

TECHNICAL REPORT #6

Palm Beach International Financial Planning

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Palm Beach International Airport

Prepared for
Palm Beach County Department of Airports

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In Association with Ricondo & Associates, Inc.

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SECTION 1

Financial Analysis

1.0 Financial Analysis

The financial viability of implementing the Master Plan recommendations for the Airport and its three reliever airports collectively known as the Airport System is discussed in this chapter. As noted previously, the actual implementation schedule for the various improvements identified in the Master Plan will be defined by development triggers and demand growth rather than specific calendar years. For purposes of this illustrative financial analysis, a specific implementation schedule was assumed; however, it should be noted that this schedule and the resulting financial analysis are intended only to demonstrate financial viability and that the actual financing strategies used will be determined as implementation approaches. The projected financial results are presented in detail for the short term, Fiscal Year (FY) 2007 through FY 2017, and a more general overview is presented for the longer term of the Master Plan period, FY 2018 through FY 2025 (for Fiscal Years ending September 30). This chapter is presented in the following sections:

- I. Financial Structure of the Airport
- II. Capital Improvement Plan - Phasing and Funding Sources
- III. Debt Service Requirements
- IV. Operation and Maintenance (O&M) Expenses
- V. Airport Revenues (Airline and Nonairline)
- VI. Cost per Enplaned Passenger
- VII. Cash Flow
- VIII. Debt Service Coverage
- IX. Summary of Baseline Scenario
- X. Sensitivity Analysis 1
- XI. Sensitivity Analysis 2

SECTION 2

Financial Structure of the Airport

2.0 Financial Structure of the Airport

This section presents a discussion of the Airport System's accounting practices, a summary of the Airport-Airline Use and Lease Agreement (the Airline Agreement) between Palm Beach County and the airlines that have executed the Airline Agreement (the Signatory Airlines), and the Bond Resolution that was adopted in 1984 and subsequently amended in full.

2.1 Accounting Practices

Airport System-related expenditures are categorized by type of expense into Direct Cost Centers and Indirect Cost Centers, as defined in the Airline Agreement. Revenues are allocated in the same manner. Direct Cost Centers include those areas or functional activities of the Airport System used for the purposes of accounting for Revenues, O&M Expenses, and Debt Service. Revenues are not usually associated with Indirect Cost Centers, which include those areas or functional activities of the Airport System used to account for O&M Expenses and Debt Service. The expenses included in Indirect Cost Centers are allocated to Direct Cost Centers as defined in the Airline Agreement.

Direct Cost Centers defined in the Airline Agreement include, but are not necessarily limited to:

- **Airside** - Includes all Debt Service, all Direct and Indirect O&M Expenses, Capital Expenditures, and Operating Revenues for the Airside. The Airside includes the landing area, taxiways and Ramp Area.
- **Terminal** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for the Terminal, which consists of airline terminal facilities at the Airport.
- **Tenant Equipment** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues related to loading bridges, aircraft supply systems, holdroom furnishings, and certain bag makeup and bag claim equipment.
- **Ground Transportation** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for terminal access roadways (including the enplanement/deplanement drives), all Airport roads, Airport parking facilities, and other areas and facilities accommodating ground transportation.
- **Aviation** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for air cargo, general aviation, flight kitchen, and military activities.
- **Non-Aviation** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for Airport areas related to non-aviation purposes that provide support functions (e.g., rental car maintenance areas, and miscellaneous ground areas and facilities leased by Airport tenants).
- **Terminal FIS** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for Airport areas related to areas in the Terminal, and/or elsewhere on

the Airport, to be used by agencies of the United States Government for the inspection of passengers and their baggage, and for the exercise of the responsibilities of said agencies with respect to the movement of persons and property to and from the United States.

- **Palm Beach County Park (Lantana Airport)** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for all activities and facilities at Lantana Airport.
- **Palm Beach County Glades Airport (Glades Airport)** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for all activities and facilities at Glades Airport.
- **North Palm Beach County General Aviation Airport (North County Airport)** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for all activities and facilities at North County Airport.
- **Air Cargo Building** - Includes all Debt Service, all Direct and Indirect O&M Expenses, and Operating Revenues for all activities at and facilities surrounding the Air Cargo Building.

Indirect Cost Centers defined in the Airline Agreement include, but are not necessarily limited to:

- **Administrative and Operations** - Includes all Direct O&M Expenses for all administration activities and facilities, including charges for County administrative services provided on behalf of the Airport System (e.g. accounting, finance, data processing services). Administrative O&M Expenses are allocated based on each Direct Cost Center's share of O&M Expenses attributable to all Direct Cost Centers.
- **Maintenance** - Includes all Direct O&M Expenses for maintenance activities and facilities of the Airport System. Maintenance O&M Expenses are allocated to Direct Cost Centers to the extent possible based on actual staff hours charged to each respective Direct Cost Center, and other O&M Expenses that can be directly charged.
- **Fire Department** - Includes all Direct O&M Expenses for fire, and rescue activities and facilities, including those required under FAR Part 139. Fire department O&M Expenses are allocated to Direct Cost Centers to the extent possible based on actual staff hours charged to each respective Direct Cost Center, and other O&M Expenses that can be directly charged.

2.2 Airline Agreement

The County recently negotiated a new Airline Agreement, effective October 1, 2006, with a five year term. The rate-making structure for FY 2007 through FY 2015 includes the following key elements:

- A "compensatory" average rental rate for the Terminal, using total rentable square feet as the divisor. Differential Terminal rental rates are calculated for the purpose of differentiating space by location and function.
- A "residual" landing fee rate for the Airside using total landed weight as the divisor.

- A revenue-sharing provision, by which a portion of funds remaining after the payment of debt service, O&M expenses and replenishment of required fund balances, equivalent to 50 percent, is credited to the Signatory Airline rate base in the subsequent year.
- There is no majority in interest provision in the Airline Agreement for any capital projects at the Airport.

2.3 Bond Resolution

The Bond Resolution authorizes the issuance of Airport System Revenue Bonds by the County. The requirements of the Bond Resolution and the methodology contained in the Airline Agreement were adhered to in developing the application of revenues included in these financial analyses. The principal funds and accounts created in the Bond Resolution are summarized below:

- Revenues (or “Operating Revenues”) as defined in the Bond Resolution, include, generally, all revenue due and payable to the County from the ownership or operation of the Airport System, including all rentals, concession revenue, use charges, and landing fees.
- An O&M Reserve requirement was established in an amount equal to one-sixth of the amount appropriated in the annual budget for O&M Expenses for the then-current Fiscal Year.
- Pursuant to the Bond Resolution, the County covenants that it will fix, charge, and collect rates, fees, rentals, and charges for the use of the Airport System, and shall revise such rates, fees, rentals, and charges as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of Operation and Maintenance Expenses, including reserves therefore provided for in the annual budget, plus the greater of (a) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such Fiscal Year, or (b) the sum of (i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus (ii) the amount, if any, to be paid during the Fiscal Year into the Debt Service Reserve Account (including amounts payable to the issuer of any Debt Service Reserve Account Facility and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget, plus (iv) all other charges and liens whatsoever payable out of Revenues during such Fiscal Year, plus (v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness.

SECTION 3

**Capital Improvement Plan - Phasing and
Funding Sources**

3.0 Capital Improvement Plan – Phasing and Funding Sources

This section presents a discussion of the Master Plan’s long-term Capital Improvement Plan (CIP) including discussion of major projects and funding sources.

3.1 Projects

Funding for the CIP is expected to be secured from various sources. The estimated capital costs were developed in current dollars and escalated to inflated dollars using an annual growth rate of five percent. **Table 1.1** presents the CIP by Airport by funding source. The CIP is estimated to cost \$922.1 million in inflated dollars, and consists of the following projects:

- Airside projects in the CIP are estimated to total approximately \$390.2 million.
- Terminal improvements are estimated to total \$75 million and include redevelopment of Concourse A, expansion of Concourse C, and construction of a new baggage system.
- A new parking garage for the Airport is planned for FY 2023 at an estimated cost of \$224 million.
- A cargo facility is planned for FY 2015 at an estimated cost of \$33 million.
- Projects at the general aviation airports are planned as follows:
 - Lantana Airport - \$23 million
 - North County Airport - \$26 million
 - Glades Airport - \$5 million

3.2 Funding Sources

The County intends to finance the recommended CIP through a combination of FAA Airport Improvement Program (AIP) grants (entitlements and discretionary), Florida Department of Transportation (FDOT) grants, passenger facility charge (PFC) revenues, County funds, and proceeds from the sale of General Airport Revenue Bonds (GARBs). The County has been actively seeking maximum discretionary funding for certain Airfield projects and may pursue an FAA Letter of Intent (LOI) for certain Airfield projects. **Table 1.2** presents the CIP for FY 2007 through FY 2025 and funding sources for each project. For purposes of this report, funding sources have been identified on the basis of project eligibility and are presented as a Base Case. Actual funding may not be secured at this level of eligibility and alternative funding scenarios are presented later in the chapter. The following sections briefly describe the anticipated funding sources for these projects.

Table 1.1 (1 of 2)**Capital Improvement Plan – Summary of Funding Sources**

Project	Total Project Escalated Dollars	Funding Source				
		AIP Ent & Disc	FDOT	PFC	Airport Cash	GARBs
PALM BEACH INTERNATIONAL AIRPORT						
Expand and Rehab Overnight Parking Apron	\$740,000	\$0	\$370,000	\$370,000	\$0	\$0
Apron "A" Expansion	3,420,000	0	1,220,000	2,200,000	0	0
NAVAID Relocation Study	300,000	0	0	300,000	0	0
Construct Maintenance Compound	1,000,000	0	0	1,000,000	0	0
Rehabilitate Aircraft Parking Apron	1,090,000	0	545,000	545,000	0	0
Extension of Taxiway "F" to RW 13	13,400,000	0	5,236,500	8,163,500	0	0
Extend Runway 9R-27L Environmental & Design	8,284,000	0	4,142,000	4,142,000	0	0
Extension of Taxiway "L" (Lima)	17,700,000	0	8,850,000	8,850,000	0	0
Miscellaneous taxiway rehab	5,250,000	0	2,625,000	2,625,000	0	0
New Taxiway Connector - Runway 9L-27R	5,300,000	3,975,000	662,500	662,500	0	0
Taxiway Romeo West of R1 & East of R1	20,825,398	15,619,049	2,603,175	2,603,175	0	0
Taxiway C4 High Speed Exit - Rwy 9L-27R	5,084,000	4,067,200	508,400	508,400	0	0
Taxiway D High Speed Exit - Rwy 9L-27R	4,721,000	3,776,800	472,100	472,100	0	0
Replace (2) Fire Rescue Vehicles	2,250,000	0	1,000,000	1,250,000	0	0
Concourse "A" Redevelopment	20,375,000	0	2,075,000	18,300,000	0	0
Acquire land runway 9L-27R	7,094,817	3,000,000	375,000	3,719,817	0	0
Taxiway Lima (West) Upgrades and Improvements	17,048,000	12,786,000	2,131,000	2,131,000	0	0
Runway 9R Property Acquisition	35,846,700	24,802,632	4,272,034	6,772,034	0	0
Golfview Apron, Taxilanes/Taxiways and Infrastructure	74,000,000	55,500,000	0	18,500,000	0	0
Golfview Facilities	130,000,000	97,500,000	0	32,500,000	0	0
Relocate VOR	3,939,281	2,954,461	492,410	492,410	0	0
Taxiway Charlie (East) Improvements	7,800,000	0	7,020,000	780,000	0	0
Extend, Relocate and Upgrade RWY 9R-27L	77,101,000	43,039,000	17,031,000	17,031,000	0	0
Construct Apron Golfview 2	6,000,000	4,500,000	750,000	750,000	0	0
Construct Surface Parking Lot	1,426,946	0	0	0	1,426,946	0
Demolition East of Runway 13-31	17,600,000	13,200,000	2,200,000	2,200,000	0	0
Demolition West of Runway 13-31	10,600,000	7,950,000	1,325,000	1,325,000	0	0
Runway 13-31 Pavement Removal	2,500,000	1,875,000	312,500	312,500	0	0
Runway 13-31, Taxiway F and Taxiway B Extensions and Taxiway Connectors	23,000,000	17,250,000	2,875,000	2,875,000	0	0
Part 150 Study PBIA	800,000	720,000	40,000	40,000	0	0
Rehabilitate Taxiway C	8,500,000	3,609,000	2,445,500	2,445,500	0	0
New Parking Revenue Center	2,609,546	0	0	0	2,609,546	0
New Cargo Apron	5,461,307	4,915,177	273,065	273,065	0	0
Concourse "B" Expansion	29,500,000	2,000,000	3,582,157	18,917,843	5,000,000	0
Miscellaneous Taxiway Rehab	2,687,834	1,707,500	490,167	490,167	0	0
New Belly Cargo/All Cargo Facility	33,131,938	0	0	33,131,938	0	0
Cargo Apron Expansion	3,070,758	2,763,682	153,538	153,538	0	0
Construct Surface Parking Lot	4,270,962	0	3,416,770	854,192	0	0
Terminal Building Baggage System Expansion	24,979,506	0	0	24,979,506	0	0
Construct Surface Parking Lot	5,806,149	0	0	0	5,806,149	0
New Parking Garage	224,176,582	0	0	0	0	224,176,582
Subtotal Palm Beach International Airport	\$868,690,724	\$327,510,501	\$79,494,816	\$222,666,185	\$14,842,641	\$224,176,582

Table 1.1 (2 of 2)
 Capital Improvement Plan – Summary of Funding Sources

Project	Total Project Escalated Dollars	Funding Source				
		AIP Ent & Disc	FDOT	PFC	Airport Cash	GARBs
LANTANA						
Runway 33 Threshold Improvements	\$150,000	\$142,500	\$3,750	\$3,750	\$0	\$0
Construct Hangars at Lantana	1,875,000	0	1,500,000	0	375,000	0
Construct Hangars (Rows 500, 600 & 700)	5,000,000	0	4,000,000	0	1,000,000	0
Upgrade Airfield Signage	400,000	380,000	10,000	10,000	0	0
Expand Itinerant Apron	6,200,000	0	4,960,000	1,240,000	0	0
Relocate Airport Rotating Beacon	100,000	95,000	0	5,000	0	0
Taxiway C Rehab	1,100,000	0	880,000	220,000	0	0
Apron Rehab	275,000	0	220,000	55,000	0	0
Rehab Runway 15/33	1,500,000	0	1,200,000	300,000	0	0
Rehab Runway 3/21	200,000	0	160,000	40,000	0	0
Construct Apron	2,200,000	0	1,760,000	440,000	0	0
Construct Hangars (Rows 1600, 1700, 1800 & 1900)	3,600,000	0	2,880,000	0	720,000	0
Construct Access Road to West Side Development	250,000	0	200,000	50,000	0	0
Subtotal Lantana	\$22,850,000	\$617,500	\$17,773,750	\$2,363,750	\$2,095,000	\$0
NORTH COUNTY AIRPORT						
Miscellaneous Pavement Rehab	\$250,000	\$237,500	\$6,250	\$6,250	\$0	\$0
Construct Hangars at North County	1,875,000	0	1,500,000	0	375,000	0
Construct Apron and Taxilanes	1,875,000	0	1,500,000	375,000	0	0
Construct Service Road from Terminal to North T-Hangars	550,000	0	440,000	110,000	0	0
Construct Additional Tie-Down/Transient Apron	4,200,000	0	3,360,000	840,000	0	0
Construct Hangars	5,000,000	0	4,000,000	0	1,000,000	0
Hangar Construction Environmental Mitigation	2,500,000	0	2,000,000	500,000	0	0
Construct Parallel Runway	4,450,000	4,227,500	111,250	111,250	0	0
Environmental Mitigation Runway 13-31	5,000,000	0	4,000,000	1,000,000	0	0
Subtotal North County Airport	\$25,700,000	\$4,465,000	\$16,917,500	\$2,942,500	\$1,375,000	\$0
GLADES						
T-Hangar Taxilane Rehab	\$143,000	\$135,850	\$3,575	\$3,575	\$0	\$0
Construct T-Hangar Facilities	500,000	0	400,000	0	100,000	0
Runway 17/35 Crack Sealing	80,000	76,000	0	4,000	0	0
Construct T-Hangars	1,250,000	0	1,000,000	0	250,000	0
Install PAPIs and REILs	360,000	342,000	0	18,000	0	0
Expand Aircraft Parking Apron	1,500,000	0	1,200,000	300,000	0	0
Property Acquisition	1,000,000	0	800,000	200,000	0	0
Subtotal Glades	\$4,833,000	\$553,850	\$3,403,575	\$525,575	\$350,000	\$0
TOTAL	\$922,073,724	\$333,146,851	\$117,589,641	\$228,498,010	\$18,662,641	\$224,176,582
Total Funding Sources By Cost Center:						
Airside	\$390,164,095	\$228,010,501	\$69,420,889	\$92,732,706	\$0	\$0
Terminal	74,854,506	2,000,000	5,657,157	62,197,349	5,000,000	0
Ground Transportation	238,290,185	0	3,416,770	854,192	9,842,641	224,176,582
Aviation	130,000,000	97,500,000	0	32,500,000	0	0
Lantana	22,850,000	617,500	17,773,750	2,363,750	2,095,000	0
Glades	4,833,000	553,850	3,403,575	525,575	350,000	0
North County Airport	25,700,000	4,465,000	16,917,500	2,942,500	1,375,000	0
Air Cargo Building	33,131,938	0	0	33,131,938	0	0
Fire Rescue	2,250,000	0	1,000,000	1,250,000	0	0
TOTAL	\$922,073,724	\$333,146,851	\$117,589,641	\$228,498,010	\$18,662,641	\$224,176,582

Source: Palm Beach County
 Prepared by: Ricondo & Associates, Inc.

Table 1.2 (1 of 2)**Capital Improvement Plan – Total Project Costs by Year**

Project	Total Project Escalated Dollars	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>PALM BEACH INTERNATIONAL AIRPORT</u>																				
Expand and Rehab Overnight Parking Apron	\$740,000	\$740,000																		
Apron "A" Expansion	\$3,420,000	\$3,420,000																		
NAVAID Relocation Study	\$300,000	\$300,000																		
Construct Maintenance Compound	\$1,000,000		\$1,000,000																	
Rehabilitate Aircraft Parking Apron	\$1,090,000		\$1,090,000																	
Extension of Taxiway "F" to RW 13	\$13,400,000		\$776,000	\$12,624,000																
Extend Runway 9R-27L Environmental & Design	\$8,284,000		\$3,000,000	\$5,284,000																
Extension of Taxiway "L" (Lima)	\$17,700,000		\$1,717,000	\$15,983,000																
Miscellaneous taxiway rehab	\$5,250,000		\$5,250,000																	
New Taxiway Connector - Runway 9L-27R	\$5,300,000		\$5,300,000																	
Taxiway Romeo West of R1 & East of R1	\$20,825,398		\$6,700,000				\$2,825,080	\$8,475,239	\$2,825,080											
Taxiway C4 High Speed Exit - Rwy 9L-27R	\$5,084,000		\$5,084,000																	
Taxiway D High Speed Exit - Rwy 9L-27R	\$4,721,000		\$4,721,000																	
Replace (2) Fire Rescue Vehicles	\$2,250,000			\$2,250,000																
Concourse "A" Redevelopment	\$20,375,000			\$20,375,000																
Acquire land runway 9L-27R	\$7,094,817			\$7,094,817																
Taxiway Lima (West) Upgrades and Improvements	\$17,048,000			\$17,048,000																
Runway 9R Property Acquisition	\$35,846,700			\$25,846,700	\$10,000,000															
Golfview Apron, Taxilanes/Taxiways and Infrastructure	\$74,000,000			\$74,000,000																
Golfview Facilities	\$130,000,000			\$130,000,000																
Relocate VOR	\$3,939,281			\$3,939,281																
Taxiway Charlie (East) Improvements	\$7,800,000			\$7,800,000																
Extend, Relocate and Upgrade RWY 9R-27L	\$77,101,000				\$27,545,150	\$49,555,850														
Construct Apron Golfview 2	\$6,000,000				\$6,000,000															
Construct Surface Parking Lot	\$1,426,946				\$1,426,946															
Demolition East of Runway 13-31	\$17,600,000					\$17,600,000														
Demolition West of Runway 13-31	\$10,600,000					\$10,600,000														
Runway 13-31 Pavement Removal	\$2,500,000						\$2,500,000													
Runway 13-31, Taxiway F and Taxiway B Extensions and Taxiway Connectors	\$23,000,000						\$23,000,000													
Part 150 Study PBIA	\$800,000							\$800,000												
Rehabilitate Taxiway C	\$8,500,000							\$8,500,000												
New Parking Revenue Center	\$2,609,546								\$2,609,546											
New Cargo Apron	\$5,461,307								\$5,461,307											
Concourse "B" Expansion	\$29,500,000									\$29,500,000										
Miscellaneous Taxiway Rehab	\$2,687,834									\$2,687,834										
New Belly Cargo/All Cargo Facility	\$33,131,938									\$33,131,938										
Cargo Apron Expansion	\$3,070,758										\$3,070,758									
Construct Surface Parking Lot	\$4,270,962										\$4,270,962									
Terminal Building Baggage System Expansion	\$24,979,506											\$24,979,506								
Construct Surface Parking Lot	\$5,806,149														\$5,806,149					
New Parking Garage	\$224,176,582																	\$224,176,582		

Table 1.2 (2 of 2)

Capital Improvement Plan – Total Project Costs by Year

Project	Total Project Escalated Dollars	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
LANTANA																				
Runway 33 Threshold Improvements	\$150,000	\$150,000																		
Construct Hangars at Lantana	\$1,875,000		\$1,875,000																	
Construct Hangars (Rows 500, 600 & 700)	\$5,000,000			\$5,000,000																
Upgrade Airfield Signage	\$400,000			\$400,000																
Expand Itinerant Apron	\$6,200,000			\$6,200,000																
Relocate Airport Rotating Beacon	\$100,000				\$100,000															
Taxiway C Rehab	\$1,100,000				\$1,100,000															
Apron Rehab	\$275,000				\$275,000															
Rehab Runway 15/33	\$1,500,000				\$1,500,000															
Rehab Runway 3/21	\$200,000				\$200,000															
Construct Apron	\$2,200,000						\$2,200,000													
Construct Hangars (Rows 1600, 1700, 1800 & 1900)	\$3,600,000						\$3,600,000													
Construct Access Road to West Side Development	\$250,000									\$250,000										
NORTH COUNTY AIRPORT																				
Miscellaneous Pavement Rehab	\$250,000	\$250,000																		
Construct Hangars at North County	\$1,875,000		\$1,875,000																	
Construct Apron and Taxilanes	\$1,875,000			\$1,875,000																
Construct Service Road from Terminal to North T-Hangars	\$550,000			\$550,000																
Construct Additional Tie-Down/Transient Apron	\$4,200,000			\$4,200,000																
Construct Hangars	\$5,000,000				\$5,000,000															
Hangar Construction Environmental Mitigation	\$2,500,000				\$2,500,000															
Construct Parallel Runway	\$4,450,000					\$4,450,000														
Environmental Mitigation Runway 13-31	\$5,000,000														\$5,000,000					
GLADES																				
T-Hangar Taxilane Rehab	\$143,000	\$143,000																		
Construct T-Hangar Facilities	\$500,000	\$500,000																		
Runway 17/35 Crack Sealing	\$80,000		\$80,000																	
Construct T-Hangars	\$1,250,000			\$625,000	\$625,000															
Install PAPIs and REILs	\$360,000			\$360,000																
Expand Aircraft Parking Apron	\$1,500,000				\$1,500,000															
Property Acquisition	\$1,000,000							\$1,000,000												
TOTAL	\$922,073,724	\$5,503,000	\$38,468,000	\$341,454,798	\$57,772,096	\$82,205,850	\$34,125,080	\$18,775,239	\$10,895,933	\$65,569,772	\$7,341,720	\$24,979,506	\$0	\$0	\$10,806,149	\$0	\$0	\$224,176,582	\$0	\$0
Total Project Costs By Cost Center:																				
Airside	\$390,164,095	\$4,460,000	\$34,638,000	\$169,619,798	\$43,545,150	\$77,755,850	\$28,325,080	\$17,775,239	\$8,286,387	\$2,687,834	\$3,070,758	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Terminal	74,854,506	0	0	20,375,000	0	0	0	0	0	29,500,000	0	24,979,506	0	0	0	0	0	0	0	0
Ground Transportation	238,290,185	0	0	0	1,426,946	0	0	0	2,609,546	0	4,270,962	0	0	0	5,806,149	0	0	224,176,582	0	0
Aviation	130,000,000	0	0	130,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lantana	22,850,000	150,000	1,875,000	11,600,000	3,175,000	0	5,800,000	0	0	250,000	0	0	0	0	0	0	0	0	0	0
Glades	4,833,000	643,000	80,000	985,000	2,125,000	0	0	1,000,000	0	0	0	0	0	0	0	0	0	0	0	0
North County Airport	25,700,000	250,000	1,875,000	6,625,000	7,500,000	4,450,000	0	0	0	0	0	0	0	0	5,000,000	0	0	0	0	0
Air Cargo Building	33,131,938	0	0	0	0	0	0	0	0	33,131,938	0	0	0	0	0	0	0	0	0	0
Fire Rescue	2,250,000	0	0	2,250,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	\$922,073,724	\$5,503,000	\$38,468,000	\$341,454,798	\$57,772,096	\$82,205,850	\$34,125,080	\$18,775,239	\$10,895,933	\$65,569,772	\$7,341,720	\$24,979,506	\$0	\$0	\$10,806,149	\$0	\$0	\$224,176,582	\$0	\$0

Source: Palm Beach County
 Prepared by: Ricondo & Associates, Inc.

3.2.1 AIP Grants

One of the main sources of funding for airport improvements is the federal AIP. The AIP was initially authorized by the Airport and Airway Improvement Act of 1982 to assist airport sponsors in funding planning, development, and noise compatibility projects at public-use airports nationwide to accommodate projected civil aviation growth. To be eligible for funding assistance under this 1982 act, an airport must be included in the National Plan of Integrated Airport Systems (NPIAS).

The AIP is funded through the Aviation Trust Fund, which was established by the Airport and Airway Revenue Act of 1970. Revenues for the Aviation Trust Fund are derived through the levying of taxes and fees on aviation fuel and lubricants, airline tickets, international departing passengers, aircraft freight, and other components of the aviation industry. Funds deposited into the Aviation Trust Fund are distributed to eligible airports throughout the United States and its territories through grants administered by the FAA under appropriations limits established by the United States Congress.

The FAA allocates funds to the nation's airports based on a number of eligibility criteria tied to a priority system used to rank each request and determine which projects will be funded and which will not during any given federal fiscal year (also ending September 30). The priority system used by the FAA is based on different criteria for different types of projects. Generally, projects that enhance the safety of aircraft operations and those that enhance capacity in the national air transportation system are higher priority projects. Projects are also ranked based on the size of the airport and the number of aircraft and aircraft operations at the facility.

The County has assumed that approximately \$333.1 million of projects are eligible for AIP funding (discretionary and entitlements), including the extension and relocation of Runway 9R-27L at Palm Beach International Airport. The County intends to pursue an LOI for the airfield projects that comprise the Airfield Improvement Projects. As the runway and other airfield improvements will significantly enhance the capacity of the national air transportation system, the runway and associated airfield projects are ideally suited for LOI funding. The proposed runway project is expected to be economically justifiable with a positive net present value and a benefit-cost ratio significantly greater than 1.

3.2.2 FDOT Funds

Similar to the federal AIP, the FDOT Aviation Grant Program is funded from the State Transportation Trust Fund. The State Transportation Trust Fund consists, in part, of funds collected through the State's aviation fuel tax. The FDOT Aviation Office administers the aviation grant program to help provide a safe, cost-effective, and efficient Statewide aviation system. The FDOT Aviation Grant Program supplements the AIP, providing a portion of the sponsor's matching share when federal funding is available and up to 80 percent of the overall project cost when it is not. FDOT grant funds help airport sponsors to construct T-hangars, construct and maintain runways and taxiways, eliminate airport hazards, protect the airspace, and construct terminals and other facilities.

All publicly owned Florida airports that are open for public use are eligible for State funding. In addition, privately owned airports that are classified as "reliever" airports are eligible for FAA funding. Florida law generally allows FDOT to fund any capital project on airport property and any service that leads to capital projects, such as planning and design services.

The only off-airport projects eligible for FDOT funding are the purchase of lands for mitigation purposes, the purchase of avigation easements, and the access projects for intercontinental airports. Airport capital equipment is eligible, except equipment closely related to day-to-day operations (mowing machines, weed eaters, airport vehicles, etc.). In general, operational expenses, such as for maintenance services, equipment, and supplies, are not eligible for FDOT aviation grants. To be eligible for FDOT grants, each airport project must be consistent with the airport's role as defined in the Florida Aviation System Plan (FASP), and capital projects must be part of an FDOT approved airport master plan or airport layout plan. Additionally, for projects to be eligible for State funding, they must also be included in the Joint Automated Capital Improvement Plan (JACIP). Under this plan, the State accepts requests from airport sponsors for project funding along with each airport sponsor's priority for individual airport projects. Inclusion in the JACIP does not represent a commitment by the FDOT or FAA to fund a particular project or projects. The JACIP is intended to coordinate State and federal funding efforts and provide a realistic approach to funding based on the best and most current information available regarding projects at Florida grant-eligible airports.

FDOT grants are expected to fund approximately \$117.6 million of the Master Plan projects.

3.2.3 Passenger Facility Charge Revenues

In accordance with the Aviation Safety and Capacity Expansion Act of 1990, as amended by the Aviation Investment and Reform Act for the 21st Century (AIR-21), the County recently filed a PFC application to impose a \$4.50 PFC at the Airport. PFC revenues may be used to fund the local share of eligible Airport project costs (PFC eligibility for projects generally follows the same general guidelines for determining AIP grant eligibility outlined earlier).

In June 2007, the County filed a PFC Application to collect PFC at a \$4.50 level, which is expected to be approved and will become effective May 1, 2008. The County is therefore, required by AIR-21 to demonstrate to the FAA that the project will make a significant contribution to improving air safety and security, increasing competition among air carriers, reducing current or anticipated congestion, or reducing the impact of aviation noise on people living near the Airport. The finding of significant contribution is in addition to the finding of adequate justification already required for all PFC-eligible projects. In particular, the FAA considers all relevant factors, including but not limited to the following, in assessing whether the significant contribution requirement has been met:

- *Safety and security projects.* Does the project advance airport safety and/or security? In the case of AIP discretionary funds, highest priority is usually given to those projects that meet regulatory requirements for safety and security under 14 CFR Part 139 and Part 107, respectively. A similar approach to assessing PFC significance may be appropriate.
- *Congestion (capacity).* Does the project support or is it part of a capacity project to which the FAA has allocated federal resources or that would qualify for such resources? For example, is the project included in an LOI or does it satisfy the FAA's benefit-cost criteria for large AIP discretionary investments? Has the project been identified as an important item in an FAA Airport Capacity Enhancement Plan? Does the project alleviate an important constraint on airport growth or service?
- *Noise.* Does the project affect the noise-impacted areas around the airport? Historically, higher priority for AIP discretionary grants has been given to projects in noisier areas over

projects in less noisy areas, all other factors being equal. A similar approach to assessing PFC significance may be appropriate.

- *Competition.* Does the project mitigate or remove barriers to increased airline competition at the airport? Has the project been identified as an essential component in the airport's competition plan or other similar documents?

When submitting PFC applications for projects identified as being partially funded with PFC revenues, the County will need to provide sufficient information to support its assertion that a project makes a significant contribution to one or more of the above factors. In the case of a project that would reduce congestion, the information may include a quantified measure of reduced delay per aircraft operation or reference a study that included measures of the expected congestion reduction benefits. Similarly, an assertion that a project enhances competition may be supported by information on the number of new operations that the project would provide for, the number of new entrant airlines it would accommodate, the effect on fares at the airport, and/or other measures of increased competition. In general, because “significant contribution” is a higher standard than adequate justification, more documentation is required to establish significant contribution than is typically needed for adequate justification.

The annual cost of projects identified as PFC-eligible exceeds the PFC capacity in the years in which the project costs are expected to be incurred. Thus, it is anticipated that the County may issue PFC-backed bonds to fund certain projects and that a portion of annual PFC collections will be used to pay the outstanding debt service on any PFC-backed bonds.

Master Plan projects totaling \$228.5 million are expected to be funded from PFC revenues. Of this amount, approximately \$43.4 million is anticipated to be funded on a pay-as-you-go basis and the remaining \$185.1 million is expected to be funded with bond proceeds that will subsequently be repaid with PFC revenues. **Table 1.3** presents projections of PFC revenues and PFC expenditures and reflects that ample PFC capacity exists to fund those Airport System projects identified as PFC-eligible.

Funding assumptions incorporated into the calculation of annual debt service resulting from the issuance of the bonds include the following:

- Three debt series - Series 2009 is to include a portion of the projects expected to be undertaken in FY 2009 through FY 2011; Series 2015 is to include all projects expected to be undertaken in FY 2015; and Series 2017 is to include all projects expected to be undertaken in FY 2017.
- 30-year term
- No capitalized interest
- 6.5 percent interest rate
- Establishment of a Debt Service Reserve Account equivalent to the maximum annual debt service
- Level annual debt service

3.2.4 Airport Funds

Under the County's existing Bond Resolution and the Airline Agreement, an Improvement and Development Fund is established that can be used for Airport System capital projects at the County's sole discretion. The Improvement and Development Fund is funded from any remaining Airport System earnings after the payment of O&M Expenses, the payment of

Table 1.3
Projection of PFC Revenue

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Enplanements ¹	3,723,800	3,842,600	3,979,500	4,138,700	4,264,600	4,394,900	4,529,900	4,669,700	4,814,700	4,958,600	5,107,400	5,261,400	5,420,700	5,585,600	5,748,100	5,916,900	6,092,300	6,274,500	6,463,900
PFC per passenger	\$4.50	\$4.50	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Admin.	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11
% eligible	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
PFC Revenues	14,712,734	15,182,113	21,095,330	21,939,249	22,606,645	23,297,365	24,013,000	24,754,080	25,522,725	26,285,539	27,074,327	27,890,681	28,735,131	29,609,266	30,470,678	31,365,487	32,295,282	33,261,125	34,265,134
Investment Earnings	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Net PFC Revenues Capacity Pay-As-You-Go (FY 2007 - FY 2025)	\$14,970,207	\$15,447,800	\$21,464,498	\$22,323,186	\$23,002,261	\$23,705,069	\$24,433,227	\$25,187,276	\$25,969,372	\$26,745,536	\$27,548,128	\$28,378,768	\$29,237,995	\$30,127,428	\$31,003,915	\$31,914,383	\$32,860,450	\$33,843,194	\$34,864,774
Future PFC Debt Service – Series 2009 (FY '09-'10 Projects)	2,883,575	11,442,000	20,365,500	7,991,500				11,273,065	2,237,834	1,007,730		0	0	1,000,000	0	0	0	0	0
Future PFC Debt Service – Series 2011 (FY '11-12 projects)				4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709	4,604,709
Future PFC Debt Service - Series 2013 (FY '13 projects)						14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097	14,010,097
Future PFC Debt Service - Series 2017 (FY '17 projects)							6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109	6,981,109
Annual Remaining for PAYG or Future Debt Service	\$12,086,632	\$4,005,800	(\$3,505,711)	\$1,735,477	\$4,387,455	\$5,090,263	(\$1,162,687)	(\$11,681,704)	(\$1,864,376)	\$141,891	(\$165,142)	\$665,498	\$1,524,725	\$1,414,158	\$3,290,645	\$4,201,113	\$5,147,180	\$6,129,924	\$7,151,504
Ending Balance	\$12,086,632	\$16,092,431	\$12,586,720	\$14,322,197	\$18,709,652	\$23,799,915	\$22,637,228	\$10,955,524	\$9,091,148	\$9,233,039	\$9,067,897	\$9,733,395	\$11,258,120	\$12,672,278	\$15,962,923	\$20,164,036	\$25,311,215	\$31,441,139	\$38,592,643

Note:

1/ Based on forecast growth rate calculated by Ricondo & Associates, Inc., for the County's Series 2006 Bonds.

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.

Prepared by: Ricondo & Associates, Inc.

outstanding debt service, the funding of other reserves, and the payment of Airline Rebates. Any additional local funding, beyond what can be funded from the Improvement and Development Fund, would require the issuance of GARBs. Approximately \$18.7 million of Master Plan project costs is expected to be funded from Airport funds.

3.2.5 General Airport Revenue Bonds (GARBs)

The County anticipates funding the \$224 million long-term parking garage with GARB proceeds. This project is not anticipated to be necessary until FY 2023 and resulting annual debt service on the bonds is anticipated to be approximately \$20 million per year based on the following assumptions:

- 30-year term
- One year construction period and capitalized interest period
- 6.5 percent interest rate

Establishment of a Debt Service Reserve Account equivalent to the maximum annual debt service.

SECTION 4

Debt Service Requirements

4.0 Debt Service Requirements

Table 1.4 presents the annual estimated debt service requirements on the outstanding Airport Bonds as well as estimated debt service on projects expected to be funded with PFC-backed bonds for FY 2007 through FY 2017. As presented in Table 1.4, the annual debt service requirement is approximately \$15.2 million from FY 2007 until FY 2011 when existing annual debt service increases to \$17.3 million. In FY 2015, existing annual debt service decreases to \$6.8 million. Debt service on the County's Series 2006B Bonds was structured to increase in FY 2015 to coincide with the retirement of the outstanding Series 2001 and Series 2002 Bonds.

As described previously, estimated annual PFC-backed debt on projects included in this Master Plan is projected to total \$15.7 million in FY 2017 and ample capacity is expected to be available to fund the debt service from PFC revenues.

As described above, the parking garage is the only project included in this Master Plan that is planned to be funded with future long-term debt (\$224 million) projected to begin in FY 2023. Resulting annual debt service is conservatively projected to be \$20 million beginning in FY 2024. More detailed analysis should be performed as the project start date nears to determine if revenue bonds are the optimal funding source for this project.

Table 1.4**Projected Debt Service**

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
SUBORDINATED INDEBTEDNESS	\$1,262,500	\$40,000	\$1,080,000	\$1,040,000	0	0	0	0	0	0	0
<u>Existing Debt:</u>											
Series 2001 ¹	8,205,813	8,267,363	8,288,363	8,313,938	0	0	0	0	0	0	0
Series 2002 ¹	2,611,075	2,611,075	2,611,075	2,611,075	12,881,075	13,015,550	13,033,338	13,218,750	0	0	0
Series 2006A ^{1,2}	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480	3,418,480
Series 2006B ^{1,2}	995,288	995,288	995,288	995,288	995,288	995,288	995,288	995,288	3,420,288	3,417,092	3,415,628
TOTAL GARB DEBT SERVICE	\$15,230,655	\$15,292,205	\$15,313,205	\$15,338,780	\$17,294,843	\$17,429,318	\$17,447,105	\$17,632,518	\$6,838,768	\$6,835,572	\$6,834,108
<u>Future Debt:</u>											
Series 2009 (PFC)	0	0	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141
Series 2015 (PFC)	0	0	0	0	0	0	0	0	4,457,719	4,457,719	4,457,719
Series 2017 (PFC)	0	0	0	0	0	0	0	0	0	0	2,117,355
TOTAL FUTURE PFC DEBT SERVICE	\$0	\$0	\$9,116,141	\$9,116,141	\$9,116,141	\$9,116,141	\$9,116,141	\$9,116,141	\$13,573,860	\$13,573,860	\$15,691,215

Notes:

1/ Series 2006 A & B Bonds Official Statement

2/ Columns may not add due to rounding.

Source: Series 2006 A & B Bonds Official Statement

Prepared by: Ricondo & Associates, Inc.

SECTION 5

O&M Expenses

5.0 O&M Expenses

Projections of future O&M Expenses are based on analysis of historical activity, the anticipated effects of inflation, planned facility improvements and expansions, and forecast activity increases. **Table 1.5** presents projected O&M Expenses for FY 2007 through FY 2017.

As shown, O&M Expenses are projected to increase from \$42.7 million in FY 2007 to \$69.6 million in FY 2017, at a compounded annual growth rate of 5.0 percent.

Table 1.5**Projected O&M Expenses**

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Airside	\$6,030,836	\$6,332,378	\$6,648,997	\$6,981,447	\$7,330,519	\$7,697,045	\$8,081,897	\$8,485,992	\$8,910,292	\$9,355,806	\$9,823,597
Terminal	14,534,052	15,260,755	16,023,792	16,824,982	17,666,231	18,549,543	19,477,020	20,450,871	21,473,414	22,547,085	23,674,439
Tenant Equipment	1,690,460	1,774,983	1,863,732	1,956,918	2,054,764	2,157,502	2,265,377	2,378,646	2,497,579	2,622,458	2,753,580
Ground Transportation	13,131,749	13,788,336	14,477,753	15,201,641	15,961,723	16,759,809	17,597,799	18,477,689	19,401,574	20,371,652	21,390,235
Aviation	2,468,380	2,591,799	2,721,389	2,857,459	3,000,332	3,150,348	3,307,866	3,473,259	3,646,922	3,829,268	4,020,732
Non-Aviation	1,096,528	1,151,354	1,208,922	1,269,368	1,332,836	1,399,478	1,469,452	1,542,925	1,620,071	1,701,074	1,786,128
Terminal FIS	298,183	313,092	328,747	345,184	362,444	380,566	399,594	419,574	440,552	462,580	485,709
Lantana	687,429	721,800	757,890	795,785	835,574	877,352	921,220	967,281	1,015,645	1,066,427	1,119,749
Glades	810,215	850,725	893,262	937,925	984,821	1,034,062	1,085,765	1,140,054	1,197,056	1,256,909	1,319,754
North County Airport	1,855,819	1,948,610	2,046,041	2,148,343	2,255,760	2,368,548	2,486,975	2,611,324	2,741,890	2,878,985	3,022,934
Air Cargo Building	132,533	139,160	146,118	153,424	161,095	169,150	177,607	186,487	195,812	205,602	215,882
TOTAL O&M EXPENSES	\$42,736,183	\$44,872,993	\$47,116,642	\$49,472,474	\$51,946,098	\$54,543,403	\$57,270,573	\$60,134,102	\$63,140,807	\$66,297,847	\$69,612,739

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.

Prepared by: Ricondo & Associates, Inc.

SECTION 6

Airport Revenues (Nonairline and Airline)

6.0 Airport Revenues (Nonairline and Airline)

Airport revenues are generated from nonairline sources, such as tenant leases and other miscellaneous agreements, and from airline sources in accordance with the Airline Agreements, Cargo Agreements, and the Bond Resolution. Nonairline revenues are categorized by the Direct Cost Center in which they occur.

6.1 Nonairline Revenues

Nonairline revenues for FY 2007 through FY 2017 are presented in **Table 1.6**. As shown, total Nonairline revenues are projected to increase from approximately \$45.6 million in FY 2007 to approximately \$63.0 million in FY 2017 at a compounded annual growth rate of 3.5 percent throughout the projection period.

6.1.1 Airside

The major source of nonairline revenues in the Airside Cost Center is aviation fueling. Total Airside revenues are projected to increase from approximately \$1.3 million in FY 2007 to approximately \$2.1 million in FY 2017. This increase represents a compounded annual growth rate of 4.6 percent during this period, and is the result of forecast growth in aircraft operations and the effects of inflation during the projection period.

6.1.2 Terminal

Nonairline revenues in the Terminal Cost Center primarily consist of rentals and fees from news and gift and food and beverage concessionaires, advertisers, and miscellaneous concessionaires, as well as nonairline Terminal rental revenues, airline reimbursements for tenant equipment and security charges, and federal inspection services (FIS) facility fees. These revenues are projected to increase from approximately \$7.0 million in FY 2007 to approximately \$9.5 million in FY 2017. This increase represents a compounded annual growth rate of 3.2 percent during this period, and is the result of forecast growth in numbers of enplaned passengers and the effects of inflation during the projection period.

6.1.3 Ground Transportation

Revenues from the Ground Transportation Cost Center primarily consist of automobile parking revenues, taxicab and limousine parking fees, and rental car concession fees. Total Ground Transportation revenues are projected to increase from approximately \$29.4 million budgeted for FY 2007 to approximately \$40.9 million in FY 2017. This increase represents a compounded annual growth rate of 3.4 percent during this period, and is the result of forecast growth in numbers of enplaned passengers and anticipated parking rate increases as well as the effects of inflation during the projection period.

Table 1.6

Projected Nonairline Revenues

Fiscal Year	Projected										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Airside Revenues	\$1,326,699	\$1,387,170	\$1,452,929	\$1,524,923	\$1,593,351	\$1,664,962	\$1,739,932	\$1,818,410	\$1,900,604	\$1,985,439	\$2,074,188
Terminal Revenues	\$6,914,483	\$7,121,823	\$7,346,609	\$7,591,917	\$7,826,078	\$8,070,915	\$8,327,012	\$8,594,857	\$8,875,141	\$9,164,401	\$9,466,760
Ground Transportation	\$29,331,816	\$30,133,886	\$31,018,838	\$32,002,464	\$34,785,123	\$35,718,278	\$36,686,575	\$37,691,203	\$38,734,582	\$39,792,780	\$40,890,506
Aviation	\$1,652,179	\$1,696,344	\$1,741,835	\$1,788,690	\$1,836,950	\$1,886,659	\$1,937,859	\$1,990,594	\$2,044,912	\$2,100,860	\$2,158,485
Air Cargo Facility	\$236,900	\$244,007	\$251,327	\$258,867	\$266,633	\$274,632	\$282,871	\$291,357	\$300,098	\$309,101	\$318,374
Non-Aviation	\$1,745,850	\$1,798,226	\$1,852,172	\$1,907,737	\$1,964,970	\$2,023,919	\$2,084,636	\$2,147,175	\$2,211,591	\$2,277,938	\$2,346,276
Other Revenues	\$4,429,838	\$4,594,906	\$4,737,035	\$4,845,357	\$4,992,905	\$5,188,212	\$5,381,814	\$5,553,745	\$5,687,643	\$5,732,447	\$5,778,594
Total Nonairline Revenues	\$45,637,765	\$46,976,362	\$48,400,745	\$49,919,955	\$53,266,011	\$54,827,577	\$56,440,699	\$58,087,342	\$59,754,571	\$61,362,966	\$63,033,183

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.
 Prepared by: Ricondo & Associates, Inc.

6.1.4 Aviation

Revenues from the Aviation Cost Center consist primarily of facility and ground rents and flight kitchen revenues. These revenues are projected to increase from approximately \$1.7 million in FY 2007 to approximately \$2.2 million in FY 2017. This increase represents a compounded annual growth rate of 2.7 percent during this period, and reflects the expected effects of inflation during the projection period.

6.1.5 Air Cargo Building

Revenues from the Air Cargo Building are projected to increase from approximately \$237,000 in FY 2007 to approximately \$318,000 in FY 2017. This increase represents a compounded annual growth rate of 3.0 percent during this period, and is the result of the expected effects of inflation during the projection period.

6.1.6 Non-Aviation

Revenues from the Non-Aviation Cost Center consist of non-aviation ground and building rents. These revenues are projected to increase from approximately \$1.7 million in FY 2007 to approximately \$2.3 million in FY 2017. This increase represents a compounded annual growth rate of 3.0 percent during this period, and is the result of the expected effects of inflation during the projection period.

6.1.7 Other Revenues

Revenues from the three reliever general aviation airports and investment earnings are projected to increase from approximately \$4.4 million in FY 2007 to approximately \$5.8 million in FY 2017. This increase represents a compounded annual growth rate of 3.3 percent during this period, as a result of the expected effects of inflation and increasing fund balances during the projection period.

6.2 Airline Revenues

The remaining revenues generated at the Airport include Terminal rentals, landing fees, and apron fees payable by the airlines. In general, the airline rate-base for the Terminal rental rate and landing fee calculations consists of the following elements:

- **O&M Expenses** - These expenses are attributed to the various rate-setting areas for the Terminal and Airside Cost Centers and the allocated portion of indirect O&M Expenses.
- **O&M Reserve** - This requirement represents the amount necessary to fund and replenish the O&M Reserve Fund as required by the Bond Resolution, equal to one-sixth of O&M Expenses.
- **Debt Service** - Debt service requirements attributable to the rate-setting areas resulting from all GARBs and subordinate indebtedness.
- **Debt Service Coverage** - The County must maintain rental rates, fees, and charges sufficient to meet the rate covenant in the Bond Resolution.

- **Debt Service Reserve Funding** - As required by the Bond Resolution, the amount, if any, required to replenish the Debt Service Reserve Account to its minimum balance.
- **Amortization** - This amount represents the annual capital expenditures that were initially funded by the County and then amortized through the airline rate base over the useful life of the project.

Certain Terminal and Airside revenues offset these rate base items. As described previously, a portion of the funds remaining from the previous year (known as the Transfer) is allocated to the Signatory Airlines to partially offset their rentals, fees, and charges.

6.2.1 Terminal Rentals

The Terminal rental rate calculation combines Terminal Cost Center-specific Direct and Indirect O&M Expenses and the O&M Reserve requirement; total debt service, debt service coverage, and the debt service reserve requirement; and amortization; **less:** Concourse Security Reimbursements, Air Carrier FIS facility fees, and a portion of airline catering revenues. This net requirement is divided by the sum of rentable square footage in the Terminal to determine the average Terminal rental rate per square foot. Currently, the County assigns 80 percent of the Transfer to the Terminal rental rate calculation. The Transfer reduces the average Terminal rental rate to the Signatory Airline rental rate.

Table 1.7 presents the Terminal rental rate for FY 2007 through FY 2017. As shown, the Signatory Airline Terminal rental rate is projected to increase from \$49.17 per square foot in FY 2007 to \$56.50 per square foot in FY 2017 as a result of increasing O&M expenses partially offset by increased parking revenues and decreasing debt service that positively affect the airline Transfer included in the rate base.

6.2.2 Landing Fees

The Signatory Airline landing fee calculation combines Airside Cost Center-specific Direct and Indirect O&M Expenses and the O&M Reserve requirement; total debt service, debt service coverage and the debt service reserve requirement; and amortization; **less:** non-signatory airline landing fees, Airside services revenues, aviation fueling revenues, a portion of airline catering revenues, and 10% of the Airside requirement that is recovered from Apron fees. This net requirement is divided by landed weight to determine the Signatory Airline landing fee rate. The non-signatory airlines are assessed a 25 percent surcharge on the Signatory Airline landing fee rate.

Table 1.8 presents Signatory Airline landing fees for FY 2007 through FY 2017. As shown, the Signatory Airline landing fee rate is projected to decrease from \$0.88 per 1,000 pounds of landed weight in FY 2007 to \$0.94 per 1,000 pounds of landed weight in FY 2017 as a result of increased parking revenues and decreasing debt service that positively affect the airline Transfer included in the rate base partially offset by increasing O&M expenses.

Table 1.7**Terminal Rental Rates**

Fiscal Year	Projected										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TERMINAL RENTAL RATES:											
Operating Expenses	\$14,534,052	\$15,260,755	\$16,023,792	\$16,824,982	\$17,666,231	\$18,549,543	\$19,477,020	\$20,450,871	\$21,473,414	\$22,547,085	\$23,674,439
O&M Reserve (1/6 annual)	140,779	147,990	155,390	163,159	171,317	179,883	188,877	198,321	208,237	218,649	229,581
Debt Service	5,698,193	5,727,885	5,738,015	5,750,353	6,693,957	6,758,828	6,767,409	6,856,852	1,649,947	1,648,405	1,647,699
Debt Service Coverage (25%)	1,424,548	1,431,971	1,434,504	1,437,588	1,673,489	1,689,707	1,691,852	1,714,213	412,487	412,101	411,925
Debt Service Reserve Requirement	0	0	0	0	0	0	0	0	0	0	0
Amortization Charges	461,484	697,593	697,593	697,593	692,348	611,238	611,238	611,238	438,912	438,912	438,912
Total Terminal Requirement	\$22,259,057	\$23,266,194	\$24,049,294	\$24,873,675	\$26,897,343	\$27,789,199	\$28,736,396	\$29,831,494	\$24,182,997	\$25,265,152	\$26,402,556
Less:											
Concourse Security Reimbursements ¹	0	0	0	0	0	0	0	0	0	0	0
Air Carrier FIS Facility	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Applicable Direct Revenue and Reimburs:											
Airline Catering (25%)	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
NET REQUIREMENT	\$22,184,057	\$23,191,194	\$23,974,294	\$24,798,675	\$26,822,343	\$27,714,199	\$28,661,396	\$29,756,494	\$24,107,997	\$25,190,152	\$26,327,556
Rentable Terminal Area	329,766	348,339	348,339	348,339	348,339	348,339	348,339	348,339	348,339	348,339	348,339
Average Terminal Rental Rate	\$67.27	\$66.58	\$68.82	\$71.19	\$77.00	\$79.56	\$82.28	\$85.42	\$69.21	\$72.32	\$75.58
Total Airline Terminal Space	274,613	288,843	288,843	288,843	288,843	288,843	288,843	288,843	288,843	288,843	288,843
Signatory Airline Leased Terminal Space	231,340	241,340	241,340	241,340	253,407	253,407	253,407	266,077	266,077	266,077	266,077
Airline Share of Net Requirement	\$15,562,717	\$16,067,560	\$16,610,116	\$17,181,272	\$19,512,496	\$20,161,296	\$20,850,355	\$22,729,359	\$18,414,780	\$19,241,380	\$20,110,180
Less Transfers	4,188,085	2,233,831	2,574,432	2,133,072	2,128,739	3,242,534	3,183,193	3,120,767	3,439,933	5,283,148	5,077,601
Signatory Airline Requirement	11,374,632	13,833,729	14,035,684	15,048,200	17,383,757	16,918,762	17,667,163	19,608,592	14,974,848	13,958,231	15,032,579
Signatory Airline Leased Terminal Space	231,340	241,340	241,340	241,340	253,407	253,407	253,407	266,077	266,077	266,077	266,077
Signatory Terminal Rental Rate	\$49.17	\$57.32	\$58.16	\$62.35	\$68.60	\$66.77	\$69.72	\$73.70	\$56.28	\$52.46	\$56.50
Terminal Revenue by Type:											
Type 1	\$566,309	\$658,809	\$668,427	\$716,646	\$827,873	\$805,729	\$841,370	\$933,828	\$713,153	\$664,738	\$715,902
Type 2	3,663,902	4,539,827	4,606,103	4,938,381	5,704,843	5,552,245	5,797,848	6,434,969	4,914,309	4,580,685	4,933,255
Type 3	3,661,169	4,259,178	4,321,357	4,633,094	5,352,173	5,209,009	5,439,429	6,037,163	4,610,510	4,297,510	4,628,284
Type 4	3,041,034	3,861,465	3,917,837	4,200,465	4,852,399	4,722,603	4,931,507	5,473,426	4,179,990	3,896,218	4,196,105
Type 5	442,219	514,450	521,960	559,614	646,469	629,176	657,008	729,206	556,886	519,080	559,033
Total Terminal Revenue	\$11,374,632	\$13,833,729	\$14,035,684	\$15,048,200	\$17,383,757	\$16,918,762	\$17,667,163	\$19,608,592	\$14,974,848	\$13,958,231	\$15,032,579

Notes:

1/ Effective October 1, 2006, the County discontinued a separate passenger screening charge.

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.

Prepared by: Ricondo & Associates, Inc.

Table 1.8**Projected Landing Fees**

Fiscal Year	Projected										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Landing Fees:											
Operating Expenses	\$6,030,836	\$6,332,378	\$6,648,997	\$6,981,447	\$7,330,519	\$7,697,045	\$8,081,897	\$8,485,992	\$8,910,292	\$9,355,806	\$9,823,597
O&M Reserve (1/6 annual)	20,570	21,624	22,705	23,840	25,032	26,284	27,598	28,978	30,427	31,948	33,545
Debt Service	1,146,962	1,152,939	1,154,978	1,157,461	1,347,395	1,360,452	1,362,180	1,380,183	332,110	331,800	331,657
Debt Service Coverage (25%)	286,741	288,235	288,744	289,365	336,849	340,113	340,545	345,046	83,027	82,950	82,914
Debt Service Reserve Requirement	0	0	0	0	0	0	0	0	0	0	0
Amortization Charges	84,018	84,018	84,018	77,169	77,169	77,169	77,169	77,169	18,073	18,073	18,073
Total Airside Requirement	\$7,569,127	\$7,879,193	\$8,199,442	\$8,529,282	\$9,116,964	\$9,501,063	\$9,889,388	\$10,317,368	\$9,373,929	\$9,820,577	\$10,289,787
Less:											
Applicable Direct Revenue and Reimburse:											
Nonsignatory Landing Fee Revenue	\$75,869	\$88,080	\$90,451	\$96,240	\$104,210	\$104,135	\$109,132	\$114,698	\$97,238	\$94,757	\$101,404
Airside Services	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527
Aviation Fueling	1,295,799	1,355,343	1,420,147	1,491,158	1,558,573	1,629,141	1,703,036	1,780,407	1,861,461	1,945,122	2,032,661
Airline Catering (25%)	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Apron Fees (10%)	756,913	787,919	819,944	852,928	911,696	950,106	988,939	1,031,737	937,393	982,058	1,028,979
ADJUSTED REQUIREMENT	\$5,364,646	\$5,571,023	\$5,791,118	\$6,010,191	\$6,462,705	\$6,736,860	\$7,006,385	\$7,307,524	\$6,393,694	\$6,713,323	\$7,040,216
Less: Transfers	1,047,021	558,458	643,608	533,268	532,185	810,634	795,798	780,192	859,983	1,320,787	1,269,400
NET REQUIREMENT	\$4,317,625	\$5,012,565	\$5,147,510	\$5,476,923	\$5,930,521	\$5,926,226	\$6,210,587	\$6,527,332	\$5,533,711	\$5,392,536	\$5,770,816
Signatory Landed Weight (1,000 pounds)	4,807,150	4,928,695	5,049,693	5,169,868	5,291,309	5,415,078	5,529,116	5,655,400	5,767,365	5,882,712	6,000,366
Nonsignatory Landed Weight (1,000 pounds)	78,165	80,141	82,109	84,063	86,038	88,050	89,904	91,958	93,778	95,654	97,567
Total Landed Weight (1,000 pounds)	4,885,315	5,008,837	5,131,802	5,253,930	5,377,346	5,503,128	5,619,020	5,747,358	5,861,143	5,978,366	6,097,933
Landing Fee Rate	\$0.88	\$1.00	\$1.00	\$1.04	\$1.10	\$1.08	\$1.10	\$1.13	\$0.94	\$0.90	\$0.94
Nonsignatory Surcharge	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Nonsignatory Landing Fee Rate	\$0.97	\$1.10	\$1.10	\$1.14	\$1.21	\$1.18	\$1.21	\$1.25	\$1.04	\$0.99	\$1.04
Signatory Landing Fee Revenue	\$4,241,756	\$4,924,485	\$5,057,058	\$5,380,683	\$5,826,310	\$5,822,091	\$6,101,456	\$6,412,634	\$5,436,473	\$5,297,779	\$5,669,412
Nonsignatory Landing Fee Revenue	75,869	88,080	90,451	96,240	104,210	104,135	109,132	114,698	97,238	94,757	101,404

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.
Prepared by: Ricondo & Associates, Inc.

SECTION 7

Cost Per Enplaned Passenger

7.0 Cost per Enplaned Passenger

Airline revenues are divided by the number of enplaned passengers to yield the cost per enplaned passenger for the airlines in total. The number of enplaned passengers is forecast to increase at a compounded annual growth rate of 3.0 percent from FY 2007 through FY 2017. As presented in **Table 1.9**, the airline cost per enplaned passenger is projected to decrease from \$4.93 in FY 2007 to \$4.71 in FY 2017.

Table 1.9**Projected Cash Flow / Coverage Calculation / Cost per Enplaned Passenger**

Fiscal Year	Projected										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Airline Revenues:											
Landing Fees	\$4,317,625	\$5,012,565	\$5,147,510	\$5,476,923	\$5,930,521	\$5,926,226	\$6,210,587	\$6,527,332	\$5,533,711	\$5,392,536	\$5,770,816
Landing Fee Rebate	0	0	0	0	0	0	0	0	0	0	0
Apron Fees	756,913	787,919	819,944	852,928	911,696	950,106	988,939	1,031,737	937,393	982,058	1,028,979
Terminal Rentals	11,374,632	13,833,729	14,035,684	15,048,200	17,383,757	16,918,762	17,667,163	19,608,592	14,974,848	13,958,231	15,032,579
Tenant Equipment Charges	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Passenger Screening Revenues	0	0	0	0	0	0	0	0	0	0	0
FIS Revenues	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total Airline Revenues	\$18,679,170	\$21,864,214	\$22,233,138	\$23,608,051	\$26,455,974	\$26,025,094	\$27,096,689	\$29,397,660	\$23,675,952	\$22,562,825	\$24,062,374
Nonairline Revenues ¹	43,407,765	44,746,362	46,170,745	47,689,955	51,036,011	52,597,577	54,210,699	55,857,342	57,524,571	59,132,966	60,803,183
PFC Revenues Available for DS and Coverage	0	0	11,395,176	11,395,176	11,395,176	11,395,176	11,395,176	11,395,176	16,967,325	16,967,325	19,614,019
Subtotal Revenues	\$62,086,935	\$66,610,576	\$79,799,059	\$82,693,183	\$88,887,161	\$90,017,847	\$92,702,564	\$96,650,178	\$98,167,847	\$98,663,115	\$104,479,576
Prior Year Transfer	5,608,942	3,166,125	3,591,876	3,040,176	3,034,760	4,427,004	4,352,827	4,274,795	4,673,752	6,843,292	6,586,246
TOTAL REVENUES	\$67,695,877	\$69,776,701	\$83,390,935	\$85,733,358	\$91,921,921	\$94,444,851	\$97,055,391	\$100,924,973	\$102,841,599	\$105,506,408	\$111,065,822
Less: O&M Expenses	42,736,183	44,872,993	47,116,642	49,472,474	51,946,098	54,543,403	57,270,573	60,134,102	63,140,807	66,297,847	69,612,739
NET REVENUES	\$24,959,694	\$24,903,708	\$36,274,292	\$36,260,884	\$39,975,823	\$39,901,448	\$39,784,818	\$40,790,871	\$39,700,793	\$39,208,561	\$41,453,083
Less: O&M Reserve	338,782	356,135	373,942	392,639	412,271	432,884	454,528	477,255	501,118	526,173	552,482
Debt Service	15,230,655	15,292,205	15,313,205	15,338,780	17,294,843	17,429,318	17,447,105	17,632,518	6,838,768	6,835,572	6,834,108
Future PFC Debt Service	0	0	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	9,116,141	13,573,860	13,573,860	15,691,215
Debt Service Reserve Requirement	0	0	0	0	0	0	0	0	0	0	0
Subordinated Debt Repayment	1,262,500	40,000	1,080,000	1,040,000	0	0	0	0	0	0	0
FUNDS REMAINING	\$8,127,756	\$9,215,368	\$10,391,005	\$10,373,324	\$13,152,569	\$12,923,106	\$12,767,043	\$13,564,958	\$18,787,048	\$18,272,956	\$18,375,278
Coverage Calculation:											
Net Revenues less O&M Reserve	24,620,912	24,547,573	35,900,351	35,868,245	39,563,552	39,468,564	39,330,289	40,313,617	39,199,675	38,682,387	40,900,601
Debt Service	15,230,655	15,292,205	24,429,346	24,454,921	26,410,984	26,545,459	26,563,246	26,748,659	20,412,627	20,409,432	22,525,323
Coverage	1.62	1.61	1.47	1.47	1.50	1.49	1.48	1.51	1.92	1.90	1.82
Cost per Enplaned Passenger:											
Airline Revenues	\$18,679,170	\$21,864,214	\$22,233,138	\$23,608,051	\$26,455,974	\$26,025,094	\$27,096,689	\$29,397,660	\$23,675,952	\$22,562,825	\$24,062,374
Enplanements	3,723,800	3,842,600	3,979,500	4,138,700	4,264,600	4,394,900	4,529,900	4,669,700	4,814,700	4,958,600	5,107,400
Cost Per Enplaned Passenger	\$5.02	\$5.69	\$5.59	\$5.70	\$6.20	\$5.92	\$5.98	\$6.30	\$4.92	\$4.55	\$4.71

Notes:

1/ Does not include Tenant Equipment Charges, Passenger Screening Revenues, or FIS Revenues.

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.

Prepared by: Ricondo & Associates, Inc.

SECTION 8
Cash Flow

8.0 Cash Flow

Table 1.9 also shows the funds remaining after O&M Expenses and debt service are deducted from total revenues. The funds remaining are available for the calculation of debt service coverage and to fund capital projects. This table also shows the calculation of debt service coverage.

SECTION 9

Debt Service Coverage

9.0 Debt Service Coverage

Debt service coverage is calculated by subtracting O&M Expenses and O&M Reserve from total revenues and then dividing the result by debt service for the period. Coverage must be at least 1.25 times debt service as required by the Bond Resolution. As presented in Table 1.9, debt service coverage for the Airport is projected to be higher than the minimum 1.25 times required in every year of the projection period, indicating that the Airport System is projected to have adequate resources to meet its debt service obligations throughout the projection period.

SECTION 10

Summary of Baseline Scenario

10.0 Summary of Baseline Scenario

Based on analyses of forecast activity at the Airport, in addition to projected revenues and expenses, and the Airport System Capital Improvement Plan for FY 2007 through FY 2025, it appears that the County has adequate resources and the Airport System has adequate growth capacity to meet future demand. The County has access to various sources of funding and, through a mix of FAA funding, State funding, PFC revenues, General Airport Revenue Bonds and PFC-backed bonds, and Airport funds. The capital projects recommended in the Master Plan appear to be financially feasible and the County can reasonably expect to implement these projects. The airline rates and overall airline cost per enplaned passenger remain reasonable over the shorter term planning period (through FY 2017) and projected Airport System funds appear to be adequate to effectively operate the Airport System. As required in the Bond Resolution, debt service coverage is projected to be significantly above the minimum 125 percent of debt service throughout the projection period.

SECTION 11

Sensitivity Analysis 1

11.0 Sensitivity Analysis 1

The baseline financial scenario was based on eligibility of projects for various types of funding. This section evaluates a modified funding scenario based on the following assumptions:

- FAA and State Funding are capped at Historical Levels experienced by the airport system.
- PFCs are collected at a \$4.50 per enplaned passenger level.
- FAA entitlement are calculated based on the existing FAA formula incorporating the baseline forecast of enplanements and a \$4.50 PFC.
- FAA discretionary funds for FY 2008 through FY 2016 are estimated to be \$500,000 per year.
- Additional FAA discretionary funds for FY 2010 through FY 2014 are estimated to be \$100 million for the five-year period, secured with an LOI and distributed over the five-year period (\$20 million annually)
- FDOT funds are estimated to be \$2.5 million per year for PBI; and \$500,000 per year (total) for the 3 GA airports.
- FDOT (SIS) Funding is estimated to be \$10,898,000 in FY 2009.
- Timing of projects is projected to be delayed when necessary to ensure adequate funding availability.
- Hangars at reliever / general aviation airports will be funded with bond proceeds and will only be undertaken if hangar revenues are sufficient to repay annual debt service.

Based on analyses of forecast activity at the Airport, in addition to projected revenues and expenses, and the Airport System Capital Improvement Plan for FY 2007 through FY 2025 based on the above assumptions, it appears that the County has adequate financial resources and the Airport System has adequate growth capacity to meet future demand under this scenario. However, airline rates and charges would increase significantly over the baseline scenario.

Table 1.10 presents the funding sources assumed in Scenario 1. After incorporating the funding sources and other assumptions, **Table 1.11** illustrates selected airline rates and charges, cost per enplanement, debt service coverage and ending balance in the Airport's capital account through FY 2017 that result from this scenario and compares the financial results to the baseline scenario. As presented, airline rates and charges are projected to be higher and the balance in the Airport's Improvement and Development fund is projected to be lower in Scenario 1 compared to the Baseline Scenario.

Table 1.10 (1 of 3)
Capital Improvement Plan – Summary of Funding Sources

Project	Total Project Escalated Dollars	Funding Source					
		AIP Ent	AIP Disc	FDOT	PFC	Airport Cash	GARBs
PALM BEACH INTERNATIONAL AIRPORT							
Expand and Rehab Overnight Parking Apron	\$740,000	\$0	\$0	\$370,000	\$370,000	\$0	\$0
Apron "A" Expansion	3,420,000	0	0	1,220,000	2,200,000	0	0
NAVAID Relocation Study	300,000	0	0	0	300,000	0	0
Construct Maintenance Compound	1,000,000	0	0	0	1,000,000	0	0
Rehabilitate Aircraft Parking Apron	1,090,000	0	0	0	1,090,000	0	0
Extension of Taxiway "F" to RW 13	13,400,000	0	0	2,888,000	10,512,000	0	0
Extend Runway 9R-27L Environmental & Design	8,284,000	0	0	0	8,284,000	0	0
Extension of Taxiway "L" (Lima)	17,700,000	0	0	858,500	16,841,500	0	0
Miscellaneous taxiway rehab	5,250,000	0	0	1,253,500	2,625,000	1,371,500	0
New Taxiway Connector - Runway 9L-27R	5,300,000	1,676,250	500,000	0	662,500	2,461,250	0
Taxiway Romeo (West of R1)	20,825,398	0	3,733,333	0	837,500	3,629,167	12,625,398
Taxiway C4 High Speed Exit - Rwy 9L-27R	5,084,000	0	0	0	508,400	4,575,600	0
Taxiway D High Speed Exit - Rwy 9L-27R	4,721,000	0	0	0	472,100	4,248,900	0
Replace (2) Fire Rescue Vehicles	2,250,000	0	0	0	1,250,000	1,000,000	0
Concourse "A" Redevelopment	20,375,000	0	0	0	18,300,000	2,075,000	0
Acquire land runway 9L-27R	7,094,817	1,705,100	5,014,717	0	375,000	0	0
Taxiway Lima (West) Upgrades and Improvements	17,048,000	1,731,150	1,303,050	2,500,000	11,513,800	0	0
Runway 9R Property Acquisition	35,846,700	0	11,948,900	5,974,000	9,923,800	0	8,000,000
Golfview Apron, Taxilanes/Taxiways and Infrastructure	74,000,000	0	60,000,000	0	14,000,000	0	0
Golfview Facilities	130,000,000	0	0	2,500,000	127,500,000	0	0
Relocate VOR	3,939,281	0	0	1,414,000	2,525,281	0	0
Taxiway Charlie (East) Improvements	7,800,000	0	0	3,510,000	4,290,000	0	0
Extend, Relocate and Upgrade RWY 9R-27L	77,101,000	0	20,000,000	0	13,000,000	5,000,000	39,101,000
Construct Apron Golfview 2	6,000,000	0	0	0	6,000,000	0	0
Construct Surface Parking Lot	1,426,946	0	0	0	0	1,426,946	0
Demolition East of Runway 13-31	17,600,000	0	0	0	2,200,000	1,000,000	14,400,000
Demolition West of Runway 13-31	10,600,000	1,755,500	0	0	1,325,000	0	7,519,500
Runway 13-31 Pavement Removal	2,500,000	1,779,950	0	0	312,500	407,550	0
Runway 13-31, Taxiway F and Taxiway B Extensions and Taxiway Connectors	23,000,000	0	0	2,500,000	2,875,000	17,625,000	0
Part 150 Study PBlA	800,000	0	0	40,000	40,000	0	720,000

Table 1.10 (2 of 3)**Capital Improvement Plan – Summary of Funding Sources**

Project	Total Project Escalated Dollars	Funding Source					
		AIP Ent	AIP Disc	FDOT	PFC	Airport Cash	GARBs
Rehabilitate Taxiway C	8,500,000	1,804,500	0	2,445,500	2,445,500	0	1,804,500
New Parking Revenue Center	2,609,546	0	0	0	0	2,609,546	0
New Cargo Apron	5,461,307	1,829,100	0	273,065	273,065	0	3,086,077
Concourse "B" Expansion	29,500,000	1,853,750	0	2,500,000	0	5,000,000	20,146,250
Miscellaneous Taxiway Rehab	2,687,834	0	500,000	0	0	0	2,187,834
New Belly Cargo/All Cargo Facility	33,131,938	0	0	0	0	0	33,131,938
Cargo Apron Expansion	3,070,758	1,878,425	0	0	153,538	0	1,038,795
Construct Surface Parking Lot	4,270,962	0	0	2,500,000	854,192	0	916,770
Terminal Building Baggage System Expansion	24,979,506	0	0	0	24,979,506	0	0
Construct Surface Parking Lot	5,806,149	0	0	0	0	5,806,149	0
New Parking Garage	224,176,582	0	0	0	0	0	224,176,582
Subtotal Palm Beach International Airport	\$868,690,724	\$16,013,725	\$103,000,000	\$32,746,565	\$289,839,182	\$58,236,608	\$368,854,644
LANTANA							
Runway 33 Threshold Improvements	\$150,000	\$0	\$142,500	\$3,750	\$3,750	\$0	\$0
Construct Hangars at Lantana	1,875,000	0	0	0	0	0	1,875,000
Construct Hangars (Rows 500, 600 & 700)	5,000,000	0	0	0	0	0	5,000,000
Upgrade Airfield Signage	400,000	0	0	0	10,000	390,000	0
Expand Itinerant Apron	6,200,000	0	0	0	1,240,000	4,960,000	0
Relocate Airport Rotating Beacon	100,000	0	0	0	5,000	0	95,000
Taxiway C Rehab	1,100,000	0	0	0	220,000	0	880,000
Apron Rehab	275,000	0	0	0	55,000	0	220,000
Rehab Runway 15/33	1,500,000	0	0	0	300,000	0	1,200,000
Rehab Runway 3/21	200,000	0	0	0	40,000	0	160,000
Construct Apron	2,200,000	0	0	500,000	0	1,700,000	0
Construct Hangars (Rows 1600, 1700, 1800 & 1900)	3,600,000	0	0	0	0	0	3,600,000
Construct Access Road to West Side Development	250,000	0	0	200,000	50,000	0	0
Subtotal Lantana	\$22,850,000	\$0	\$142,500	\$703,750	\$1,923,750	\$7,050,000	\$13,030,000

Table 1.10 (3 of 3)
Capital Improvement Plan – Summary of Funding Sources

Project	Total Project Escalated Dollars	Funding Source					
		AIP Ent	AIP Disc	FDOT	PFC	Airport Cash	GARBs
NORTH COUNTY AIRPORT							
Miscellaneous Pavement Rehab	\$250,000	\$0	\$237,500	\$6,250	\$6,250	\$0	\$0
Construct Hangars at North County	1,875,000	0	0	0	0	0	1,875,000
Construct Apron and Taxilanes	1,875,000	0	0	500,000	375,000	1,000,000	0
Construct Service Road from Terminal to North T-Hangars	550,000	0	0	0	110,000	440,000	0
Construct Additional Tie-Down/Transient Apron	4,200,000	0	0	0	840,000	3,360,000	0
Construct Hangars	5,000,000	0	0	0	0	0	5,000,000
Hangar Construction Environmental Mitigation	2,500,000	0	0	0	500,000	0	2,000,000
Construct Parallel Runway	4,450,000	0	500,000	500,000	111,250	0	3,338,750
Environmental Mitigation Runway 13-31	5,000,000	0	0	4,000,000	1,000,000	0	0
Subtotal North County Airport	\$25,700,000	\$0	\$737,500	\$5,006,250	\$2,942,500	\$4,800,000	\$12,213,750
GLADES							
T-Hangar Taxilane Rehab	\$143,000	\$0	\$135,850	\$3,575	\$3,575	\$0	\$0
Construct T-Hangar Facilities	500,000	0	0	0	0	500,000	0
Runway 17/35 Crack Sealing	80,000	0	0	80,000	0	0	0
Construct T-Hangars	1,250,000	0	0	0	0	0	1,250,000
Install PAPIs and REILs	360,000	0	0	0	18,000	342,000	0
Expand Aircraft Parking Apron	1,500,000	0	500,000	500,000	300,000	0	200,000
Property Acquisition	1,000,000	0	0	0	0	1,000,000	0
Subtotal Glades	\$4,833,000	\$0	\$635,850	\$583,575	\$321,575	\$1,842,000	\$1,450,000
TOTAL	\$922,073,724	\$16,013,725	\$104,515,850	\$39,040,140	\$295,027,007	\$71,928,608	\$395,548,394
<u>Total Funding Sources By Cost Center:</u>							
Airside	\$390,164,095	\$14,159,975	\$103,000,000	\$25,246,565	\$116,955,484	\$40,318,967	\$90,483,104
Terminal	74,854,506	1,853,750	0	2,500,000	43,279,506	7,075,000	20,146,250
Ground Transportation	238,290,185	0	0	2,500,000	854,192	9,842,641	225,093,352
Aviation	130,000,000	0	0	2,500,000	127,500,000	0	0
Lantana	22,850,000	0	142,500	703,750	1,923,750	7,050,000	13,030,000
Glades	4,833,000	0	635,850	583,575	321,575	1,842,000	1,450,000
North County Airport	25,700,000	0	737,500	5,006,250	2,942,500	4,800,000	12,213,750
Air Cargo Building	33,131,938	0	0	0	0	0	33,131,938
Fire Rescue	2,250,000	0	0	0	1,250,000	1,000,000	0
TOTAL	\$922,073,724	\$16,013,725	\$104,515,850	\$39,040,140	\$295,027,007	\$71,928,608	\$395,548,394

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.
 Prepared by: Ricondo & Associates, Inc.

Table 1.11**Cash Flow / Coverage Calculation / Cost Per Enplanement**

Fiscal Year	Budget	Projected										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Sensitivity Scenario 1:</u>												
Signatory Landing Fee Rate	\$1.06	\$0.88	\$1.00	\$1.00	\$1.05	\$1.12	\$1.66	\$1.67	\$2.73	\$2.49	\$2.43	\$2.50
Average Terminal Rental Rate	\$57.88	\$49.17	\$57.33	\$58.39	\$63.29	\$69.95	\$68.13	\$70.54	\$75.06	\$55.91	\$53.21	\$63.52
Cost Per Enplanement	\$6.24	\$5.02	\$5.69	\$5.60	\$5.77	\$6.30	\$6.81	\$6.81	\$8.57	\$7.00	\$6.65	\$7.14
Debt Service Coverage	2.05	1.62	1.60	1.50	1.46	1.42	1.38	1.35	1.34	1.56	1.56	1.40
Airport Improvement and Development Fund Ending Balance	\$39,780,563	\$43,698,396	\$38,851,750	\$21,688,540	\$23,644,887	\$27,409,430	\$12,457,154	\$10,966,743	\$13,843,325	\$16,270,419	\$23,628,478	\$29,154,868
<u>Baseline Scenario:</u>												
Signatory Landing Fee Rate	\$1.06	\$0.88	\$1.00	\$1.00	\$1.04	\$1.10	\$1.08	\$1.10	\$1.13	\$0.94	\$0.90	\$0.94
Average Terminal Rental Rate	\$57.88	\$49.17	\$57.32	\$58.16	\$62.35	\$68.60	\$66.77	\$69.72	\$73.70	\$56.28	\$52.46	\$56.50
Cost Per Enplanement	\$6.24	\$5.02	\$5.69	\$5.59	\$5.70	\$6.20	\$5.92	\$5.98	\$6.30	\$4.92	\$4.55	\$4.71
Debt Service Coverage	2.05	1.62	1.61	1.47	1.47	1.50	1.49	1.48	1.51	1.92	1.90	1.82
Airport Improvement and Development Fund Ending Balance	\$39,780,563	\$44,101,396	\$47,724,889	\$50,421,682	\$51,679,266	\$56,875,796	\$61,197,039	\$66,160,252	\$68,912,877	\$71,213,167	\$78,256,412	\$85,086,148

Source: Palm Beach County Department of Airports; Ricondo & Associates, Inc.
 Prepared by: Ricondo & Associates, Inc.

SECTION 12

Sensitivity Analysis 2

12.0 Sensitivity Analysis 2

The baseline financial scenario was based on eligibility of projects for various types of funding. This section evaluates a modified funding scenario based on the following assumptions:

- FAA and State Funding are capped at Historical Levels experienced by the airport system.
- PFCs are collected at a \$6.00 per enplaned passenger level starting in FY 2009.
- FAA entitlements are calculated based on the existing FAA formula incorporating the baseline forecast of enplanements and the PFC level. When the PFC level is assumed to increase to \$6.00, entitlements will be eliminated.
- FAA discretionary funds for FY 2008 through FY 2016 are estimated to be \$500,000 per year.
- Additional FAA discretionary funds for FY 2010 through FY 2014 are estimated to be \$100 million for the five-year period, secured with an LOI and distributed over the five-year period (\$20 million annually)
- FDOT funds are estimated to be \$2.5 million per year for PBI; and \$500,000 per year (total) for the 3 GA airports.
- FDOT (SIS) Funding is estimated to be \$10,898,000 in FY 2009.
- Timing of projects is projected to be delayed when necessary to ensure adequate funding availability.
- Hangars at reliever / general aviation airports will be funded with bond proceeds and will only be undertaken if hangar revenues are sufficient to repay annual debt service.

Based on analyses of forecast activity at the Airport, in addition to projected revenues and expenses, and the Airport System Capital Improvement Plan for FY 2007 through FY 2025 based on the above assumptions, it appears that the County has adequate financial resources and the Airport System has adequate growth capacity to meet future demand under this scenario. However, airline rates and charges would increase over the baseline scenario.

Table 1.12 presents the funding sources assumed in Scenario 2. After incorporating the funding sources and other assumptions, **Table 1.13** illustrates selected airline rates and charges, cost per enplanement, debt service coverage and ending balance in the Airport's capital account through FY 2017 that result from this scenario and compares the financial results to the baseline scenario. As presented, airline rates and charges are projected to be higher and the balance in the Airport's Improvement and Development Fund is projected to be lower in Scenario 2 compared to the Baseline Scenario. However, this scenario is projected to reflect lower rates and charges and a higher balance in the Improvement and Development Fund than Scenario 1 presented in the previous section.

Table 1.12 (1 of 2)**Capital Improvement Plan – Summary of Funding Sources**

Project	Total Project Escalated Dollars	Funding Source					
		AIP		FDOT	PFC	Airport Cash	GARBs
		Ent	Disc				
PALM BEACH INTERNATIONAL AIRPORT							
Expand and Rehab Overnight Parking Apron	\$740,000	\$0	\$0	\$370,000	\$370,000	\$0	\$0
Apron "A" Expansion	3,420,000	0	0	1,220,000	2,200,000	0	0
NAVAID Relocation Study	300,000	0	0	0	300,000	0	0
Construct Maintenance Compound	1,000,000	0	0	0	1,000,000	0	0
Rehabilitate Aircraft Parking Apron	1,090,000	0	0	0	1,090,000	0	0
Extension of Taxiway "F" to RW 13	13,400,000	0	0	2,888,000	10,512,000	0	0
Extend Runway 9R-27L Environmental & Design	8,284,000	0	0	0	8,284,000	0	0
Extension of Taxiway "L" (Lima)	17,700,000	0	0	858,500	16,841,500	0	0
Miscellaneous taxiway rehab	5,250,000	0	0	1,253,500	2,625,000	1,371,500	0
New Taxiway Connector - Runway 9L-27R	5,300,000	1,676,250	500,000	0	662,500	2,461,250	0
Taxiway Romeo (West of R1)	20,825,398	0	3,733,333	0	3,070,833	1,395,833	12,625,398
Taxiway C4 High Speed Exit - Rwy 9L-27R	5,084,000	0	0	0	3,050,400	2,033,600	0
Taxiway D High Speed Exit - Rwy 9L-27R	4,721,000	0	0	0	2,832,600	1,888,400	0
Replace (2) Fire Rescue Vehicles	2,250,000	0	0	0	2,250,000	0	0
Concourse "A" Redevelopment	20,375,000	0	0	0	18,300,000	2,075,000	0
Acquire land runway 9L-27R	7,094,817	0	5,014,717	0	2,080,100	0	0
Taxiway Lima (West) Upgrades and Improvements	17,048,000	0	1,303,050	2,500,000	13,244,950	0	0
Runway 9R Property Acquisition	35,846,700	0	11,948,900	5,974,000	17,923,800	0	0
Golfview Apron, Taxilanes/Taxiways and Infrastructure	74,000,000	0	60,000,000	0	14,000,000	0	0
Golfview Facilities	130,000,000	0	0	2,500,000	127,500,000	0	0
Relocate VOR	3,939,281	0	0	1,414,000	2,525,281	0	0
Taxiway Charlie (East) Improvements	7,800,000	0	0	3,510,000	4,290,000	0	0
Extend, Relocate and Upgrade RWY 9R-27L	77,101,000	0	20,000,000	0	32,545,150	24,555,850	0
Construct Apron Golfview 2	6,000,000	0	0	0	6,000,000	0	0
Construct Surface Parking Lot	1,426,946	0	0	0	0	1,426,946	0
Demolition East of Runway 13-31	17,600,000	0	0	0	17,600,000	0	0
Demolition West of Runway 13-31	10,600,000	0	0	0	10,600,000	0	0
Runway 13-31 Pavement Removal	2,500,000	0	0	0	2,500,000	0	0
Runway 13-31, Taxiway F and Taxiway B Extensions and Taxiway Connectors	23,000,000	0	0	2,500,000	20,500,000	0	0
Part 150 Study PBIA	800,000	0	0	40,000	760,000	0	0
Rehabilitate Taxiway C	8,500,000	0	0	2,445,500	6,054,500	0	0
New Parking Revenue Center	2,609,546	0	0	0	0	2,609,546	0
New Cargo Apron	5,461,307	0	0	273,065	273,065	0	4,915,177
Concourse "B" Expansion	29,500,000	0	0	2,500,000	0	5,000,000	22,000,000
Miscellaneous Taxiway Rehab	2,687,834	0	500,000	0	2,187,834	0	0
New Belly Cargo/All Cargo Facility	33,131,938	0	0	0	0	0	33,131,938
Cargo Apron Expansion	3,070,758	0	500,000	0	153,538	2,417,220	0
Construct Surface Parking Lot	4,270,962	0	0	2,500,000	854,192	0	916,770
Terminal Building Baggage System Expansion	24,979,506	0	0	0	24,979,506	0	0
Construct Surface Parking Lot	5,806,149	0	0	0	0	5,806,149	0
New Parking Garage	224,176,582	0	0	0	0	0	224,176,582
Subtotal Palm Beach International Airport	\$868,690,724	\$1,676,250	\$103,500,000	\$32,746,565	\$379,960,749	\$53,041,294	\$297,765,865

Table 1.12 (2 of 2)

Capital Improvement Plan – Summary of Funding Sources

Project	Total Project Escalated Dollars	Funding Source					
		AIP	AIP	FDOT	PFC	Airport Cash	GARBs
		Ent	Disc				
LANTANA							
Runway 33 Threshold Improvements	\$150,000	\$0	\$142,500	\$3,750	\$3,750	\$0	\$0
Construct Hangars at Lantana	1,875,000	0	0	0	0	0	1,875,000
Construct Hangars (Rows 500, 600 & 700)	5,000,000	0	0	0	0	0	5,000,000
Upgrade Airfield Signage	400,000	0	0	0	10,000	390,000	0
Expand Itinerant Apron	6,200,000	0	0	0	1,240,000	4,960,000	0
Relocate Airport Rotating Beacon	100,000	0	0	0	5,000	95,000	0
Taxiway C Rehab	1,100,000	0	0	0	220,000	880,000	0
Apron Rehab	275,000	0	0	0	55,000	220,000	0
Rehab Runway 15/33	1,500,000	0	0	0	300,000	1,200,000	0
Rehab Runway 3/21	200,000	0	0	0	40,000	160,000	0
Construct Apron	2,200,000	0	0	500,000	0	1,700,000	0
Construct Hangars (Rows 1600, 1700, 1800 & 1900)	3,600,000	0	0	0	0	0	3,600,000
Construct Access Road to West Side Development	250,000	0	0	200,000	50,000	0	0
Subtotal Lantana	\$22,850,000	\$0	\$142,500	\$703,750	\$1,923,750	\$9,605,000	\$10,475,000
NORTH COUNTY AIRPORT							
Miscellaneous Pavement Rehab	\$250,000	\$0	\$237,500	\$6,250	\$6,250	\$0	\$0
Construct Hangars at North County	1,875,000	0	0	0	0	0	1,875,000
Construct Apron and Taxilanes	1,875,000	0	0	500,000	375,000	1,000,000	0
Construct Service Road from Terminal to North T-Hangars	550,000	0	0	0	110,000	440,000	0
Construct Additional Tie-Down/Transient Apron	4,200,000	0	0	0	840,000	3,360,000	0
Construct Hangars	5,000,000	0	0	0	0	0	5,000,000
Hangar Construction Environmental Mitigation	2,500,000	0	0	0	500,000	0	2,000,000
Construct Parallel Runway	4,450,000	0	0	500,000	111,250	0	3,838,750
Environmental Mitigation Runway 13-31	5,000,000	0	0	4,000,000	1,000,000	0	0
Subtotal North County Airport	\$25,700,000	\$0	\$237,500	\$5,006,250	\$2,942,500	\$4,800,000	\$12,713,750
GLADES							
T-Hangar Taxilane Rehab	\$143,000	\$0	\$135,850	\$3,575	\$3,575	\$0	\$0
Construct T-Hangar Facilities	500,000	0	0	0	0	500,000	0
Runway 17/35 Crack Sealing	80,000	0	0	80,000	0	0	0
Construct T-Hangars	1,250,000	0	0	0	0	0	1,250,000
Install PAPIs and REILs	360,000	0	0	0	18,000	342,000	0
Expand Aircraft Parking Apron	1,500,000	0	0	500,000	300,000	0	700,000
Property Acquisition	1,000,000	0	0	0	0	1,000,000	0
Subtotal Glades	\$4,833,000	\$0	\$135,850	\$583,575	\$321,575	\$1,842,000	\$1,950,000
TOTAL	\$922,073,724	\$1,676,250	\$104,015,850	\$39,040,140	\$385,148,574	\$69,288,294	\$322,904,615
Total Funding Sources By Cost Center:							
Airside	\$390,164,095	\$1,676,250	\$103,500,000	\$25,246,565	\$206,077,051	\$36,123,653	\$17,540,575
Terminal	74,854,506	0	0	2,500,000	43,279,506	7,075,000	22,000,000
Ground Transportation	238,290,185	0	0	2,500,000	854,192	9,842,641	225,093,352
Aviation	130,000,000	0	0	2,500,000	127,500,000	0	0
Lantana	22,850,000	0	142,500	703,750	1,923,750	9,605,000	10,475,000
Glades	4,833,000	0	135,850	583,575	321,575	1,842,000	1,950,000
North County Airport	25,700,000	0	237,500	5,006,250	2,942,500	4,800,000	12,713,750
Air Cargo Building	33,131,938	0	0	0	0	0	33,131,938
Fire Rescue	2,250,000	0	0	0	2,250,000	0	0
TOTAL	\$922,073,724	\$1,676,250	\$104,015,850	\$39,040,140	\$385,148,574	\$69,288,294	\$322,904,615

Source: Palm Beach County Department of Airports
 Prepared by: Ricondo & Associates, Inc.

Table 1.13

Financial Results for Sensitivity 2 and Baseline Scenario

Fiscal Year	Budget	Projected										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Sensitivity Scenario 2:</u>												
Signatory Landing Fee Rate	\$1.06	\$0.88	\$1.00	\$1.00	\$1.05	\$1.11	\$1.09	\$1.12	\$1.47	\$1.27	\$1.24	\$1.27
Average Terminal Rental Rate	\$57.88	\$49.17	\$57.33	\$58.39	\$63.08	\$69.62	\$67.83	\$70.82	\$74.81	\$57.93	\$55.11	\$66.41
Cost Per Enplanement	\$6.24	\$5.02	\$5.69	\$5.60	\$5.76	\$6.28	\$6.00	\$6.06	\$6.81	\$5.45	\$5.14	\$5.66
Debt Service Coverage	2.05	1.62	1.60	1.50	1.46	1.40	1.38	1.36	1.35	1.56	1.55	1.39
Airport Improvement and Development Fund Ending Balance	\$39,780,563	\$43,698,396	\$38,851,750	\$29,885,874	\$29,391,926	\$34,251,051	\$37,242,362	\$40,835,370	\$18,484,377	\$20,042,742	\$23,996,922	\$28,497,294
<u>Baseline Scenario:</u>												
Signatory Landing Fee Rate	\$1.06	\$0.88	\$1.00	\$1.00	\$1.04	\$1.10	\$1.08	\$1.10	\$1.13	\$0.94	\$0.90	\$0.94
Average Terminal Rental Rate	\$57.88	\$49.17	\$57.32	\$58.16	\$62.35	\$68.60	\$66.77	\$69.72	\$73.70	\$56.28	\$52.46	\$56.50
Cost Per Enplanement	\$6.24	\$5.02	\$5.69	\$5.59	\$5.70	\$6.20	\$5.92	\$5.98	\$6.30	\$4.92	\$4.55	\$4.71
Debt Service Coverage	2.05	1.62	1.61	1.47	1.47	1.50	1.49	1.48	1.51	1.92	1.90	1.82
Airport Improvement and Development Fund Ending Balance	\$39,780,563	\$44,101,396	\$47,724,889	\$50,421,682	\$51,679,266	\$56,875,796	\$61,197,039	\$66,160,252	\$68,912,877	\$71,213,167	\$78,256,412	\$85,086,148

Source: Ricondo & Associates, Inc.
Prepared by: Ricondo & Associates, Inc.