



FRASCA & ASSOCIATES, LLC

Financial Model Update

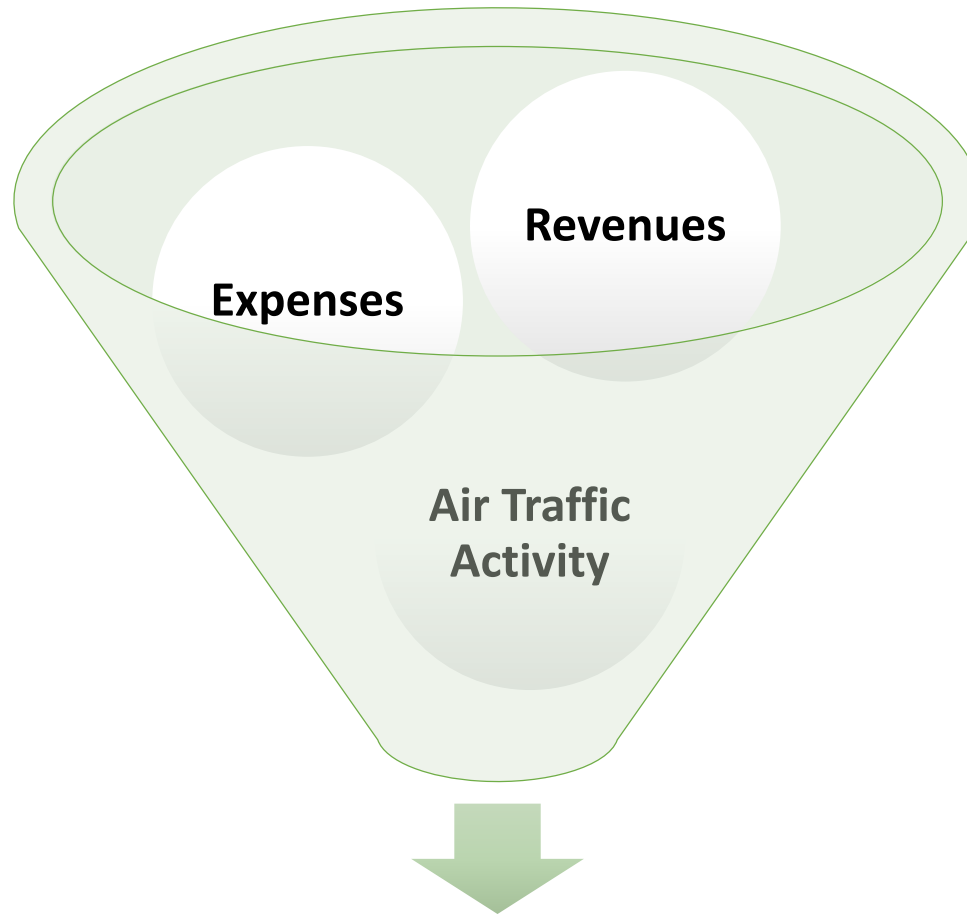
Juneau International Airport

City and Borough of Juneau

APRIL 29, 2021

ATTACHMENT #4

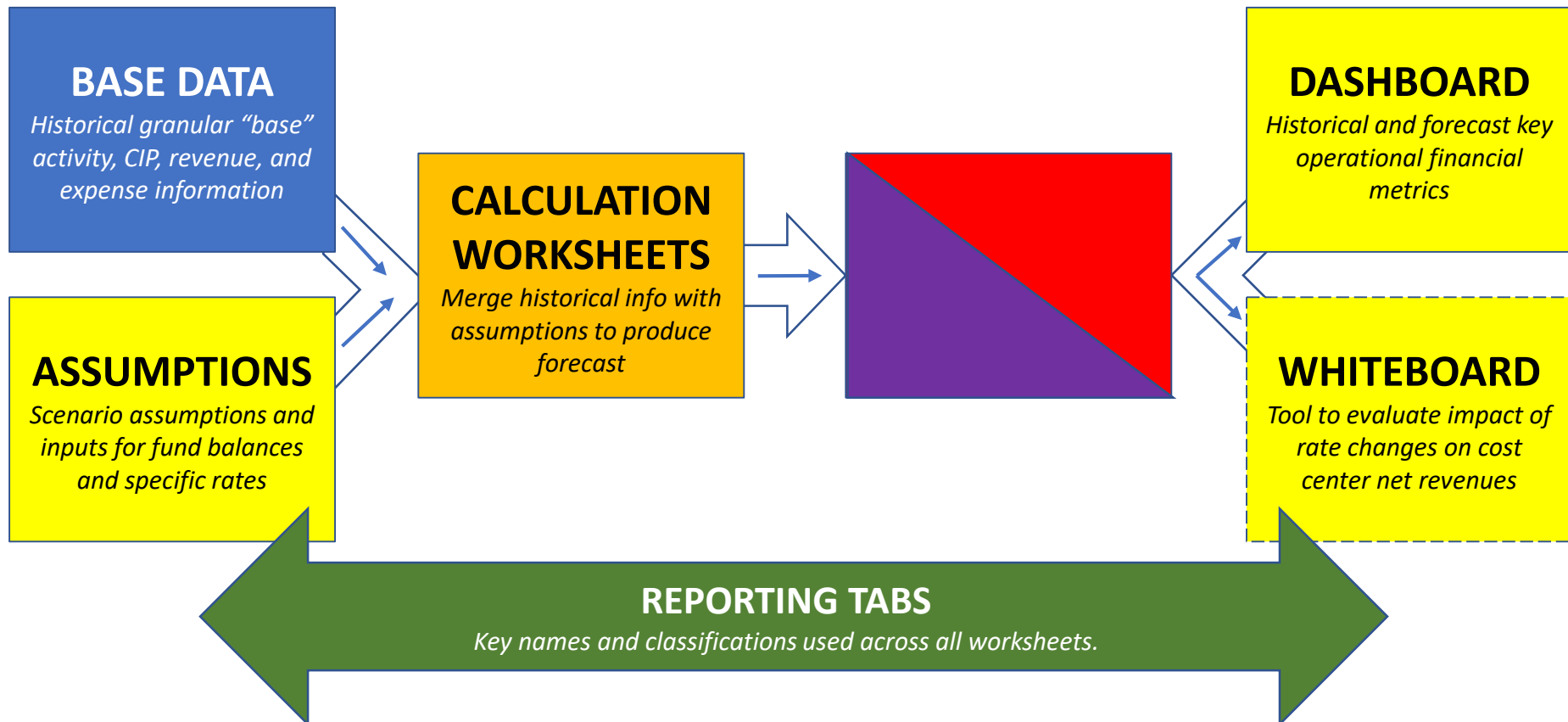
Model Basics



Rates and charges calculations
and supporting output exhibits

Model Architecture

- Information is organized in the model through different groups of color-coded worksheets
 - Intent is to clearly segregate inputs from outputs and worksheets with frequent use from those with infrequent use



Example: Model Input Format (D_O&M)



Operating Expense Base Data JNU Financial Model				ACTIVE PROFORMA DATA SET--SELECT ON INPUTS EXPAND TO SHOW DATA; INPUT DATA SETS TO RIGHT -->				INPUT DATA SET B--PROPOSED BUDGET EXPAND TO SHOW DATA; INPUT OTHER DATA SETS TO RIGHT -->				
Account		Department		Proposed		Proposed		Proposed		Proposed		
Number	Name	Group	Form 127	Number	Name	2022	2023	2024	2025	2026		
101 - Administration												
5110	Salaries	Personnel	6.1	101	Administration	\$1,002,500	\$0	\$0	\$0	\$0		
5111	Overtime	Personnel	6.1	101	Administration	-	-	-	-	-		
5116	Accrued leave	Personnel	6.1	101	Administration	-	-	-	-	-		
5120	Benefits	Personnel	6.1	101	Administration	482,000	-	-	-	-		
5130	Workers compensation	Personnel	6.1	101	Administration	12,100	-	-	-	-		
5140	Engineering workforce	Personnel	6.1	101	Administration	(570,600)	-	-	-	-		
5150	Indirect cost alloc - CBJ OH	Commodities and Services	6.6	101	Administration	-	-	-	-	-		
5200	Business travel	Travel and Training	6.6	101	Administration	-	-	-	-	-		
5202	Travel and training	Travel and Training	6.6	101	Administration	500	-	-	-	-		
5310	Telephone	Commodities and Services	6.2	101	Administration	12,000	-	-	-	-		
5320	Printing	Commodities and Services	6.3	101	Administration	1,000	-	-	-	-		
5322	Advertising	Commodities and Services	6.3	101	Administration	-	-	-	-	-		
5332	Electricity	Commodities and Services	6.2	101	Administration	1,000	-	-	-	-		
5335	Water service	Commodities and Services	6.2	101	Administration	11,100	-	-	-	-		
5336	Wastewater service	Commodities and Services	6.2	101	Administration	20,200	-	-	-	-		
5360	Equipment rentals	Commodities and Services	6.6	101	Administration	-	-	-	-	-		
5375	Gen liab, Auto, and EE ins	Commodities and Services	6.5	101	Administration	-	-	-	-	-		
5380	Dues and subscriptions	Commodities and Services	6.3	101	Administration	12,000	-	-	-	-		
5390	Contractual services	Commodities and Services	6.4	101	Administration	4,000	-	-	-	-		
5394	Full cost allocation	Commodities and Services	6.6	101	Administration	-	-	-	-	-		
5397	Bank card fees	Commodities and Services	6.3	101	Administration	-	-	-	-	-		
5480	Office supplies	Commodities and Services	6.3	101	Administration	-	-	-	-	-		
5481	Postage and parcel post	Commodities and Services	6.3	101	Administration	-	-	-	-	-		
5490	Material and commodities	Commodities and Services	6.3	101	Administration	-	-	-	-	-		
5494	Loss contingency	Commodities and Services	6.3	101	Administration	1,000	-	-	-	-		
5496	Minor equipment	Commodities and Services	6.3	101	Administration	2,600	-	-	-	-		
TOTAL						\$1,367,500	\$0	\$0	\$0	\$0		

Uses CBJ account and department numbers and groups

Example: Assumptions Input



1	Assumptions														
2	JNU Financial Model														
3		Actual	Actual	Actual	Actual	Projected	Revised	Forecast	Forecast	Forecast					
4		2017	2018	2019	2020	2021	2022	2023	2024	2025					
246	Aeronautical Revenue Scenarios														
248	AIRFIELD RATES AND CHARGES - Scenario Names														
251	Input-Hist	Select Input-Hist below when base data entered on D_Rev tab													
252	Input-Rate	Select Input-Rate below to forecast revenues based on directly input rates below													
253	Cost recov	Select Cost recov to use cost recovery rates calculated on ExE1_LF--only valid for formula-based rates													
254															
255	AIRFIELD RATES AND CHARGES - Forecast Methodology														
256	Formula-based rates	Select "Cost recov" to charge cost recovery rates													
257	Fuel flowage fee rates	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate
258	Landing fee rates	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Cost recov	Cost recov	Cost recov	Cost recov	Cost recov
260	Ancillary rates	"Cost recov" is not a valid methodology for ancillary rates													
261	Fuel flowage fees - airline	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate
262	Fuel flowage fees - Non-Signatory	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate
263	Jetbridge use fees	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate
264	Security screening fees	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Hist	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate	Input-Rate
265															
266	SIGNATORY AIRFIELD RATES AND CHARGES - Historical/Direct Input Rates														
267	Formula-based rates														
268	GA/Part 135 sig fuel flowage fee rate	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220
269	Airline/Part 121 sig landing fee rate	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45
271	Ancillary rates														
272	Security screening fee rate (per passee)	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43
273	RON parking fee rate (per month)	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
274	Jetbridge use fee rate (per month)	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
275															
276	AIRFIELD RATES AND CHARGES - Rate Premiums/Discounts														
277	Signatory large jet fuel flowage fee rate	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%	70.5%
278	Non-Signatory fuel flowage fee rate	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%	127.3%
279	Non-Signatory landing fee rate	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%	124.9%
280															
281	AIRFIELD RATES AND CHARGES - Rate Base Allocation Percentages														
282	GA/Part 135	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
283	Airline/Part 121	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
285	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
286															
287	AIRFIELD RATES AND CHARGES - ARFF O&M Expense Allocation Percentages														
288	GA/Part 135	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
289	Airline/Part 121	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
291	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
292															

Rates and charges options: User can enter specific rate, or use model to calculate cost-recovery rate

Non-Signatory rate premiums

Part 135/Part 121 Airfield cost split

Example: Rate Whiteboard



RATE WHITEBOARD Juneau International Airport For Analysis Year		2021												
Rate	Account number	PRIOR YEAR 2020	CURRENT MODEL 2021	Current rate	Analysis rate	Change	Percent change	Appl-icable units	Analysis revenues Current rate	Analysis revenues Analysis rate	Increase (decrease) from 2020 Current model Current rate			
Airfield Cost Center Surplus (Deficit)		(\$662,467)	(\$2,152,900)						\$5,004,074	\$5,789,158	\$1,387,201	\$1,672,358	\$785,084	
Landing Fees - Signatory Airlines	4300-0031-301	\$2,078,185	\$1,836,000	\$2.45	\$2.75	\$0.30	12.2%	938,040	\$2,298,198	\$2,579,610	\$501,425	\$743,610	\$281,412	
Landing Fees - Non-Signatory	4300-0046-301	\$72,346	\$72,300	\$3.06	\$3.25	\$0.19	6.2%	23,870	\$73,042	\$77,578	\$5,232	\$5,278	\$4,535	
Fuel Flowage Fees - GA/Part 135	4300-0044-301	\$195,745	\$180,900	\$0.220	\$0.220	\$0.000	0.0%	1,090,910	\$240,000	\$240,000	\$44,255	\$59,100	\$0	
Fuel Flowage Fees - Airline/121	4300-0029-301	\$496,860	\$510,000	\$0.155	\$0.185	\$0.030	19.4%	4,193,550	\$650,000	\$775,807	\$278,947	\$265,807	\$125,807	
Fuel Flowage Fees - Non-Sig	4300-0045-301	\$98,538	\$86,000	\$0.280	\$0.280	\$0.000	0.0%	359,300	\$100,604	\$100,604	\$2,066	\$14,604	\$0	
Commercial Aircraft Parking Fees	4300-0032-301	\$94,468	\$91,300						\$95,220	\$126,000	\$31,532	\$34,700	\$30,780	
Air Carrier Parking Fees									\$18,000	\$36,000			\$18,000	
Tie Down Fees									\$43,380	\$52,200			\$8,820	

Example: Landing Fee Calculation (ExE1_AF)



	A	B	O	P	Q	R	S	T	U	V	W	X	AC
Exhibit E-1													
CALCULATION OF AIRFIELD RATES AND CHARGES													
Juneau International Airport													
For Fiscal Years ending June 30													
			Actual	Actual	Actual	Actual	Projected	Revised	Forecast	Forecast	Forecast	Forecast	
			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
149	Reallocation of ARFF Costs												
151	O&M Expenses	[A]	\$1,047,473	\$1,046,642	\$1,028,070	\$1,108,917	\$1,194,800	\$1,210,300	\$1,246,800	\$1,284,300	\$1,322,900	\$1,362,800	
152	Debt Service	[C]	-	-	-	-	-	-	-	-	-	-	
154	Total for Reallocation	[W]	\$1,047,473	\$1,046,642	\$1,028,070	\$1,108,917	\$1,194,800	\$1,210,300	\$1,246,800	\$1,284,300	\$1,322,900	\$1,362,800	
156	Allocation to Airline/Part 121 users	[X]	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	
158	Reallocated ARFF Costs	[Y=W*X]	\$995,099	\$994,309	\$976,666	\$1,053,471	\$1,135,060	\$1,149,785	\$1,184,460	\$1,220,085	\$1,256,755	\$1,294,660	
159													
160	Less: Airline/Part 121 Nonairline												
161	Revenue Credits												
162	Fuel flowage fees - airline		(\$744,025)	(\$576,021)	(\$678,568)	(\$496,860)	(\$340,000)	(\$510,000)	(\$612,800)	(\$625,100)	(\$637,600)	(\$650,400)	
163	Security screening fees		(458,332)	(482,442)	(471,505)	(355,687)	(188,600)	(330,000)	(471,900)	(496,200)	(522,000)	(547,700)	
164	Aircraft pkg fees - commercial		(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	
165	Jetway use fees		(39,000)	(45,750)	(42,800)	(81,000)	(81,000)	(81,000)	(84,000)	(84,000)	(84,000)	(84,000)	
167	Total Nonairline Revenue Credits	[Z]	(\$1,263,857)	(\$1,126,713)	(\$1,215,373)	(\$956,047)	(\$632,100)	(\$943,500)	(\$1,191,200)	(\$1,227,800)	(\$1,266,100)	(\$1,304,600)	
168													
169	GA/Part 135 rate base deficit (surplus)	[V]	(\$357,401)	(\$310,899)	(\$354,075)	(\$314,246)	(\$184,850)	(\$235,620)	(\$272,596)	(\$276,712)	(\$280,931)	(\$288,940)	
170													
172		[AA=L+Y+Z]											
173	Net Airline/Part 121 Rate Base Costs	Z+V	\$1,880,550	\$2,513,339	\$2,340,180	\$2,740,652	\$3,664,900	\$3,383,500	\$3,222,792	\$3,326,288	\$3,432,171	\$3,517,620	
175	Signatory Airline/Part 121 landed weight (000s)	[AB]	784,076	875,367	877,108	832,750	957,200	984,680	1,004,210	1,025,290	1,046,370	1,067,450	
178	Cost-recovery Signatory Airline/Part 121 ldg fee rate (per 1,000)	[AA/AB]	\$2.40	\$2.87	\$2.67	\$3.29	\$3.83	\$3.44	\$3.21	\$3.24	\$3.28	\$3.30	
181	Charged Signatory Airline/Part 121 ldg fee rate (per 1,000 lbs)	[AC]	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45	\$3.30	
184	Signatory Airline/Part 121 landing fee revenues		\$1,967,939	\$2,219,439	\$2,159,352	\$2,078,185	\$1,512,000	\$1,836,000	\$2,460,315	\$2,511,961	\$2,563,607	\$3,517,620	
186													
187	Rate Base Surplus (Deficit)		\$87,389	(\$293,900)	(\$180,828)	(\$662,467)	(\$2,152,900)	(\$1,547,500)	(\$762,477)	(\$814,328)	(\$868,565)	\$0	
188													
189	Non-Signatory landing fee rate		\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$4.12	
190	Non-Signatory rate premium		25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
191													
192	Exhibit E-1 (page 4 of 5)												
194	CALCULATION OF AIRFIELD RATES AND CHARGES												
ExD_O&M ExE_Revs ExE1_AF ExE2_Term ExE3_CPE ExF_PFC ExG_CARES 3_O&MDet ExH_AppRev I_FAA127 Budget-> 1_Sum													

Cost-recovery rate is always calculated and shown

Charged rate also shown . . .

. . . along with resulting cost center surplus or deficit

“What If?” Functionality



- Different air traffic activity growth rates for different airlines
 - Account-specific or department-specific O&M growth rates
 - Different O&M cost center allocation percentages (e.g., allocation of Administration expenses between Airfield and Terminal cost centers)
 - Revenue line item-specific forecast assumptions
 - Nonairline revenue credit percentages (e.g., credit loading bridge fees to Airfield cost center, Terminal cost center, or some combination of both)
 - Inclusion of debt service in rate calculations
-
- Provides full “line of sight” on effects of rate changes on key financial metrics