

Rising Above.

*Service
Cleanliness
Efficiency
Attitude*

Wilkes Barre/Scranton International Airport
Proposed Budget 2017

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OPERATING REVENUES:

- **Airline Revenue will increase by approximately 2% using new Rates and Charges Model**
- **Ground lease will increase when new PSP (Pennsylvania State Police) Hangar opens in approximately April**
- **Maintaining parking rates**

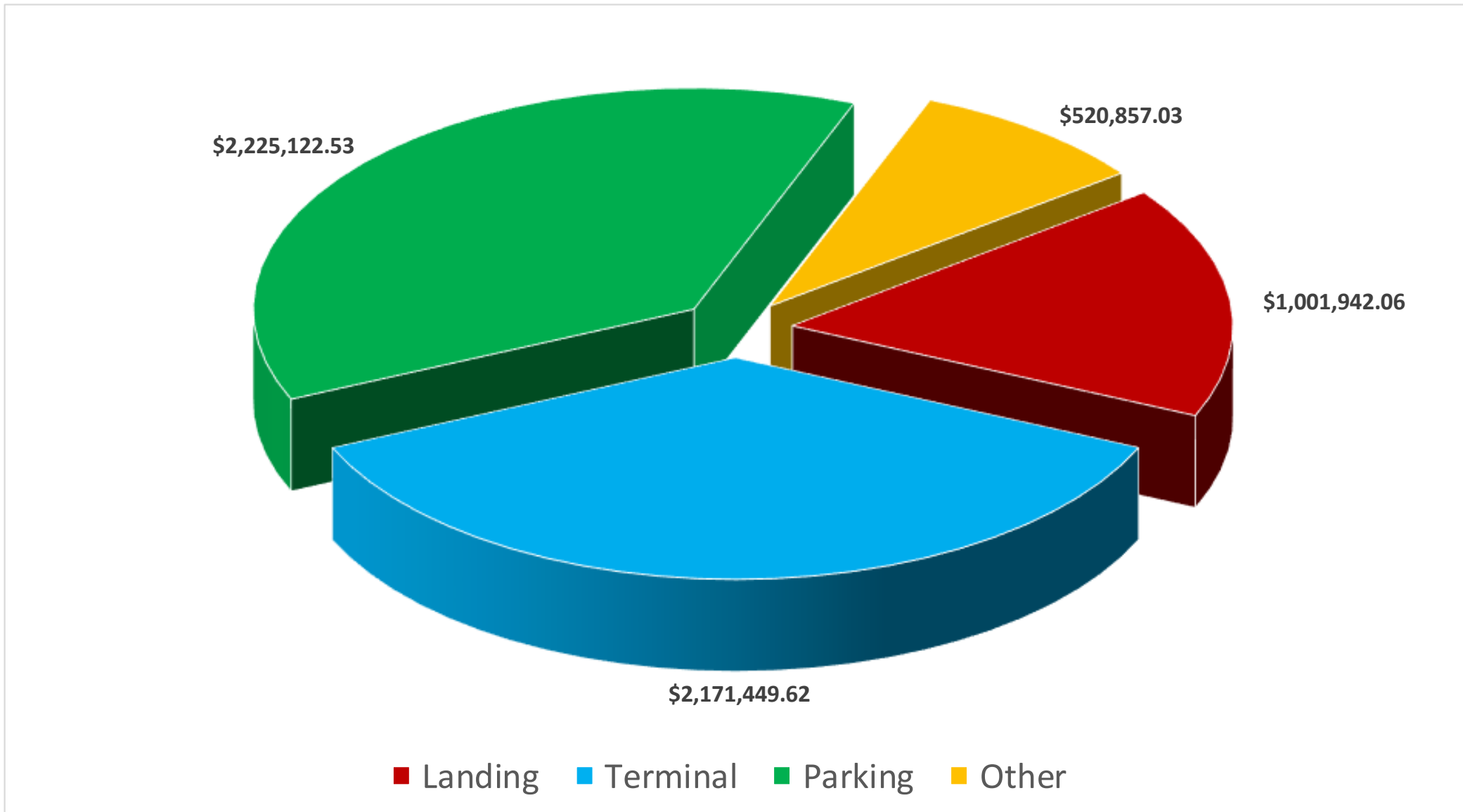
OPERATING EXPENSES:

- **Salary and Wages will increase per Union Contract .35/hour and approximately 2% increase in Administrative Salary's per prior board approval in 2015.**
- **Legal increase for attorney fees**
- **Marketing expense increase for more comprehensive approach**
- **Implementation of a new customer impression program**

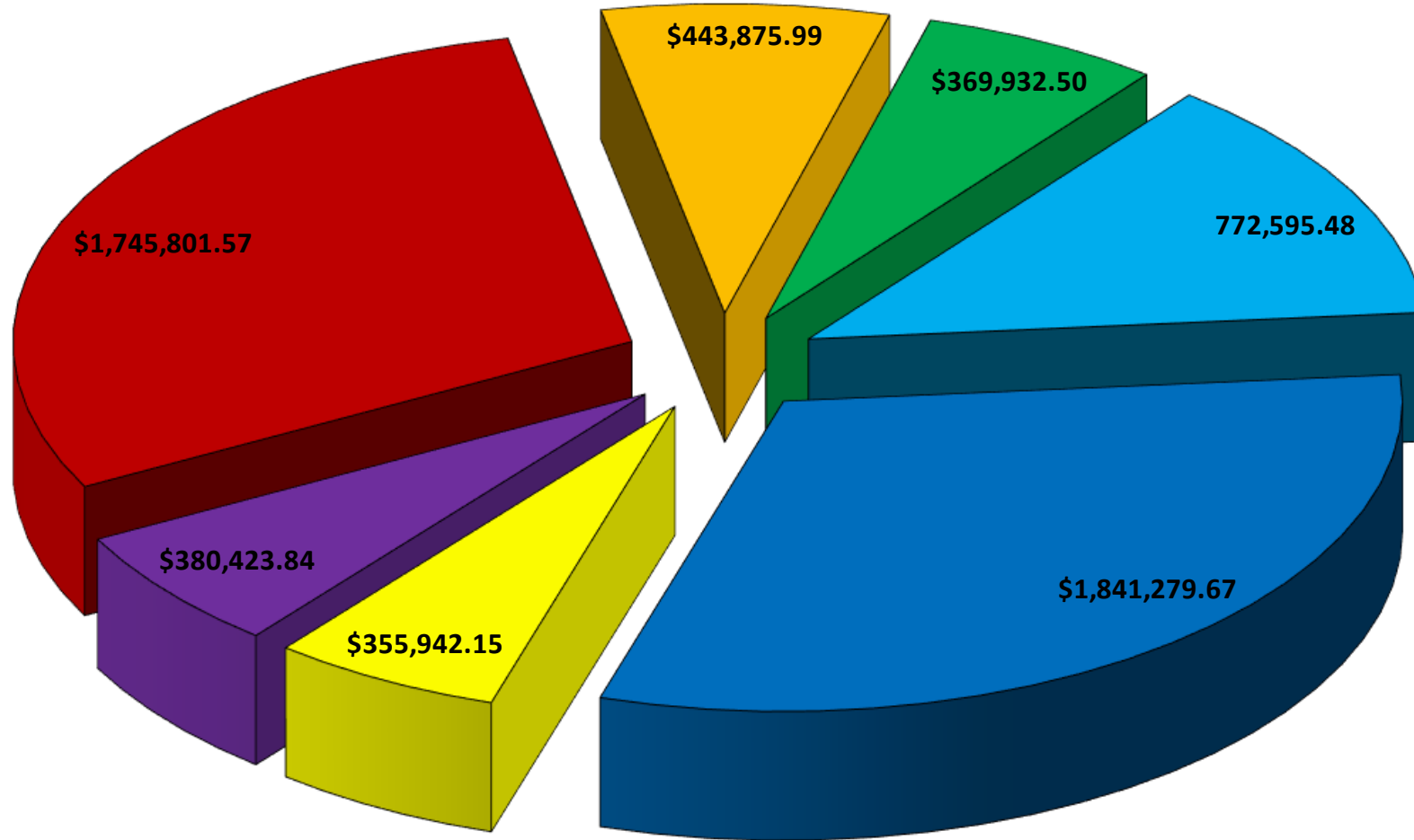
Investment in needed capital improvements and maintenance

Proposed Operating Budget

	EST YEAR END	Budget Amounts			Percent
	2016	FY2016	FY2017	Difference	Change
Revenues					
Operating Revenues	\$ 6,075,907	\$ 5,937,048	\$ 6,149,347	\$ 212,300	3%
Expenses					
Operating Expenses	\$ 5,931,518	\$ 5,831,631	\$ 6,139,827	\$ 308,196	5%
Net Operating Surplus	<u>\$ 144,389</u>	<u>\$ 105,416</u>	<u>\$ 9,520</u>	<u>\$ (95,896)</u>	
CAPITAL & EQUIPMENT PURCHASES	\$ 250,000	\$ 205,000	\$ 315,500		
TRUST ACCOUNT BALANCE					
	10/31/2016	\$ 1,420,000			
PFC ACCOUNT BALANCE					
	10/31/2016	\$ 1,907,000	Projected PFC Collections for 2017		
			\$ 1,020,000.00		

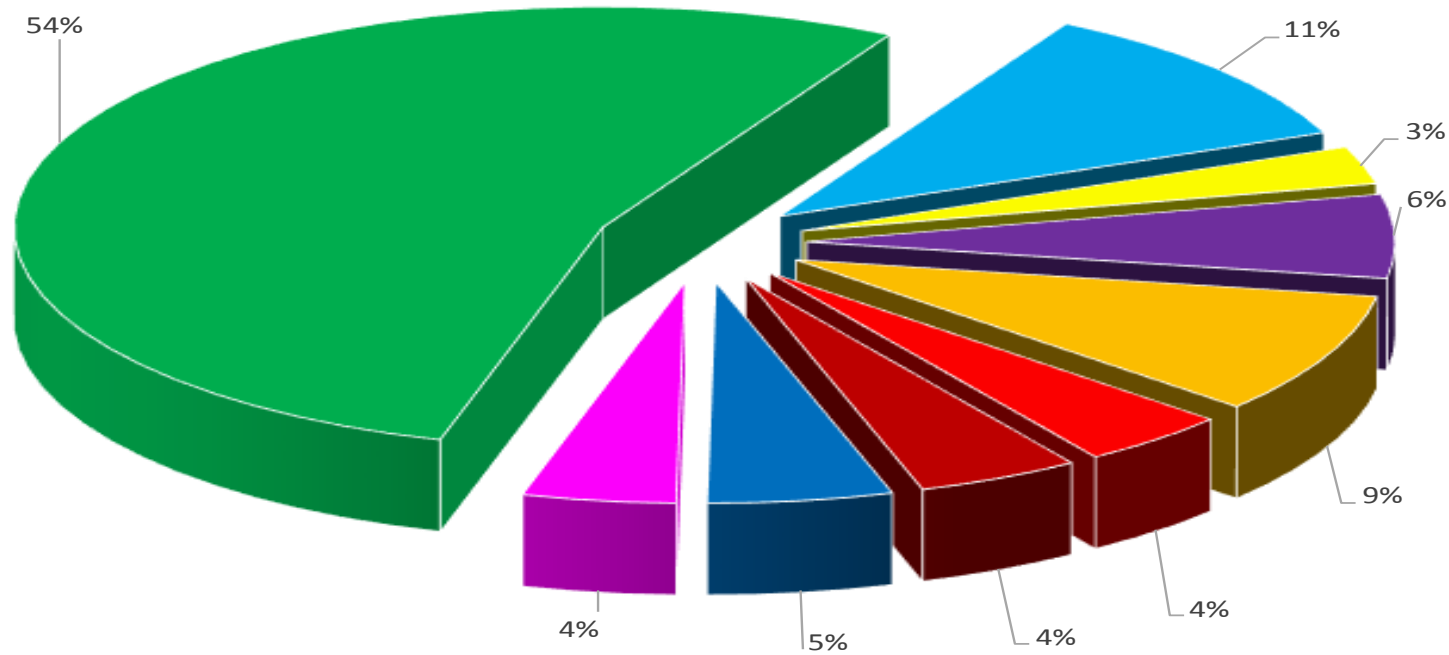


Operating Expenses by Department



 Landing  Terminal  Parking  Other  Administration  Garage  ARFF

Operating Expenses by Category



■ Salaries & Benefits

■ Contractual Services

■ Insurance

■ Utilities

■ Maintenance & Repair

■ Promotional Activities

■ Professional Services

■ Supplies

■ Other

Capitol Budget 2017

glb
10/4/2016

Description	TOTAL COST	Funding Source						
		FAA-AIP Entitlements	FAA-AIP Discretion	US DOT	PENN DOT BOA	PFC	AIRPORT FUNDS	
Parking Garage Deck Repairs	\$ 1,000,000				\$ 575,000		\$ 425,000	
Demolish Old Terminal Building Carry Over	\$ 2,100,000				\$ 738,543	\$ 738,543		
Extend Taxiway "B" (Rwy 22 Approach End) Paving (Phase III)	\$2,854,365	\$2,568,928			\$ 142,718	\$ 142,719		
Master Plan Update	\$ 902,088	\$ 755,485			\$ 41,971	\$ 104,632		
Air Service Development Carry Over	\$ 612,607			402,582			\$ 153,775	
Other Capital Purchases and Projects*	\$ 315,500					\$ 13,500	\$ 302,000	
Hangar Road Scartelli Estimated Balance	\$ 153,900					\$ 153,900		
Design Taxiway System Rehab	\$ 750,000	\$ 675,000			\$ 37,500	\$ 37,500		
MUFIDS Replacement	\$ 297,000					\$ 297,000		
Rehabilitate Airline Apron	\$ 749,019	\$ 674,117			\$ 37,450	\$ 37,452		
TSA Relocation	\$ 600,000						\$ 350,000	
TOTALS	\$ 10,334,479	\$ 4,673,530	\$ -	\$ 402,582	\$1,573,182	\$1,525,246	\$ 1,230,775	

*DETAILED CAPITAL PURCHASES (Renewal and Replacement)	
Hangar #4 Roof Coating	\$ 10,000
Runway 10/28 repairs	\$ 14,000
Misc R/w, T/w, Apron Repairs	\$ 15,000
Replace Carpet in Boarding, Offices, Car Rentals	\$ 22,000
New Pickup with Plow	\$ 45,000
Crack sealant for airfield	\$ 12,000
Update Runway, Taxiway Computer/controls	\$ 40,000
Concrete Joint sealant Terminal Apron	\$ 22,000
Maintenance of Switchgear	\$ 15,000
New security cameras.	\$ 7,000
Airfield signage panels	\$ 10,000
Rebuild walk behind paint machines	\$ 20,000
Escalator step chain replacement	\$ 70,000
Reflective Gear PROX	\$ 13,500
11/27/2016 gb	\$ 315,500

(1) All purchases of Capital Improvements will follow the Airport Purchasing Policy Manual.

(2) PFC Revenues are included in the budget at the amount expected to be collected by the airlines in the fiscal year. Any difference between that amount and the amount planned as funding for current year capital projects is reflected in the budgeted amount of Airport Capital Account (cash) to be used.

- Description and Justification
 - Established to cover fluctuations in cash flow and provide quick access to additional operational cash.
- Equivalent to 2 months of budgeted 2017 operating expenses.
 - 1,000,000.00

- Description and Justification
 - Established to cover emergency repairs and provide ready access to the required cash.
- \$250,000 for 2017

The above budget for the calendar year ending December 31, 2017 has been prepared to ensure the preservation of the Wilkes Barre/Scranton International Airport's assets and the reliability of the Airport's financial records, while maintaining the flexibility to allow airport management the capacity to provide outstanding service to our passengers and tenants and meet the Airport's obligations on a timely and accurate basis.

We are guardians of the Airport's funds and these funds should not be convenient to spend. Taking into account the preceding statement every employee will follow the Airport's Policies and Procedures when purchasing goods and services to promote cost effective and quality service to external and internal clients.

The intended goals of the operations set forth in the preceding budget are to continue the excellent safety record at the Wilkes Barre/Scranton International Airport and to provide the finest facilities possible to enhance the continued growth of the Airport and to thereby benefit the communities economically served by the Airport.