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**Bismarck Airport Master Plan Update
Financial Implementation Analysis**

Report prepared by



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6.0 Financial Implementation Analysis

The primary objective of the Financial Implementation Analysis for the Bismarck Airport (BIS) Master Plan is to evaluate the Airport's capability to fund the projects in the current Airport Capital Improvement Plan (ACIP), to fund projects recommended in the preferred airport alternative, and to finance Airport operations during the same period. The Financial Implementation Plan is organized in three phases of development:

- Phase I, a three-year Short-Term period (2018-2020)
- Phase II, a five-year Mid-Term period (2021-2025)
- Phase III, a ten-year Long-Term period (2026-2035).

The analysis includes development of a detailed Financial Implementation Plan. Objectives for developing the Financial Implementation Plan include presenting the results of the implementation evaluation and providing practical guidelines for matching an appropriate amount and timing of financial sources with the planned use of funds.

6.1 Overall Approach

The overall approach for the Financial Implementation Analysis included these steps:

- Gather and review key Airport documents related to historical financial results, ACIPs, operating budgets, regulatory requirements, City policies, airline agreements and other operating agreements with Airport users
- Interview key Airport officials to understand the existing operating and financial environment, relationships with the airlines, and overall management philosophy
- Review the Aviation Activity Forecast developed in this Master Plan (Chapter Two)
- Review the Airport Capital Improvement Program project cost estimates and development schedules anticipated for the planning period and project the overall financial requirements for the program
- Determine and analyze the sources and timing of capital funds available to meet the financial requirements for operating the Airport and financing the Airport Capital Improvement Program
- Analyze historical operations and maintenance expenses, develop operations and maintenance expense growth assumptions, review assumptions with Airport

management, and project future operations and maintenance expenses for the planning period

- Analyze historical revenue sources, develop revenue growth assumptions, reviewing assumptions with Airport management, and project future airline and non-airline revenues for the planning period
- Document the results of the review in a Financial Analysis Summary that evaluates the financial reasonableness of the Airport Capital Improvement Program.

6.2 Capital Funding Sources

In the past, the Airport has used a combination of Federal Aviation Administration (FAA) Airport Improvement Program (AIP) entitlement and discretionary grants, North Dakota Aeronautics Commission grants, Passenger Facility Charges (PFCs), City Capital Contributions and cash reserves/net operating revenues to fund capital improvements. These funding sources, as well as additional sources of capital funding, will continue to be important to finance the Airport's Master Plan ACIP during the planning period.

6.2.1 Airport Improvement Grants

The Airport receives grants from the FAA to finance the eligible costs of certain capital improvements. The FAA allocates these federal grants to commercial passenger service airports through the AIP. AIP grants include passenger entitlement grants, which are allocated among airports by a formula that is based on passenger enplanements and discretionary grants which are awarded in accordance with FAA guidelines. After several years of continuing budget resolutions and other short-term legislative measures implemented by Congress, the FAA Reauthorization Act of 2018 was enacted on October 5, 2018. The Act authorized funding for the AIP through September 30, 2023.

Under current AIP authorization legislation, eligible projects are funded on an up to 90 percent AIP grant/10 percent local match basis for small and non-hub airports. Under this authorization, projections indicate the Airport is projected to receive current entitlements of about \$2.2 million in 2018 and future annual grants which are projected to grow to \$2.9

million by 2035 - the end of the planning period. Non-hub airports (those with annual enplanements between 10,000 passengers and approximately 428,000 passengers) can accumulate and carryover up to three years of unspent entitlements plus the current year before the awards are revoked. In 2018, the Airport had no unspent entitlements to carry over for use in 2018. The implementation analysis assumes the application of annual AIP passenger entitlement funds will result in the following funding levels for each phase:

- Phase I: \$6.7 million
- Phase II: \$11.8 million
- Phase III: \$27.2 million

To approve and award AIP discretionary grants, the FAA ranks eligible projects based on a project's priority and importance to the national air transportation system. Every year from 2014 through 2017, BIS received discretionary funding to support its Runway 13-31 Rehabilitation project. It is reasonable to assume that the Airport will receive additional discretionary funding during the planning period for higher priority, eligible projects, such as runway and taxiway projects, drainage improvements to eliminate wildlife hazards and aircraft rescue and firefighting (ARFF) truck acquisition.

The implementation analysis assumes that \$6.7 million of AIP discretionary funds will be required during Phase I for the rehabilitation of Taxiway C North and one of several projects to improve airfield drainage to eliminate wildlife hazards. The implementation analysis also assumes that AIP discretionary grants of about \$20.5 million will be available for continued airfield drainage improvements, the rehabilitation of Runway 3-21, the rehabilitation of Taxiway D and the acquisition of a new ARFF truck during the five-year Phase II period. An additional \$9.4 million of AIP discretionary funds are assumed for Phase III for additional airfield drainage improvements. Since the future availability of AIP discretionary grants is not certain until an actual grant is awarded, there is the

potential for ACIP projects with discretionary funds indicated as a funding source in the implementation plan to be delayed until such funds become available.

Further, the FY 2018 omnibus appropriations bill included an additional amount of \$1 billion for “Grants-In-Aid for Airports” to remain available through September 30, 2020. This “supplemental” \$1 billion is funded through the General Fund of the Federal Government, administered by the Office of Management and Budget (OMB), not the Airports & Airways Trust Fund, which is used to fund AIP Entitlement and Discretionary Grants. Congress directed the FAA to give priority for allocating the grants-in-aid funding to non-primary airports, those not located within OMB-determined Metropolitan or Micropolitan areas. Congress also gives priority to projects at small and non-hub airports. BIS was awarded a \$9.8 million grant from this supplemental appropriation to fund the final phase of its Runway 13-31 Rehabilitation project.

The Airport continues to work with the FAA to identify projects included in its ACIP that may be candidates for future funding from this additional supplemental appropriation. As the award of such funds remains undetermined, this implementation analysis does not assume the receipt of additional “supplemental” funds. However, if the Airport is awarded funding through this supplemental appropriation, the additional funding is likely to replace the AIP entitlement funds assumed to fund projects so that AIP entitlement funds could be made available to fund other eligible projects in the ACIP.

The implementation analysis further assumes that the current AIP program will continue to be extended through 2035. Therefore, the analysis also assumes future program authorizations will provide substantially similar funding levels as it currently does and as it has historically provided since the program was established in 1982.

6.2.2 North Dakota Aeronautics Commission Grants

The North Dakota Aeronautics Commission (the Commission) disburses funding annually to public airports across the state for airport improvement projects. These grant funds are derived primarily through aviation fuel taxes, aircraft excise taxes and aircraft registration. The Commission has established a priority rating of airport projects and uses these ratings to assist in awarding state grants.

In the Commission's rating system, FAA AIP projects are given priority in determining state funding. Airport sponsors may apply for state grant funding at 50 percent of the local share of project costs. For BIS, the Commission has historically funded 5 percent of AIP project costs. The implementation analysis assumes the Commission will continue to fund 5 percent of AIP project costs. Additionally, the analysis assumes that for certain higher priority projects for which no AIP funds are available, the Commission will participate in 50 percent of the project costs with the Airport funding the remaining 50 percent. The implementation analysis assumes the following funding levels from the ND Aeronautics Commission:

- Phase I: \$1.3 million
- Phase II: \$8.8 million
- Phase III: \$4.5 million

6.2.3 Passenger Facility Charges

The Aviation Safety and Capacity Expansion Act of 1990 established the authority for commercial service airports to apply to the FAA to impose and use a PFC of up to \$3.00 per eligible enplaned passenger as funding for certain eligible projects. With the passage of AIR-21 in June 2000, airports could apply for an increase in the PFC collection amount from \$3.00 per eligible enplaned passenger to \$4.50. The proceeds from PFCs are eligible to be used for AIP eligible projects and for certain additional projects. Approved projects must meet one of the following PFC objectives:

- That preserve or enhance capacity, safety or security
- That mitigate the effects of aircraft noise
- That enhance airline competition.

PFCs may also be used to pay debt service on bonds (including principal, interest and issue costs) and other indebtedness incurred to carry out eligible projects. In addition to funding future planned projects, the legislation permits airports to collect PFCs to reimburse the eligible costs of projects that began on or after November 5, 1990.

BIS currently collects PFC revenues through an approved application at the \$4.50 collection level. Current collections at the \$4.50 collection level are approximately \$1.1 million per year. This open application includes PFC collection and use authority for the local funds required for the Airport's multi-year Runway 13-31 Rehabilitation project. It is estimated that PFC collections through the year 2029 in the total amount of approximately \$15 million will be used to reimburse the Airport for pre-2018 eligible project costs.

The implementation analysis assumes that the Airport will use approximately \$737 thousand in PFC collections in 2018 for the completion of the Runway 13-31 Rehabilitation project. The analysis then assumes that the Airport will submit new PFC applications to fund future projects or to be reimbursed for previously funded eligible project costs. The implementation analysis assumes that PFCs will be used on a pay-as-you-go basis to fund new projects of approximately \$9.6 million in Phase III.

The implementation analysis assumes that the Airport will submit PFC applications and amendments, as required, to see that the collection of PFC revenue continues uninterrupted beyond the authorized expiration date through the end of the planning period in 2035.

6.2.4 Other City Capital Contribution

BIS is municipally owned. The airport is an enterprise fund of the City of Bismarck, North Dakota. The City periodically provides funding to the airport for capital projects from its local capital budget. The City previously provided funding to support construction of the Airport's new passenger terminal building that opened in 2005. The implementation analysis assumes the City will provide approximately \$10 million toward future expansion of the passenger terminal building planned during the Phase II planning period.

6.2.5 Private Third Party Funding

Certain on-airport development projects may be funded through private third-party funding. This is frequently the case for general aviation hangar development where a third party will assume the capital development costs of a hangar, and in exchange, the Airport receives rent through a ground lease. The implementation analysis assumes private third-party funding in Phase III of the planning period of approximately \$4.5 million for the development of the corporate hangar area and fuel farm expansion. If private third-party funding does not materialize in time, the associated projects may have to be modified, delayed, or cancelled until such funding is committed.

6.2.6 Other Unidentified Funding

The amount and timing of the traditional airport capital funding sources described in the preceding paragraphs are insufficient to finance a number of capital projects planned for implementation during the planning period. These projects include new concourse and terminal expansion including associated passenger boarding bridges and apron expansion, Snow Removal Equipment (SRE), building pavement expansion, Bravo Hangar area development, and a future parking garage. Consequently, non-traditional funding sources will be needed to finance the cost of projects totaling about \$48 million during the Phase II planning period, and \$56.7 million during the Phase III planning period. The source of this "other" funding has not yet been determined and represents a shortfall

for the capital project implementation plan. This other funding could include sources such as future private third-party funding, federal economic stimulus grants, City and local economic development funding, State funding and other possible sources that are not certain at this time. If other funding sources cannot be identified and obtained in time to fund the projects, the associated projects will have to be modified, delayed, or cancelled until such funding can be identified. Consequently, this source of capital funding has been referenced in the Financial Implementation Analysis as “Other Unidentified Funding”.

6.2.7 Cash Reserves/Airport Net Operating Revenue

At the beginning of 2018, the Airport had accumulated about \$4.6 million in unrestricted cash reserves available for operations and capital project funding. The implementation analysis assumes that Airport cash reserves/net operating cash flow will be used throughout the planning period to fund about \$56.7 million in project costs. This will include some local grant match requirements, projects or project components ineligible for federal or state funding, or projects for which federal and/or state funding may not be available. The implementation analysis assumes the following funding needed from the Airport’s cash reserves/airport operating revenue:

- Phase I: \$4.6 million
- Phase II: \$16.9 million
- Phase III: \$35.2 million

6.3 Financial Analysis and Implementation Plan for the Master Plan Capital Improvement Program

This section, along with the Schedules 6-1 through 6-5 presented at the end of this chapter, documents the analysis of the financial reasonableness of implementing the Master Plan Capital Improvement Program during the planning period from 2018 through 2035.

6.3.1 Estimated Project Costs and Development Schedule

The Airport Capital Improvement Program (ACIP) **Estimated Project Costs and Development Schedule (Schedule 6-1)** is derived from previous results of the Master Plan analysis. The ACIP for capital expansion and improvement projects is projected on an annual basis for the Phase I planning period (2018-2020), in total for the Phase II planning period (2021-2025), and in total for the Phase III planning period (2026-2035). For each of these planning periods, Schedule 6-1 (provided at the end of Chapter 6) presents the Capital Improvement Program including estimated costs and anticipated development schedule for the identified projects.

As shown in Schedule 6-1, the estimated cost of projects is \$233,957,160 in 2018 dollars. The estimated costs for projects scheduled during the period 2018 through 2035 are adjusted by an assumed 3 percent rate of annual inflation. The resulting total project costs escalated for inflation are \$293,097,945. **Table 6-1** presents a summary of the schedule and compares 2018 base year costs with escalated costs adjusted for inflation for each of the planning periods.

Table 6-1: Summary of 2018 Base Year and Total Escalated Costs for the Master Plan Airport Capital Improvement Program		
Planning Periods	2018 Base Year Costs	Total Escalated Costs
Phase I Projects (2018-2020)	\$29,101,161	\$29,837,855
Phase II Projects (2021-2025)	101,644,339	116,104,942
Phase III Projects (2026-2035)	103,211,660	147,155,148
Total Project Costs	\$233,957,160	\$293,097,945

Note: Addition errors are due to rounding of calculated amounts.

Source: Leibowitz & Horton AMC analysis

6.3.2 Sources and Uses of Capital Funding

Funding sources for the ACIP depend on many factors, including the following:

- Eligibility of AIP and PFC projects
- The ultimate type and use of facilities to be developed
- Management's current and desired levels of the Airport's airline cost per enplaned passenger
- The availability of other financing sources
- The priorities for scheduling project completion.

For master planning purposes, assumptions were made related to the funding source of each capital improvement.

The **Projected Capital Funding Sources (Schedule 6-2)** (provided at the end of Chapter 6) lists each of the ACIP projects, their estimated costs (escalated annually for inflation), and the assumed funding sources and amounts. During the planning period, it was assumed that AIP entitlement grants would partially fund the following projects:

- Runway/taxiway rehabilitation
- Airfield drainage improvements
- Acquisition of SRE
- Rehabilitation, expansion, and new construction of SRE buildings and pavement
- Rehabilitation and expansion of ARFF buildings
- Acquisition of land for runway protection zones (RPZ)
- Service road extensions
- Aircraft parking aprons
- And instrument approach improvements.

It was assumed that AIP discretionary grants, including supplemental appropriation funds, would partially fund the completion of the rehabilitation of Runway 13-31, other runway and taxiway rehabilitation, airfield drainage improvements, and the acquisition of a new ARFF truck. North Dakota Aeronautics Commission grants are assumed to provide a

portion of the funding for AIP eligible projects as well as funding for hangar disposition, new concourse and terminal expansion, deicing fluid collection and general aviation development. General aviation development includes aircraft apron rehabilitation and expansion and taxiway extension. PFC pay-as-you-go revenues were assumed to fund a portion of AIP eligible projects and acquisition of SRE equipment. Private third-party funding has been identified for the development of the corporate hangar area and fuel farm expansion. Available cash reserves were assumed to fund some local grant match requirements, projects or project components ineligible for federal or state funding, or projects for which federal and/or state funding may not be available. A summary of the sources of capital funding by type and uses of capital funding by planning period for the ACIP is presented in **Table 6-2**.

Table 6-2: Summary of Sources and Uses of Capital Funding for the Master Plan Airport Capital Improvement Program

Sources of Capital Funding	Phase I (2018-2020)	Phase II (2021-2025)	Phase III (2026-2035)	Totals
AIP Entitlement Grants	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452
AIP Discretionary Grants	16,515,048	20,528,976	9,402,323	46,446,347
North Dakota Aeronautics Commission Grants	1,293,469	8,772,330	4,516,398	14,582,198
Passenger Facility Charges	736,713	0	9,584,727	10,321,440
Other City Capital Contribution	0	10,000,000	0	10,000,000
Private Third-Party Funding	0	0	4,525,365	4,525,365
Other Unidentified Funding	0	48,024,466	56,719,719	104,744,185
Cash Reserves/Net Ops Cash Flow	4,593,441	16,933,536	35,188,979	56,715,957
Total Sources of Capital Funding	\$29,837,855	\$116,104,942	\$147,155,148	\$293,097,945
Uses of Capital Funding				
Runway/Taxiway Improvements	\$18,568,705	\$16,255,317	\$659,949	\$35,483,971
Apron Improvements (Commercial and General Aviation)	692,639	9,881,248	13,033,593	23,607,480
Terminal Building Improvements	0	64,202,527	44,310,866	108,513,393
Roadway and Parking Improvements	1,909,416	0	33,908,811	35,818,227
General Aviation Facility Improvements	42,624	1,555,202	4,713,922	6,311,748
Land Acquisition	0	0	4,009,315	4,009,315
Drainage Improvements	7,095,091	13,092,280	20,660,209	40,847,581
ARFF Building and Equipment	0	3,398,957	0	3,398,957
SRE Building and Equipment	1,284,292	6,813,022	17,017,259	25,114,573
Other Improvements	245,088	906,389	8,841,223	9,992,700
Total Uses of Capital Funding	\$29,837,855	\$116,104,942	\$147,155,148	\$293,097,945

Note: Addition errors are due to rounding of calculated amounts.

Source: Leibowitz & Horton AMC analysis

6.3.3 Projected Operations and Maintenance Expenses

Operations and maintenance expense projections for the planning periods are based on the Airport's 2018 and 2019 budgets, the anticipated impacts of inflation, aviation traffic increases, facility improvements and the recent experience of other airports with similar levels of aviation activity.

6.3.3.1 Operations and Maintenance Expense Projection Assumptions

Operations and maintenance expense growth assumptions, as reflected in **Actual, Budgeted and Projected Operations and Maintenance Expenses (Schedule 6-3)**, were developed to project the Airport's operating expenses during the planning period. Actual amounts for 2015 through 2017 and budgeted amounts for 2018 and 2019 provide a comparison with expenses projected for the period 2020 through 2035.

The Airport's Operations and Maintenance expenses are classified into the following seven cost centers:

- Administration
- Buildings
- Property and Land
- Equipment and Vehicles
- Security
- ARFF
- Operations.

For each of the following expense categories listed below, projections are based on 2019 budgeted amounts with an assumed 3 percent annual rate of inflation beginning in 2020.

- Personal Services – Salaries and Wages
- Personal Services – Fringe Benefits
- Professional, Legal, and Contracted Service Fees
- Building, Equipment, and Vehicle Services

- Travel and Training
- Other Operating Services
- Operating Supplies
- Other Financing Uses
- Capital Expenses (minor)

6.3.3.2 Projection of Operations and Maintenance Expenses and Operating Expenses Per Enplaned Passenger

The projection of operations and maintenance expenses is provided in **Actual, Budgeted and Projected Operations and Maintenance Expenses (Schedule 6-3)** (provided at the end of Chapter 6). As shown in the schedule, total expenses are expected to grow from \$5,283,170 budgeted in 2018 to \$5,301,739 projected in 2020 and total \$15,732,228 during the Phase I planning period. Phase II expenses are projected to total \$28,992,080 reflecting a 3 percent annual growth rate for the five-year period 2021-2025 and Phase III expenses are projected to total \$72,572,697 reflecting a 3 percent annual growth rate for the ten-year period 2026-2035.

Schedule 6-3 also compares BIS's total operating expenses per enplaned passenger with expenses for non-hub airports with similar levels of aviation activity. BIS's operating expenses per enplaned passenger are projected to increase from \$17.72 budgeted for 2019 to an average of \$18.49 during the Phase III planning period. Over the same period, the overall non-hub industry average grows from \$48.04 in 2019 to \$54.25 during Phase III (Source: Non-Hub Airports, *FAA Operating and Financial Summary Report #127* and FAA Air Carrier Activity Information System enplanement database). These comparisons show that budgeted and projected operating expenses at BIS are substantially lower than other non-hub airports of similar size during all three phases of the planning period. This implies that the Airport currently manages operations and controls expenses in a more cost-efficient manner than other comparable non-hub airports.

6.3.4 Projected Operating Revenues

Operating revenue projections for the planning periods are based on:

- The Airport's 2018 and 2019 budgets
- Current rates and charges methodology
- Current leasing practices
- The anticipated impacts of inflation
- Aviation traffic increases
- Facility expansions
- The recent experience of other airports with similar levels of aviation activity.

6.3.4.1 Operating Revenue Projection Assumptions

Operating revenue growth assumptions, as reflected in **Actual, Budgeted and Projected Operating Revenues (Schedule 6-4)** (provided at the end of Chapter 6), were developed to project the Airport's operating revenues during the planning period. Actual amounts for 2015 through 2017 and budgeted amounts for 2018 and 2019 provide a comparison with projected revenues for 2020 through 2035. This analysis organizes revenues into categories for airline revenues, non-airline revenues, and non-operating revenues. Annual revenue growth assumptions for 2020 through 2035 are provided in the following sections.

Airline Revenues

Landing fees – Airline landing fee projections beginning in 2020 are based on the Airport's 2019 budget with growth thereafter at a 3 percent annual rate of inflation plus increases in aircraft landed weight assuming one half the annual growth rate of the Master Plan forecast of passenger enplanements. This reflects the airlines' practice of managing increased load factors before additional flights are provided.

Air Carrier Rents and Fees – At BIS, air carriers pay rent for their space in the terminal building as well as for the usage of the jetways (passenger loading bridges) and pay fees

for security and ARFF services. Projections for air carrier operations/rent beginning in 2020 are based on the 2019 budget with growth thereafter at a 3 percent annual rate of inflation.

Non-Airline Revenues

Non-Airline revenue projections beginning in 2020 for the following categories are based on the Airport's 2019 budget with growth at a 3 percent annual inflation rate plus the annual rate of forecast enplanement growth:

- Auto Parking Revenues
- Food and Beverage Concessions
- News and Gift Concessions
- Rental Car Concessions

Non-Airline revenue projections beginning in 2020 for the following categories are based on the Airport's 2019 budget with growth at a 3 percent annual inflation rate thereafter:

- Cargo/Charter/General Aviation Landing Fees
- Fuel Flowage Fees/Fuel Farm
- Aeronautical – Land/Ground Leases
- Other Aeronautical Building Leases
- Non-Aeronautical – Land/Ground Leases
- Other Non-Aeronautical Building Leases
- Advertising
- Rental Car Space Revenue (Parking)
- Lodging, Liquor and Food Tax
- Other Aeronautical Taxes, Permits and Fees
- Other Rent and Concessions
- Other Revenue

Non-Operating Revenues - Non-Operating revenue projections beginning in 2020 for Interest Income, Gain/Loss on Disposal of Assets, and Other Revenue are based on the Airport's 2019 budget and are assumed to remain flat throughout the planning period.

6.3.4.2 Projection of Operating Revenues, Airline Cost Per Enplaned Passenger and Operating Revenues Per Enplaned Passenger

The projection of operating revenues is provided in **Schedule 6-4** at the end of Chapter 6. As shown in the schedule, airline revenues are expected to grow from \$1,768,898 budgeted in 2018 to \$1,983,218 projected for 2020 and total \$5,673,713 during the Phase I planning period. During the Phase II period, airline revenues are projected to total \$10,944,738 and during the Phase III period, revenues are projected to total \$28,007,392. The overall annual growth rate for airline revenues is 3.6 percent during the planning period. Non-Airline revenues are expected to grow from \$3,981,396 budgeted in 2018 to \$4,439,279 projected for 2020 and total \$12,672,915 during the Phase I planning period. During the Phase II period, non-airline revenues are projected to total \$25,812,675 and during the Phase III period, non-airline revenues are projected to total \$74,741,114. The overall annual growth rate for non-airline revenues is 5.1 percent. Total Airport revenues (including non-operating revenues) are expected to grow from \$5,852,094 budgeted in 2018 to \$6,513,832 projected for 2020 and total \$18,631,098 during the Phase I planning period. During the Phase II period, revenues are projected to total \$37,214,089 and during the Phase III period, revenues are projected to total \$103,661,856. The overall annual growth rate for total Airport revenues is 4.6 percent.

Schedule 6-4 also provides a comparison of the Airport's airline cost per enplaned passenger (CPEP) versus non-hub airports with similar levels of aviation activity. The airline CPEP (all airline fees and rentals divided by enplaned passengers) is a measure that airlines use to compare their cost of operations among the airports they serve. BIS's airline CPEP is projected to grow from \$6.61 budgeted in 2019 to an average of \$7.13

during the Phase III planning period. Over the same period, the overall non-hub industry average grows from \$9.38 in 2019 to \$10.54 during Phase III (Source: Non-Hub Airports, FAA Operating and Financial Summary Report #127 and FAA Air Carrier Activity Information System enplanement database).

This comparison indicates that airline rates and charges at BIS are approximately 30 percent lower than the industry average. This indicates that the Airport has room to grow airline rates and charges in the future if there is a need or justification to do so. Currently, the Airport considers its low CPEP as beneficial in its efforts to attract new airlines and increase service. The Airport should continue to monitor their rates in comparison with the non-hub industry average and other comparable peer airports.

Schedule 6-4 also provides a comparison of BIS's total operating revenue per enplaned passenger versus an average for other non-hub airports. The Airport's total operating revenue per enplaned passenger is projected to grow from \$21.25 budgeted for 2019 to an average of \$26.17 during the Phase III planning period. Over the same period, the overall non-hub industry average grows from \$48.38 in 2019 to \$54.36 (Source: Non-Hub airports, FAA Operating and Financial Summary Report #127 and FAA Air Carrier Activity Information System enplanement database). These comparisons show that both airline and non-airline revenues are much lower than the non-hub industry averages throughout the planning period.

BIS does have a diverse source of non-airline revenues including aeronautical and non-aeronautical land/ground rents and building rents and terminal related revenues such as concessions, advertising, parking, and rental car concessions. Upon more detailed analysis, it does not appear that any specific category of non-airline revenues is significantly below that of the non-hub industry average. Combined concession revenues from food/beverage and news/gift per enplaned passenger for 2019 are comparable with

the non-hub industry average. Parking revenue per enplaned passenger estimated for 2019 is approximately \$5.84, 9 percent below the non-hub industry average. Rental car concession revenue also falls below average at approximately \$3.22 per enplaned passenger versus \$4.77 per enplaned passenger for the non-hub average. This shortfall is despite an above average concession rate of 11.5 percent compared to industry average of 10 percent. This may, however, reflect specific passenger behavior at BIS (lower than average number of passengers who rent vehicles) or a lower daily rental rate for the BIS market.

Other non-airline revenues such as land/ground leases may be low due to the limited availability of space available to rent compared with other similar airports. Additionally, by securing capital funding for facilities such as general aviation aircraft parking aprons from AIP funding, the Airport does not exclusively lease these areas as may be the case at other airports. Additionally, the airport's current fuel flowage rate is lower than industry average and has not been raised in many years.

The Airport's overall policies for setting/negotiating airline and non-airline user fees and rental rates could be reviewed and adjusted over time to establish rates that are more comparable with other airports having similar levels of aviation activity.

6.3.5 Financial Plan Summary for the Master Plan Capital Improvement Program

The **Financial Plan Summary** in **Schedule 6-5** at the end of Chapter 6 includes a Capital Cash Flow section that presents a summary of projected capital funding (from Schedule 6-2) and scheduled capital expenditures (from Schedule 6-1) with the cash flow that results from implementing the Master Plan Airport Capital Improvement Program. Schedule 6-5 also includes an Operating Cash Flow section that summarizes totals for operating revenues (from Schedule 6-4) and operating expenses (from Schedule 6-3)

with the addition of beginning cash reserve balances to provide the cash flow that results from these activities.

In Schedule 6-1 of the Financial Implementation Analysis, practical approaches were provided for scheduling capital expenditures to match the availability of capital funding. Schedule 6-2 provided practical approaches for matching specific capital funding sources with each of the identified projects. As shown in Schedule 6-5, positive year end cash reserves are projected throughout the planning period 2018 to 2035.

Based on the assumptions underlying the Financial Implementation Analysis summarized in the Capital Cash Flow section of Schedule 6-5, implementation of projects in the Master Plan ACIP that are scheduled throughout the planning period are projected to be financially reasonable if the City can identify approximately \$56.7 million in funding for projects with Other Unidentified Funding. If funding sources are not available for these projects and other alternative sources cannot be identified, then development of these projects will not be feasible during the implementation period that is currently planned.

Implementation of other capital projects during the 2018-2035 planning period that have AIP discretionary grants indicated as a funding source are subject to the availability of those grants provided at the sole discretion of the FAA. If the identified portion of discretionary funding is not awarded by the FAA, then these projects will need to be delayed until funding is available.

Additionally, the Financial Implementation Analysis relies on achievement of the aviation activity and passenger enplanement forecast. Actual aviation traffic may temporarily vary from the projected levels of activity without a significant adverse impact on the capital program. If decreased traffic levels occur and persist, implementation of all the proposed

projects may not be financially feasible; however, if the forecast activity levels are not met, then several of the planned capital improvements may not be necessary. The Financial analysis Schedules 6-1 through 6-5 are presented on the following pages.

BISMARCK AIRPORT
City of Bismarck, North Dakota

BIS - MP - 2018 - 7

Schedule 6-1

Master Plan - Financial Implementation Analysis
Estimated Project Costs and Development Schedule

01-Nov-18

Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
		2018	2019	2020	Total	2021-2025	2026-2035	Escalated
								Costs
Phase I Projects (2018-2020)								
Capital Projects 2018								
I-2	Short Term Parking Lot Rehabilitation (Rejuvenation)	\$123,210	\$123,210		\$123,210			\$123,210
I-3	Runway 13-31 Reconstruction - Phase 4 (Design & Construction)	13,370,000	13,370,000		13,370,000			13,370,000
	Total Capital Projects 2018	\$13,493,210	\$13,493,210	\$0	\$0	\$13,493,210	\$0	\$13,493,210
Capital Projects 2019								
I-9	Jetway Ave, Corp. Circle, and Lancair Drive Rehab (rejuvenation) (Design and Construction)	\$147,852	\$152,288		\$152,288			\$152,288
I-20	Plans & Specifications for Airfield Drainage Improv to Eliminate Wildlife Hazards. - Phase 5a, 5b and 5c (on Airport) (Central Watershed Channel Improvements & Wetland Improvements)	985,680	1,015,250		1,015,250			1,015,250
I-10	Purchase SRE Equipment	739,260	761,438		761,438			761,438

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Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
		2018	2019	2020	Total	2021-2025	2026-2035	Escalated
								Costs
I-12 Taxiway C North Rehabilitation (Mill and Overlay) (Design and Construction)	4,000,000		4,120,000		4,120,000			4,120,000
I-13-I18/I19 Plans & Specifications for 3-21 and Twy D Rehabilitation (incl engineering report and geotech investigation)	1,047,286		1,078,705		1,078,705			1,078,705
Total Capital Projects 2019	\$6,920,078	\$0	\$7,127,680	\$0	\$7,127,680	\$0	\$0	\$7,127,680
Capital Projects 2020								
I-16 Expand Passenger Parking	\$1,540,125			\$1,633,919	\$1,633,919			\$1,633,919
I-17 Purchase Plow or Broom	492,840			522,854	522,854			522,854
I-15-I11 P&S - Hangar 5 Disposition	40,177			42,624	42,624			42,624
I-15-I14 P&S - Expand GA Apron to Northwest - Phase 4	267,848			284,160	284,160			284,160
II-3a Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5a (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	\$5,730,833			6,079,841	6,079,841			6,079,841
I-21-II4 P&S - Deicing Fluid Collection (per Drainage Study)	231,019			245,088	245,088			245,088

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Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
		2018	2019	2020	Total	2021-2025	2026-2035	Escalated Costs
I-22-II5 P&S - Commercial and GA Ramp Panel Replacement	385,031			408,479	408,479			408,479
Total Capital Projects 2020	\$8,687,873	\$0	\$0	\$9,216,964	\$9,216,964	\$0	\$0	\$9,216,964
Total Phase I Project Costs	\$29,101,161	\$13,493,210	\$7,127,680	\$9,216,964	\$29,837,855	\$0	\$0	\$29,837,855

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Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
		2018	2019	2020	Total	2021-2025	2026-2035	Escalated
		Costs						
Phase II Projects (2021-2025)								
I-1	Hangar 5 Disposition	\$369,630				\$0	\$422,216	\$422,216
I-4	Expand GA Apron to Northwest - Phase 4	2,464,200				0	2,814,774	2,814,774
II-3b	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5b (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	5,730,833				0	6,546,140	6,546,140
II-3c	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5c (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	5,730,834				0	6,546,141	6,546,141
II-1	New Concourse and Terminal Expansion	48,271,250				0	55,138,641	55,138,641
II-2	New Boarding Bridges (4 total)	7,935,000				0	9,063,886	9,063,886
II-19	Terminal Apron Expansion-Phase 1	3,174,000				0	3,625,554	3,625,554
I-18	Runway 3-21 Rehabilitation	8,501,490				0	9,710,969	9,710,969

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			Funding Schedule						
			Phase I				Phase II 2021-2025	Phase III 2026-2035	Total Funding
			2018	2019	2020	Total			
Capital Improvement Program									
Funds Used for Capital Improvement Projects									
AIP Entitlement Grants:			\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452
AIP Entitlements carryover from the prior years			0	0	0	0	0	0	0
AIP Entitlement unspent current year + carryover			0	0	0	0	0	0	0
AIP Discretionary/Supplemental Grants			9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347
ND Aeronautics Grants			668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)			389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287
Passenger Facility Charges (2018 Forward Projects):			736,713	0	0	736,713	0	9,584,728	10,321,441
PFC beginning year unliquidated balance			0	0	0	0	0	0	0
PFC unspent current year + carryover			0	0	0	0	0	0	0
Other City Capital Contribution			0	0	0	0	10,000,000	0	10,000,000
Private 3rd Party Funding			0	0	0	0	0	4,525,365	4,525,365
Other Unidentified Funding			0	0	0	0	48,024,466	56,719,719	104,744,185
Net Operating Cash Flow			568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039
Funds Available Current Year			14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314
Beginning Cash Balance/Funds Carried Over from Prior Year			4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654
Funds Used Current Year			(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)
Funds Carried Over to Next Year			\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023
			Estimated Project Costs and Development Schedule						
			Phase I				Phase II 2021-2025	Phase III 2026-2035	Total Escalated Costs
			2018	2019	2020	Total			
Capital Project Description			2018 Base Year Costs						
I-19	Taxiway D Rehabilitation	5,729,265				0	6,544,349	6,544,349	
II-4	Deicing Fluid Collection (per Drainage Study)	793,500				0	906,389	906,389	
II-5	Commercial and GA Ramp Panel Replacement	1,322,500				0	1,510,648	1,510,648	
II-6	Rehabilitate/Expand ARFF Building/ARFF Building Addition	1,983,750				0	2,265,972	2,265,972	
II-10	New ARFF Truck	991,875				0	1,132,986	1,132,986	
II-11	Rehabilitate/Expand Existing SRE Building	2,823,538				0	3,225,233	3,225,233	
II-12	SRE Pavement Expansion	2,149,063				0	2,454,803	2,454,803	
II-13	Purchase SRE Equipment	991,875				0	1,132,986	1,132,986	
II-24	Bravo Hangar Area Development	991,875				0	1,132,986	1,132,986	
II-29-II34	P&S - Commercial and GA Ramp Panel Replacement	367,361				0	419,624	419,624	
II-34	Commercial and GA Ramp Panel Replacement	1,322,500				0	1,510,648	1,510,648	
Total Phase II Project Costs		\$101,644,339	\$0	\$0	\$0	\$0	\$116,104,942	\$0	\$116,104,942

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Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
								Escalated
		2018	2019	2020	Total	2021-2025	2026-2035	Costs
Phase III Projects (2026-2035)								
II-21	Purchase SRE Equipment	\$991,875				\$0	\$1,414,177	\$1,414,177
III-17	Expand GA Apron to Northwest - Phase 5	2,000,000				0	2,851,522	2,851,522
II-8-II14	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards - Phase 6 (On Airport - Runway 3) (Storm Sewer with Force Main)	361,947				0	516,050	516,050
II-9-II15	P&S - Runway 13 RPZ Land Purchase - Phase 2	167,053				0	238,178	238,178
II-14	Airfield Drainage Improvements to Eliminate Wildlife Hazards - Phase 6 (On Airport - Runway 3) (Storm Sewer with Force Main)	5,730,833				0	8,170,798	8,170,798
II-15	Runway 13 RPZ Land Purchase - Phase 2	2,645,000				0	3,771,138	3,771,138
II-17-II22	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards- Flood Control Levee	514,703				0	733,843	733,843
II-18-II23	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards- General Aviation	543,297				0	774,612	774,612
II-25-II30	P&S - Service Road Expansion-Phase 3	183,681				0	261,885	261,885

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			Funding Schedule							
			Phase I				Phase II 2021-2025	Phase III 2026-2035	Total Funding	
			2018	2019	2020	Total				
Capital Improvement Program										
Funds Used for Capital Improvement Projects										
AIP Entitlement Grants:			\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years			0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover			0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants			9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants			668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)			389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):			736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance			0	0	0	0	0	0	0	
PFC unspent current year + carryover			0	0	0	0	0	0	0	
Other City Capital Contribution			0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding			0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding			0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow			568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year			14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year			4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year			(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year			\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Capital Project Description			Estimated Project Costs and Development Schedule							
			2018 Base Year Costs	Phase I				Phase II 2021-2025	Phase III 2026-2035	Total Escalated Costs
				2018	2019	2020	Total			
II-26-II31	P&S - Relocate Airway Ave/Airport Road Intersection	110,208				0	157,130	157,130		
II-30	Service Road Expansion-Phase 3	661,250				0	942,784	942,784		
II-31	Relocate Airway Ave/Airport Road Intersection	396,750				0	565,671	565,671		
II-35-III1	P&S - Service Road Extension - Phase 4	264,500				0	377,114	377,114		
III-1	Service Road Extension - Phase 4	1,322,500				0	1,885,569	1,885,569		
III-2	Expand Passenger Parking	6,612,500				0	9,427,844	9,427,844		
III-3	Purchase SRE Equipment	991,875				0	1,414,177	1,414,177		
III-4	Taxilane Expansion - "B" Area	462,875				0	659,949	659,949		
II-22	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Flood Control Levee	3,570,750				0	5,091,036	5,091,036		
II-23	Airfield Drainage Improvements to Eliminate Wildlife Hazards- General Aviation	3,769,125				0	5,373,871	5,373,871		
III-5-III6	P&S - Construct South Side Service Road	264,500				0	377,114	377,114		
III-6	Construct South Side Service Road	1,983,750				0	2,828,353	2,828,353		
III-7	Corporate Hangar Area Development	3,306,250				0	4,713,922	4,713,922		

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Estimated Project Costs and Development Schedule

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Capital Improvement Program	Funding Schedule							
	Phase I				Phase II	Phase III	Total	
	2018	2019	2020	Total	2021-2025	2026-2035	Funding	
Funds Used for Capital Improvement Projects								
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636	\$45,762,452	
AIP Entitlements carryover from the prior years	0	0	0	0	0	0	0	
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0	0	
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323	46,446,347	
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398	14,582,198	
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164	15,013,287	
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728	10,321,441	
PFC beginning year unliquidated balance	0	0	0	0	0	0	0	
PFC unspent current year + carryover	0	0	0	0	0	0	0	
Other City Capital Contribution	0	0	0	0	10,000,000	0	10,000,000	
Private 3rd Party Funding	0	0	0	0	0	4,525,365	4,525,365	
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719	104,744,185	
Net Operating Cash Flow	568,924	1,117,853	1,212,093	2,898,870	8,222,009	31,089,159	42,210,039	
Funds Available Current Year	14,327,951	7,867,713	8,655,366	30,851,031	113,772,792	148,981,492	293,605,314	
Beginning Cash Balance/Funds Carried Over from Prior Year	4,600,654	5,435,395	6,175,428	4,600,654	5,613,830	3,281,679	4,600,654	
Funds Used Current Year	(13,493,210)	(7,127,680)	(9,216,964)	(29,837,855)	(116,104,942)	(147,155,148)	(293,097,945)	
Funds Carried Over to Next Year	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023	\$5,108,023	
Estimated Project Costs and Development Schedule								
Capital Project Description	2018 Base Year Costs	Phase I				Phase II	Phase III	Total
		2018	2019	2020	Total	2021-2025	2026-2035	Escalated
								Costs
III-9 Fuel Farm Expansion	198,375				0	282,835	282,835	
III-11 New SRE Building Pavement	3,471,563				0	4,949,619	4,949,619	
III-12 New SRE Building	6,480,250				0	9,239,287	9,239,287	
III-14 Instrument Approach Improvements - Runway 3 (includes MALSF)	1,322,500				0	1,885,569	1,885,569	
II-20 Terminal Apron Expansion-Phase 2	7,141,500				0	10,182,071	10,182,071	
III-13 New Parking Garage (includes 450 parking stalls and circulation)	16,663,500				0	23,758,167	23,758,167	
III-15 Commercial Service Terminal Expansion (Beyond 2036)	25,127,500				0	35,825,807	35,825,807	
III-16 New Boarding Bridges - (Beyond 2036) (3 total)	5,951,250				0	8,485,059	8,485,059	
Total Phase III Project Costs	\$103,211,660	\$0	\$0	\$0	\$0	\$0	\$147,155,148	
Total Project Costs	\$233,957,160	\$13,493,210	\$7,127,680	\$9,216,964	\$29,837,855	\$116,104,942	\$293,097,945	

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Projected Capital Funding Sources

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		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary/ Supplemental Funding	Total AIP Funding	ND Aeronautics Grants	Passenger Facility Charges (PAYG)	Other City Capital Contribution	Private 3rd Party Funding	Other Unidentified Funding	Cash Reserves/ Net Revs	Total Funding
Capital Improvement Projects												
Phase I Projects (2018-2020)												
Capital Projects 2018												
I-2	Short Term Parking Lot Rehabilitation (Rejuvenation)	\$123,210			\$0						\$123,210	\$123,210
I-3	Runway 13-31 Reconstruction - Phase 4 (Design & Construction)	13,370,000	2,204,696	9,760,091	11,964,787	668,500	736,713				0	13,370,000
	Totals for 2018	\$13,493,210	\$2,204,696	\$9,760,091	\$11,964,787	\$668,500	\$736,713	\$0	\$0	\$0	\$123,210	\$13,493,210
Capital Projects 2019												
I-9	Jetway Ave, Corp. Circle, and Lancair Drive Rehab (rejuvenation) (Design and Construction)	\$152,288			\$0						\$152,288	\$152,288
I-20	Plans & Specifications for Airfield Drainage Improv to Eliminate Wildlife Hazards. - Phase 5a, 5b and 5c (on Airport) (Central Watershed Channel Improvements & Wetland Improvements)	1,015,250	913,725		913,725	50,763					50,763	1,015,250
I-10	Purchase SRE Equipment	761,438	685,294		685,294	38,072					38,072	761,438
I-12	Taxiway C North Rehabilitation (Mill and Overlay) (Design and Construction)	4,120,000	633,856	3,074,144	3,708,000	206,000					206,000	4,120,000
I-13-I18/I19	Plans & Specifications for 3-21 and Twy D Rehabilitation (incl engineering report and geotech investigation)	1,078,705			0						1,078,705	1,078,705
	Totals for 2019	\$7,127,680	\$2,232,875	\$3,074,144	\$5,307,019	\$294,834	\$0	\$0	\$0	\$0	\$1,525,827	\$7,127,680
Capital Projects 2020												
I-16	Expand Passenger Parking	\$1,633,919	\$0		\$0						\$1,633,919	\$1,633,919
I-17	Purchase Plow or Broom	522,854	470,569		470,569	26,143					26,143	522,854
I-15-I1	P&S - Hangar 5 Disposition	42,624			0						42,624	42,624
I-15-I4	P&S - Expand GA Apron to Northwest - Phase 4	284,160			0						284,160	284,160
II-3a	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5a (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	6,079,841	1,791,043	3,680,813	5,471,857	303,992					303,992	6,079,841
I-21-II4	P&S - Deicing Fluid Collection (per Drainage Study)	245,088			0						245,088	245,088
I-22-II5	P&S - Commercial and GA Ramp Panel Replacement	408,479			0						408,479	408,479
	Totals for 2020	\$9,216,964	\$2,261,612	\$3,680,813	\$5,942,425	\$330,135	\$0	\$0	\$0	\$0	\$2,944,405	\$9,216,964
	Total Phase I Project Funding	\$29,837,855	\$6,699,183	\$16,515,048	\$23,214,232	\$1,293,469	\$736,713	\$0	\$0	\$0	\$4,593,441	\$29,837,855

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Capital Improvement Projects		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary/ Supplemental Funding	Total AIP Funding	ND Aeronautics Grants	Passenger Facility Charges (PAYG)	Other City Capital Contribution	Private 3rd Party Funding	Other Unidentified Funding	Cash Reserves/ Net Revs	Total Funding
Phase II Projects (2021-2025)												
I-1	Hangar 5 Disposition	\$422,216			\$0	\$211,108					\$211,108	\$422,216
I-4	Expand GA Apron to Northwest - Phase 4	2,814,774			0	1,407,387					1,407,387	2,814,774
II-3b	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5b (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	6,546,140	2,300,000	3,591,526	5,891,526	327,307					327,307	6,546,140
II-3c	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Phase 5c (On Airport-Runway 31) (Central Watershed Channel Improvements & Wetland Improvements)	6,546,141	2,300,000	3,591,527	5,891,527	327,307					327,307	6,546,141
II-1	New Concourse and Terminal Expansion	55,138,641			0	2,756,932		10,000,000		32,381,709	10,000,000	55,138,641
II-2	New Boarding Bridges (4 total)	9,063,886			0	453,194				8,610,692	0	9,063,886
II-19	Terminal Apron Expansion-Phase 1	3,625,554			0	181,278				3,444,277	0	3,625,554
I-18	Runway 3-21 Rehabilitation	9,710,969	2,303,549	6,436,323	8,739,872	485,548					485,548	9,710,969
I-19	Taxiway D Rehabilitation	6,544,349		5,889,914	5,889,914	327,217					327,217	6,544,349
II-4	Deicing Fluid Collection (per Drainage Study)	906,389			0	453,194					453,194	906,389
II-5	Commercial and GA Ramp Panel Replacement	1,510,648			0	755,324					755,324	1,510,648
II-6	Rehabilitate/Expand ARFF Building/ARFF Building	2,265,972	2,039,374		2,039,374	113,299					113,299	2,265,972
II-10	New ARFF Truck	1,132,986		1,019,687	1,019,687	56,649					56,649	1,132,986
II-11	Rehabilitate/Expand Existing SRE Building	3,225,233	2,902,710		2,902,710	161,262					161,262	3,225,233
II-12	SRE Pavement Expansion	2,454,803			0					2,454,803	0	2,454,803
II-13	Purchase SRE Equipment	1,132,986			0						1,132,986	1,132,986
II-24	Bravo Hangar Area Development	1,132,986			0					1,132,986	0	1,132,986
II-29-II34	P&S - Commercial and GA Ramp Panel Replacement	419,624			0						419,624	419,624
II-34	Commercial and GA Ramp Panel Replacement	1,510,648			0	755,324					755,324	1,510,648
Total Phase II Project Funding		\$116,104,942	\$11,845,633	\$20,528,976	\$32,374,610	\$8,772,330	\$0	\$10,000,000	\$0	\$48,024,466	\$16,933,536	\$116,104,942

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Capital Improvement Projects		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary/ Supplemental Funding	Total AIP Funding	ND Aeronautics Grants	Passenger Facility Charges (PAYG)	Other City Capital Contribution	Private 3rd Party Funding	Other Unidentified Funding	Cash Reserves/ Net Revs	Total Funding
Phase III Projects (2026-2035)												
II-21	Purchase SRE Equipment	\$1,414,177			\$0						\$1,414,177	\$1,414,177
III-17	Expand GA Apron to Northwest - Phase 5	2,851,522			0	1,425,761					1,425,761	2,851,522
II-8-II14	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards - Phase 6 (On Airport - Runway 3) (Storm Sewer with Force Main)	516,050	464,445		464,445	25,802					25,802	516,050
II-9-II15	P&S - Runway 13 RPZ Land Purchase - Phase 2	238,178			0						238,178	238,178
II-14	Airfield Drainage Improvements to Eliminate Wildlife Hazards - Phase 6 (On Airport - Runway 3) (Storm Sewer with Force Main)	8,170,798	2,041,751	5,311,967	7,353,718	\$408,540					408,540	8,170,798
II-15	Runway 13 RPZ Land Purchase - Phase 2	3,771,138	2,555,930		2,555,930	\$188,557					1,026,651	3,771,138
II-17-II22	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards- Flood Control Levee	733,843			0						733,843	733,843
II-18-II23	P&S - Airfield Drainage Improvements to Eliminate Wildlife Hazards- General Aviation	774,612			0						774,612	774,612
II-25-II30	P&S - Service Road Expansion-Phase 3	261,885			0						261,885	261,885
II-26-II31	P&S - Relocate Airway Ave/Airport Road Intersection	157,130			0						157,130	157,130
II-30	Service Road Expansion-Phase 3	942,784	848,506		848,506	47,139					47,139	942,784
II-31	Relocate Airway Ave/Airport Road Intersection	565,671			0						565,671	565,671
II-35-III1	P&S - Service Road Extension - Phase 4	377,114			0						377,114	377,114
III-1	Service Road Extension - Phase 4	1,885,569	1,697,012		1,697,012	94,278					94,278	1,885,569
III-2	Expand Passenger Parking	9,427,844			0						9,427,844	9,427,844
III-3	Purchase SRE Equipment	1,414,177			0		1,414,177				0	1,414,177
III-4	Taxilane Expansion - "B" Area	659,949			0	329,975					329,975	659,949
II-22	Airfield Drainage Improvements to Eliminate Wildlife Hazards- Flood Control Levee	5,091,036	2,628,060	1,953,872	4,581,932	254,552	254,552				0	5,091,036
II-23	Airfield Drainage Improvements to Eliminate Wildlife Hazards- General Aviation	5,373,871	2,700,000	2,136,484	4,836,484	268,694	268,694				0	5,373,871
III-5-III6	P&S - Construct South Side Service Road	377,114	339,402		339,402	18,856	18,856				0	377,114
III-6	Construct South Side Service Road	2,828,353	2,545,518		2,545,518	141,418	141,418				0	2,828,353
III-7	Corporate Hangar Area Development	4,713,922			0				4,242,530		471,392	4,713,922
III-9	Fuel Farm Expansion	282,835			0				282,835		0	282,835
III-11	New SRE Building Pavement	4,949,619	2,800,000		2,800,000	247,481	1,902,138				0	4,949,619
III-12	New SRE Building	9,239,287	2,800,000		2,800,000	461,964	5,053,394				923,929	9,239,287
III-14	Instrument Approach Improvements - Runway 3 (includes MALSF)	1,885,569	1,697,012		1,697,012	94,278	94,278				0	1,885,569
II-20	Terminal Apron Expansion-Phase 2	10,182,071	4,100,000		4,100,000	509,104	437,222			5,135,746		10,182,071
III-13	New Parking Garage (includes 450 parking stalls and circulation)	23,758,167			0					23,758,167	0	23,758,167
III-15	Commercial Service Terminal Expansion (Beyond 2036)	35,825,807			0					27,825,807	8,000,000	35,825,807
III-16	New Boarding Bridges - (Beyond 2036) (3 total)	8,485,059			0						8,485,059	8,485,059
Total Phase III Project Funding		\$147,155,148	\$27,217,636	\$9,402,323	\$36,619,959	\$4,516,398	\$9,584,727	\$0	\$4,525,365	\$56,719,719	\$35,188,979	\$147,155,148
Total Project Funding		\$293,097,945	\$45,762,452	\$46,446,347	\$92,208,800	\$14,582,198	\$10,321,440	\$10,000,000	\$4,525,365	\$104,744,185	\$56,715,957	\$293,097,945

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Master Plan - Financial Implementation Analysis
Actual, Budgeted and Projected Operations & Maintenance Expenses

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Operations & Maintenance Expenses	Actual 2015	Actual 2016	Actual 2017	Phase I			Total	Phase II 2021-2025	Phase III 2026-2035
				Budget 2018	Budget 2019	Projected 2020			
ADMINISTRATION									
Personal Services - Salaries & Wages	\$463,511	\$470,885	\$481,525	\$504,426	\$507,439	\$522,662	\$1,534,527	\$2,858,131	\$7,154,446
Personal Services - Fringe Benefits	145,963	148,399	150,828	156,514	155,844	160,519	472,877	877,785	2,197,264
Professional, Legal and Contracted Service Fees	414,337	83,626	89,400	177,100	179,100	184,473	540,673	1,008,774	2,525,153
Building, Equipment, and Vehicle Services	478,480	4,628	4,402	4,500	4,500	4,635	13,635	25,346	63,446
Travel and Training	17,859	15,337	23,111	29,100	31,125	32,059	92,284	175,310	438,835
Other Operating Services	220,561	167,741	185,308	277,925	279,625	288,014	845,564	1,574,977	3,942,468
Operating Supplies	13,229	10,382	15,177	33,250	31,250	32,188	96,688	176,014	440,598
Other Financing Uses	145,631	167,146	153,667	135,986	159,175	163,950	459,111	896,547	2,244,228
Total Administration	\$1,899,572	\$1,068,143	\$1,103,418	\$1,318,801	\$1,348,058	\$1,388,500	\$4,055,359	\$7,592,886	\$19,006,439
Annual Growth Rate	-	-43.8%	3.3%	19.5%	2.2%	3.0%	8.0%	3.0%	3.0%
BUILDINGS									
Personal Services - Salaries & Wages	\$441,822	\$463,880	\$476,975	\$605,268	\$611,766	\$630,119	\$1,847,153	\$3,445,749	\$8,625,366
Personal Services - Fringe Benefits	157,208	161,962	163,927	215,132	208,668	214,928	638,728	1,175,315	2,942,036
Professional, Legal and Contracted Service Fees	157,446	140,817	105,020	186,848	117,000	120,510	424,358	658,998	1,649,598
Building, Equipment, and Vehicle Services	719,370	515,200	423,666	672,673	601,728	619,780	1,894,181	3,389,210	8,483,839
Other Operating Services	34,602	34,116	31,629	39,237	39,294	40,473	119,004	221,322	554,011
Operating Supplies	86,758	87,815	70,612	97,750	97,950	100,889	296,589	551,700	1,381,009
Capital Expense	952	130,834	0	0	0	0	0	0	0
Total Buildings	\$1,598,158	\$1,534,624	\$1,271,829	\$1,816,908	\$1,676,406	\$1,726,698	\$5,220,012	\$9,442,293	\$23,635,859
Annual Growth Rate	-	-4.0%	-17.1%	42.9%	-7.7%	3.0%	10.7%	3.0%	3.0%
PROPERTY & LAND									
Professional, Legal and Contracted Service Fees	\$473,825	\$606,578	\$278,516	\$0	\$0	\$0	\$0	\$0	\$0
Building, Equipment, and Vehicle Services	117,980	107,597	101,658	221,332	240,499	247,714	709,545	1,354,602	3,390,826
Other Operating Services	0	0	21,458	29,500	21,000	21,630	72,130	118,282	296,082
Operating Supplies	59,990	55,689	37,669	84,500	116,500	119,995	320,995	656,182	1,642,548
Capital Expense	0	0	0	25,000	25,000	25,750	75,750	140,812	352,478
Total Property & Land	\$651,795	\$769,864	\$439,301	\$360,332	\$402,999	\$415,089	\$1,178,420	\$2,269,877	\$5,681,934
Annual Growth Rate	-	18.1%	-42.9%	-18.0%	11.8%	3.0%	-1.9%	3.0%	3.0%
EQUIPMENT & VEHICLES									
Personal Services - Fringe Benefits	\$2,010	\$1,888	\$769	\$800	\$800	\$824	\$2,424	\$4,506	\$11,279
Building, Equipment, and Vehicle Services	91,812	91,210	167,719	140,500	171,000	176,130	487,630	963,151	2,410,950
Other Operating Services	978	4,482	4,929	4,800	4,930	5,078	14,808	27,768	69,509
Operating Supplies	73,290	83,186	53,257	125,450	120,050	123,652	369,152	676,177	1,692,600
Capital Expense	67,575	91,999	5,500	25,000	30,000	30,900	85,900	168,974	422,974
Total Equipment & Vehicles	\$235,666	\$272,765	\$232,174	\$296,550	\$326,780	\$336,583	\$959,913	\$1,840,576	\$4,607,312
Annual Growth Rate	-	15.7%	-14.9%	27.7%	10.2%	3.0%	13.2%	3.0%	3.0%

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Master Plan - Financial Implementation Analysis
Actual, Budgeted and Projected Operations & Maintenance Expenses

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Operations & Maintenance Expenses	Actual 2015	Actual 2016	Actual 2017	Phase I			Total	Phase II 2021-2025	Phase III 2026-2035
				Budget 2018	Budget 2019	Projected 2020			
SECURITY									
Professional, Legal and Contracted Service Fees	\$151,444	\$220,578	\$268,635	\$455,026	\$390,570	\$402,287	\$1,247,883	\$2,199,871	\$5,506,695
Building, Equipment, and Vehicle Services	121	237	350	1,540	1,540	1,586	4,666	8,674	21,713
Travel/Training	0	0	0	12,800	16,000	16,480	45,280	90,119	225,586
Other Operating Services	726	446	10,682	850	850	876	2,576	4,788	11,984
Operating Supplies	3,587	2,424	30,153	14,750	24,750	25,493	64,993	139,403	348,953
Total Security	\$155,878	\$223,685	\$309,820	\$484,966	\$433,710	\$446,721	\$1,365,397	\$2,442,855	\$6,114,932
Annual Growth Rate	-	43.5%	38.5%	56.5%	-10.6%	3.0%	13.0%	3.0%	3.0%
ARFF									
Professional, Legal and Contracted Service Fees	\$469,836	\$483,924	\$498,444	\$513,408	\$495,000	\$509,850	\$1,518,258	\$2,788,069	\$6,979,067
Building, Equipment, and Vehicle Services	2,513	14,195	2,469	8,450	8,450	8,704	25,604	47,594	119,138
Other Operating Services	2,736	2,676	2,724	2,800	2,800	2,884	8,484	15,771	39,478
Operating Supplies	9,566	14,181	8,783	26,485	26,250	27,038	79,773	147,852	370,102
Total ARFF	\$484,650	\$514,976	\$512,420	\$551,143	\$532,500	\$548,475	\$1,632,118	\$2,999,286	\$7,507,784
Annual Growth Rate	-	6.3%	-0.5%	7.6%	-3.4%	3.0%	2.3%	3.0%	3.0%
OPERATIONS									
Personal Services - Salaries & Wages	\$296,737	\$305,797	\$315,449	\$318,899	\$289,196	\$297,872	\$905,967	\$1,628,886	\$4,077,411
Personal Services - Fringe Benefits	110,359	114,118	122,313	124,671	126,670	130,470	381,811	713,464	1,785,936
Travel/Training	0	0	0	6,850	6,850	7,056	20,756	38,582	96,579
Other Operating Services	144	111	309	500	400	412	1,312	2,253	5,640
Operating Supplies	1,870	2,222	2,611	3,550	3,750	3,863	11,163	21,122	52,872
Total Operations	\$409,111	\$422,248	\$440,682	\$454,470	\$426,866	\$439,672	\$1,321,008	\$2,404,307	\$6,018,437
Annual Growth Rate	-	3.2%	4.4%	3.1%	-6.1%	3.0%	-0.1%	3.0%	3.0%
Total Operations & Maintenance Expenses	\$5,434,830	\$4,806,306	\$4,309,644	\$5,283,170	\$5,147,319	\$5,301,739	\$15,732,228	\$28,992,080	\$72,572,697
Annual Growth Rate	-	-11.6%	-10.3%	22.6%	-2.6%	3.0%	7.2%	3.0%	3.0%
Operating Expenses Per Enplaned Passenger:									
Bismarck Airport	\$20.71	\$17.54	\$15.42	\$18.54	\$17.72	\$17.89	\$18.05	\$17.96	\$18.49
Non-Hub Industry Average	\$43.78	\$46.60	\$47.07	\$47.55	\$48.04	\$48.52	\$47.56	\$50.28	\$54.25

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City of Bismarck, North Dakota

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Master Plan - Financial Implementation Analysis
Actual, Budgeted and Projected Operating Revenues

01-Nov-18

Revenues	Actual 2015	Actual 2016	Actual 2017	Phase I				Phase II 2021-2025	Phase III 2026-2035
				Budget 2018	Budget 2019	Projected 2020	Total		
						LDW - Landed Weight Growth			
						ENP - Enplanement Growth			
						No Growth			
AIRLINE REVENUES									
Fees - Landing (Airline)	\$314,587	\$323,799	\$361,808	\$370,000	\$390,000	\$405,673	\$1,165,673	\$2,318,076	\$6,413,214
Rent - Terminal Building (Airline)	510,505	524,026	578,570	590,000	590,000	607,700	1,787,700	3,323,153	8,318,484
Rent - Jetway	34,158	40,533	62,887	41,000	62,887	64,774	168,661	354,209	886,652
Fees - Security	78,827	70,036	297,194	364,966	433,710	446,721	1,245,397	2,442,855	6,114,932
Fees - ARFF	371,367	345,337	444,620	402,932	445,000	458,350	1,306,282	2,506,446	6,274,111
Total Airline Revenues	\$1,309,445	\$1,303,732	\$1,745,078	\$1,768,898	\$1,921,597	\$1,983,218	\$5,673,713	\$10,944,738	\$28,007,392
Annual Growth Rate	-	-0.4%	33.9%	1.4%	8.6%	3.2%	4.4%	3.3%	3.3%
Airline Cost Per Enplaned Passenger:									
Bismarck Airport	\$4.99	\$4.76	\$6.25	\$6.21	\$6.61	\$6.69	\$6.51	\$6.78	\$7.13
Non-Hub Industry Average	\$8.08	\$9.10	\$9.20	\$9.29	\$9.38	\$9.48	\$9.29	\$9.77	\$10.54
NON-AIRLINE REVENUES									
Cargo/Charter/GA Landing Fees	\$46,954	\$13,084	\$60,383	\$67,733	\$85,437	\$88,000	\$241,170	\$481,221	\$1,204,587
Fuel Flowage Fees / Fuel Farm	210,190	207,068	182,972	222,000	216,425	222,918	661,343	1,219,006	3,051,403
Aeronautical - Land/Ground Leases	126,752	111,917	149,827	132,049	178,490	183,845	494,384	1,005,338	2,516,553
Other Aeronautical Building Leases	147,706	77,683	141,678	182,528	183,202	188,698	554,428	1,031,878	2,582,988
Non-Aeronautical - Land/Ground Leases	158,395	156,582	140,017	140,017	193,981	199,800	533,798	1,092,591	2,734,962
Other Non-Aeronautical Building Leases	50,921	88,564	89,825	88,935	91,102	93,835	273,872	513,129	1,284,459
Auto Parking Revenues	1,426,692	1,389,814	1,590,929	1,663,773	1,730,687	1,817,866	5,212,326	10,851,982	33,168,471
Food & Beverage Concessions	176,631	108,832	138,727	183,261	172,309	180,989	536,559	1,080,435	3,302,288
News & Gift Concessions	25,981	30,907	29,182	31,614	26,430	27,761	85,805	165,725	506,529
Advertising	39,963	36,461	35,214	41,375	41,375	42,616	125,366	233,043	583,351
Rental Car Concessions	914,515	1,006,377	942,678	906,487	989,812	1,039,671	2,935,970	6,206,450	18,969,664
Rental Car Space Revenue (Parking)	12,060	11,785	11,330	12,060	12,060	12,422	36,542	67,927	170,035
Lodging, Liquor and Food Tax	17,952	18,262	19,183	25,000	25,000	25,750	75,750	140,812	352,478
Other Aeronautical Taxes, Permits and Fees	53,523	55,304	44,496	71,590	46,650	48,050	166,290	262,754	657,724
Other Rent and Concessions	34,031	21,677	23,046	24,685	25,090	25,843	75,618	141,318	353,747
Other Revenues	209,308	173,111	141,612	188,289	234,190	241,216	663,695	1,319,066	3,301,874
Total Non-Airline Revenues	\$3,651,573	\$3,507,428	\$3,741,100	\$3,981,396	\$4,252,240	\$4,439,279	\$12,672,915	\$25,812,675	\$74,741,114
Annual Growth Rate	-	-3.9%	6.7%	6.4%	6.8%	4.4%	5.9%	5.1%	4.9%
NON-OPERATING REVENUES									
Interest Income	\$40,031	\$38,591	\$32,105	\$24,650	\$22,475	\$22,475	\$69,600	\$112,375	\$224,750
Gain/Loss on Disposal of Assets	-11,200	9,938	156,008	40,000	30,000	30,000	100,000	150,000	300,000
Other	9,647	3,867	18,249	37,150	38,860	38,860	114,870	194,300	388,600
Total Non-Operating Revenues	\$38,478	\$52,396	\$206,363	\$101,800	\$91,335	\$91,335	\$284,470	\$456,675	\$913,350
Annual Growth Rate	-	36.2%	293.9%	-50.7%	-10.3%	0.0%	18.9%	0.0%	0.0%
Total Revenues	\$4,999,495	\$4,863,556	\$5,692,541	\$5,852,094	\$6,265,172	\$6,513,832	\$18,631,098	\$37,214,089	\$103,661,856
Annual Growth Rate	-	-2.7%	17.0%	2.8%	7.1%	4.0%	4.6%	4.5%	4.4%
Operating Revenues Per Enplaned Passenger:									
Bismarck Airport	\$18.90	\$17.56	\$19.64	\$20.18	\$21.25	\$21.68	\$21.04	\$22.77	\$26.17
Non-Hub Industry Average	\$41.71	\$46.93	\$47.41	\$47.89	\$48.38	\$48.87	\$48.38	\$50.38	\$54.36

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Master Plan - Financial Implementation Analysis
Financial Plan Summary
Budgeted and Projected Net Revenues, Capital Funding and Capital Expenditures

01-Nov-18

Operating/Capital Cash Flow	Phase I				Phase II 2021-2025	Phase III 2026-2035
	Budget 2018	Budget 2019	Projected 2020	Total		
Passenger Enplanements	284,925	290,561	296,308	871,794	1,614,623	3,925,814
Annual Growth Rates	1.98%	1.98%	1.98%	1.98%	2.88%	2.52%
Operating Cash Flow						
Revenues:						
Airline Revenues	\$1,768,898	\$1,921,597	\$1,983,218	\$5,673,713	\$10,944,738	\$28,007,392
Non-Airline Revenues	3,981,396	4,252,240	4,439,279	12,672,915	25,812,675	74,741,114
Non-Operating Revenues	101,800	91,335	91,335	284,470	456,675	913,350
Total Revenues	\$5,852,094	\$6,265,172	\$6,513,832	\$18,631,098	\$37,214,089	\$103,661,856
Operations & Maintenance Expenses	(5,283,170)	(5,147,319)	(5,301,739)	(15,732,228)	(28,992,080)	(72,572,697)
Net Operating Cash Flow	\$568,924	\$1,117,853	\$1,212,093	\$2,898,870	\$8,222,009	\$31,089,159
Less Existing Debt Service	0	0	0	0	0	0
Total Net Operating Cash Flow Available For Capital Expenditures	\$568,924	\$1,117,853	\$1,212,093	\$2,898,870	\$8,222,009	\$31,089,159
Capital Cash Flow						
Beginning Cash Balance	\$4,600,654	\$5,435,395	\$6,175,428	\$4,600,654	\$5,613,830	\$3,281,679
Other Capital Funding Sources:						
AIP Entitlement Grants:	\$2,204,696	\$2,232,875	\$2,261,612	\$6,699,183	\$11,845,633	\$27,217,636
AIP Entitlement unspent current year + carryover	0	0	0	0	0	0
AIP Entitlements carryover from the prior years	0	0	0	0	0	0
AIP Discretionary/Supplemental Grants	9,760,091	3,074,144	3,680,813	16,515,048	20,528,976	9,402,323
ND Aeronautics Grants	668,500	294,834	330,135	1,293,469	8,772,330	4,516,398
Passenger Facility Charges (Reimbursement of Pre-2018 Projects)	389,027	1,148,006	1,170,713	2,707,746	6,379,376	5,926,164
Passenger Facility Charges (2018 Forward Projects):	736,713	0	0	736,713	0	9,584,728
PFC beginning year unliquidated balance	0	0	0	0	0	0
PFC unspent current year + carryover	0	0	0	0	0	0
Other City Capital Contribution	0	0	0	0	10,000,000	0
Private 3rd Party Funding	0	0	0	0	0	4,525,365
Other Unidentified Funding	0	0	0	0	48,024,466	56,719,719
Total Other Capital Funding Sources	\$13,759,027	\$6,749,860	\$7,443,273	\$27,952,160	\$105,550,782	\$117,892,333
Total Funds Available for Capital Expenditures	\$18,928,605	\$13,303,108	\$14,830,794	\$35,451,685	\$119,386,621	\$152,263,171
Capital Improvement Program Expenditures	13,493,210	7,127,680	9,216,964	29,837,855	116,104,942	147,155,148
Ending Cash Balance	\$5,435,395	\$6,175,428	\$5,613,830	\$5,613,830	\$3,281,679	\$5,108,023