

# **GRAND JUNCTION REGIONAL AIRPORT**



**C O L O R A D O**  
**AIRPORT of the YEAR**

**BOARD WORKSHOP PACKET**  
**OCTOBER 5, 2021**

**Grand Junction Regional Airport Authority**



**Date:** October 5, 2021

**Time:** 5:15 PM

**Location:**

GRAND JUNCTION REGIONAL AIRPORT  
2828 WALKER FIELD DRIVE  
GRAND JUNCTION, CO 81506  
AIRPORT TERMINAL - 3rd FLOOR CONFERENCE ROOM

or

**Electronic Meeting Link:** <https://us02web.zoom.us/j/81008276463>

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**BOARD WORKSHOP AGENDA**

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- I. Call to Order**
- II. Pledge of Allegiance**
- III. Agenda**
  - A. 2022 Draft Budget Presentation\_\_\_\_\_ 1
  - B. Airport Development Plan - Visioning Workshop\_\_\_\_\_ 2
- IV. Discussion**
- V. Adjournment**

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***October 5, 2021***

## Grand Junction Regional Airport Authority

### Agenda Item Summary

TOPIC:	2022 Draft Budget Presentation		
PURPOSE:	Information <input checked="" type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input type="checkbox"/>
RECOMMENDATION:	N/A		
SUMMARY:	<p>The attached materials represent the draft 2022 budget and includes a detailed description of the assumptions used to develop revenue and expense estimates.</p> <p>The budget is based on a conservative estimate of passenger and activity levels in 2022. Commercial airline capacity (seats) and passenger enplanements are budgeted to be within 10% of 2019 levels. The budget also targets \$1,000,000 of income from operations while keeping most rates and charges flat and decreasing airline fees by 5%.</p> <p>The capital expense budget anticipates an aggressive construction schedule and a return of the required 10% AIP project match. This results in a \$28.3M capital expense budget for AIP and grant funded projects and corresponding grant revenue of \$27.1M. Additionally, the Airport plans to invest up to \$2M in airport funded development and improvement projects in 2022.</p> <p>Staff reviewed the initial draft budget with the Finance and Audit Committee on September 16. The board will also hear both commissioner and public comments and feedback at the October 19, 2021 meeting.</p> <p>Additional comments and feedback will be accepted and incorporated into a final draft budget to be presented for adoption later this quarter.</p>		
REVIEWED BY:	Executive Director		
FISCAL IMPACT:	Total Appropriations for 2022: \$37,059,000 Operating – \$5,268,000 Debt Service – \$1,505,000 Capital – \$30,286,000		
ATTACHMENTS:	2022 DRAFT Budget Summary		
STAFF CONTACT:	Sarah Menge Email: <a href="mailto:SMenge@gairport.com">SMenge@gairport.com</a> Office: (970) 248-8581		

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## GRAND JUNCTION REGIONAL AIRPORT AUTHORITY 2022 BUDGET ASSUMPTIONS

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### 2022 Budget Objective and Assumptions

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- ➔ **2022 Budget Objective:** When developing the 2022 budget, our objective was to generate \$1M in operating net income while maintaining or lowering airline rates and charges. The \$1M target for operating net income represents the estimated match amount that would be required by the airport for \$10M in AIP projects and the minimum level of cash that we need to generate from operations to continue to fund projects without significantly reducing cash reserves. Relief grants received from CARES Act, Airport Coronavirus Relief Grant Program (ACRGP), and the American Rescue Plan Act (ARPA) have put the airport in a stronger financial position than we were in prior to the pandemic. As commercial airline activity returns to more normal pre-pandemic levels our goal is to set budget targets around financial sustainability and performance.
- ➔ **Operating Revenue:** Based on assumptions for commercial landings, passenger numbers, cargo activity and incorporating a 5% decrease in the airline rates and charges, 2022 operating revenue is budgeted at approximately \$6.27M. This level of operating revenue is approximately 9% lower than actual revenues earned in 2019, but is within 1% of the original 2019 budget. The operating revenue budget reflects conservative commercial airline activity and passenger levels that are below 2019 actual numbers. Although the airport has had record numbers of passengers in the summer of 2021, the activity levels and budget protect for another decline in travel in the winter months. GJRAA is confident that the revenue budget is achievable based on discussions with the airlines and currently available schedules.
- ➔ **Operating Expense:** At the beginning of the pandemic, the Grand Junction Regional Airport Authority (GJRAA) identified all discretionary cost that could be reduced and identified non-essential repairs and purchases to be delayed to maintain our financial position with decreasing revenues. With the relief funds received from the federal government and a faster than expected recovery in activity, the 2022 budget reflects a reinstatement of discretionary costs that were previously cut. The budget also includes amounts for additional staffing and a proposed increase to existing staff wages that were held flat in 2021. Comparatively, the 2022 operating expense budget is 8.2% higher than the 2021 budget and 4.4% higher than the 2019 budget. Even with the conservative activity assumptions, GJRAA estimates that all proposed operating expenses can be covered and still achieve a net operating income of \$1M.
- ➔ **Non-Operating Revenue and Expense:** Non-operating revenues and expenses include restricted PFC and CFC revenues that must be spent on capital projects, scheduled debt service payments of principle and interest, interest income, capital expenses, capital contributions (grants), and relief funds from the ACRGP and ARPA grants. The most significant change in non-operating revenues and expenses is projected capital expenditures in excess of \$30M in 2022 and grant revenues for associated with projects totaling approximately \$27M. The increase from prior years represents the anticipated projects to be completed under the Airport Improvement Program (AIP) funded by the FAA and the rehabilitation of 4/22 to be funded by the Colorado Department of Transportation. In addition to grant funded projects, GJRAA plans to invest up to \$2M in airport funded improvement projects as we receive input from our Airport Development plan and work on identified deferred maintenance costs. The net budgeted cash inflow from all non-operating activity is approximately \$106k.
- ➔ **Net Change in Position (Budgetary Basis):** The resulting net change in position for the 2022 budget is a positive increase of \$1.1M. With the faster than expected recovery and federal relief grants totaling over \$11.1M, the GJRAA's overall financial position is stronger than the pre-pandemic levels.

**GRAND JUNCTION REGIONAL AIRPORT AUTHORITY  
2022 BUDGET**

Account Name	2018 Actual	2019 Actual	2020 Actual	2018-2020 Avg	2021 Budget	2021 Forecast	2022 Budget
<b>OPERATING REVENUE</b>							
<b>Aeronautical revenue</b>							
Total Passenger Airline Revenue	\$ 1,844,804	\$ 1,944,134	\$ 1,730,600	\$ 1,840,000	\$ 1,648,100	\$ 1,747,100	\$ 1,798,000
Total Non-passenger airline revenue	934,762	917,810	871,975	908,000	755,600	829,000	841,000
<b>Total Aeronautical revenue</b>	2,779,566	2,861,944	2,602,575	2,748,000	2,403,700	2,576,100	2,639,000
Non-aeronautical revenue	3,727,080	4,001,968	2,621,069	3,450,000	2,473,500	3,212,300	3,629,000
<b>Total Operating revenues</b>	6,506,646	6,863,912	5,223,644	6,198,000	4,877,200	5,788,400	6,268,000
<b>OPERATING EXPENSES</b>							
Personnel compensation and benefits	2,107,101	2,410,652	2,367,812	2,295,000	2,624,800	2,501,000	2,694,000
Communications and utilities	305,526	304,206	308,588	306,000	317,900	311,000	349,000
Supplies and materials	545,176	574,359	426,306	515,000	360,900	528,000	537,000
Contract services	579,037	603,586	581,417	588,000	754,000	743,300	789,000
Repairs & maintenance	390,624	568,063	327,019	429,000	369,500	395,400	378,000
Insurance	92,983	108,989	122,503	108,000	132,000	135,000	140,000
Other	241,841	240,688	173,047	219,000	311,600	249,000	381,000
<b>Total Operating Expenses</b>	4,262,288	4,810,543	4,306,692	4,460,000	4,870,700	4,862,700	5,268,000
<b>Net Revenue (Expense) from Operations</b>	2,244,358	2,053,369	916,952	1,738,000	6,500	925,700	1,000,000
<b>NON-OPERATING REVENUE (EXPENSE)</b>							
Passenger facility charges (restricted rev)	1,019,592	1,050,179	614,796	895,000	625,200	939,500	1,004,000
Interest income	197,675	225,138	67,958	164,000	41,600	41,600	38,000
Interest expense	(648,435)	(618,458)	(597,230)	(621,000)	(768,500)	(768,500)	(740,000)
Customer facility charges (restricted rev)	724,213	741,145	278,624	581,000	393,000	599,300	636,000
Capital contributions	10,154,050	6,004,320	5,611,443	7,257,000	18,417,000	20,164,000	27,157,000
Capital expenditures - AIP	(13,220,803)	(6,560,738)	(5,931,973)	(8,571,000)	(19,022,000)	(20,209,000)	(28,286,000)
Capital expenditures - Non-AIP	(1,473,722)	(5,034,054)	(2,269,262)	(2,926,000)	(1,781,500)	(1,781,500)	(2,000,000)
Debt principle payments	(1,132,346)	(924,673)	(728,349)	(928,000)	(735,000)	(735,000)	(765,000)
Total relief grant funding	1,594	-	4,094,829	1,365,000	2,102,900	4,000,000	3,062,000
<b>Total Non-operating Revenue (Expense)</b>	(4,378,182)	(5,117,141)	1,140,836	(2,784,000)	(727,300)	2,250,400	106,000
<b>Net Change in Position (Budgetary Basis)</b>	\$ (2,133,824)	\$ (3,063,772)	\$ 2,057,788	\$ (1,046,000)	\$ (720,800)	\$ 3,176,100	\$ 1,106,000
<b>Actual/Projected Ending Cash Balance</b>							
Restricted Cash		\$ 8,287,328	\$ 1,996,733			\$ 1,696,033	\$ 2,332,033
Unrestricted Cash		4,082,138	10,041,100			13,517,900	13,987,900
<b>Total Cash Balance</b>		<u>\$ 12,369,466</u>	<u>\$ 12,037,833</u>			<u>\$ 15,213,933</u>	<u>\$ 16,319,933</u>

GJRAA  
2022 BUDGET  
Company Wide - Operating Revenue Summary

								Variance to 18-20 Avg		Variance to 2021		Variance to 2021		
								Actual		Budget		Forecast		
Account Name		2018 Actual	2019 Actual	2020 Actual	2018-2020 Avg	2021 Budget	2021 Forecast	2022 Budget	\$	%	\$	%	\$	%
OPERATING REVENUE														
Aeronautical revenue														
Passenger airline revenue														
A	Passenger airline landing fees	549,237	632,143	466,624	549,300	399,000	578,000	558,000	8,700	1.6%	159,000	39.8%	(20,000)	-3.5%
B	Terminal rent	1,181,844	1,183,776	1,240,942	1,202,200	1,235,000	1,155,000	1,215,000	12,800	1.1%	(20,000)	-1.6%	60,000	5.2%
C	Other Passenger Airline Revenue	113,723	128,215	23,034	88,300	14,100	14,100	25,000	(63,300)	-71.7%	10,900	77.3%	10,900	77.3%
Total Passenger Airline Revenue		1,844,804	1,944,134	1,730,600	1,839,800	1,648,100	1,747,100	1,798,000	(41,800)	-2.3%	149,900	9.1%	50,900	2.9%
Non-passenger airline revenue														
D	Non-passenger landing fees	179,585	102,453	224,966	169,000	106,000	106,000	100,000	(69,000)	-40.8%	(6,000)	-5.7%	(6,000)	-5.7%
E	Cargo and hangar rentals	52,213	53,466	54,504	53,400	55,100	55,100	55,000	1,600	3.0%	(100)	-0.2%	(100)	-0.2%
F	State fuel tax disbursement	158,851	210,629	162,808	177,400	138,000	210,000	203,000	25,600	14.4%	65,000	47.1%	(7,000)	-3.3%
G	Fuel flowage fee - capital	249,701	249,836	197,104	232,200	212,400	212,400	221,000	(11,200)	-4.8%	8,600	4.0%	8,600	4.0%
G	Fuel flowage fee - operations	255,547	254,083	200,455	236,700	212,400	212,400	221,000	(15,700)	-6.6%	8,600	4.0%	8,600	4.0%
H	Fuel sales - airside	32,985	37,563	25,868	32,100	23,600	25,000	34,000	1,900	5.9%	10,400	44.1%	9,000	36.0%
I	Rapid refuel	4,440	8,340	3,390	5,400	6,700	6,700	6,000	600	11.1%	(700)	-10.4%	(700)	-10.4%
I	Airplane ramp parking	1,440	1,440	2,880	1,900	1,400	1,400	1,000	(900)	-47.4%	(400)	-28.6%	(400)	-28.6%
Total Non-passenger airline revenue		934,762	917,810	871,975	908,100	755,600	829,000	841,000	(67,100)	-7.4%	85,400	11.3%	12,000	#DIV/0!
Total Aeronautical revenue		2,779,566	2,861,944	2,602,575	2,747,900	2,403,700	2,576,100	2,639,000	(108,900)	-4.0%	235,300	9.8%	62,900	#DIV/0!
Non-aeronautical revenue														
J	Land and building leases	596,586	601,551	607,304	601,800	591,000	591,000	595,000	(6,800)	-1.1%	4,000	0.7%	4,000	0.7%
K	Terminal - restaurant & retail	142,064	170,590	91,906	134,900	77,000	146,000	160,000	25,100	18.6%	83,000	107.8%	14,000	9.6%
L	Rent - office space	199,259	180,686	182,884	187,600	174,400	174,400	162,000	(25,600)	-13.6%	(12,400)	-7.1%	(12,400)	-7.1%
M	Total rental car revenue	1,270,226	1,306,055	898,477	1,158,300	749,700	1,080,300	1,376,000	217,700	18.8%	626,300	83.5%	295,700	27.4%
K	Parking and ground transportation	1,442,889	1,663,556	790,594	1,299,100	830,800	1,170,000	1,298,000	(1,100)	-0.1%	467,200	56.2%	128,000	10.9%
N	Security fee	32,257	36,922	25,314	31,500	37,000	37,000	25,000	(6,500)	-20.6%	(12,000)	-32.4%	(12,000)	-32.4%
O	Other revenue	43,799	42,608	24,590	37,000	13,600	13,600	13,000	(24,000)	-64.9%	(600)	-4.4%	(600)	-4.4%
Total Non-aeronautical revenue		3,727,080	4,001,968	2,621,069	3,450,200	2,473,500	3,212,300	3,629,000	178,800	5.2%	1,155,500	46.7%	416,700	13.0%
Total Operating revenues		\$ 6,506,646	\$ 6,863,912	\$ 5,223,644	\$ 6,198,100	\$ 4,877,200	\$ 5,788,400	\$ 6,268,000	\$ 69,900	1.1%	\$ 1,390,800	28.5%	\$ 479,600	8.3%

GJRAA  
2022 BUDGET  
Company Wide - Operating Expenses

Account Name	2018 Actual	2019 Actual	2020 Actual	2018-2020 Avg	2021 Budget	2021 Forecast	2022 Budget	Variance to 18-20 Avg		Variance to 2021 Budget		Variance to 2021 Forecast	
								\$	%	\$	%	\$	%
P Salaries-Full Time	1,559,429	1,778,948	1,751,866	1,697,000	1,852,200	1,759,000	1,900,000	203,000	12.0%	47,800	2.6%	141,000	8.0%
P Medicare - 1.45% Er	21,284	38,274	13,055	24,000	27,100	28,000	28,000	4,000	16.7%	900	3.3%	-	0.0%
P Pera - 14.2% Er/Pension	198,601	230,617	232,039	220,000	266,200	252,000	271,000	51,000	23.2%	4,800	1.8%	19,000	7.5%
P 401(K) Er	31,422	43,940	46,227	41,000	64,300	65,000	65,000	24,000	58.5%	700	1.1%	-	0.0%
Q Health Insurance Er	254,538	253,517	272,585	260,000	320,000	296,000	335,000	75,000	28.8%	15,000	4.7%	39,000	13.2%
P Health & Wellness Benefit	2,260	3,128	2,062	2,000	6,000	8,000	5,000	3,000	150.0%	(1,000)	-16.7%	(3,000)	-37.5%
P Life Insurance Er	5,387	5,111	5,688	5,000	9,300	10,000	8,000	3,000	60.0%	(1,300)	-14.0%	(2,000)	-20.0%
P Suta Er	5,330	2,335	2,550	3,000	5,700	9,000	6,000	3,000	100.0%	300	5.3%	(3,000)	-33.3%
P Worker Compensation	28,850	54,782	41,740	42,000	74,000	74,000	76,000	34,000	81.0%	2,000	2.7%	2,000	2.7%
Personnel compensation and benefits	2,107,101	2,410,652	2,367,812	2,294,000	2,624,800	2,501,000	2,694,000	400,000	17.4%	69,200	2.6%	193,000	7.7%
R Utilities-Gas	20,693	18,866	20,458	20,000	25,300	30,000	25,000	5,000	25.0%	(300)	-1.2%	(5,000)	-16.7%
R Utilities-Electric	208,313	211,448	222,147	214,000	214,800	218,000	242,000	28,000	13.1%	27,200	12.7%	24,000	11.0%
R Utilities-Water	19,115	18,752	12,387	17,000	21,700	15,000	20,000	3,000	17.6%	(1,700)	-7.8%	5,000	33.3%
R Utilities-Trash	14,724	14,826	13,471	15,000	15,700	13,000	15,000	-	0.0%	(700)	-4.5%	2,000	15.4%
R Utilities-Sewer	7,589	6,437	6,567	7,000	7,600	7,000	7,000	-	0.0%	(600)	-7.9%	-	0.0%
R Cell Phones	17,031	16,475	16,286	16,000	14,500	11,000	19,000	3,000	18.8%	4,500	31.0%	8,000	72.7%
R Phone Service	18,061	17,402	17,272	18,000	18,300	17,000	21,000	3,000	16.7%	2,700	14.8%	4,000	23.5%
Communications and utilities	305,526	304,206	308,588	307,000	317,900	311,000	349,000	42,000	13.7%	31,100	9.8%	38,000	12.2%
Employee Recognition	6,086	6,497	13,016	9,000	7,000	7,000	9,000	-	0.0%	2,000	28.6%	2,000	28.6%
Uniforms	16,895	15,091	12,302	15,000	17,800	15,000	20,000	5,000	33.3%	2,200	12.4%	5,000	33.3%
Office Supplies	4,223	2,688	1,618	3,000	3,000	2,000	3,000	-	0.0%	-	0.0%	1,000	50.0%
S Materials & Supplies	74,786	89,053	95,962	87,000	83,200	85,000	93,000	6,000	6.9%	9,800	11.8%	8,000	9.4%
S COVID-19 Materials & Supplies	-	-	23,808	8,000	-	-	-	(8,000)	-100.0%	-	0.0%	-	0.0%
Board Expense	4,178	3,888	3,013	4,000	6,000	6,000	6,000	2,000	50.0%	-	0.0%	-	0.0%
Postage & Shipping	1,523	760	714	1,000	1,500	1,000	1,000	-	0.0%	(500)	-33.3%	-	0.0%
Scheduled Replacements	7,944	-	-	3,000	-	-	-	(3,000)	-100.0%	-	0.0%	-	0.0%
T Tools & Equipment	150,171	134,959	73,430	120,000	59,800	90,000	100,000	(20,000)	-16.7%	40,200	67.2%	10,000	11.1%
U Glycol Disposal	10,240	15,520	12,800	13,000	18,000	18,000	20,000	7,000	53.8%	2,000	11.1%	2,000	11.1%
Runway Deicing	-	-	17	-	-	3,500	-	-	-100%	-	0.0%	(3,500)	-100.0%
Snow Removal	3,256	8,933	2,470	5,000	8,500	8,500	7,000	2,000	40.0%	(1,500)	-17.6%	(1,500)	-17.6%
Wildlife Control	963	3,284	2,328	2,000	3,500	6,000	3,000	1,000	50.0%	(500)	-14.3%	(3,000)	-50.0%
Runway & Taxiway Lighting	4,925	11,103	12,833	10,000	10,000	10,000	10,000	-	0.0%	-	0.0%	-	0.0%
Firefighting Supplies	1,735	7,350	6,324	5,000	6,000	6,000	6,000	1,000	20.0%	-	0.0%	-	0.0%
V Fuel - Diesel	27,389	30,939	21,660	27,000	19,600	20,000	28,000	1,000	3.7%	8,400	42.9%	8,000	40.0%
V Fuel - Unleaded	227,377	241,013	140,674	203,000	112,000	243,000	227,000	24,000	11.8%	115,000	102.7%	(16,000)	-6.6%
Oil & Lubricants	3,485	3,281	3,337	3,000	5,000	7,000	4,000	1,000	33.3%	(1,000)	-20.0%	(3,000)	-42.9%
Supplies and materials	545,176	574,359	426,306	518,000	360,900	528,000	537,000	19,000	3.7%	176,100	48.8%	9,000	1.7%
Personnel Services	5,298	2,953	2,627	4,000	6,000	2,000	6,000	2,000	50.0%	-	0.0%	4,000	200.0%
ARFF Physicals	8,070	3,554	6,203	6,000	5,000	5,000	6,000	-	0.0%	1,000	20.0%	1,000	20.0%
W Professional Services - Other	156,781	90,036	42,041	96,000	35,500	35,500	34,000	(62,000)	-64.6%	(1,500)	-4.2%	(1,500)	-4.2%
X Purchased Services	5,459	7,886	8,372	7,000	14,800	14,800	14,000	7,000	100.0%	(800)	-5.4%	(800)	-5.4%
Y Security Guard	165,943	233,948	205,231	202,000	216,800	215,000	267,000	65,000	32.2%	50,200	23.2%	52,000	24.2%
Z Professional Services - Legal	50,642	50,447	91,658	64,000	90,000	110,000	120,000	56,000	87.5%	30,000	33.3%	10,000	9.1%
Professional Services - Acct	42,440	42,874	39,701	42,000	41,900	42,000	43,000	1,000	2.4%	1,100	2.6%	1,000	2.4%
AA Professional Services - It	122,872	105,682	132,739	120,000	120,000	120,000	129,000	9,000	7.5%	9,000	7.5%	9,000	7.5%
AB Professional Svcs - Eng & Plan	1,920	55,094	34,845	31,000	212,000	185,000	150,000	119,000	383.9%	(62,000)	-29.2%	(35,000)	-18.9%
AC Fingerprint Processing	19,612	11,112	18,000	16,000	12,000	14,000	20,000	4,000	25.0%	8,000	66.7%	6,000	42.9%
Contract services	579,037	603,586	581,417	588,000	754,000	743,300	789,000	201,000	34.2%	35,000	4.6%	45,700	6.1%
AD Repairs & Maintenance	223,223	418,405	191,081	278,000	179,200	179,000	187,000	(91,000)	-32.7%	7,800	4.4%	8,000	4.5%
Access System Maintenance	2,589	226	7,726	4,000	-	-	-	(4,000)	-100.0%	-	0.0%	-	0.0%
AE Boarding Bridge Maintenance	28,611	12,840	14,644	19,000	24,000	50,000	24,000	5,000	26.3%	-	0.0%	(26,000)	-52.0%
AE Elevator & Escalators	28,936	24,066	4,142	19,000	37,400	37,400	37,000	18,000	94.7%	(400)	-1.1%	(400)	-1.1%
Copier Service	7,176	5,140	8,825	7,000	10,900	9,000	11,000	4,000	57.1%	100	0.9%	2,000	22.2%
AF Pavement Maintenance	58,880	73,739	34,098	56,000	65,000	65,000	65,000	9,000	16.1%	-	0.0%	-	0.0%
Tower Repairs & Maintenance	13,887	10,888	19,609	15,000	18,000	28,000	18,000	3,000	20.0%	-	0.0%	(10,000)	-35.7%
AG Landscaping	6,873	3,044	4,802	5,000	5,000	8,000	11,000	6,000	120.0%	6,000	120.0%	3,000	37.5%

GJRAA  
2022 BUDGET  
Company Wide - Operating Expenses

Account Name	2018 Actual	2019 Actual	2020 Actual	2018-2020 Avg	2021 Budget	2021 Forecast	2022 Budget	Variance to 18-20 Avg		Variance to 2021 Budget		Variance to 2021 Forecast	
								\$	%	\$	%	\$	%
AH SRE Repairs & Maintenance	20,449	19,715	42,092	27,000	30,000	19,000	25,000	(2,000)	-7.4%	(5,000)	-16.7%	6,000	31.6%
Repairs & maintenance	390,624	568,063	327,019	430,000	369,500	395,400	378,000	(52,000)	-12.1%	8,500	2.3%	(17,400)	-4.4%
AI Insurance	92,983	108,989	122,503	108,000	132,000	135,000	140,000	32,000	29.6%	8,000	6.1%	5,000	3.7%
Insurance	92,983	108,989	122,503	108,000	132,000	135,000	140,000	32,000	29.6%	8,000	6.1%	5,000	3.7%
AJ Education & Training	69,667	88,349	37,929	65,000	58,500	45,000	77,000	12,000	18.5%	18,500	31.6%	32,000	71.1%
AJ Travel & Meetings	17,196	15,647	3,405	12,000	8,000	8,000	15,000	3,000	25.0%	7,000	87.5%	7,000	87.5%
Professional Dues	17,237	15,769	17,803	17,000	17,600	20,000	18,000	1,000	5.9%	400	2.3%	(2,000)	-10.0%
Licenses & Fees	232	(11)	2,150	1,000	1,000	3,000	1,000	-	0.0%	-	0.0%	(2,000)	-66.7%
Publications	1,540	2,120	326	1,000	2,500	1,000	1,000	-	0.0%	(1,500)	-60.0%	-	0.0%
Meals	2,782	3,773	4,690	4,000	4,000	4,000	4,000	-	0.0%	-	0.0%	-	0.0%
AK Marketing	51,578	20,958	39,188	37,000	40,000	75,000	70,000	33,000	89.2%	30,000	75.0%	(5,000)	-6.7%
AL Air Service Development	67,573	73,952	52,132	65,000	80,000	80,000	85,000	20,000	30.8%	5,000	6.3%	5,000	6.3%
AM Other	4,777	16,535	15,424	11,000	-	13,000	10,000	(1,000)	-9.1%	10,000	0.0%	(3,000)	-23.1%
AN Contingency	9,259	3,596	-	4,000	100,000	-	100,000	96,000	2400.0%	-	0.0%	100,000	#DIV/0!
Other	241,841	240,688	173,047	217,000	311,600	249,000	381,000	164,000	75.6%	69,400	22.3%	132,000	53.0%
Total Operating Expenses	4,262,288	4,810,543	4,306,692	4,462,000	4,870,700	4,862,700	5,268,000	806,000	18.1%	397,300	8.2%	405,300	8.3%



GJRAA  
2021 BUDGET  
Company Wide - Non-Operating Activity

								Variance to 18-20 Avg				Variance to 2021				
								Actual								
Account Name				2018 Actual	2019 Actual	2020 Actual	2018-2020 Avg	2021 Budget	2021 Forecast	2022 Budget	\$	%	\$	%		
Non-operating revenue (expenses)																
AO	Passenger facility charges	1,019,592	1,050,179	614,796	894,856	625,200	939,500	1,004,000	109,144	12%	378,800	61%	64,500	7%		
AP	Interest income	197,675	225,138	67,958	163,590	41,600	41,600	38,000	(125,590)	-77%	(3,600)	-9%	(3,600)	-9%		
AQ	Interest expense	(648,435)	(618,458)	(597,230)	(621,374)	(768,500)	(768,500)	(740,000)	(118,626)	19%	28,500	-4%	28,500	-4%		
AR	Customer facility charges	724,213	741,145	278,624	581,327	393,000	599,300	636,000	54,673	9%	243,000	62%	36,700	6%		
Federal Grant revenue				10,154,050	6,004,320	5,411,787	7,190,052	18,417,000	19,809,000	23,936,000	16,745,948	233%	5,519,000	30%	4,127,000	21%
Non-Federal Grant Revenue				-	-	199,656	66,552	-	355,000	3,221,000	3,154,448	4740%	3,221,000	100%	2,866,000	807%
AS	Capital contributions	10,154,050	6,004,320	5,611,443	7,256,604	18,417,000	20,164,000	27,157,000	19,900,396	274%	8,740,000	47%	6,993,000	35%		
Capital expense - AIP				(13,220,803)	(6,560,738)	(5,931,973)	(8,571,172)	(19,022,000)	(20,209,000)	(28,286,000)	(19,714,828)	230%	(9,264,000)	49%	(8,077,000)	40%
Capital expense - Non AIP				(1,473,722)	(5,034,054)	(2,269,262)	(2,925,679)	(1,781,500)	(1,781,500)	(2,000,000)	925,679	-32%	(218,500)	12%	(218,500)	12%
AT	Capital expenditures	(14,694,525)	(11,594,792)	(8,201,235)	(11,496,851)	(20,803,500)	(21,990,500)	(30,286,000)	(18,789,149)	163%	(9,482,500)	46%	(8,295,500)	38%		
AQ	Debt principle payments	(1,130,752)	(924,673)	(728,349)	(927,393)	(735,000)	(735,000)	(765,000)	162,393	-18%	(30,000)	4%	(30,000)	4%		
AU	Total relief grant funding	-	-	4,094,829	1,364,412	2,102,900	4,000,000	3,062,000	1,697,588	124%	4,021,100	191%	(938,000)	-23%		
Total Non-operating revenue (expenses)		(4,378,182)	(5,117,141)	1,140,836	(2,784,829)	(727,300)	2,250,400	106,000	2,890,829	-104%	833,300	-115%	(2,144,400)	-95%		

## Activity Assumptions

- **2022 Commercial Passenger Landings:** Commercial landings and airline seat capacity is estimated based on the average daily flight schedule by route, by carrier, and by aircraft type flown. We are projecting that the flight frequency will almost fully recover to 2019 levels, but that load factors and passengers will still be below 2019. With the uncertainty surrounding travel patterns in the cold and flu season, we are projecting a higher summer peak season, similar to what has been experienced in 2021. Additionally, to be conservative, we have not included any flights to new routes and did not include any Denver Air Connection activity since they are not currently operating. Based on these assumptions, we estimate the following average flight schedule, seat capacity, and commercial landed weight for 2022:

Average Scheduled flights/day by Route		
	2022	2019
United - Denver	4.4	4.6
American - Dallas	3.0	2.8
American - Phoenix	2.0	2.4
Delta - Salt Lake City	3.1	3.0
Frontier - Denver	0.1	-
Allegiant - All routes	0.4	0.6
	13.0	13.4
Estimated 2022 Seat Capacity	321,747	
2019 Actual Seat Capacity for the same carriers	330,626	
2022 Capacity reduction from 2019 %	-2.7%	
Estimated 2021 Commercial Landed Weight in pounds	301,904,081	
2019 Actual Commercial Landed Weight in pounds	312,091,717	
2022 Commercial Landed Weight reduction from 2019 %	-3.3%	

- **2022 Passenger Enplanements:** At the beginning of the pandemic and during the 2021 budget process, we assumed that it would take three years to fully recover to 2019 passenger levels. With the strong 2021 summer performance, we think we could see full recovery by the end of 2022 instead of 2023. For the budget assumptions on passenger levels, we assumed another strong summer season in 2022 but lower numbers in the other seasons. Based on these assumptions, we estimate the following passenger enplanements and load factors for 2022 compared to 2019:

	Q1 Enpl	Q2 Enpl	Q3 Enpl	Q4 Enpl	Total Enpl
2022	48,759	65,669	68,497	64,037	246,962
2019	55,376	67,579	67,562	69,105	259,622
2022 % change from 2019	-12%	-3%	1%	-7%	-5%
2022 Estimated Avg Load Factor	68%	78%	79%	78%	76%
2019 Load Factor	80%	79%	79%	77%	79%

## 2022 Budget Variance Explanations & Detailed Assumptions

### Operating Revenues

#### Aeronautical Revenues

- A **Passenger airline landing fees** are based on estimated commercial aircraft landed weight times the stated landing fee. For 2022 the commercial landed weight was estimated based on the average daily flights by route, by carrier, and by the aircraft typically flown. GJRAA is proposing to decrease the landing fee in 2022 by 5%. Based on these assumptions, the 2022 budget reflects a decrease in passenger airline landing fees.
- B **Terminal rent** is comprised of preferred space leased by the airlines (ticket counters, office space, and baggage handling garage space) and paid based on a per square foot rate, and joint use space (ticket queuing, security, and boarding area) that is allocated to the airlines based on the number of passengers each month. Joint use space comprises approximately 78% of the passenger airline leased space in the terminal (\$945,000) and the airline preferred space makes up the other 22% (\$269,000). Terminal rent for 2022 assumes no change in the amount of total airline leased space and a decrease of 5% in the rate per square foot. Based on discussions with the airlines, they have no plans to reduce space at GJRAA at this time.
- C **Other passenger airline revenue** is from boarding bridge fees charged each time an airline utilizes a boarding bridge to unload and load a plane ("turn"). For 2022, the number of boarding bridge turns was estimated based on the average number of flights per day by route and by carrier that use the bridge, with no adjustment for construction projects. The 2022 per turn rate will remain the same as the 2021 rate at \$10.00/turn.

- D Non-passenger landing fees represent landing fees charged for cargo activities and firefighting operations and are based on the landed weight of the aircraft times the stated landing fee. FedEx is the primary cargo carrier at the airport and has maintained a fairly consistent schedule over the past four years. The 2022 landed weight budget assumes that Fed Ex will fly the same schedule as 2019 and does not include any projected landed weight from firefighting activities since this is unpredictable and fluctuates each year. GJRAA is proposing to decrease the landing fee by 5% in 2022.
- E Cargo and hangar rental revenue is based on a fixed rate stated in the lease and is subject to an annual increase on April 1 each year based on the consumer price index (CPI). For 2022, the we estimated the CPI rate at 1%.
- F State fuel tax disbursement revenue represents taxes collected on jet fuel and avgas sales at the airport that are collected by the state and then remitted back to the airport. Historically fuel tax revenue has a positive correlation to commercial aircraft activity, therefore the 2022 budget assumes that fuel tax revenues will be down approximately 3% from 2019, the same as the anticipated commercial landed weight.
- G Fuel flowage fees are a per gallon charge collected by West Star from all aircraft operation fueling at the airport except commercial and cargo activities and remitted to GJRAA on a monthly basis. In 2020 and 2021, general aviation and non-commercial activity recovered much faster than commercial activity and even exceeded the number of operations in 2019. However, fuel sales and flowage revenues has not correlated as closely to activity and is still below 2019. The 2022 budget assumes average monthly fuel flowage fees equal to the average revenue received from January 2021 - July 2021.
- H Airside fuel sales revenue represents revenue collect from diesel and unleaded fuel sales by GJRAA to the airlines for their tugs, de-ice trucks, and other equipment. Since airside fuel sales are somewhat dependent on activity, the 2022 budget assumes revenue will be approximately \$3,500 below 2019.
- I Rapid refuel charges for military refueling activity and airplane ramp parking are assumed to remain consistent with the historical average revenues.

#### Non-Aeronautical Revenues

- J Land and building lease revenue is based on the existing general aviation (GA) leases. The majority of the leases are subject to a CPI increase on April 1 of even years. For 2022, GJRAA assumed a 1% CPI increase to current rates with no change in the amount of space rented.
- K Non-aeronautical revenues including restaurant and retail, parking, and ground transportation vary with passenger traffic and were estimated based on a revenue per enplanement rate times the estimated number of passengers. Historical and current revenue per passenger rates were used to inform the rates for 2022. Those rates are listed below:

	2022 Budget	Jan - Jul 2021	2020	2019	2018
Restaurant/Retail	\$ 0.65	\$ 0.63	\$ 0.63	\$ 0.64	\$ 0.60
Rental Car Gross Revenue	\$ 4.25	\$ 4.74	\$ 4.39	\$ 3.54	\$ 3.80
Parking	\$ 5.05	\$ 5.01	\$ 5.20	\$ 5.94	\$ 5.84
Ground transportation	\$ 0.21	\$ 0.20	\$ 0.22	\$ 0.28	\$ 0.21

- L Terminal office space rent is from office space leased to the TSA . The existing TSA lease expires in September 2021 and based on current contract negotiations, we have adjusted office rent based on the intended amount of space to be rented at the estimated rent rate.
- M Rental car revenue consists of fixed fees from office and service area rent, variable revenues from the contractual percentage of gross revenue, and fuel sales to rental car companies. For the 2022 budget, GJRAA assumed no change in the office rent rate per square foot, but assumed a 1% CPI increase for the service area rent rate according to the lease terms. Rental car fuel sales have historically averaged about 20% of the percent of gross revenue received from rental cars, therefore this assumption was used for the 2022 budget. The variable revenue from rental car activity was estimated based on a revenue per passenger rate noted above.
- N Security fees represent the amounts charged to issue and renew badges at the airport for employees, tenants, GA members, and contractors. Badge renewals occur every two years, so security fees in odd years and even years are historically consistent. Based on the renewal cycle for badges in an odd year, the 2022 budget assumes revenue will be comparable to 2020.
- O Other revenue primarily includes revenues from vending machines, advertising, and parking tickets. With the terminal renovations that were completed in 2019 and 2020, all recurring advertising contracts expired and old signs and backlit displays were removed and relocated in the terminal. The 2022 budget assumes other revenues will remain low since there are no active advertising contracts at this time.

## Operating Expenses

Assumptions and explanations are provided below for budgeted operating expenses that have a variance to the 2018-2020 average actual expense, 2021 budget, or the 2021 forecast of greater than \$5,000. Those expense categories that are not variable in nature that have variances of less than \$5,000 were based on historical average spending, therefore no additional explanation is provided below.

- P The 2022 budget for personnel compensation and benefits is based on 31 full-time employees and 2 part-time positions. As of September 2021, GJRAA has 28 full time employees. The proposed budget assumes three additional full-time positions will be filled by the beginning of 2022 and we plan to reinstate the internship program in the summer of 2022. The additional full-time positions are needed to replace a vacancy in the custodial staff, hire a new director of external affairs, and a full time office administrator. The budget also assumes an average salary increase of 5% for all existing employees since wages were held flat in 2021.

Other compensation expenses are budgeted based on a percentage of total wages. The following table shows the budgeted and actual employees (as of September 30) over the past four years for comparative purposes.

	2022	2021	2020	2019	2018
Budget	31 FT, 2 PT	30 FT, 1 PT	30 FT, 3 PT	30 FT, 4 PT	29 FT, 0 PT
Actual at 9/30	N/A	29 FT, 0 PT	28 FT, 0 PT	28 FT, 1 PT	25 FT, 2 PT

FT Employees by Department	Budget	Actual - 9/30	Actual	Actual	Actual
Director Level	5	4	5	6	4
Facilities	7	7	6	6	6
Custodial	6	6	6	6	4
Operations	8	8	7	7	8
Administration	5	4	4	3	3
	31	29	28	28	25

- Q Health insurance is based on the current plan enrollment and rates, with an additional contingency budgeted for vacant positions and additional increases possible with the anticipated January 1 - December 31 plan year change.
- R Utilities budget in 2022 was developed based on historical average costs and current monthly rates for gas, water, trash, and sewer. We received notice from Xcel Energy that electric rates are expected to increase approximately 12% in 2022, therefore we have increased our electric budget accordingly. The utilities do take into account the solar garden subscriptions which are netted against the expense. The budget has been increased for cell phones and phone service to allow for a replacement of old devices, purchase of new devices for new employees, and upgrades to smart-phones for select employees to increase functionality.
- S Budgeted materials and supplies in 2022 took into account the average historical expenses incurred and added some additional budget for needed replacements to the grounds for landscaping and some additional budget for the anticipated increase in passengers. COVID-19 materials and supplies incurred in 2020 represented the purchase of sanitizing tools, masks, mask stands for distribution, and other costs that were unintended and purchased in bulk at the beginning of the pandemic. We are not continuing to segregate these costs and instead, will be incorporated any necessary purchases into the regular supplies account.
- T Tools and equipment budget includes investments in equipment purchases below our capitalization policy of \$5,000 and is distributed amongst the departments to allow for regular replacements of computers, IT equipment, small tools, and fire fighting equipment. The budget for 2022 is below the historical average spending, however, 2018 and 2019 included significant investments in furniture, computers, and other equipment purchases associated with the terminal remodel that were below the capitalization threshold, but originally budgeted as capital projects.
- U Glycol disposal costs are dependent on the amount of glycol collected and the number of times the tank is emptied in a year. The glycol system is being replaced as part of the 2021 West Apron project and we do anticipate that that system will become more efficient in collection, but until the new system has been used and we can estimate costs more accurately, we are budgeting for two annual disposals with an average cost per disposal of approximately \$10,000.
- V Fuel expenses are driven by activity levels at the airport as the majority of the diesel and unleaded fuel purchased by the airport is sold to the airlines and rental car tenants. With the anticipated passenger traffic and activity levels and rising fuel prices, we anticipate that fuel expenses will be comparable to 2018-2019. From 2017 - 2020, all expenses for fuel purchases were fully recovered by fuel revenue sales as we charge tenants \$1/gallon above GJRAA's cost. The 2021 forecast and 2022 budget reflect a more conservative estimate where fuel costs will exceed revenue by approximately \$10,000.

- W Professional services - other is primarily for our annual Moody's bond rating, ongoing structural monitoring of the terminal building, and interior design costs. The decrease from the historical average reflects the fact that the Airport discontinued the use of temporary labor used to supplement landside employees in 2020. The 2022 budget continues to exclude temporary labor as we have budgeted for additional employees and had better results in 2020 and 2021 allocating employee resources than utilizing temporary labor.
- X Purchased services represents budgeted costs for outsourced services and annual service subscriptions including: cable TV, terminal music, plant care, window cleaning, and carpet cleaning. The increase in the 2022 budget from the historical average spending is due to the increase in the amount of carpet in the terminal and anticipation of additional deep cleaning services.
- Y Security guard costs budgeted for 2022 reflect estimated security hours at the contractual rate. Security hours have been expanded recently as the flight schedules expand and for 2022 the budget reflects coverage for 23 hours per day. This is a conservative estimate, however, security is a top priority for the airport. In June 2020, GJRAA received an award from TSA to reimburse a portion of security costs. The security guard expense budget reflects the full cost expected in 2022, however, grant revenues of \$71,000 are anticipated and included in non-operating revenue, making the net security cost to GJRAA approximately \$196,000.
- Z Professional services - legal budgeted for 2022 represents a budget of \$10,000/ month. While this is higher than the actual historical expenses, GJRAA has four major contract procurements scheduled, anticipates re-starting airline lease negotiations, and plans to continue improving governance documents in 2022 and an increase is needed to accomplish these objectives.
- AA Professional Services - IT costs have fluctuated in prior years between approximately \$100k - \$130k and include the monthly support services from our outsourced IT provider, subscription services for accounting software, operations software, gate information display systems, and other software support and subscriptions. For 2022, the budget reflects anticipated costs close to the historical maximum that has been spent as IT is an increasingly important investment for the airport.
- AB Engineering and planning professional services budget is to support non-AIP eligible planning and engineering services at the airport as well as the Capital Improvement Plan (CIP) manager time to help oversee the runway program and overall CIP schedule for the Airport. In 2021, projects included a study on the 29 Road interchange alternatives, the general aviation drainage study, preparation of disadvantaged business enterprise goals, and terminal planning in addition to the CIP manager costs. GJRAA has worked with the FAA to identify and maximize AIP eligible tasks that the CIP Manager is involved in, but the 2022 budget is a conservative estimate to ensure that all necessary tasks of the CIP Manager and other non-AIP eligible projects for general aviation can be accomplished.
- AC Fingerprint Processing budget is for the actual cost of running background checks and fingerprint checks for badges. Badges are on two-year renewal cycles and the majority of badges are renewed in even years therefore the budget in 2022 reflects an increase from the 2021 budget and forecast, but is consistent with 2018 and 2020.
- AD The decrease in repairs and maintenance costs from 2018-2019 reflects planned reductions in remodel and improvement projects. Actual expenses in 2018-2019 include costs that were originally budgeted as part of the larger capital improvement projects in the terminal, but were not capitalized as assets according to our capitalization policy and were ultimately reclassified to repairs and maintenance (i.e. painting, bathroom fixture upgrades, miracle method, etc.). The 2022 budget reflects regular ongoing maintenance costs consistent with 2020 and the forecast and budget for 2021.
- AE Boarding bridge maintenance and elevator and escalator maintenance costs were budgeted to increase above historical average spending due to the installation of a new bridge and new escalators in 2019, but be consistent with the 2021 budget. The increase in the forecasted costs in 2021 are due to unanticipated repairs needed for one of the boarding bridges. We do not foresee additional major repairs in 2022 and are not budgeting for them. Should additional issues arise, we will balance these costs with the contingency or other repairs and maintenance budget, but do not believe it is necessary to inflate this budget category individually.
- AF Pavement maintenance costs are budgeted annually for rubber removal and repainting, crack seal, and other small recurring repairs. The amount budgeted has been increased compared to the historical average to account for higher unit costs that were seen during 2021.
- AG Landscaping costs are budgeted annually for tree and shrub replacements and perennial flowers for the beds throughout the airport property. The landside employees in conjunction with the City of Grand Junction have seen a decline in health of trees in the area and therefore this budget has been increased for additional replacements that are anticipated.
- AH SRE repairs and maintenance are expected to decrease slightly in 2022 compared to the historical average spending from 2018-2020. In 2020, a major repair was completed on one piece of equipment and we have no individually large, planned repairs at this time. The snow removal fleet continues to age and staff are evaluating the existing fleet and the estimated cost of replacing the fleet (considering both new and available used equipment). At this time, the most cost effective option is to maintain the existing equipment, but we are continuing to evaluate and develop replacement plans.
- AI Insurance expense is budgeted to increase in 2022 based on the increases in the previous years' policy renewal and the anticipated investment in additional assets. We will continue to use a broker to evaluate different insurance carriers and options, however, the 2022 budget is protecting for another rate increase.

- AJ Education & training and travel and meetings expense was significantly reduced in 2020 and 2021 due to the pandemic, however, for 2022, the budget has been increased to previous historical average levels. GJRAA recognizes the value in providing staff training to maintain annual certifications, improve safety, and advance staff knowledge and opportunities. While the GJRAA will continue to evaluate cost and safety when selecting conferences and training programs, we plan to lift restrictions on traveling for live conferences.
- AK Marketing expenses forecast in 2021 include additional marketing efforts that have been planned to increase awareness about new routes in 2021. The increase in budget for 2022 reflects the GJRAA's goal of developing a new website, continuing to increase brand awareness in the community for another year, and to protect for airline marketing incentives should a qualifying airline bring a new route.
- AL Air service development budget was increased by \$5,000 from the 2021 budget. This budget includes anticipated costs for data, an updated leakage study, research, reporting, and travel by both the Executive Director and Air Service Consultants to air service conferences, and airline headquarter meetings to further the air service goals of the airport and community.
- AM The other expense category in prior years was used to budget expenses for non-recurring events including the air show and tri-annual training costs. In 2022, the Airport will host the annual Colorado Airport Operators Association conference and a budget of \$10,000 has been included for this special event.
- AN GJRAA continues to provide for a contingency budget for unanticipated major repairs that might arise given the age of the facilities and fleet at the airport and some of the deferred maintenance that has been identified. Historically, the GJRAA has been under budget in other operating expense categories and has not needed the additional contingency expense to maintain spending within appropriations, but to be conservative, this budget will continue to be provided. The amount is approximately two percent of the total operating expense budget and is consistent with prior budgets.

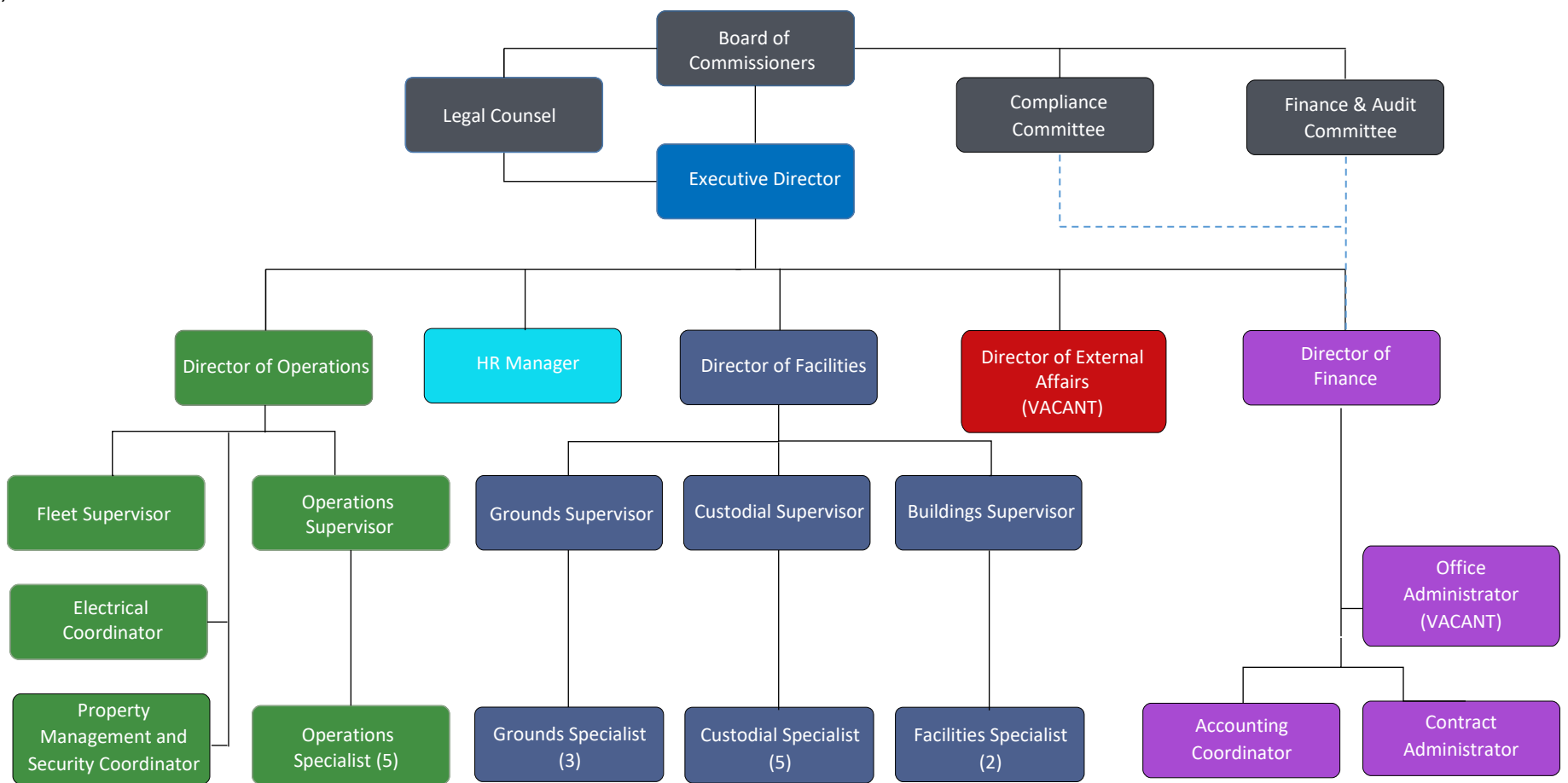
### **Non-Operating Activity**

- AO Passenger facility charge (PFC) revenue was budgeted based on the historical revenue per enplanement times the projected enplanements for the year. The PFC rate is legislated and GJRAA charges the maximum allowed rate.
- AP Since interest rates remain low and the average cash balance is not expected to change significantly, the 2022 budgeted interest income is based on average monthly income earned in 2021 through July.
- AQ Interest expense and debt principle payments are based on scheduled debt repayments.
- AR Customer facility charge (CFC) revenue was budgeted based on estimated rental car rental days times the current rate of \$4/day.
- AS Capital contributions were estimated based on expected annual funding from the FAA for AIP projects, the law enforcement officer reimbursement contract from TSA, and anticipated grants from CDOT associated with airfield projects. AIP grants anticipated in 2022 according to the airport CIP plan assume the FAA will revert to funding 90% of the project costs and the GJRAA will be responsible for 10% of the costs. Refer to the attached project schedule for a more detailed list of anticipated grant funded projects and spending in 2022.
- AT Capital expenditures includes approximately \$28.3M in AIP projects and \$2.0M in Non-AIP projects. The attached project schedule details the anticipated AIP funded projects that are budgeted for 2022. While CDOT has indicated that they may not be able to fund the Runway 4/22 rehabilitation until 2024, we have included it within the budget in case funding can be accelerated. For the non-AIP projects, airport staff have accumulated a list of possible airport funded projects to be completed in 2022, however, we have not estimated costs or prioritized projects at this time. Instead, the budget of \$2.0M represents the maximum planned investment by the airport to meet the cash and financial objectives of the budget. We plan to use the Airport Development Plan to help inform where that investment will be most effective.
- AU Total relief grant funding reflects the planned draw downs in 2022 of the remaining relief grants (CARES Act, ACRGP, and ARPA). At this time we plan to draw down funds at a rate of approximately \$4.0M per year until we have fully drawn the funds so the airport can establish capital and operating reserves for the future.

AIP & CDOT FUNDED AIRFIELD PROJECTS	Project Cost Estimate	Total FAA Funding		Colorado Discretionary		Local - GJRAA Cost		Prior Years	2021	2022
AIP 66 - Rehabilitate West Commercial Apron and Temp Runup Pad	12,921,483	12,921,483	100%	-	0%	-	0%	491,759	12,430,000	-
AIP 67 - Twy A & 11/29 Rehab Construction	5,666,666	5,666,666	100%	-	0%	-	0%	-	5,666,666	-
AIP 68 - Grading & Drainage Design	1,368,391	1,368,391	100%	-	0%	-	0%	-	1,368,391	-
Rehabilitate Runway 4/22 - Design	393,113	-	0%	300,000	76%	93,113	24%	-	393,113	-
AIP 69 - Airport Development Plan	1,039,904	1,039,904	100%	-	0%	-	0%	-	312,000	728,000
AIP 72 - Grading & Drainage Construction - Sch 1 - 3	15,658,030	15,658,030	100%	-	0%	-	0%	-	100,000	15,558,000
AIP TBD - Grading & Drainage Sch 4 Sitework	7,000,000	6,300,000	90%	-	0%	700,000	10%	-	-	7,000,000
AIP TBD - NAVAIDS & Utilities	5,000,000	4,500,000	90%	-	0%	500,000	10%	-	-	1,500,000
Rehabilitate Runway 4/22 - Construction	3,500,000	-	0%	3,150,000	90%	350,000	10%	-	-	3,500,000
	<b>\$ 70,547,587</b>	<b>\$ 63,654,474</b>	<b>90%</b>	<b>\$ 3,450,000</b>	<b>5%</b>	<b>\$ 3,443,113</b>	<b>5%</b>	<b>\$ 491,759</b>	<b>\$ 20,270,170</b>	<b>\$ 28,286,000</b>

**Funding Source**

Federal portion	\$ 491,759	\$ 19,877,057	\$ 23,936,000
State portion	-	300,000	3,150,000
GJRAA Portion	-	93,113	1,200,000
	<b>\$ 491,759</b>	<b>\$ 20,270,170</b>	<b>\$ 28,286,000</b>





## Grand Junction Regional Airport Authority

### Agenda Item Summary

TOPIC:	Airport Development Plan - Visioning Workshop		
PURPOSE:	Information <input checked="" type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input type="checkbox"/>
RECOMMENDATION:	N/A		
SUMMARY:	<p>The visioning workshop will provide an update on the progress of the airport development plan and inform the strategy over the coming year. The workshop will include:</p> <ol style="list-style-type: none"><li>1. A facilitated discussion about the airport mission statement to provide clarity and direction for the overall Airport Development Plan.</li><li>2. An explanation of the progression of the planning efforts in “order of operation” and level of effort will be discussed.</li><li>3. Definition of “planning activity levels” and how this strategic tool will be used to inform future levels of activity that trigger the need for capital projects.</li><li>4. A discussion regarding the level of service and how future expansion and designs incorporate this concept.</li></ol>		
REVIEWED BY:	Executive Director		
FISCAL IMPACT:	N/A		
ATTACHMENTS:	Airport Development Plan Visioning Slide Deck		
STAFF CONTACT:	Angela Padalecki <a href="mailto:apadalecki@gairport.com">apadalecki@gairport.com</a> Office: 970-248-8588		

# Airport Development Plan

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## Board Workshop

October 5, 2021

**InterVISTAS**

a company of Royal HaskoningDHV



# Agenda for this workshop session



- Mission statement discussion
- Planning progression
- Strategic tools
  - Planning activity levels
  - Level of service

# Mission statement serves both internal and external purposes



## *Internally*

- Guide management's thinking on strategic issues, especially during times of significant change
- Help define performance standards
- Inspire employees to work more productively by providing focus and common goals
- Guide employee decision making
- Help establish a framework for ethical behavior

*Source: Bain*

## *Externally*

- Enlist external support
- Create closer linkages and better communication with customers, suppliers and alliance partners
- Serve as a public relations tool

# 3 questions which inform enterprise mission



What do we do and how do we do it?

Whom do we do it for?

What value do we bring?

# Proposed mission and requisite core values

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**Mission:** promote economic growth in the western Colorado and Eastern Utah region, through the provision of safe, reliable, and sustainable aviation facilities.

## Core Values

- **Service:** We strive to meet the aviation needs of western Colorado and eastern Utah with a positive attitude, reflecting the community we're privileged to serve.
- **Integrity:** We're open, honest, admit mistakes, and keep the long-term interest of the airport in mind.
- **Teamwork:** We treat each other respectfully, work together, trust each other, and communicate openly to get results.
- **Balance:** We're dedicated to our work and our personal lives to optimize productivity while having fun.
- **Ambition:** We proactively exercise foresight and innovation while challenging the status quo.

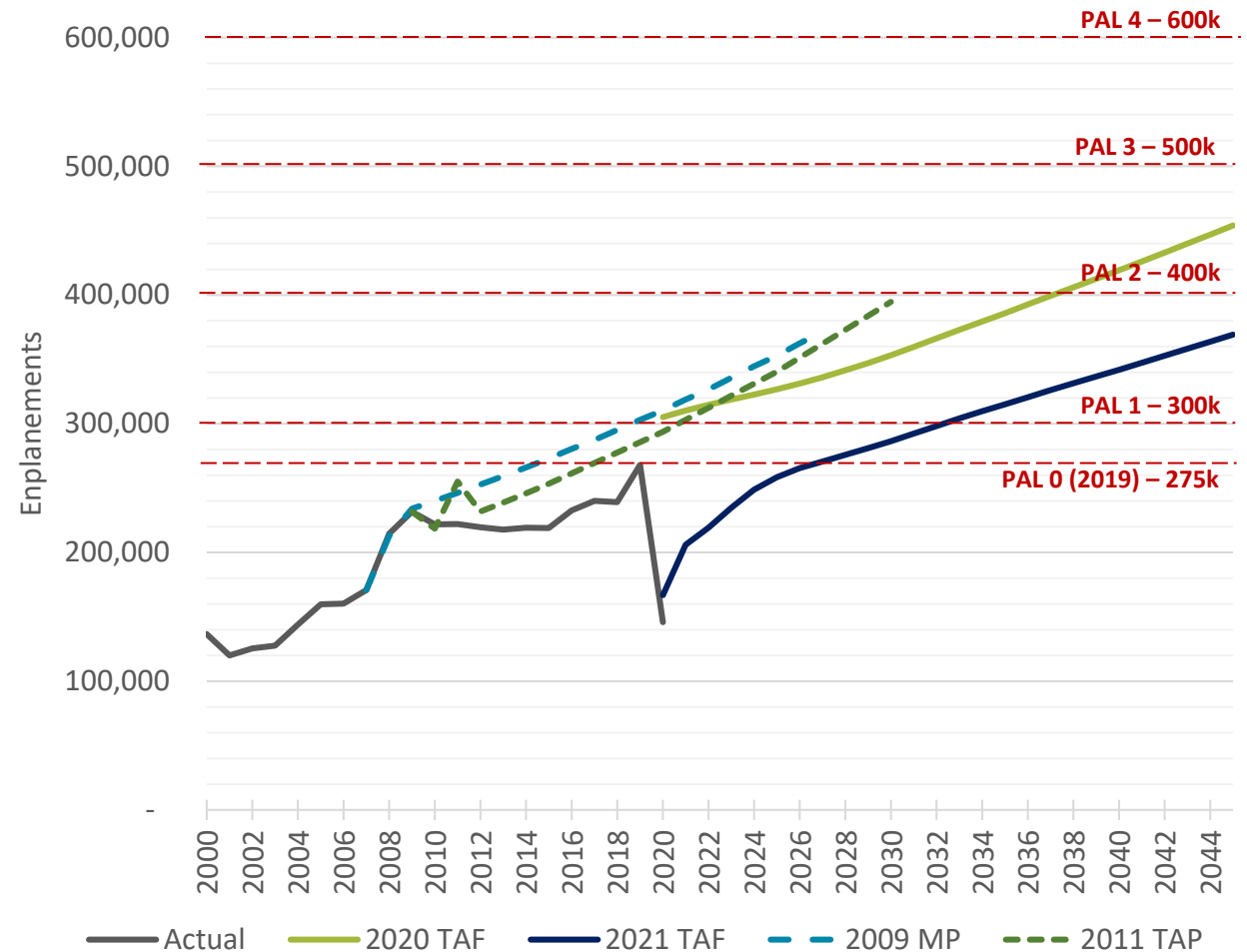
# Planning progression – an “order of operations”

1. Airfield
  - Most rigid requirements given FAA standards, safety areas, best practices
  - Largest amount of capital investment, ongoing maintenance
  - Largest land area
2. Passenger terminal “platform”
  - Significant land required
  - Optimal location dictated by airfield configuration as well as regional roadway access
  - Significant capital investment in apron, building, etc.
3. General aviation & air cargo
  - Require taxiway frontage, with good access to airport roadway system
  - Smaller land envelope(s) required
  - Core function of the airport
4. Ancillary facilities and functions
  - Non-aeronautical development
  - Other



# Planning activity levels – a strategic tool, outlook 600k epax

- There is a level of uncertainty associated with long-range demand forecasting and associated planning of airport facilities
- Planning activity levels (“PALs”) inform the future levels of activity at which facilities may trigger the need for additional capacity
- PALs help to disassociate projects from specific years as realized activity levels may occur earlier or later than the forecast predicts
- Allows airport management to accelerate/ decelerate capital projects based on how demand occurs

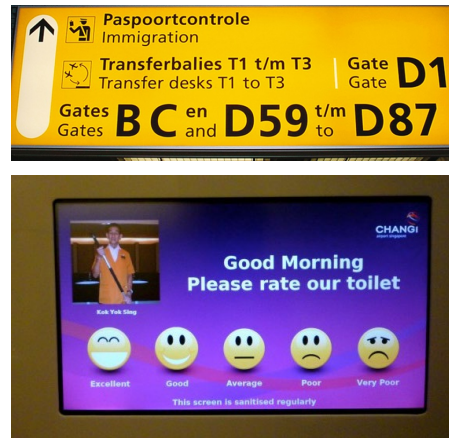




# Level of service – the concept is broad

- Generic term that describes, qualitatively or quantitatively, the service provided to passengers at various points and serves as basis for capacity assessments
  - Passenger convenience
  - Degree of congestion or crowding
  - Amount of waiting or processing time
  - Length of passenger queues

## Qualitative



## Quantitative



# Level of service – terminals

- **Under-provided** – unacceptable in terms of both space and waiting time, with facility reconfiguration required
- **Suboptimum** – an environment that is constrained and not comfortable for passengers
- **Optimum** – recommended as the minimum design objective
- **Overdesign** – viewed as having no upper bound and may be considered excessive

*Overdesign will not necessarily result in better level-of-service*

		Space		
		Excessive or empty space	Accommodates functions comfortably	Crowded and uncomfortable
Time	Overprovision of resources	Overdesign	Optimum	Sub-Optimum
	Acceptable processing and waiting times	Optimum	Optimum	Sub-Optimum
	Unacceptable processing and waiting times	Sub-Optimum	Sub-Optimum	Under-Provided

# Level of service – public parking



Parking level of service typically reflects:

- Customer's ability to quickly find an available space
- Quality of the parking space
- Ease of vehicle and pedestrian circulation
- Ease of exit
- Additional amenities

# Public parking – level of service in practice

- ☒ Spaces obstructed by lights & drain



