

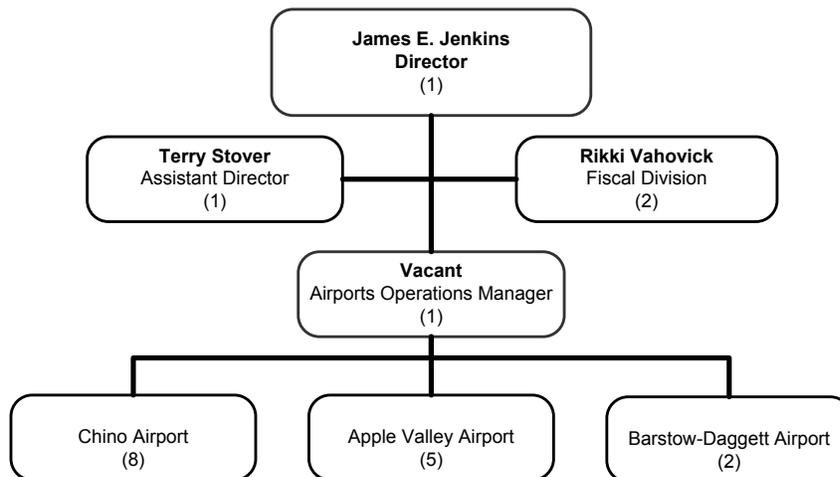
AIRPORTS James E. Jenkins

DEPARTMENT MISSION STATEMENT

San Bernardino County Department of Airports plans, organizes and directs the County's airport and aviation system to provide high-quality aviation facilities and services in a safe and efficient manner, optimizing the benefit to the communities and citizens of the County.



ORGANIZATIONAL CHART



2012-13 ACCOMPLISHMENTS

- Completed closure of the Barstow-Daggett Airport housing units. Achieved net operational cost savings in excess of \$450,000 annually due to reduction in costs to maintain potable water system, reduction of 2 positions to maintain units, reduction in energy costs associated with maintaining water and sewer systems, and reduction in insurance costs.



COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: PURSUE COUNTY GOALS AND OBJECTIVES BY WORKING WITH OTHER GOVERNMENTAL AGENCIES

Objective(s): • *Work with Federal, State and regional governments and organizations to ensure San Bernardino County receives its fair share of resources and to help shape legislation and regulations which affect the County.*

Department Strategy:

- *Improve and maintain Airport infrastructure, such as runways and drainage systems, by maximizing use of Federal Aviation Administration and Cal Trans Aeronautics funding.*
- *Continue to develop and maintain focus on structured and preventative maintenance programs to address infrastructure deficiencies.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Actual	2013-14 Target
Percentage of pavement rehabilitation completed (minimum 10% annually).	12.4%	15%	2%	15%

Federal grant monies have been reduced during this period (Federal Sequester), and anticipated grant funding for infrastructure project was not received in 2012-13.

COUNTY GOAL: OPERATE IN A FISCALLY-RESPONSIBLE AND BUSINESS-LIKE MANNER

Objective(s): • *Invest County resources in ways which create more ongoing revenue to reinvest in maintaining services.*

Department Strategy:

- *Construct aircraft storage facilities at Chino or Twentynine Palms Airports, producing a revenue generating asset to support ongoing operations.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Actual	2013-14 Target
Construction of aircraft hangar facilities (# of facilities).	N/A	N/A	N/A	1 hangar

COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY

Objective(s): • *Continue business retention and expansion programs while implementing office and industrial attraction strategies emphasizing provision of high-paying jobs.*

Department Strategy:

- *Maximize structured outreach activities to private sector business entities thus informing prospective businesses of real estate opportunities at various County airports.*
- *Continue to closely monitor existing airport businesses to ensure continued success; assist by providing clearinghouse guidance to available related resources within the County.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Actual	2013-14 Target
Number of businesses operating on airport properties (commercial leases).	76	N/A	75	85



SUMMARY OF BUDGET UNITS

	2013-14					
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
General Fund						
Airports	2,910,893	2,910,893	0			20
Total General Fund	2,910,893	2,910,893	0			20
Special Revenue Funds						
Special Revenue Funds - Consolidated	5,882,850	2,496,046		3,386,804		0
Total Special Revenue Funds	5,882,850	2,496,046		3,386,804		0
Enterprise Funds						
*Apple Valley Airport - Operations (CSA 60)	5,572,889	2,234,189			(3,338,700)	0
*Apple Valley Airport - Cap. Improv (CSA 60)	4,117,693	64,000			(4,053,693)	0
Total Enterprise Funds	9,690,582	2,298,189			(7,392,393)	0
Total - All Funds	18,484,325	7,705,128	0	3,386,804	(7,392,393)	20

*These budget units are located in the County Special Districts budget book under Special Districts (CSA 60).



5-YEAR REQUIREMENTS TREND					
	2009-10	2010-11	2011-12	2012-13	2013-14
Airports	2,678,516	3,088,478	2,886,349	2,879,545	2,910,893
Chino Airport Commercial Hangars	1,810,347	1,863,863	1,569,987	1,258,469	1,339,915
Chino Airport Incentive Fund	996,159	142,142	172,415	106,633	71,260
Airports Capital Improvement Program	5,844,131	8,063,335	4,886,535	3,935,451	4,471,675
*Apple Valley Airport - Operations (CSA 60)	3,375,569	3,347,296	5,566,790	6,144,933	5,572,889
*Apple Valley Airport - Cap. Improv (CSA 60)	6,104,400	6,564,764	5,360,429	4,922,355	4,117,693
Total	20,809,122	23,069,878	20,442,505	19,247,386	18,484,325

5-YEAR SOURCES TREND					
	2009-10	2010-11	2011-12	2012-13	2013-14
Airports	2,678,516	3,088,478	2,886,349	2,879,545	2,910,893
Chino Airport Commercial Hangars	887,312	837,630	914,248	1,249,101	1,162,131
Chino Airport Incentive Fund	227,143	58,662	0	105,026	43,929
Airports Capital Improvement Program	1,157,519	4,806,196	925,375	2,200,771	1,289,986
*Apple Valley Airport - Operations (CSA 60)	2,377,776	2,652,261	3,716,654	3,117,287	2,234,189
*Apple Valley Airport - Cap. Improv (CSA 60)	2,797,488	46,038	(905,155)	619,918	64,000
Total	10,125,754	11,489,265	7,537,471	10,171,648	7,705,128

5-YEAR NET COUNTY COST TREND					
	2009-10	2010-11	2011-12	2012-13	2013-14
Airports	0	0	0	0	0
Total	0	0	0	0	0

5-YEAR FUND BALANCE TREND					
	2009-10	2010-11	2011-12	2012-13	2013-14
Chino Airport Commercial Hangars	923,035	1,026,233	655,739	9,368	177,784
Chino Airport Incentive Fund	769,016	83,480	172,415	1,607	27,331
Airports Capital Improvement Program	4,686,612	3,257,139	3,961,160	1,734,680	3,181,689
Total	6,378,663	4,366,852	4,789,314	1,745,655	3,386,804

5-YEAR NET BUDGET TREND					
	2009-10	2010-11	2011-12	2012-13	2013-14
*Apple Valley Airport - Operations (CSA 60)	(997,793)	(695,035)	(1,850,136)	(3,027,646)	(3,338,700)
*Apple Valley Airport - Cap. Improv (CSA 60)	(3,306,912)	(6,518,726)	(6,265,584)	(4,302,437)	(4,053,693)
Total	(4,304,705)	(7,213,761)	(8,115,720)	(7,330,083)	(7,392,393)

*These budget units are located in the County Special Districts budget book under Special Districts (CSA 60).

Note: Beginning in fiscal year 2012-13, Capital Expenditures have been included and Depreciation has been excluded in requirements in enterprise and internal service funds for budgetary purposes. In the table above, prior years have been restated for consistency.



Airports

DESCRIPTION OF MAJOR SERVICES

The Department of Airports (Department) provides for the management, development, maintenance and operation of six airports. The Department assures that County airports are maintained and operated in compliance with state and federal regulations. The Department works cooperatively with other airports located within the County regarding state and federal aviation programs, issues and requirements. The Department participates and provides input to aviation industry support organizations, as necessary, to develop local, national and state aviation policy.

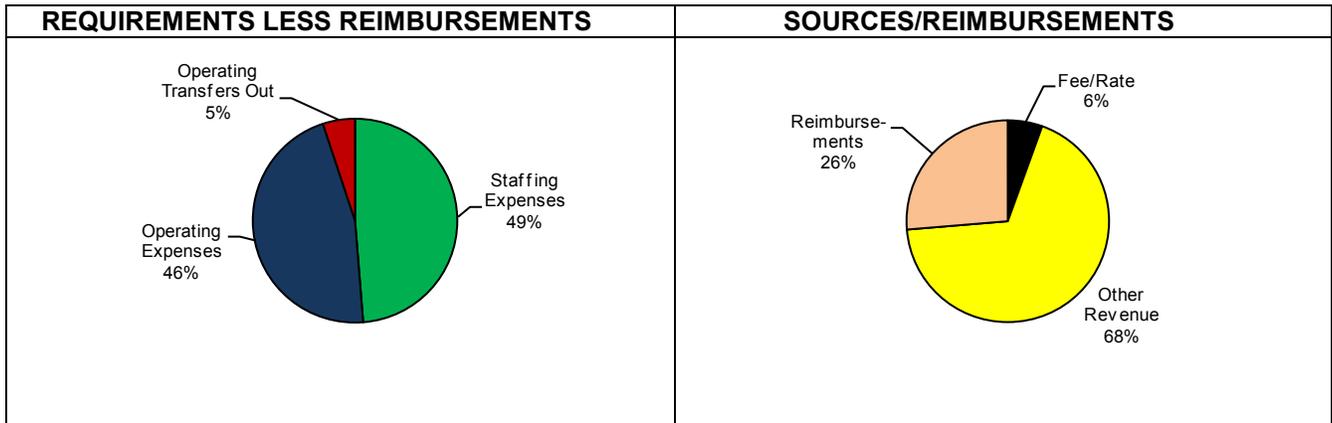
Budget at a Glance	
Total Requirements	\$2,910,893
Total Sources	\$2,910,893
Net County Cost	\$0
Total Staff	20
Funded by Net County Cost	0%

The County's six airports include:

1. Apple Valley Airport, a County Service Area (CSA 60) with a significant sport aviation base;
2. Baker Airport, located adjacent to the Town of Baker and supports 1-40 between Barstow and Las Vegas;
3. Barstow-Daggett Airport, which features significant military activity and the Fort Irwin Helicopter Maintenance Base, both of which support the Fort Irwin National Training Center;
4. Chino Airport, a Federal Aviation Administration (FAA) designated reliever to John Wayne Airport and one of the largest general aviation airports in the country with approximately 650 based aircraft;
5. Needles Airport, a critical transportation link along the Colorado River; and
6. Twentynine Palms Airport, a center for soaring activity serving the surrounding community, including the United States Marine Corps Air-Ground Combat Center.

The County's airports produce revenue to operate and maintain the airport system. Revenues are generated from facility rents, concession and user fees, and, in the case of Apple Valley Airport, property taxes dedicated to the support of CSA 60. State and federal grants are significant sources for funds to construct, improve and maintain airport infrastructure.

2013-14 ADOPTED BUDGET



BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2011-12 Final	2012-13 Adopted	2012-13 Final	2013-14 Adopted					
Regular	24	19	19	20					
Limited Term	0	0	0	0					
Total	24	19	19	20					
Staffing Expenses	\$2,091,782	\$1,814,396	\$1,814,396	\$1,925,294					

ANALYSIS OF 2013-14 ADOPTED BUDGET

GROUP: Operations and Community Services
 DEPARTMENT: Airports
 FUND: General

BUDGET UNIT: AAA APT
 FUNCTION: Public Ways and Facilities
 ACTIVITY: Transportation Terminals

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2012-13 Final Budget	2013-14 Adopted Budget	Change From 2012-13 Final Budget
Requirements							
Staffing Expenses	2,235,518	2,233,507	2,091,771	1,632,659	1,814,396	1,925,294	110,898
Operating Expenses	1,165,200	1,325,493	2,004,137	1,867,509	1,930,681	1,824,778	(105,903)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	3,400,718	3,559,000	4,095,908	3,500,168	3,745,077	3,750,072	4,995
Reimbursements	(807,558)	(859,932)	(1,227,613)	(886,813)	(865,532)	(1,039,925)	(174,393)
Total Appropriation	2,593,160	2,699,068	2,868,295	2,613,355	2,879,545	2,710,147	(169,398)
Operating Transfers Out	85,356	335,210	19,000	424,000	0	200,746	200,746
Total Requirements	2,678,516	3,034,278	2,887,295	3,037,355	2,879,545	2,910,893	31,348
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	80,000	58,519	45,616	0	0	0
Fee/Rate	176,245	160,214	176,850	156,865	172,000	217,563	45,563
Other Revenue	2,422,677	2,849,265	2,649,144	2,821,029	2,682,545	2,668,330	(14,215)
Total Revenue	2,598,922	3,089,479	2,884,513	3,023,510	2,854,545	2,885,893	31,348
Operating Transfers In	81,563	0	0	25,000	25,000	25,000	0
Total Sources	2,680,485	3,089,479	2,884,513	3,048,510	2,879,545	2,910,893	31,348
Net County Cost	(1,969)	(55,201)	2,782	(11,155)	0	0	0
Budgeted Staffing					19	20	1

MAJOR EXPENDITURES AND REVENUE IN 2013-14 ADOPTED BUDGET

Staffing expenses of \$1.9 million fund 20 budgeted regular positions that provide support for 6 County-operated airports. Operating expenses of \$1.8 million include Countywide Services (COWCAP), property insurance, utilities, other professional services, general maintenance, and fuel purchases for the sale of fuel at Twentynine Palms Airport. Reimbursements of \$1.0 million are primarily for staffing costs and services/supplies expenses that are incurred by the Airport's general fund budget unit for personnel that are assigned to support the Apple Valley Airport and Chino Airport Commercial Hangar complex. Sources of \$2.9 million primarily represents Rents and Concession receipts at the airports.



BUDGET CHANGES AND OPERATIONAL IMPACT

There are relatively minor changes to the Department of Airports 2013-14 budget as a whole; however, the budget does include an increase of \$106,526 in staffing expenses specifically attributed to the addition of 1 new position (Airports Operations Manager), with all remaining positions fully budgeted. Reimbursements increased primarily to recover administrative costs associated with the Chino Airport Commercial Hangar complex. Rents and Concession sources at the airports were adjusted to reflect anticipated collection levels.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$1.9 million fund 20 budgeted regular positions. A minor restructuring of the Departments' organizational function and programmatic responsibilities has resulted in the addition of 1 position (Airports Operations Manager). This position will be responsible for the daily operations management responsibilities throughout the six County airports.

2013-14 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Administration	5	0	5	4	0	1	5
Apple Valley Airport	5	0	5	5	0	0	5
Barstow-Daggett Airport	2	0	2	2	0	0	2
Chino Airport	8	0	8	8	0	0	8
Total	20	0	20	19	0	1	20

Adminstration	Apple Valley Airport	Barstow-Dagget Airport
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Airports Director	1 Airport Maintenance Supervisor	2 Airport Maintenance Worker I
1 Airports Assistant Director	2 Airport Maintenance Worker I	2 Total
1 Airports Operations Manager	1 Airport Maintenance Worker II	
1 Fiscal Assistant	1 Secretary I	
1 Staff Analyst II	5 Total	
5 Total		
Chino Airport		
<u>Classification</u>		
1 Airport Maintenance Supervisor		
5 Airport Maintenance Worker I		
1 Fiscal Assistant		
1 Secretary I		
8 Total		



Special Revenue Funds - Consolidated

DESCRIPTION OF MAJOR SERVICES

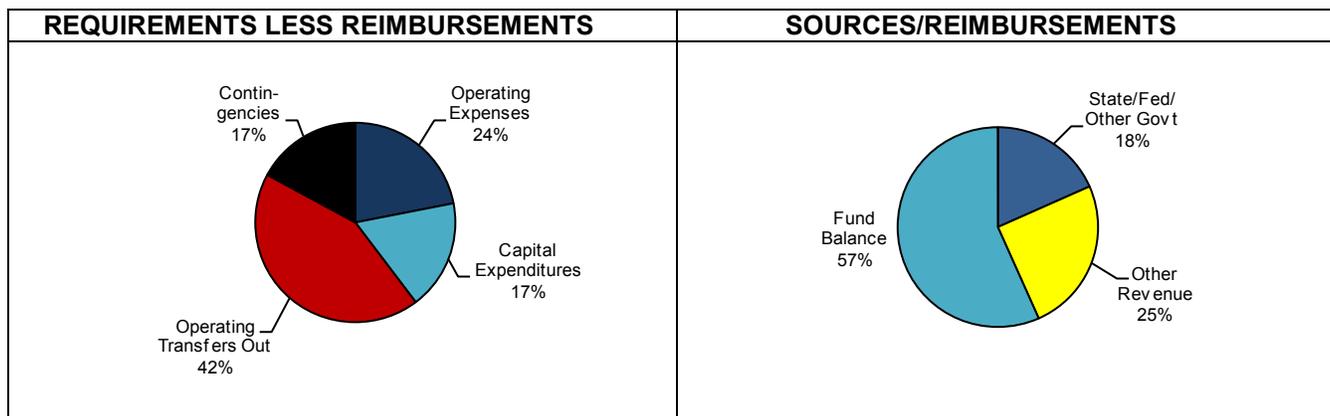
Chino Airport Commercial Hangars complex is managed, maintained, and operated by the Department of Airports. The Commercial Hangars at Chino Airport were constructed in 1987 with proceeds from a 30-year bond issue. In addition to maintenance expenses, requirements are budgeted annually for insurance costs and bond repayment. Requirements for this budget unit are funded from rental revenues and available fund balance. There is no staffing associated with this budget unit. However, this budget unit reimburses the Airport's general fund budget unit for the cost of staffing incurred to support the Commercial Hangar complex.

Budget at a Glance	
Total Requirements	\$5,882,850
Total Sources	\$2,496,046
Fund Balance	\$3,386,804
Use of Fund Balance	\$2,401,307
Total Staff	0

The Chino Airport Incentive Fund was established mid-year in 2007-08 to provide separate accountability for all costs and revenues related to the objective of attracting and retaining businesses at Chino Airport. There is no staffing associated with this budget unit.

Airports Capital Improvement Program is a Capital Improvement Program (CIP) that is managed by the Department of Airports and includes projects for Baker Airport, Barstow-Daggett Airport, Chino Airport, Needles Airport, and Twentynine Palms Airport. Projects funded in this budget unit include utility, storm water, and fire suppression plans, Airport Master Plans, Airport Layout Plans, construction and rehabilitation for numerous runways, taxiways, water systems, airport facilities, annual pavement maintenance, infrastructure and rehabilitation of reverted buildings. The capital projects for Apple Valley Airport (County Service Area 60) are budgeted in a separate budget unit in the Special Districts budget book. All Capital Improvement Projects for all six airports that are administered by the Department, or by Architecture and Engineering on behalf of the Department, are reported in the Capital Improvement Program section of this budget book. There is no staffing associated with this budget unit

2013-14 ADOPTED BUDGET



ANALYSIS OF 2013-14 ADOPTED BUDGET

GROUP: Operations and Community Services
 DEPARTMENT: Airports
 FUND: Special Revenue Funds - Consolidated

BUDGET UNIT: Various
 FUNCTION: Public Ways and Facilities
 ACTIVITY: Public Ways

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2012-13 Final Budget	2013-14 Adopted Budget	Change From 2012-13 Final Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	1,331,273	1,700,659	1,416,177	1,094,597	1,395,102	1,382,826	(12,276)
Capital Expenditures	2,654,785	3,536,343	2,925,116	539,298	1,209,438	1,024,449	(184,989)
Contingencies	0	0	0	0	1,585,160	985,497	(599,663)
Total Exp Authority	3,986,058	5,237,002	4,341,293	1,633,895	4,189,700	3,392,772	(796,928)
Reimbursements	0	0	0	(200,000)	(200,000)	0	200,000
Total Appropriation	3,986,058	5,237,002	4,341,293	1,433,895	3,989,700	3,392,772	(596,928)
Operating Transfers Out	405,000	234,000	442,100	1,057,764	1,310,888	2,490,078	1,179,190
Total Requirements	4,391,058	5,471,002	4,783,393	2,491,659	5,300,588	5,882,850	582,262
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	947,950	4,201,216	909,730	1,975,371	1,981,061	1,057,500	(923,561)
Fee/Rate	0	4,536	0	184	0	0	0
Other Revenue	996,283	937,734	587,260	926,559	803,106	518,066	(285,040)
Total Revenue	1,944,233	5,143,486	1,496,990	2,902,114	2,784,167	1,575,566	(1,208,601)
Operating Transfers In	285,356	596,210	221,100	1,111,129	770,731	920,480	149,749
Total Sources	2,229,589	5,739,696	1,718,090	4,013,243	3,554,898	2,496,046	(1,058,852)
				Fund Balance	1,745,690	3,386,804	1,641,114
				Budgeted Staffing	0	0	0

DETAIL OF 2013-14 ADOPTED BUDGET

	2013-14			
	Requirements	Sources	Fund Balance	Staffing
Special Revenue Funds				
Chino Airport Commercial Hangars (Fund RCI)	1,339,915	1,162,131	177,784	0
Chino Airport Incentive Fund (Fund RCO)	71,260	43,929	27,331	0
Airports Capital Improvement Program (Fund RAA, RCD)	4,471,675	1,289,986	3,181,689	0
Total Special Revenue Funds	5,882,850	2,496,046	3,386,804	0

Chino Airport Commercial Hangars has approximately \$1.3 million in requirements for operating expenses, which includes transfers of \$856,253 for the bond payment and services and supplies of \$174,886 for operations. Sources of approximately \$1.2 million are generated from Rents and Concessions receipts from commercial tenants in the amount of \$513,066, and an operating transfer in from the Airport Capital Improvement Program budget unit in the amount of \$649,065 to fund current services. The Chino Airport Commercial Hangars, if fully occupied at the current market lease rate, will not generate adequate revenues to fully fund the operations, maintenance and bond obligation expenses through the bond payment period.

Chino Airport Incentive Fund has \$71,260 in requirements for operating expenses for services and supplies which is primarily for the completion of the Chino Airport Master Plan contract. Sources of \$43,929 are an operating transfer in from the Airport Capital Improvement Program budget unit to fund current services.



Airports Capital Improvement Program has \$4.5 million in requirements which includes \$1.0 million in capital expenditures primarily for the installation of monitoring wells and groundwater assessment associated with the groundwater plume at Chino Airport for \$363,924, the Chino Airport pavement project for \$330,746, apron rehab projects at both the Chino and Barstow-Daggett Airports for \$115,000, and pavement maintenance and Comprehensive Land Use Plan (CLUP) at Chino Airport for \$110,000. Additionally, \$840,210 is budgeted in contingencies to fund future airport capital improvement projects. Operating transfers out of \$2.5 million primarily consist of transfers to Architecture and Engineering (A&E) for management of various CIP's including \$1.0 million for the Chino Airport Runway Safety Fire Suppression project and \$240,000 for the Chino Airport Storm Water Conveyance project, \$650,000 will assist with funding the bond payment within the Chino Airport Commercial Hangars budget unit and \$44,000 to the Chino Airport Master Plan within the Chino Airport Incentive Fund budget unit, and \$0.5 million for the continuing groundwater plume project at Chino Airport. Sources of \$1.3 million are primarily from state and federal grants for various CIP's including the Chino Fire Suppression Removal project.

BUDGET CHANGES AND OPERATIONAL IMPACT

Overall, requirements are increasing by \$582,262 and sources are decreasing by \$1.1 million. Requirements reflect a decrease of \$599,663 in contingencies to fund current year operations, a decrease of \$184,989 in capital expenditures, and an increase of \$1.2 million to operating transfers out primarily to A&E for project management of the Chino Airport fire suppression project. Sources are decreasing by approximately \$1.1 million due to a decrease of \$924,000 to state/federal revenue primarily due to the completion of the electrical upgrades CIP at Barstow-Dagget Airport as the project was federally funded with a 95% match from the Federal Aviation Administration, and a decrease to other revenue of \$285,000 primarily due to the receipt of plume reimbursement funds from Risk Management for 2012-13 plume related expenditures.

