation timeline. As the study is projected to be completed in July 2024, the requested budget does not reflect any anticipated increases or decreases in revenue or expenditures.

Both funds are balanced and show as no Net County Cost; however, the General Fund contributions noted above are included as Operating Transfers In. The Special Aviation Fund is located in the Special Revenue Funds section.

CAO Adjustments

The Division's request included several General Fund supplemental requests totaling \$370,180. For the Placerville Airport, two requests are recommended to be funded. The first is the Spill Prevention Control and Countermeasure Plan, which is required by state and federal regulations, at a cost of \$35,000. The second is for asphalt repairs needed as a result of the United States Forest Service (USFS) use of the airport during the Caldor Fire, for a total of \$10,580, which will be reimbursed by USFS. One request was included for Georgetown Airport, \$6,280 for the removal of a pole that is obstructing the runway and causing a safety issue. The remainder of the requests were deferred in the Recommended Budget and will be considered in the fall with the Adopted Budget.

Chief Administrative Office

RECOMMENDED BUDGET • FY 2024-25

DEPARTMENT BUDGET SUMMARY BY FUND – AIRPORTS ENTERPRISE FUND

| Description | FY 2022-23 Actual | Current Year Adopted | CAO Recommended | Difference from Adopted |
|---------------------------------|----------------------|-------------------------|--------------------|----------------------------|
| Rev Use Money/Prop | 296,547 | 251,721 | 257,100 | 5,379 |
| IG Rev - Federal | 78,178 | 504,839 | 226,355 | (278,484) |
| Miscellaneous Rev | 367,906 | 488,672 | 421,472 | (67,200) |
| Other Fin Sources | 322,315 | 567,416 | 743,665 | 176,249 |
| Fund Balance | 0 | 464,931 | 362,213 | (102,718) |
| Total Revenue | 1,064,947 | 2,277,579 | 2,010,805 | (266,774) |
| Salaries & Benefits | 339,321 | 407,652 | 409,319 | 1,667 |
| Services & Supplies | 539,096 | 992,585 | 1,030,696 | 38,111 |
| Other Charges | 528,626 | 579,486 | 474,510 | (104,976) |
| Fixed Assets | 27,811 | 297,856 | 21,280 | (276,576) |
| Cap Fixed Assets | (27,811) | (297,856) | (21,280) | 276,576 |
| Other Fin Uses | 0 | 0 | 75,000 | 75,000 |
| Intrafund Transfers | 394,115 | 344,898 | 544,567 | 199,669 |
| Intrafund Abatement | (394,115) | (344,898) | (544,567) | (199,669) |
| Reserves Budgetary | 0 | 297,856 | 21,280 | (276,576) |
| Total Appropriations | 1,407,043 | 2,277,579 | 2,010,805 | (266,774) |
| FUND 5114 AIRPORTS TOTAL | 342,096 | 0 | 0 | 0 |

MAJOR BUDGET CHANGES

Revenue

Use of Money and Property

\$5,379 Increase in revenue from the rental of hangars and tie-downs at the airports to align budget with prior year revenue and updated projections.

Federal Revenue

(\$278,484) Decrease in Federal Aviation Administration grant funding for the Placerville and Georgetown Airports.

Miscellaneous Revenue

(\$67,200) Decrease in Fuel Sales at the Placerville Airport to align budget with actual revenue.

Other Financing Sources

\$176,249 Increase in Operating Transfers In to the Placerville (\$168,315) and Georgetown (\$57,934) Airport accounts due to increased General Fund support needed for airport operations, offset by the removal of funding for the Airports Economic Study, which was completed in FY 2023-24.

Fund Balance

(\$102,718) Decrease in Fund Balance due to increased use of this funding for operations at the airports.

Appropriations

Salaries and Benefits

\$1,667 Increase in Salaries and Benefits costs primarily due to increases in benefits and Workers Compensation charges.

Services and Supplies

\$166,337 Increase in General Liability premium expenses.

(\$111,660) Decrease in Professional Services due to the completion of the Airport Economic Study (\$50,000) and several Airport Improvement Plan projects at the Georgetown Airport (\$144,010), offset by an increase of \$82,350 for the planning phases of several Airport Improvement Plan projects at the Placerville Airport.

\$10,580 Increase to Construction and Engineering Contracts for asphalt repairs at Placerville Airport.

(\$40,000) Decrease in Bulk Fuel Purchases to align budget with actual costs.

\$12,854 Increase in Services and Supplies across multiple objects to align budget with actual costs.

Other Charges

(\$16,492) Decrease in depreciation at the Placerville Airport (\$10,322) and for Airport Administration (\$8,124), which is offset by an increase from the prior year at the Georgetown Airport (\$1,954).

(\$90,084) Decrease in Interfund Transfers due to the removal of Planning and Building Administration charges, offset by Countywide Cost Allocation Plan charges due to the reassignment of this program to the Chief Administrative Office.

\$1,600 Increase in Interfund Transfers to County Counsel (\$1,500) and Facilities (\$100) to align budget with actual costs.

Fixed Assets

\$6,280 Increase to Fixed Asset Building and Improvements for obstruction pole removal at the Georgetown Airport.

(\$201,800) Decrease to Design Services fixed assets due to FAA delays for design work for several Airport Improvement Projects in the prior year.

(\$81,056) Decrease to equipment fixed assets due the purchase of Fuel Dispensers (\$32,019) and Generators (\$49,037) in FY 2023-24.

Chief Administrative Office

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Fixed Assets Capitalization

\$276,576 Increase due to fixed assets changes mentioned above.

Operating Transfers

\$75,000 Increase in Operating Transfers Out from Airport Administration to Community Development Finance and Administration for overhead charges.

Intrafund Transfers

\$199,669 Increase in Intrafund Transfers to Airport Administration from the airports to recover the cost of administration.

Intrafund Abatement

(\$199,669) Decrease in Intrafund Abatements to Airport Administration from the airports to recover the cost of administration.

Budgetary Reserves

(\$267,576) Decrease in Designation of Fund Balance due to decreases at both the Placerville (\$276,576) and Georgetown (\$61,220) Airports due to capitalization of fixed assets.

PROGRAM SUMMARIES

The Airports Division is responsible for administering both of the County-owned and operated airports, which are located in Placerville and Georgetown, and provides for oversight of capital improvement projects at both airports.

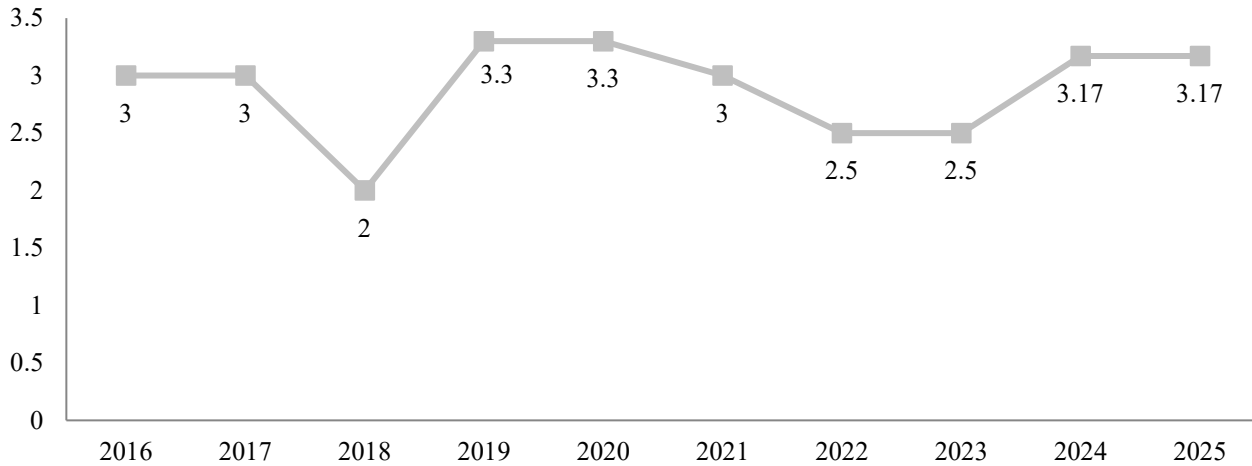
The primary source of funding is provided through the sale of aviation fuel, rental of tie-downs and hangars at the airports, State Aviation funds and other miscellaneous revenue. The Division also receives a General Fund contribution to support operations at the Placerville and Georgetown Airports, which provides a contribution to the airports to allocate property tax representative of the amount collected at the airports. Additionally, federal and state grants, as well as an Accumulative Capital Outlay/General Fund contribution, are received to fund the capital improvement projects at both airports.

The Airports Division is also partially funded through a Special Aviation pass-through fund. State Aviation revenue and interest income is recognized in this Special Revenue Fund and allocated equally to both the Placerville and Georgetown Airports for operations.

STAFFING TREND

Changes in staffing for Airports reflect several organizational changes throughout the past ten years. Prior to 2017, three employees were located on-site at the airports. In FY 2017-18, one FTE was deleted, leaving one Airport Operations Supervisor and one Airport Technician. In the past, the positions were supervised by Community Development Agency Administration and Finance Division staff. In FY 2020-21, the Cemeteries and Airports programs were combined and the management and oversight of those programs through the Planning and Building Department was reflected in the total full-time equivalent (FTE) count. The division of

staff time between the two programs fluctuated from year to year. During FY 2021-22, an Administrative Technician was added to support both programs, bringing the total FTE count for both programs to 6 FTEs. For FY 2024-25, the total FTEs for Airports are budgeted at 3.17.



SOURCES & USES OF FUNDS

The Airports Division relies on a combination of special revenue funds, state and federal grant funding, user fee revenue, and General Fund contributions to fund capital improvements and operations.

