



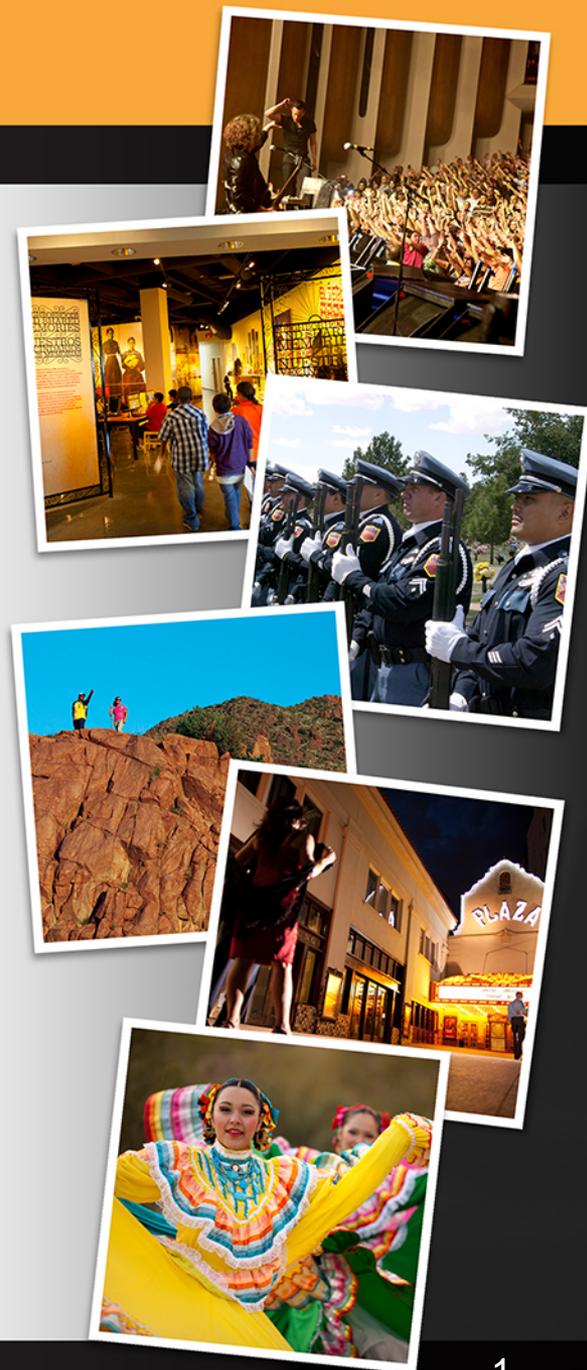
SERVICE SOLUTIONS SUCCESS

City of El Paso

FY2015 City Manager's Proposed Budget



EL PASO INTERNATIONAL AIRPORT





SERVICE SOLUTIONS SUCCESS

Mission Statement

The Mission of Aviation is to provide customers with a safe, efficient airport, operating in an environmentally conscious and self-sustaining manner.

Vision

To promote El Paso International Airport as the premier international gateway for air transportation and distribution through partnerships, customer service and innovation.





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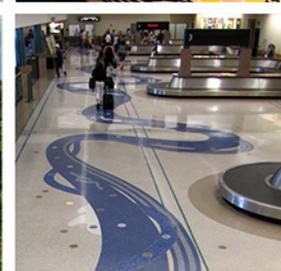
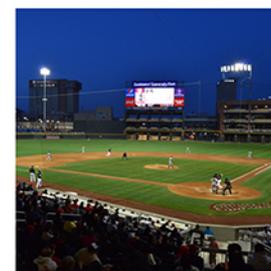
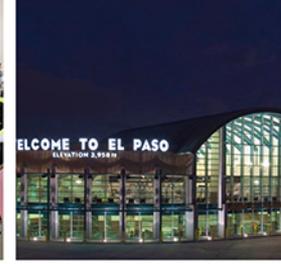
FY 2015 Organizational Chart

Director
Monica Lombraña



- Director's Office
- Finance
- Human Resources
- Public Relations
- Airside Security
- Landside Security
- Transportation Dispatch
- Warehouse Operations
- Safety Program
- Heavy & Light Vehicle and Equipment Maintenance
- Fuel Management
- Vehicle Fleet Management
- CIP Management
- Planning & Construction Management
- Planning Management
- Grants Administration
- Building and Grounds Maintenance
- Airfield Maintenance
- Land and Facilities Leases
- Contract Compliance
- Airline Operating Agreements
- Concession Agreements
- Domestic & Foreign Trade Logistics
- FTZ Training
- EPIA
- Perishables Center
- International Trade Processing Center

0% Increase in FTEs





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Strategic Alignment

Council Strategic Priority

Economic Development

Council Goal

Build economic base

As Evidenced by:

- FTZ Trade Missions; FTZ trade missions identify potential target industries and businesses for investment in the El Paso/Cd. Juarez/Southern New Mexico region and foster trade partnerships with other nations
- Collaborate with Economic Development & Destination El Paso on marketing initiatives to promote and increase tourism in El Paso
- Create over 400 new construction jobs through consolidated Rental Car Facility (ConRAC)



FY 2015

Priorities / Initiatives

- Grow the Core Business of Air Transportation
 - Strengthen partnerships at airlines' corporate levels to enhance opportunities for retention and expansion of commercial air service by having face-to-face meetings with route planners and/or executives.
 - Collaborate with local and regional economic development organizations to promote commercial passenger and cargo operations at El Paso International Airport.
- Provide Customer Satisfaction
 - Continue to improve Airport's aesthetics throughout the terminal and adjacent property, including improvements in Concourse A (additional restrooms, expanded concessions) and rotunda (play area).
- Deliver Operational Excellence in Airport Safety and Security
 - Maintain Federal Aviation Administration Part 139 Certification, which is required in order for us to operate as a commercial passenger airline airport; Airport Operating Certificates serve to ensure safety in air transportation.



FY 2015 Proposed Revenues

REVENUE BY SOURCE	FY 11 ACTUAL	FY 12 ACTUAL	FY 13 ACTUAL	FY 14 ADOPTED	FY 14	FY 15 PROPOSED	FY2015 Proposed Over/(Under) FY2014 Adjusted	
					ADJUSTED 05/31/2014		Amount	Percent
Franchises	411,789	1,052,867	554,861	542,750	542,750	552,150	9,400	1.73%
Service Revenues *	34,148,380	36,512,713	38,840,413	38,483,920	38,483,920	39,820,777	1,336,857	3.47%
Operating Revenues	259,266	281,880	388,159	288,285	288,285	339,065	50,780	17.61%
Non-Operating Revenues	6,043,394	5,771,676	5,683,894	6,318,798	6,267,198	5,972,850	(294,348)	-4.70%
Intergovernmental Revenues **	3,244,337	972,555	164,769	200,500	0	200,500	200,500	100.00%
Transfers In ***	76,332,677	52,169,626	36,361,255	3,191,042	2,128,038	4,687,866	2,559,828	120.29%
TOTAL REVENUES	120,439,843	96,761,317	81,993,351	49,025,295	47,710,191	51,573,209	3,863,018	8.10%

* Service Revenue increase is driven by increases in proposed parking lot fees, passenger and cargo landing fees.

** Intergovernmental Revenues increase is from Federal Grant Proceeds for the Airport's Canine Program.

*** Transfers In increase includes \$1,719,603 for debt service for the new ConRAC project, \$239,480 associated with the Airport's Canine program, and \$600,745 for capital purchases over \$5,000.

These transfers are between various funds (operating, PFC, CFC, capital, debt service...) within the Aviation Department. No transfers came from General Fund and Other enterprise funds.



FY 2015 Proposed Expenses

<i>Expenses by Category</i>	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Adopted	FY14 Adjusted 05/31/14	FY15 Proposed	FY2015 Proposed Over/(Under) FY2014 Adjusted	
							Amount	Percent
Personal Services	16,106,561	17,508,978	15,012,130	17,200,903	16,727,699	17,118,381	390,682	2.34%
Contractual Services	6,569,681	6,220,502	6,158,917	7,201,014	7,386,699	7,362,279	(24,420)	-0.33%
Materials/Supplies	1,812,562	2,027,746	1,904,958	2,615,947	2,598,487	2,855,327	256,840	9.88%
Operating Expenditures	18,649,674	19,284,438	19,528,017	5,079,324	5,069,499	4,830,787	(238,712)	-4.71%
Non-Operating/Intergovt. Exp *	760,749	1,463,607	1,351,866	2,472,188	2,472,188	4,077,951	1,605,763	64.95%
Internal Transfers **	76,332,677	52,169,577	36,361,114	13,665,619	13,455,619	14,727,739	1,272,120	9.45%
Capital Outlay	0	0	20,235	790,300	0	600,745	600,745	100.00%
Total Expenses	120,231,903	98,674,847	80,337,236	49,025,295	47,710,191	51,573,209	3,863,018	8.10%

* Non-Operating/Intergovernmental Expenses includes interest expense for the 2014 ConRAC bond issuance.

** Increase to internal transfers includes debt issuance related to the Consolidated Rental Car Facility, which is funded by Customer Facility Charge fees.

These transfers are between various funds (operating, PFC, CFC, capital, debt service...) within the Aviation Department. No transfers came from General Fund and Other enterprise funds.



FY 2015 FTE Comparison

	FY 2014 Adopted	FY 2015 Proposed	Variance
Non-General Fund	226.6	226.6	0
Total	226.6	226.6	0



Vacancies

	Non-General Fund	Total
# FTE's Filled	209.6	209.6
# FTE's Vacant	17	17
Total Positions	226.6	226.6
Salary Savings (Attrition)	(\$65,674)	(\$65,674)



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Questions?



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Additional Information



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Five Year Capital Improvement Program

Project Type & Name	Funding Source	Total Project Cost Estimated	FY 2015 Budget Estimated	FY 2016 Budget Estimated	FY 2017 Budget Estimated	FY 2018 Budget Estimated	FY 2019 Budget Estimated	Total Budgeted 5 FY Period*
PROGRAMMED								
Runway 4-22 Reconstruction & Taxiway Radius Geometry	FAA/PFC 7/Airport	\$ 16,830,000	\$ 1,700,000		\$ 15,000,000			\$ 16,700,000
ARFF Unit Replacement (New)	FAA/PFC 7	\$ 1,500,000			\$ 1,500,000			\$ 1,500,000
Master Plan Update	PFC-7	\$ 1,900,000		\$ 1,900,000				\$ 1,900,000
Escalators - Main Up (2) (New)	PFC-7	\$ 800,000		\$ 800,000				\$ 800,000
Airport Sterilizer Replacement (New)	Airport	\$ 150,000	\$ 150,000					\$ 150,000
ARFF Remodel* (New)	PFC-7	\$ 400,000		\$ 400,000				\$ 400,000
Taxiway "K" Rehabilitation	PFC-7	\$ 14,430,000	\$ 1,200,000		\$ 13,230,000			\$ 14,430,000
IT Capital Enterprise Fund Recovery	Airport	\$ 2,086,635	\$ 706,943	\$ 344,973	\$ 344,973	\$ 344,973	\$ 344,973	\$ 2,086,835
ARFF Safety Equipment	FAA/Airport	\$ 300,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 300,000
UNDER DESIGN								
Airfield Perimeter Roads	FAA/Airport	\$ 4,500,000				\$ 4,500,000		\$ 4,500,000
Maintenance Building Improvements	Airport	\$ 750,000	\$ 600,000					\$ 600,000
Cargo #3 Roof Replacement* (New)	Airport	\$ 1,500,000		\$ 1,500,000				\$ 1,500,000
BTGC Clubhouse Expansion* (New)	Airport	\$ 750,000		\$ 750,000				\$ 750,000
Long Term Parking Lot Lighting (New)	Airport	\$ 1,100,000	\$ 1,100,000					\$ 1,100,000
Operations Center Relocation (New)	Airport	\$ 500,000		\$ 500,000				\$ 500,000
FBO Ramp Overlay (New)	Airport	\$ 1,100,000	\$ 1,100,000					\$ 1,100,000
TSA Baggage Makeup Area Expansion/Consolidation	PFC 6-7/TSA	\$ 10,600,000	\$ 500,000	\$ 4,800,000	\$ 5,000,000			\$ 10,300,000
Admin West Parking Lot Reconstruction (New)	Airport	\$ 300,000		\$ 300,000				\$ 300,000
FTZ Storefront Entry (New)	Airport	\$ 75,000	\$ 75,000					\$ 75,000
Concourse A Bathrooms	PFC-7	\$ 1,900,000	\$ 900,000	\$ 1,000,000				\$ 1,900,000
UNDER CONSTRUCTION								
Reconstruct Rwy 8L/26R, Twy "U", "V" & New Parallel Taxiway	FAA/Airport	\$ 23,000,000	\$ 14,000,000	\$ 5,500,000	\$ 3,500,000			\$ 23,000,000
Baggage Claim Units Replacement	PFC -6	\$ 2,828,875	\$ 2,500,000					\$ 2,500,000
Rental Car Expansion (Includes demo of Air Cargo #1)	CFC	\$ 45,880,000	\$ 28,000,000	\$ 5,500,000				\$ 33,500,000
Loading Bridges (15 ea.)	PFC/Airport	\$ 15,300,000	\$ 4,600,000	\$ 5,000,000	\$ 1,400,000			\$ 11,000,000
BTGC Well	Airport	\$ 4,000,000	\$ 2,200,000					\$ 2,200,000
								\$ -
Total Airport Improvements		\$ 152,480,510	\$ 59,391,943	\$ 28,354,973	\$ 40,034,973	\$ 4,904,973	\$ 404,973	\$ 133,091,835

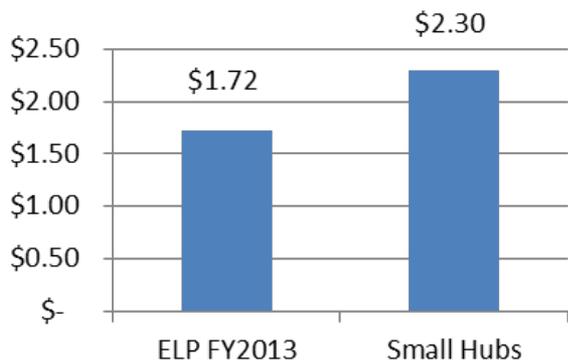
By Funding Source	Funding Source	FY 2015 Budget Estimated	FY 2016 Budget Estimated	FY 2017 Budget Estimated	FY 2018 Budget Estimated	FY 2019 Budget Estimated	Total 5 FY Period
	FAA Entitlements	\$ 12,654,000	\$ 5,004,000	\$ 4,554,000	\$ 4,104,000	\$ 54,000	\$ 26,370,000
	FAA Discretionary						\$ -
	PFC	\$ 11,400,000	\$ 7,842,409	\$ 34,780,000			\$ 54,022,409
	TSA		\$ 4,300,000				\$ 4,300,000
	CFC	\$ 28,000,000	\$ 5,500,000				\$ 33,500,000
	Airport	\$ 7,337,943	\$ 5,708,564	\$ 700,973	\$ 800,973	\$ 350,973	\$ 14,899,426
	All Sources	\$ 59,391,943	\$ 28,354,973	\$ 40,034,973	\$ 4,904,973	\$ 404,973	\$ 133,091,835

* Total Budgeted 5 FY Period excludes previous years expenditures.

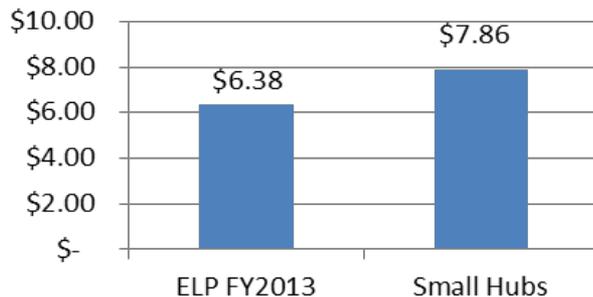


Strategic Results – Benchmarking to Small Hub Airports

2013 Landing Fee Rate Comparison (per 1000 lbs)



2013 Airline Cost Per Enplaned Passenger



Based on FAA reports of 74 small hub airports for 2013

	<u>FY 2012</u>	<u>Estimated FY 2015</u>
Parking		
Small Hub Average	\$ 6.45	
El Paso	\$ 3.94	
Rental Car Facility Revenue		
Small Hub Average	\$ 3.71	
El Paso	\$ 3.02	
Debt Outstanding Per Enplanement		
Small Hub Average	\$ 70.38	
El Paso	\$ 15.73	\$ 42.30
Annual Debt Service per Enplanement		
Small Hub Average	\$ 5.53	
El Paso	\$ 1.10	\$ 2.71
Operating Expense per Enplanement		
Small Hub Average	\$ 18.62	
El Paso	\$ 18.62	

From Airports Council International



SERVICE SOLUTIONS SUCCESS

FY 2015 Proposed All Funds by Division

Division	FY14 Adopted	FY14 Adjusted 05/31/14	FY15 Proposed	FY2015 Proposed Over/(Under) FY2014 Adjusted	
				Amount	Percent
Finance and Administration	13,460,478	13,533,775	14,657,704	1,123,929	8.30%
Terminal	6,731,394	6,609,395	6,577,041	(32,354)	-0.49%
Passenger Facility Charges	6,166,498	6,166,498	5,537,551	(628,947)	-10.20%
Inventory Purchases	4,400,000	4,400,000	4,400,000	0	0.00%
Customer Facility Charge	3,450,000	3,450,000	3,300,000	(150,000)	-4.35%
Butterfield Trail Golf Club	2,895,640	2,902,340	2,924,033	21,693	0.75%
Aircraft Rescue Fire Fighters	2,592,722	2,600,722	2,573,770	(26,952)	-1.04%
Debt Reserves	2,128,038	2,128,038	3,847,641	1,719,603	80.81%
Airport Police Operations	2,159,015	2,159,016	2,318,640	159,624	7.39%
Ground Transportation	2,080,224	2,080,224	2,071,369	(8,855)	-0.43%
Airfield	1,555,653	1,555,653	2,192,259	636,606	40.92%
Dispatch Badging	910,560	910,559	948,256	37,697	4.14%
Airport FMS Unit	556,848	558,848	551,158	(7,690)	-1.38%
Butterfield Trail Industrial Park	550,112	550,113	583,800	33,687	6.12%
Fixed Asset Purchases	790,300	0	600,745	600,745	100.00%
Airport FAA Operations Canine	524,804	0	439,980	439,980	100.00%
Aviation	431,780	431,780	447,519	15,739	3.65%
Parking Enforcement Control	459,219	459,219	343,602	(115,617)	-25.18%
Air Cargo	450,628	450,627	455,237	4,610	1.02%
Foreign Trade Zone	373,850	373,851	366,178	(7,673)	-2.05%
Airport Restricted Land Sales	321,750	321,750	352,750	31,000	9.63%
Southern Industrial Park	214,732	214,732	209,635	(5,097)	-2.37%
Global Reach Development	96,715	128,715	109,644	(19,071)	-14.82%
Airport Hotels	76,635	76,636	78,994	2,358	3.08%
Science and Technology Park	47,700	47,700	85,700	38,000	79.66%
Inventory Issues	(4,400,000)	(4,400,000)	(4,400,000)	0	0.00%
Total Appropriation	49,025,295	47,710,191	51,573,209	3,863,018	8.10%



Proposed Fee Changes

Fee Description	FY 2014	FY 2015 Proposed
FTZ – Transaction Fee	Annual Subzone Fee, per Site in GP Zone \$12,000	Annual Subzone Fee, per Site in GP Zone \$15,000
FTZ – Transaction Fee	Annual Subzone Fee, per Site outside GP Zone \$15,000	Annual Subzone Fee, per Site outside GP Zone \$20,000
Landing Fee (Signatory) – Cost Recovery Fee	\$1.59 per 1,000 lbs. Gross Landed Weight (GLW)	\$1.96 per 1,000 lbs. Gross Landed Weight (GLW)
Landing Fee (Non-Signatory) – Cost Recovery Fee	\$1.99 per 1,000 lbs. Gross Landed Weight (GLW)	\$2.45 per 1,000 lbs. Gross Landed Weight (GLW)
Terminal Rental (Signatory) – Cost Recovery Fee	\$44.07 sq. ft./yr.	\$43.85 sq. ft./yr.



Proposed Fee Changes (Continued)

Fee Description	FY 2014	FY 2015 Proposed
Terminal Rental (Non-Signatory) – Cost Recovery Fee	\$55.09 sq. ft./yr.	\$54.81 sq. ft./yr.
Daily Terminal Rental Rate (Non-Signatory) – Cost Recovery Fee	None	\$0.152 sq. ft./day
Electricity Surcharge/Telecommunication Charge – Cost Recovery Fee	\$3.91 sq. ft./yr.	\$3.00 sq. ft./yr.
Short Term Parking	\$10.00 Maximum each 24 hours	\$15.00 Maximum each 24 hours
Premium Parking Fee (Reserved Parking Space)	\$15.00 per day	\$20.00 per day



Parking Lot Rates Comparison

City	Enplanements CY 2013	Parking Lot Rates		
		Hourly	Short Term	Long Term
Austin, TX	5,010,665	\$ 22.00	\$ 11.00	\$ 7.00
San Antonio, TX	4,119,039		\$ 24.00	\$ 11.00
Oklahoma, City, OK	1,826,624	\$ 24.00	\$ 7.00	\$ 5.00
Reno, NV	1,713,752	\$ 24.00	\$ 14.00	\$ 10.00
Louisville, KY	1,702,101	\$ 19.00	\$ 13.00	\$ 9.00
Tucson, AZ	1,655,617		\$ 12.00	\$ 9.00
Richmond, VA	1,605,572	\$ 24.00	\$ 12.00	\$ 7.00
Long Beach, CA	1,474,334		\$ 19.00	\$ 17.00
Charleston, SC	1,470,901		\$ 15.00	\$ 8.00
Spokane, WA	1,466,701		\$ 9.50	\$ 6.00
El Paso, TX	1,363,933	Proposed	\$ 15.00	\$ 5.00
Tulsa, OK	1,325,874		\$ 10.00	\$ 6.00
Boise, ID	1,309,514		\$ 21.50	\$ 9.00
Dayton, OH	1,253,287	\$ 24.00	\$ 16.00	\$ 6.00

Airports name lots differently - above pricing is comparable to El Paso with Short Term being closest to the terminal and Hourly being covered parking with direct terminal access.



Number of Flights by Destination

<u>Destination</u>	<u>Airline</u>	<u>August 2014</u>		<u>August 2013</u>		Flight		<u>Post Wright Amendment</u>
		# of Flights	Seats	# of Flights	Seats	Dif	Seat Dif	
Atlanta	Delta	2	320	2	320	0	0	2
Austin, TX	Southwest	3	396	3	387	0	9	3
Chicago O'Hare	American	2	130	3	180	-1	-50	2
Dallas Love Field	Southwest	6	795	7	920	-1	-125	4
Dallas/Fort Worth	American	9	1,212	8	1,120	1	92	9
Denver	United	3	150	3	150	0	0	3
Houston Hobby	Southwest	3	417	3	417	0	0	3
Houston Intercontinental	United	6	300	6	300	0	0	6
Las Vegas McCarran	Southwest	3	408	3	417	0	-9	2
Los Angeles	American/Southwest	5	466	6	582	-1	-116	5
Phoenix	American/Southwest	11	1,076	11	1,068	0	8	10
San Antonio, TX	Southwest	3	402	3	402	0	0	2
San Diego, CA	Southwest	0	0	<u>1</u>	137	-1	-137	0
	Total	56	6,072	59	6,400	-3	-328	51



Summary of Position Changes

- Deleted Irrigation Technician and added a Public Safety Shift Supervisor
- Deleted Facilities Maintenance Worker and added a Plumber
- Deleted General Service Worker and added an Electrician Supervisor
- Deleted Administrative Analyst and added Civil Engineer