

CHAPTER 9.

FINANCIAL IMPLEMENTATION ANALYSIS

9.1 Financial Analysis Objectives

The primary objective of the Financial Implementation Analysis for the Northern Colorado Regional Airport (FNL or Airport) Master Plan is to evaluate the Airport's capability to fund the Capital Improvement Program (CIP) and to finance Airport operations. The implementation of the program consists of three planning periods: Short-Term (2020-2024), Mid-Term (2025-2029), and Long-Term (2030-2039). 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 appropriate funding amounts and aligning timing of funding from various sources with the planned use of funds.

9.2 Overall Approach

The overall approach for conducting the Financial Implementation Analysis included the following steps:

- Gathering and reviewing key Airport documents related to historical financial results, capital improvement plans, operating budgets, regulatory requirements, City and Commission policies, airline agreements and other operating agreements with Airport users.
- Interviewing key Airport officials to gain an understanding of the existing operating and financial environment, relationships with the airlines, and overall management philosophy.
- Reviewing the Aviation Activity Forecast previously developed in the Master Plan.
- Reviewing the Capital Improvement Program project cost estimates and development schedules anticipated for each planning period and projecting the overall financial requirements for the program.
- Determining and analyzing the sources and timing of capital funds available to meet the financial requirements for operating the Airport and financing the Capital Improvement Program.
- Analyzing historical operations and maintenance expenses, developing operations and maintenance expense growth assumptions, reviewing assumptions with Airport management, and projecting future operations and maintenance expenses for each planning period.



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

9.3 Organization, Accounting and Budgeting

9.3.1 Governmental Organization and Administration

Northern Colorado Regional Airport is jointly owned and operated by the Cities of Fort Collins and Loveland (the "Cities"). The operation and maintenance of the Airport is a joint venture between the Cities, with full management and policy-making authority vested equally in both Cities. Management authority over Airport operation and activities located on the Airport is vested with the Northern Colorado Regional Airport Commission (the "Commission"). The Commission is comprised of seven members with appointments and terms provided for in the Intergovernmental Agreement (IGA) as amended. The day-to-day affairs of the Airport are managed by a professional staff of key administrators whose responsibilities include policy implementation, capital planning, financial planning and control, operations and maintenance, and personnel supervision.

9.3.2 Accounting and Budgeting Practices

Accounting records for the Airport are maintained by the City of Loveland as provided for in the IGA. The financial records for the Airport are maintained in a separate accounting fund, and the services provided by the City include monthly reports, accounts payable, payroll processing, processing and payment of purchase orders, and preparation of work papers for the annual audit. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting is used in which revenues are recognized when earned and expenses are recognized when the liability is incurred.

The annual budget serves as the foundation for the Airport's financial planning and control. The budget is developed by the City of Loveland's staff and the Airport Director on a non- Generally Accepted Accounting Principles (GAAP) budgetary basis, which includes budgeting for capital outlay and excludes depreciation. The budget is then submitted to the Commission. Upon approval, the City Councils of Fort Collins and Loveland consider and legally adopt the budget. Revisions that alter total expenditures of the fund must be approved by the City Councils.



9.4 Aviation Forecasts

In Chapter 3 of the Master Plan, aviation activity forecasts are developed to determine if existing Airport facilities have the capacity to meet future demand or if facility modifications are needed. These forecasts, which include passenger enplanements, total aircraft operations and commercial aircraft operations aid in the development and prioritization of the projects included in the CIP. AIP entitlement funds, Passenger Facility Charges (PFCs), and operating revenues described in **Section 9.6.4** below are projected based on these forecasts.

As previously described in the Master Plan, for most of its history, FNL has served the dual role of accommodating both general aviation and commercial service. In 2012, Allegiant Air discontinued its commercial service at FNL, resulting in a significant decrease in enplanements and impacting the funding the Airport received under the Airport Improvement Program. However, in 2017, the Colorado Department of Transportation (CDOT) Division of Aeronautics and the FAA's NextGen Office selected FNL as Colorado's first remote air traffic control technology test facility, which may present opportunities for the resumption of scheduled passenger commercial service at the Airport. The forecasts described above and used in the projection of future operating revenues and capital funding sources assume the resumption of passenger service in 2021.

9.5 Capital Funding Sources

In the past, the Airport has used a combination of FAA AIP entitlement and discretionary grants, Passenger Facility Charges, Colorado Department of Transportation grants, 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 CIP during the future twenty-year planning period.

9.5.1 Federal Funding

The Airport receives grants from the federal government through the Federal FAA to finance the eligible costs of certain capital improvements. These federal grants are allocated to airports through the AIP. AIP grants include passenger entitlement grants for commercial service airports, which are allocated among airports by a formula that is based on passenger enplanements and discretionary grants which are awarded based on project prioritization 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.



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Commercial service airports with annual passenger enplanements of 10,000 passengers or more are considered “primary” and receive a minimum of \$1,000,000 in AIP entitlement funds two years following the calendar year that this threshold is met under the current legislation. Commercial service airports with more than 2,500 but fewer than 10,000 annual passenger enplanements are designated as “non-primary” and are entitled to \$150,000 per year. There are special rules for airports which had sufficient enplanements to achieve “primary” designation, but where enplanements fell below the 10,000 requirement due to a temporary but significant interruption in service unrelated to the demand for air transportation at the airport. In such cases, an airport is designated as a “virtual primary” airport and may continue to be entitled to an annual AIP entitlement of \$1,000,000 based on the requirements and limitations in the AIP handbook (5800.38D). FNL received designation as a virtual primary airport for federal year 2020 and therefore was allotted \$1,000,000 in AIP entitlements. The financial implementation analysis assumes that the Airport will not receive virtual primary designation in 2021, and that the Airport will be allotted \$150,000 in non-primary entitlement funds that year. The analysis further assumes that there will be sufficient enplanements in 2020 and going forward for the Airport to achieve non-hub “primary” status for the 2022 federal funding year and will be allotted, at a minimum, entitlements of \$1,000,000 per year. Should the Airport not reach the enplanements required to achieve non-hub “primary” status as forecasted, it would only be entitled to the \$150,000 per year, and planned projects would need to be adjusted accordingly.

Under current AIP authorization legislation, eligible projects are funded on a 90 percent AIP grant/10 percent local match basis for small and non-hub airports. Non-hub airports (currently those with annual enplanements between 10,000 passengers and approximately 450,000 passengers) can accumulate and carryover up to three years of unspent entitlements plus the current year before the awards are revoked. In 2020, the Airport had \$685,000 of unspent entitlements to carryover for use in 2020. The implementation analysis assumes the application of annual AIP passenger entitlement funds will be about \$4.8 million during the Short-Term planning period, \$5.0 million during the Mid-Term and \$11.0 million during the Long-Term.

The approval of AIP discretionary funding is based on a project eligibility ranking method the FAA uses to award grants, at their discretion, based on a project’s priority and importance to the national air transportation system. Based on early discussions between the Airport and the FAA, it is reasonable to assume that the Airport will receive discretionary funding during the planning period for higher priority, eligible projects, such as runway projects. The implementation analysis assumes that \$13.8 million of AIP discretionary funds will be required during the Short-Term to fund the widening and rehabilitation of Runway 15/33 to support the design aircraft for commercial operations at FNL, as well as to fund Taxiway A



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rehabilitation, commercial apron expansion, and snow removal equipment. The implementation analysis also assumes that AIP discretionary grants of \$5.5 million will be available for Phase II of the Airport terminal expansion and additional commercial aircraft apron expansion during the five-year Mid-Term period. In the Long-Term, \$42.5 million in discretionary funds are assumed for the reconstruction and extension of Taxiway A, the rehabilitation and extension of Runway 15/33 as well as some commercial apron rehabilitation and acquisition of a new aircraft rescue and firefighting (ARFF) truck. Since the future availability of AIP discretionary grants is not certain until actual grants are awarded, it should be noted that any CIP projects which have discretionary funds indicated as a funding source in the financial Implementation plan may need to be delayed until such funds actually become available.

The implementation analysis further assumes that the current AIP program will continue to be extended through 2039 and that 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.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES Act) was enacted and included \$10 billion in supplemental funding for airports. The funds were allocated to airports based on formulas specified in the Act by Congress and calculated by the FAA. Under the Act, the funds can be used for any lawful purpose on which airport revenues can be used (in accordance with Airport Sponsor Grant Assurances and FAA policies), including capital and operating costs of the airport. FNL was allotted and awarded \$16,865,798 in CARES funding. Additionally, the CARES Act separately provided the FAA funding in order for all 2020 AIP grants to be 100 percent federally funded with no local match requirements. As approved by the Airport Commission, the implementation analysis provides that \$2 million of the Airport's CARES Act award will be used for operations and maintenance expenses and the remaining \$14.9 million will be used to fund capital projects in the Short-Term, specifically the design and construction of a new passenger terminal building and associated entrance road and parking lot improvements.

9.5.2 Colorado Department of Transportation Grants

The CDOT Division of Aeronautics provides discretionary aviation grants for airport projects from a portion of the state sales tax collected on aviation fuel. Grants are approved for projects including those that are AIP eligible, aviation pavement maintenance projects, and various other aviation projects. For AIP eligible projects, state grant awards for up to 50 percent of an airport's local match requirement are allowed. Non-Revenue producing projects that are not AIP eligible (but are still eligible for state funding) may also receive up to 80 percent funding (with a 20 percent local match) for the total cost of approved



projects. Currently, an estimated limit of \$250,000 per year in state grants is anticipated to be awarded to Colorado airports supported by the Division.

The Master Plan CIP includes several projects during the planning period that are assumed to be partially funded from State Aeronautics Grants - \$1.1 million in the Short-Term, \$1.7 million in the Mid-Term and \$2.5 million in the Long-Term.

9.5.3 Passenger Facility Charges

The Aviation Safety and Capacity Expansion Act of 1990 established the authority for commercial service airports to apply to the FAA for imposing and using a PFC of up to \$3.00 per eligible enplaned passenger. 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 that preserve or enhance capacity, safety, or security; mitigate the effects of aircraft noise; or 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.

FNL has previously used PFC revenues to fund capital projects. However, previously approved collection authority has since expired and the Airport is not currently approved to collect PFCs. Once scheduled commercial passenger service has resumed at FNL, the Airport plans to submit a new application for additional PFC eligible capital projects identified in the Master Plan and to resume PFC collection authority. The analysis assumes PFC collection authority will be in place by 2022 and that collections at the \$4.50 level will average approximately \$169,000 per year in the Short-Term as commercial service resumes, and are projected to grow to \$454,000 per year by the end of the planning period. The implementation analysis assumes that the Airport will submit additional PFC applications and amendments, as required, to ensure that the collection of PFC revenues continues beyond the authorized expiration date through the end of the twenty-year planning period in 2039.

PFCs can be used on a pay-as-you-go basis or can be used to pay debt service on bonds or other indebtedness related to eligible projects. The implementation analysis assumes that PFCs will be used on a pay-as-you-go basis to fund approximately \$498,000 in eligible project costs during the Short-Term, \$797,000 during the Mid-Term and \$2.3 million in the Long-Term. These pay-as-you-go funds will be used to fund the required local match on various AIP grants.



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In addition to using PFCs on a pay-as-you-go basis, the implementation analysis assumes that during the Mid-Term, the Airport will issue approximately \$1.25 million in debt to provide partial funding for Phase II of the Airport terminal expansion project to be serviced with PFC funds. Additionally, the analysis assumes that PFC funds in the amount of approximately \$178,000 will be used to fund the PFC eligible financing and interest cost on this debt.

The analysis assumes the debt will be secured through the Colorado State Infrastructure Bank Program. As the Commission cannot independently secure debt financing, such a loan would need to be secured jointly by both Cities. The anticipated terms of the loan, as reflected in **Schedule 9-3** (provided at the end of Chapter 9) would be 10 years at a 2.5 percent rate of interest and 0.75 percent loan origination fee. Being jointly owned by the Cities, the Airport has additional options in securing debt financing. One such option would be to obtain a loan from another City department which generates net revenues from the services it provides as an enterprise fund of the City. Such departments/enterprise funds may have available cash reserves which are currently invested in a pooled municipal investment account. This option would generally yield lower financing costs for the Airport and often provides the loaning department/enterprise fund with a greater rate of return on their excess cash than traditional municipal investing. Such arrangements which follow federal guidelines comply with FAA regulatory requirements.

9.5.4 Private Third-Party Funding

Certain on-airport development projects may be funded through private third-party sources. This is frequently the case for general aviation hangar development where a third party assumes the capital development costs of a hangar and the Airport receives rent through a ground lease. The implementation analysis assumes private third-party funding in each phase of the planning period. In the Short-Term, approximately \$5.8 million in private third-party funding is assumed to fund the construction of a new south general aviation ramp, as well as provide partial funding for general aviation area seal coating and crack repairs. In the Mid-Term and Long-Term, approximately \$24.0 million and \$6.9 million respectively, are assumed for the development of additional corporate hangars and t-hangar units (and associated demolition costs), a new Fixed Base Operator (FBO) building, improvements related to Runway 6/24 including a seal coating and a parallel Taxiway F, and a west side access road. If private third-party funding does not materialize in the time frame needed, the associated project or projects may have to be modified, delayed or cancelled until such funding is committed.



9.5.5 Cash Reserves/Airport Net Operating Revenue

The Airport's cash reserves and future net operating revenues can be an important source of funds for the implementation of the projects included in the CIP. Net operating revenues represent the remaining funds available from the generation of operating revenues less payment of operating expenses as well as any debt service requirements of the Airport's debt obligations not funded through other sources such as PFCs. The projection of Operating Expenses and Operating Revenues is further discussed in Sections 9.6.3 and 9.6.4.

At the beginning of 2020, the Airport had accumulated about \$2.5 million in unrestricted cash reserves available for operations and capital project funding. During the Short-Term, an additional \$1.5 million in net operating revenues are anticipated to be generated. The Airport benefits from the estimated \$2 million of CARES Act funds planned to support operating expenses, as previously discussed, but is also impacted by potential new costs associated with the operations of the remote tower, further discussed in Section 9.6.3. As a result, no additional net operating revenues are anticipated to be generated during the planning period and available for capital development.

The implementation analysis assumes that Airport cash reserves/net operating cash flow will be used during the planning period to fund only \$2.2 million in project costs. This will include local grant match requirements, project components ineligible for federal funding, or projects which federal and/or state funding may not be available. The implementation analysis assumes \$2.0 million during the Short-Term and \$166,000 in the Mid-Term.

9.5.6 Funding Shortfalls

The traditional airport capital funding sources described in the preceding paragraphs are insufficient in amount and timing to finance a number of capital projects planned for implementation during the mid and long-term planning periods. In the Mid-Term, these projects include roadway and parking improvements, electric aircraft charging stations, Taxiway B and general aviation taxiway reconstruction, reconstruction of Runway 6/24, approach lighting improvements, additional commercial apron expansion and a portion of the estimated costs of the construction of the permanent facility for the remote tower as well as ineligible design and construction of the Phase II Airport Terminal Expansion. In the Long-Term, additional roadway and parking improvements, land acquisition, and a number of projects to expand and rehabilitate general aviation aprons and taxiways rely on the availability of currently unidentified funding.



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Consequently, other funding sources will be needed to finance the cost of projects totaling about \$40.5 million during the Mid-Term planning period, and \$42.7 million during the Long-Term planning period. The source of this funding has not yet been determined and represents a shortfall for the capital project implementation plan. This funding shortfall could be provided by sources such as future private third-party funding, federal economic stimulus grants, City and local economic development funding, and other possible sources that are not certain at this time. It is also important to note that many of the Mid-Term and Long-Term projects included in the funding shortfall may only be needed under the high growth scenarios (more than 4 percent compound annual growth) from Chapter 3. Should these high growth scenarios be realized, additional Airport revenue and funding sources may be available that have not been factored into the analysis in this chapter. Examples of such revenue could include airline landing fees or additional terminal rent. Examples of such funding sources could include additional PFCs and CFCs.

If other funding sources cannot be identified and obtained in the time frames needed, the associated projects will have to be modified, delayed or cancelled until such funding can be identified. This source of capital funding has been referenced in the Financial Implementation Analysis as “Funding Shortfall”.

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

This analysis, along with the Schedules presented at the end of Chapter 9, provides the results of evaluating the financial reasonableness of implementing the Master Plan Capital Improvement Program during the planning period from 2020 through 2039.

9.6.1 Estimated Project Costs and Development Schedule

The CIP Estimated Project Costs and Development Schedule is derived from previous results of the Master Plan analysis. The CIP for capital expansion and improvement projects is projected on an annual basis for the Short-Term planning period from 2020 through 2024, in total for the Mid-Term planning period from 2025 through 2029 and in total for the Long-Term planning period from 2030 through 2039. Projects in the Mid-Term and Long-Term are presented in total, not by specific year, to provide flexibility for changes or adjustments to the timing and priority of projects based on the needs of the Airport as it progresses through the planning periods. For each of these planning periods, **Schedule 9-1** (provided at the end of Chapter 9) presents the Capital Improvement Program including estimated costs and anticipated development schedule for the identified projects.



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As shown in **Schedule 9-1**, the total estimated cost of projects is \$173,506,377 in 2020 dollars. The estimated costs for projects scheduled during the period 2023 through 2039 are adjusted by an assumed 3 percent rate of annual inflation. No inflation is assumed for the projects programmed in 2020 through 2022. The resulting total project costs escalated for inflation are \$229,962,735. **Table 9-1** below presents a summary of the **Schedule** and provides a comparison of 2020 base year costs with escalated costs adjusted for inflation for each of the planning periods.

Table 9-1: Summary of 2020 Base Year and Total Escalated Costs for the Master Plan Capital Improvement Program

Planning Periods	2020 Base Year Costs	Total Escalated Costs
Short-Term Projects (2020-2024)	\$41,090,318	\$42,936,317
Mid-Term Projects (2025-2029)	\$64,116,059	\$78,914,376
Long-Term Projects (2030-2039)	\$68,300,000	\$108,112,041
Total Project Cost	\$173,506,377	\$229,962,735

SOURCE: Leibowitz & Horton; AMC analysis.

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

9.6.2 Sources and Uses of Capital Funding

Funding sources for the CIP depend on many factors, including AIP and PFC project eligibility, 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, and the priorities for scheduling project completion. For example, airfield projects such as runways and taxiways are typically eligible for AIP and PFC funding, so such projects are primarily funded by those sources and do not require use of airport-generated funds. However, revenue producing projects such as parking lots or non-aeronautical development projects are not eligible for AIP or PFC funding, so such projects are typically funded with airport operating revenues or third-party funding. For master planning purposes, assumptions were made related to the funding source of each capital improvement.

Schedule 9-2 (provided at the end of Chapter 9) lists each of the CIP projects, their estimated costs (escalated for inflation) and the assumed funding sources and amounts. During the twenty-year planning period, it was assumed that AIP entitlement grants would partially fund the construction, rehabilitation and extension of various runways and taxiways, commercial apron rehabilitation and expansion and deicing pads, terminal construction and expansion, acquisition of snow removal equipment, rehabilitation of ARFF equipment, runway protection



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zone easements, and a future master plan update. It was assumed that AIP discretionary grants would fund the reconstruction and extension of Taxiway A, the rehabilitation and extension of Runway 15/33, as well as some commercial apron rehabilitation, and acquisition of a new ARFF truck. CARES Act funding is currently programmed to design and construct a new passenger terminal building, associated entrance road, and parking lot improvements in the Short-Term. It was assumed that CDOT aviation grants, in addition to providing 50 percent of the local match requirement on AIP funds, would also support taxilane rehabilitation, the fuel farm relocation, the permanent facility for the remote tower, and general aviation apron rehabilitation. PFC revenues were assumed to fund a portion of the local match of some AIP projects as well as provide funding on the debt service related to the Phase II expansion of the Airport Terminal Building in the Mid-Term. It was assumed that private third party funding will fund apron expansion, certain general aviation pavement rehabilitation, the development of additional corporate hangars and t-hangar units (and associated demolition costs), a new FBO building, and a west side access road. In the Mid-Term and Long-Term planning periods, funding shortfalls exist for roadway and parking improvements, E-charging stations, various general aviation taxiway, taxilane and apron projects, reconstruction of Runway 6/24, approach lighting improvements, additional commercial apron expansion, land acquisition, a portion of the estimated costs of the construction of the permanent facility for the remote tower as well as ineligible design and construction of the phase II Airport terminal expansion. In the Short-Term period, available cash reserves were assumed to fund a number of local grant match requirements, project components ineligible for federal funding, and projects for which federal and/or state funding may not be available.

An overall summary of the sources of capital funding by type and uses of capital funding by planning period for the CIP is presented in **Table 9-2** below. **Table 9-2** summarizes the uses of capital funding into eight categories. The projects included in the CIP have been categorized as described below.

- **Runway/Taxiway Improvements.** This category includes all projects related to the construction, extension, widening, reconstruction, or rehabilitation of any runway, taxiway or taxilane. This includes pavements used by both commercial service aircraft as well as general aviation aircraft.
- **Aircraft Apron Improvements.** This category includes all projects related to the construction, expansion, reconstruction, or rehabilitation of all aircraft parking aprons, including the aprons associated with the new terminal building as well as all existing or planned general aviation aircraft parking aprons.
- **Terminal Building and Expansion.** This includes the construction of the new terminal building as well as planned future expansions of the building.
- **Roadways, Parking and Related Landside Improvements.** This category includes the rehabilitation of existing roadways and parking lots as well as



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reconfiguration or expansion of roadways or parking lots. This also includes rehabilitation of vehicular roads within the general aviation area and planned future access roads to new general aviation areas.

- **General Aviation Private Facility Improvements.** This category includes non-pavement related improvements to the general aviation areas, specifically new FBO and hangar construction, which are typically privately funded.
- **SRE Equipment.** This includes the acquisition or rehabilitation of snow removal equipment.
- **ARFF Equipment.** This includes the acquisition or rehabilitation of aircraft rescue and fire-fighting equipment.
- **Other Improvements.** This includes miscellaneous improvements not otherwise accounted for within the preceding categories. At FNL, these include the fuel farm relocation, remote tower permanent facility, E-charging stations, runway protection zone easement, Medium Intensity Approach Lighting System (MALS) Procedure improvements, drainage improvements, land acquisition and a future Master Plan update.



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Table 9-2: Summary of Sources and Uses of Capital Funding for the Master Plan Capital Improvement Program

Sources of Capital Funding	Short-Term (2020-2024)	Mid-Term (2025-2029)	Long-Term (2030-2039)	Totals
AIP Entitlement Grants	\$4,835,000	\$4,944,318	\$11,016,660	\$20,795,979
AIP Discretionary Grants	\$13,757,157	\$5,506,538	\$42,522,265	\$61,785,960
CARES Act Capital Funds	\$14,899,719	\$0	\$0	\$14,899,719
CDOT Aviation Grants	\$1,084,357	\$1,747,270	\$2,458,186	\$5,289,812
Passenger Facility Charges - PayGo	\$0	\$1,309,711	\$118,524	\$1,428,235
Passenger Facility Charges - Debt	\$497,802	\$797,270	\$2,340,753	\$3,635,824
Private Third Party Funding	\$5,809,273	\$24,007,138	\$6,933,405	\$36,749,816
Cash Reserves/Net Ops Cash Flow	\$2,053,010	\$166,145	\$0	\$2,219,155
Total Available Sources of Capital Funding	\$42,936,317	\$38,478,388	\$65,389,793	\$146,804,500
Funding Shortfall	\$0	\$40,435,988	\$42,722,248	\$83,158,236
Total Required Sources of Capital Funding	\$42,936,317	\$78,914,376	\$108,112,041	\$229,962,735
Uses of Capital Funding				
Runway/Taxiway Improvements	\$17,685,838	\$13,261,484	\$55,103,574	\$86,050,896
Aircraft Apron Improvements	\$9,285,571	\$5,929,294	\$16,270,180	\$31,485,045
Terminal Building and Expansion	\$13,200,000	\$11,128,575	\$118,524	\$24,447,099
Roadways, Parking and Related Landside Improvements	\$2,000,000	\$17,058,351	\$16,712,906	\$35,771,257
General Aviation Private Facility Improvements	\$0	\$20,071,541	\$5,265,277	\$25,336,818
SRE Equipment	\$764,909	\$2,103,084	\$3,399,503	\$6,267,496
ARFF Equipment	\$0	\$172,182	\$1,075,192	\$1,247,374
Other Improvements	\$0	\$9,189,864	\$10,166,886	\$19,356,750
Total Uses of Capital Funding	\$42,936,317	\$78,914,376	\$108,112,041	\$229,962,735

SOURCE: Leibowitz & Horton AMC analysis.

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

Private third party funding could include both individual and organizations that desire to lease land for hangars or on airport businesses.

A summary of the application of the different capital funding sources to specific categories of CIP projects is presented in **Table 9-3**.



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Table 9-3: Summary of Application of Funding Sources to Master Plan Capital Project Categories

Summary of Project Types	AIP Entitlements	AIP Discretionary	CARES Capital Funding	CDOT Aviation Grants	Passenger Facility Charges - Debt	Passenger Facility Charges - PayGo	Private Third Party Funding	Funding Shortfall	Cash Reserves/ Net Revenues	Total Funding
Runway/Taxiway Improvements	\$7,889,822	\$52,118,868	\$0	\$2,441,592	\$0	\$2,372,605	\$3,935,596	\$16,145,696	\$1,146,717	\$86,050,896
Aircraft Apron Improvements	\$5,410,581	\$3,011,001	\$33,921	\$895,350	\$0	\$260,350	\$5,809,273	\$15,492,479	\$572,091	\$31,485,045
Terminal Building and Expansion	\$1,000,000	\$5,000,000	\$13,200,000	\$500,000	\$1,428,234	\$550,000	\$0	\$2,768,865	\$0	\$24,447,099
Roadways, Parking and Related Landside Improvements	\$0	\$0	\$1,665,798	\$0	\$0	\$0	\$1,668,128	\$32,103,128	\$334,202	\$35,771,257
General Aviation Facility Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$25,336,818	\$0	\$0	\$25,336,818
SRE Equipment	\$4,952,329	\$688,418	\$0	\$313,375	\$0	\$313,375	\$0	\$0	\$0	\$6,267,496
ARFF Equipment	\$154,964	\$967,673	\$0	\$62,369	\$0	\$62,369	\$0	\$0	\$0	\$1,247,374
Other Improvements	\$1,388,283	\$0	\$0	\$1,077,127	\$0	\$77,127	\$0	\$16,648,068	\$166,145	\$19,356,750
Total Uses of Capital Funding by Project Type	\$20,795,979	\$61,785,960	\$14,899,719	\$5,289,812	\$1,428,234	\$3,635,825	\$36,749,816	\$83,158,236	\$2,219,154	\$229,962,736

SOURCE: Leibowitz & Horton AMC analysis.

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



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9.6.3 Projected Operations and Maintenance Expenses

Operations and maintenance expense projections for the Short-Term (2020 to 2024), the Mid-Term (2025 to 2029) and the Long-Term (2030 to 2039) planning periods are based on the Airport's 2020 budget, the anticipated impacts of inflation, aviation traffic increases, facility improvements and the recent experience of other airports with similar levels of aviation activity.

Operations and Maintenance Expense Projection Assumptions. Operations and maintenance expense growth assumptions, as reflected in **Schedule 9-4**, were developed to project the Airport's operating expenses during the planning period. Actual amounts for 2017 through 2019, and budgeted amounts for 2020 provide a comparison with expenses that are projected for the period 2021 through 2039.

- **Operations and Maintenance Expenses.** The types of expenses at FNL while operating primarily as a non-controlled, general aviation airport, include salaries, as well as supplies, repairs and maintenance, utilities, insurance, and professional services. For each of the following expense categories listed below, projections are based on 2020 budgeted amounts with an assumed 3 percent annual rate of inflation beginning in 2021. Even with the anticipated resumption of scheduled commercial passenger services, the Airport believes the incremental costs of any additional requirements can be managed within the current operating budget with inflation, with the exception of air traffic controls services, discussed below.
 - Personal Services - Wages and Salaries
 - Personal Services - Benefits/Allowances
 - Travel & Mileage
 - Insurance
 - Professional Services
 - Repairs & Maintenance
 - Utilities
 - Marketing and Advertising
 - Payments to Outside Agencies
 - Other Purchased Services
 - Office Supplies and Equipment
 - Building and Equipment Supplies
 - Other Supplies.
- **Other Potential Expenses related to the Remote Control Tower Operations.** As previously mentioned, in 2017, the Colorado Division of Aeronautics and the FAA's NextGen Office selected FNL as the nation's first remote air traffic control technology test facility. The Colorado Division of Aeronautics is investing approximately \$8.8 million in the construction and commissioning of the remote tower. In March 2020, air traffic control was activated at FNL through a Mobile Air Traffic Control Tower (MATCT). This was the first step of testing required for the new remote tower certification.



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Upon successful testing of the remote tower operations, it is hoped that the FNL Tower will be accepted into the Federal Contract Tower (FCT) Program upon the completion a Benefit/Cost Analysis (BCA) resulting in a positive (greater than 1.0) benefit/cost ratio.

In the event that FNL's remote tower is successfully tested, but it is not accepted into the FCT program, FNL would be responsible for the costs of operating the tower including staffing costs. The Airport has estimated those costs to be approximately \$650,000 per year beginning in 2023. In order to be conservative, the financial implementation analysis has assumed this "worst case" scenario of the tower not being funded through the FCT program.

Projection of Operations and Maintenance Expenses and Operating Expenses Per Enplaned Passenger. The projection of operations and maintenance expenses is provided in **Schedule 9-4** (provided at the end of Chapter 9). As shown in the Schedule, total expenses are expected to grow from \$1,292,890 budgeted in 2020 to \$2,355,972 projected in 2024, reflecting an overall growth rate of 16.2 percent per year, and a total of \$8,692,036 during the Short-Term planning period. Mid-Term expenses are projected to total \$12,894,670 reflecting a 3 percent annual growth rate for the five-year period 2025-2029, and Long-Term expenses are projected to total \$32,249,655, reflecting a 3 percent annual growth rate for the ten-year period 2030-2039.

Schedule 9-4 also provides a comparison of FNL's total operating expenses per enplaned passenger versus non-hub airports with similar levels of aviation activity beginning in 2021 when scheduled commercial service is anticipated to resume. FNL's operating expenses per enplaned passenger are projected to decrease from \$88.78 for 2021 to an average of \$36.82 during the Long-Term planning period. Over the same period of time, the overall non-hub industry average is projected to grow from \$44.37 in 2021 to \$46.46 during the Long-Term (Source: Non-Hub Airports, FAA Operating and Financial Summary Report #127 and FAA Air Carrier Activity Information System enplanement database). These comparisons show that as passenger enplanements grow, the Airport benefits through economies of scale as expenses increase more slowly than the anticipated increases in passengers. After the predicted initial growth of passenger enplanements begins to level off in 2023, these comparisons show that projected operating expenses at FNL are generally only somewhat higher than other non-hub airports of similar size. This implies that the Airport will be able to achieve overall operating efficiencies in the management of new commercial service operations along with its existing high volume of general aviation activity.



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9.6.4 Projected Operating Revenues

Operating revenue projections for the Short-Term (2020 to 2024), the Mid-Term (2025 to 2029) and the Long-Term (2030 to 2039) planning periods are based on the Airport's 2020 budget, current/planned rates and charges methodology, current leasing practices, the anticipated impacts of inflation, aviation traffic increases, facility expansions and the recent experience of other airports with similar levels of aviation activity.

Operating Revenue Projection Assumptions. Operating revenue growth assumptions, as reflected in **Schedule 9-5** (provided at the end of Chapter 9), were developed to project the Airport's operating revenues during the planning period. Actual amounts for 2017 through 2019, and budgeted amounts for 2020 provide a comparison with revenues that are projected for the period 2021 through 2039. This analysis organizes revenues into categories for airline revenues, non-airline revenues and non-operating revenues. Annual revenue growth assumptions for the period 2021 through 2039 are provided in the following sections.

- **Airline Revenues.** Airline Revenues, which include landing fees, ARFF standby fees and terminal rents, have in recent years, accounted for a small percentage of the Airport's annual operating revenue. However, the financial implementation analysis assumes the resumption of scheduled commercial air service at FNL in 2021. It is anticipated that such service will be provided by a low cost carrier which typically operates on a "per turn" basis, meaning that they pay the airport various rents/fees based on their flight frequency.
 - *Landing fees.* The 2020 landing fee rate set by the Airport is \$0.90 per 1,000 lbs. of an aircraft's certified maximum gross landed weight (MGLW). Airline landing fee projections beginning in 2021 are based on the forecasted 2021 commercial aircraft operations and the average MGLW of the commercial service aircraft anticipated to be operating at FNL, times the 2020 landing fee rate. Beginning in 2022, landing fee projections are based on the previous year's projection with increases in the forecasted commercial aircraft operations plus a 3 percent annual rate of inflation. This assumes the Airport increases the landing fee rate as the costs of operating the airfield increase over time.
 - *ARFF Standby Fees.* At FNL, commercial passenger operations must have aircraft rescue and firefighting services on standby, the level of which is dependent on the size of aircraft. FNL has established a fee per flight depending on the level of ARFF services required (Index B or Index C). Based on the aircraft size that low cost carriers typically operate, Index B ARFF services would be required and those rates, as established by the Airport for 2020, are \$100 per flight. ARFF standby fee projections beginning in 2021 are based on the forecasted 2021 commercial aircraft operations at the 2020 ARFF standby fee rate. Beginning in 2022, ARFF standby fee



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projections are based on the previous year's projection with increases in the forecasted commercial aircraft operations plus a 3 percent annual rate of inflation. This assumes the Airport increases the ARFF standby fees as the costs of providing ARFF services increase over time.

- **Terminal Rents.** As previously mentioned, the resumption of scheduled commercial air service at FNL is anticipated to be provided by a low cost carrier, that typically pays an Airport rents/fees based on a "per turn" rate. At FNL, a terminal use rent of \$50 per flight was set for 2020. Similar to the ARFF standby fee, the Terminal Rent projections for 2021 are based on the forecasted 2021 commercial aircraft operations at the 2020 Terminal fee rate. Beginning in 2022, Terminal Rent projections are based on the previous year's projection with increases in the forecasted commercial aircraft operations plus a 3% annual rate of inflation. This assumes the Airport increases the Terminal Rent fee over time.

- **Non-Airline Revenues.** Non-Airline Revenues account for the majority of the Airport's annual operating revenue. Given the Airport's historic role of serving primarily general aviation aircraft and operations, the most significant non-airline revenues are generated from land lease rents, hangar rents, fuel flowage fees and aviation fuel rebates. As scheduled commercial service resumes at FNL, revenues generated from passenger activities are anticipated to grow and contribute to the operations of the Airport. These types of revenues include paid public parking as well as concession fee revenues generated from rental car operators, ground transportation service providers, and terminal food & beverage and retail sales.

Non-Airline revenue projections beginning in 2021 for the following categories are based on the Airport's 2020 budget with growth thereafter at a 3 percent annual rate of inflation plus increases of the forecasted growth in total aircraft operations at the Airport:

- Fuel Flowage Fees (Gas & Oil Commissions)
- State Aviation Fuel Tax Rebates
- County Aviation Fuel Tax Rebates

Non-Airline revenues attributable to passenger traffic include paid public parking and terminal concessions described above. Projections for parking revenue beginning in 2021 are based on the forecasted passenger enplanements times \$4.15 per passenger. This rate is based on the Airport's previous experience from 2009 to 2012 when there was scheduled commercial service at FNL. Beginning in 2022, the projections are based on the 2021 projection increased by the forecasted growth in passenger enplanements. This revenue is not adjusted for inflation as airports generally do not increase parking rates every year and only increase rates as either costs or parking demand dictates. Projections for terminal concessions beginning in 2021 are based on the forecasted passenger enplanements times \$1.32 per passenger. This rate is based on other non-hub airport averages and anticipated revenues that may be generated from ground transportation



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providers. Beginning in 2022, the projections are based on the 2021 projection increased by the forecasted growth in passenger enplanements. This revenue is also adjusted for a 3 percent rate of inflation. Non-Airline revenue projections beginning in 2021 for the following categories are based on the Airport's 2020 budget with growth at a 3 percent annual inflation rate thereafter:

- FBO Rent
 - Hangar Rent
 - Land & Facilities Rent
 - Airport Commissions
 - Badging Fees
- **Non-Operating Revenues.** Non-Operating revenue projections beginning in 2021 for Investment Income are based on the Airport's 2020 budget and are assumed to remain flat throughout the planning period. As previously described, the Airport was allotted funding under the CARES Act. Of its allotment, the Airport set aside \$2 million to support operations and maintenance during the four-year period in which the grant award must be used. Therefore, the financial implementation analysis assumes the use of CARES Act revenues during the years 2020 through 2023.

Projection of Operating Revenues, Airline Cost Per Enplaned Passenger and Operating Revenues Per Enplaned Passenger. The projection of operating revenues is provided in **Schedule 9-5** at the end of Chapter 9. As shown in the Schedule, airline revenues are expected to grow from \$12,000 budgeted for 2020 to \$89,673 projected for 2024 with a total of \$265,596 during the five-year Short-Term planning period. During the five-year Mid-Term period, airline revenues are projected to total \$541,184 and during the ten-year Long-Term period, revenues are projected to total \$1,737,425. The compound annual growth rate for airline revenues is 16.7 percent during the twenty-year planning period. Non-Airline revenues are expected to increase from \$1,201,150 budgeted for 2020 to \$1,655,096 projected for 2024, with a total of \$7,197,397 during the Short-Term period. During the Mid-Term period, non-airline revenues are projected to total \$9,222,843 and during the Long-Term period, non-airline revenues are projected to total \$25,279,094. The compound annual growth rate for non-airline revenues is 5.0 percent. Total Airport revenues (including non-operating revenues) are expected to increase from \$1,638,150 budgeted for 2020 to \$1,769,769 projected for 2024, with a total of \$9,587,993 during the Short-Term period. This includes the \$2 million allotment from the CARES Act reserved for operations and maintenance. During the Mid-Term period, revenues are projected to total \$9,889,028 and during the Long-Term period, revenues are projected to total \$27,266,519. The compound annual growth rate for total Airport revenues is 3.8 percent.

Schedule 9-5 also provides a comparison of the Airport's airline cost per enplaned passenger (CPEP) versus non-hub airports with similar levels of aviation



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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. The Airport's airline CPEP is projected to remain stable at \$1.97 in 2021 to an average of \$1.98 during the Long-Term planning period. Over the same period, the overall non-hub industry average is estimated to grow from \$9.19 in 2021 to \$9.62 during the Long-Term (Source: Non-Hub airports, FAA Operating and Financial Summary Report #127 and FAA Air Carrier Activity Information System enplanement database).

FNL's CPEP is reflective of the expectation that the airport's scheduled passenger service will be provided by a low-cost carrier. Low-cost carriers operate leaner and with higher cost sensitivity than traditional legacy air carriers. Low-cost carriers offer generally low fares in exchange for eliminating many traditional passenger services, or providing additional services at a fee to the passenger. Based on their previous experience with a low-cost carrier at FNL and in response to their cost sensitivity, the Airport developed and maintained a rates and charges strategy to keep airline costs low. It is important to note that the existing facilities are reflective of the current rates. As scheduled commercial passenger service starts to grow at FNL, the Airport plans to review its rates and charges strategy and methodology to ensure appropriate revenues are generated from air carriers based on the Airport's investment in the new facilities, the cost to operate the new facilities and the services provided to the carriers.

Schedule 9-5 additionally provides a comparison of FNL'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 decline from \$89.64 projected for 2021 to an average of \$30.84 during the Long-Term planning period. Over the same period, the overall non-hub industry average is estimated to grow from \$46.75 in 2021 to \$48.95 during the Long-Term (Source: Non-Hub airports, FAA Operating and Financial Summary Report #127 and FAA Air Carrier Activity Information System enplanement database). This comparison indicates that, after the initial growth of passenger enplanements start to level off in 2023, total Airport revenues will be 26 percent to 43 percent lower than the non-hub industry average throughout the twenty-year planning period. This is reflective of the Airport's low airline revenues and resulting low cost per enplaned passenger. Additionally, given the nature of the passenger service anticipated at FNL, other passenger related revenues such as paid public parking and rental car revenues are anticipated to be lower than the average non-hub airport. Again, as scheduled commercial passenger service starts to grow at FNL, the Airport may identify opportunities to increase non-airline revenues, specifically those related to passenger service.



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9.6.5 Financial Plan Summary for the Master Plan Capital Improvement Program

The Financial Plan Summary presented in **Schedule 9-6** at the end of Chapter 9 includes a Capital Cash Flow section that presents a summary of projected capital funding (from **Schedule 9-2**) and scheduled capital expenditures (from **Schedule 9-1**) with the cash flow that results from implementing the Master Plan Capital Improvement Program. **Schedule 9-6** also includes an Operating Cash Flow section that summarizes totals for operating revenues (from **Schedule 9-5**) and operating expenses (from **Schedule 9-4**) with the addition of beginning cash reserve balances to provide the cash flow that results from these activities as well as the addition of a required subsidy to fund the remote tower operations, further described below.

In **Schedule 9-1** of the Financial Implementation Analysis, practical approaches were provided for scheduling capital expenditures to match the availability of capital funding. **Schedule 9-2** provided practical approaches for matching specific capital funding sources with each of the identified projects. As shown in **Schedule 9-6**, positive year end cash reserves are projected throughout the twenty-year planning period 2020 to 2039. Additionally, the projected year-end cash balances are expected to remain at minimum acceptable balances to the Airport as determined necessary to provide the required resources to meet operating cost needs, to allow for unforeseen circumstances, and to provide protection resulting from unexpected fluctuations of revenue sources.

As discussed in **Section 9.6.3.1**, in the worst-case scenario that FNL's remote tower is successfully tested, but it is not accepted into the FCT program, FNL would be responsible for the costs of operating the tower including staffing costs. The Airport has estimated those costs to be approximately \$650,000 per year beginning in 2023. Should that be the case, current and projected operating revenues are not sufficient to support those additional costs and a subsidy would be required to fund the tower operating costs, or at a minimum, make up for the annual net operating losses. Net operating losses are projected to begin in 2024 and continue through the remainder of the planning period. The minimum estimated amount of subsidy which would be required to offset these net operating losses is reflected on **Schedule 9-6**. This also means that in the Mid-Term and Long-Term periods, there are no net operating revenues generated to support the capital improvement program.

Based on the assumptions underlying the Financial Implementation Analysis summarized in the Capital Cash Flow section of **Schedule 9-6**, implementation of projects in the Master Plan CIP that are scheduled during the Short-Term planning period are projected to be financially reasonable. Traditional airport capital funding sources are anticipated to be insufficient to finance a number of



projects in the Mid-Term and Long-Term planning periods - such projects represent funding shortfalls for the capital program.

The Financial Implementation Analysis relies on the resumption of commercial passenger service at FNL and the achievement of the aviation operations and passenger enplanement forecasts. However, the achievement of any financial projection is dependent on future events, the occurrence of which cannot be assured. Actual aviation traffic may temporarily vary from the projected levels of activity without a significant adverse impact on the capital program. If resumption of commercial passenger service is delayed or decreased traffic levels occur and persist, the differences between the projected and actual results could be material and the implementation of all the proposed projects may not be financially feasible. It should also be noted, however, that if the forecast activity levels are not met, then a number of the planned capital improvements may not be necessary.

Additionally, implementation of capital projects during the 2020-2039 planning period that have AIP discretionary, CDOT grants, or private third party funding indicated as a funding source are subject to the availability of those grants which are provided at the sole discretion of the FAA, CDOT, or third parties. If the identified portion of discretionary funding is not awarded by the respective agency or entity, then these projects may need to be delayed until funding is available or until alternative funding is identified.

Finally, a number of projects planned for implementation in the Mid-Term and Long-Term can be reasonably funded with traditional capital funding sources. However, significant portions of the capital program in those later phases have funding sources which are not currently identified and which represent a funding shortfall. If funding cannot be identified for the indicated projects in the time frames needed, these projects will also need to be modified, delayed or cancelled until such time as a funding source is secured.

9.7 Financial Analysis Schedules

Financial analysis **Schedules 9-1** through **9-6** are presented on the following pages and described below:

- **Schedule 9-1 – Estimated Project Costs and Development:** This schedule presents the CIP including estimated costs and anticipated development schedule for individual projects in the program. The schedule provides practical approaches for matching capital expenditure amounts with capital funding availability in the Short-Term, Mid-Term, and Long-Term planning periods. This schedule also applies inflation adjustments to provide escalated development costs for projects implemented throughout the entire 20-year planning period.



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- **Schedule 9-2 – Projected Capital Funding Sources:** This schedule lists each of the CIP projects, their estimated costs (escalated for inflation) and the assumed funding sources and amounts. The schedule applies specific capital funding sources to each individual project in the capital program.
- **Schedule 9-3 – PFC Serviced Debt Issue:** This schedule provides the details of the debt issue which is expected to be required in 2028 to partially fund Phase II of the Airport terminal expansion project. The schedule includes the anticipated terms of the loan and the resulting annual debt service requirements including associated financing and interest costs. Debt service is planned to be funded with PFCs.
- **Schedule 9-4 – Actual, Budgeted and Projected Operations & Maintenance Expenses:** This schedule reflects the past three years of actual operations and maintenance expenses, budgeted 2020 operations and maintenance expenses, and projections of these expenses through the Short-Term, Mid-Term, and Long-Term planning periods. This schedule also provides a comparison of FNL’s annual expenses per enplaned passenger with the average of other non-hub airports.
- **Schedule 9-5 – Actual, Budgeted and Projected Operating Revenues:** This schedule reflects the past three years of actual operating revenues, budgeted 2020 operating revenues, and projections of these revenues through the Short-Term, Mid-Term, and Long-Term planning periods. These revenues are organized into categories for airline revenues, non-airline revenues and non-operating revenues, and provides statistical comparisons of FNL’s airline cost per enplaned passenger and total revenue per enplaned passenger with other non-hub airport averages.
- **Schedule 9-6 – Budgeted and Projected Net Revenues, Capital Funding and Capital Expenditures:** This Financial Plan Summary includes a Capital Cash Flow section that presents a summary of projected capital funding (from Schedule 9-2) and scheduled capital expenditures (from Schedule 9-1) with the cash flow that results from implementing the Master Plan Capital Improvement Program. It also includes an Operating Cash Flow section that summarizes totals for operating revenues (from Schedule 9-5) and operating expenses (from Schedule 9-4) with the addition of beginning cash reserve balances to provide the cash flow that results from these activities as well as the addition of a required subsidy to fund the remote tower operations.



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**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Schedule 9-1

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

25-Aug-20

Capital Improvement Program	Funding Schedule								
	Short Term						Mid Term 2025-2029	Long Term 2030-2039	Total Funding
	2020	2021	2022	2023	2024	Total			
Funds Used for Capital Improvement Projects									
AIP Entitlement Grants:	\$1,000,000	\$150,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,150,000	\$5,000,000	\$10,960,979	\$20,110,979
AIP Entitlements carryover from the prior years	685,000	1,379,714	0	0	0	685,000	0	55,682	685,000
AIP Entitlement unspent current year + carryover	(1,379,714)	0	0	0	0	0	(55,682)	0	0
AIP Discretionary Grants	0	900,286	0	688,418	12,168,453	13,757,157	5,506,538	42,522,265	61,785,960
CARES Capital Funding	1,233,921	0	13,665,798	0	0	14,899,719	0	0	14,899,719
CDOT Aviation Grants	0	385,000	355,556	93,801	250,000	1,084,357	1,747,270	2,458,186	5,289,812
Passenger Facility Charges:	0	0	118,530	191,351	197,569	507,450	1,095,968	3,460,641	5,064,059
PFC beginning year unliquidated balance	0	0	0	118,530	112,079	0	9,648	22,700	0
PFC unspent current year + carryover	0	0	(118,530)	(112,079)	(9,648)	(9,648)	(22,700)	0	0
SIB Debt Proceeds (10 yrs, 2.5%) Thru 2037	0	0	0	0	0	0	1,250,000	0	1,250,000
Less Debt Principal Funded with PFCs	0	0	0	0	0	0	(225,936)	(1,024,064)	(1,250,000)
Private 3rd Party Funding	0	0	5,700,000	109,273	0	5,809,273	24,007,138	6,933,405	36,749,816
Funding Shortfall	0	0	0	0	0	0	40,435,988	42,722,248	83,158,236
Net Operating Cash Flow	345,260	437,945	595,004	103,950	0	1,482,159	0	0	1,482,159
Funds Available Current Year	1,884,467	3,252,945	21,316,357	2,193,244	13,718,453	42,365,467	78,748,231	108,112,041	229,225,740
Beginning Cash Balance/Funds Carried Over from Prior Year	2,523,742	2,869,002	3,143,947	3,199,194	2,866,053	2,523,742	1,952,892	1,786,747	2,523,742
Funds Used Current Year	(1,539,207)	(2,978,000)	(21,261,111)	(2,526,385)	(14,631,615)	(42,936,317)	(78,914,376)	(108,112,041)	(229,962,735)
Funds Carried Over to Next Year	\$2,869,002	\$3,143,947	\$3,199,194	\$2,866,053	\$1,952,892	\$1,952,892	\$1,786,747	\$1,786,747	\$1,786,747
							Average Debt Service Coverage using PFCs only	1.62x	2.26x

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

25-Aug-20

Capital Project Description	2020 Base Year Costs	Estimated Project Costs and Development Schedule								
		Short Term						Mid Term 2025-2029	Long Term 2030-2039	Total Escalated Costs
		2020	2021	2022	2023	2024	Total			
Short Term Projects (2020-2024)										
Capital Projects 2020										
A1	Design & Environmental for De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft	\$339,207	\$339,207					\$339,207		\$339,207
A2	Design New Terminal, Supporting Infrastructure, & CATEX (Phase I)	1,200,000	1,200,000					1,200,000		1,200,000
	Total Capital Projects 2020	\$1,539,207	\$1,539,207	\$0	\$0	\$0	\$0	\$1,539,207	\$0	\$0
Capital Projects 2021										
A3	Construct De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft (Phase I)	\$2,700,000		\$2,700,000				\$2,700,000		\$2,700,000
A4	Rehabilitate Stearman Taxilane (Design and Construct)	278,000		278,000				278,000		278,000
	Total Capital Projects 2021	\$2,978,000	\$0	\$2,978,000	\$0	\$0	\$0	\$2,978,000	\$0	\$0
Capital Projects 2022										
A5	Rehabilitate Northrop Taxilane (Design and Construct)	\$450,000		\$450,000				\$450,000		\$450,000
A6	Construct New Terminal (Phase I)	12,000,000		12,000,000				12,000,000		12,000,000
A7	Construct Landside and Roadway Improvements	2,000,000		2,000,000				2,000,000		2,000,000
A8	Taxiway D Reconstruct and Strengthen All of Taxiway to 30K lbs	1,111,111		1,111,111				1,111,111		1,111,111
A9	Construct New South GA Ramp	5,700,000		5,700,000				5,700,000		5,700,000
	Total Capital Projects 2022	\$21,261,111	\$0	\$21,261,111	\$0	\$0	\$0	\$21,261,111	\$0	\$0
Capital Projects 2023										
A10	Design and Construct Seal Coat and Crack Repair for All Existing GA Ramp Areas (Phase I)	\$500,000				\$546,364		\$546,364		\$546,364
A11	Design RW 15/33 Widening to 150 feet & Rehab and Lighting & Signage for A320 Design Aircraft, Taxiway A Pavement Rehab	1,112,000				1,215,112		1,215,112		1,215,112
A12	Broom Truck SRE Replacement	700,000				764,909		764,909		764,909
	Total Capital Projects 2023	\$2,312,000	\$0	\$0	\$0	\$2,526,385	\$0	\$2,526,385	\$0	\$0
Capital Projects 2024										
A13	Construct RW 15/33 Widening to 150 feet & Rehab and Lighting & Signage for A320 Design Aircraft, Taxiway A Pavement Rehab	\$13,000,000				\$14,631,615		\$14,631,615		\$14,631,615
	Total Capital Projects 2024	\$13,000,000	\$0	\$0	\$0	\$14,631,615	\$14,631,615	\$14,631,615	\$0	\$0
	Total Short Term Project Costs Before Financing	\$41,090,318	\$1,539,207	\$2,978,000	\$21,261,111	\$2,526,385	\$14,631,615	\$42,936,317	\$0	\$0
	Financing Costs for Debt Serviced with PFCs	-	0	0	0	0	0	0	0	0
	Total Short Term Project Costs	\$41,090,318	\$1,539,207	\$2,978,000	\$21,261,111	\$2,526,385	\$14,631,615	\$42,936,317	\$0	\$0

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Schedule 9-1

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

25-Aug-20

Capital Project Description	2020 Base Year Costs	Estimated Project Costs and Development Schedule							Mid Term 2025-2029	Long Term 2030-2039	Total Escalated Costs
		Short Term					Total				
		2020	2021	2022	2023	2024					
Mid Term Projects (2025-2029)											
B1 Fuel Farm Relocation (Design, Environmental, and Construct)	\$440,000							\$0	\$541,145	\$541,145	
B2 Commercial Apron Maintenance	520,000							0	639,534	639,534	
B3 Extend Portions of Lindbergh Rd. for Connection to Hangar Development and Extend Cessna St. to Lindbergh Dr.	4,240,000							0	5,214,665	5,214,665	
B4 Rehab Existing ARFF Truck	140,000							0	172,182	172,182	
B5 Reconstruct Taxiway B and Ramp Rehabilitation/Reconstruction, Including Drainage Improvements	1,877,800							0	2,309,457	2,309,457	
B6 Terminal Parking, Reconstruction and Expansion (Phase II)	3,600,000							0	4,427,546	4,427,546	
B7 Construct De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft (Phase II)	1,361,059							0	1,673,931	1,673,931	
B8 Runway 6/24 Seal Coating & Pavement Maintenance	400,000							0	491,950	491,950	
B9 Remote Tower Permanent Facility 50 feet x 50 feet Building Plus Vehicle Parking	990,000							0	1,217,575	1,217,575	
B10 High Speed Runway Broom Replacement	750,000							0	922,405	922,405	
B11 Terminal Expansion Design and Supporting Infrastructure (Phase II)	1,000,000							0	1,229,874	1,229,874	
B12 Six E-Charging Stations for Aircraft	952,200							0	1,171,086	1,171,086	
B13 Demo Two Rows of T-Hangars and Construct 2 Large Corporate Hangars	4,480,000							0	5,509,835	5,509,835	
B14 Construct Phase I ADG I T-Hangars with Restroom and Apron	4,340,000							0	5,337,653	5,337,653	
B15 Reconstruct and Widen Piper Taxilane (Dual Parallel Taxilane to GA Hangars SE) Including Drainage and Utility Modification/Relocation, and Close Grumman Taxilane	2,060,000							0	2,533,540	2,533,540	
B16 Terminal Access Loop Road and Terminal Parking Expansion (Phase II)	6,030,000							0	7,416,139	7,416,139	
B17 Terminal Expansion (Phase II)	8,000,000							0	9,838,991	9,838,991	
B18 SRE Equipment Replacement	560,000							0	688,729	688,729	
B19 Easement Acquisition for RW 15 RPZ	290,000							0	356,663	356,663	
B20 SRE Equipment Replacement	400,000							0	491,950	491,950	
B21 Reconstruct West Half of Stearman Taxilane (Design and Construct)	400,000							0	491,950	491,950	
B22 Reconstruct Northrop Taxilane (Design and Construct)	1,325,000							0	1,629,583	1,629,583	
B23 New FBO Building & Hangar (Private)	4,360,000							0	5,362,250	5,362,250	
B24 Reconstruct Runway 6/24, 40 feet by 2,273 feet	1,920,000							0	2,361,358	2,361,358	
B25 Expand Commercial Apron to the North with New Connector, Concrete (Phase II)	2,940,000							0	3,615,829	3,615,829	
B26 Phase II ADG I T-Hangars (SE) with Apron - One Row of T-s and Associated Taxilanes	3,140,000							0	3,861,804	3,861,804	
B27 Taxiway F (parallel to 6/24) (Design and Construct)	2,800,000							0	3,443,647	3,443,647	
B28 RW 15 MALS Approach Lighting & Procedure Improvements	4,800,000							0	5,903,395	5,903,395	
Total Mid Term Project Costs Before Financing	\$64,116,059	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78,854,665	\$0	\$78,854,665
Financing Costs for Debt Serviced with PFCs	-	0	0	0	0	0	0	0	59,711	0	59,711
Total Mid Term Project Costs	\$64,116,059	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78,914,376	\$0	\$78,914,376

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

FNL - MP - V6

Schedule 9-1

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

25-Aug-20

Capital Project Description	2020 Base Year Costs	Estimated Project Costs and Development Schedule								
		Short Term						Mid Term 2025-2029	Long Term 2030-2039	Total Escalated Costs
		2020	2021	2022	2023	2024	Total			
Long Term Projects (2030-2039)										
C1 Relocate Northside Drainage and Northside Apron Earthwork, and Construct Rockwell Ave Extension to Northside GA Apron Area	\$2,460,000							\$0	\$3,889,664	\$3,889,664
C2 Taxiway A 4 Extension and Phase I GA Northside Ramp Expansion	3,340,000						0	5,281,089	5,281,089	
C3 Reconstruct Taxiway A, A320 Design Aircraft	16,050,000						0	25,377,686	25,377,686	
C4 Phase II North GA Apron Expansion and Connector Taxiway	2,950,000						0	4,664,435	4,664,435	
C5 Terminal Access Loop Road, Reconstruction and Expansion (Phase III)	730,000						0	1,154,250	1,154,250	
C6 Terminal Parking, Reconstruction and Expansion (Phase III)	6,020,000						0	9,518,609	9,518,609	
C7 Environmental Assessment for Runway 15/33 Extension	450,000						0	711,524	711,524	
C8 Runway 15/33 Extension and Taxiway A Extension - 1,000 feet to the South	6,260,000						0	9,898,088	9,898,088	
C9 Expand GA Apron to the South	2,510,000						0	3,968,722	3,968,722	
C10 Reconstruct FBO Facilities	3,330,000						0	5,265,277	5,265,277	
C11 Acquire SRE Replacements	2,150,000						0	3,399,503	3,399,503	
C12 Rehabilitate Cessna Dr. and Gulfstream Ct.	1,710,000						0	2,703,791	2,703,791	
C13 Runway 15/33 Rehab	8,750,000						0	13,835,187	13,835,187	
C14 GA Apron Rehab	3,000,000						0	4,743,493	4,743,493	
C15 Commercial Apron Rehab	1,830,000						0	2,893,531	2,893,531	
C16 West Side Access Road	2,110,000						0	3,336,257	3,336,257	
C17 Land Acquisition, Parcels 8 and 9	3,220,000						0	5,091,349	5,091,349	
C18 Master Plan Update	750,000						0	1,185,873	1,185,873	
C19 Acquire New ARFF Truck	680,000						0	1,075,192	1,075,192	
Total Long Term Project Costs Before Financing	\$68,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$107,993,517	\$107,993,517
Financing Costs for Debt Serviced with PFCs	-	0	0	0	0	0	0	0	118,524	118,524
Total Long Term Project Costs	\$68,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$108,112,041	\$108,112,041
Total Project Costs	\$173,506,377	\$1,539,207	\$2,978,000	\$21,261,111	\$2,526,385	\$14,631,615	\$42,936,317	\$78,914,376	\$108,112,041	\$229,962,735

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

FNL - MP - V6

Schedule 9-2

**Master Plan - Financial Implementation Analysis
Projected Capital Funding Sources**

25-Aug-20

		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary Funding	CARES Capital Funding	Total AIP/CARES Funding	CDOT Aviation Grants	Passenger Facility Charges (Debt)	Passenger Facility Charges (PAYG)	Private 3rd Party Funding	Funding Shortfall	Cash Reserves/ Net Revs	Total Required Funding
Capital Improvement Projects													
Short Term Projects (2020-2024)													
Capital Projects 2020													
A1	Design & Environmental for De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft	\$339,207	\$305,286		\$33,921	\$339,207						\$0	\$339,207
A2	Design New Terminal, Supporting Infrastructure, & CATEX (Phase I)	1,200,000			1,200,000	1,200,000						0	1,200,000
	Totals for 2020	\$1,539,207	\$305,286	\$0	\$1,233,921	\$1,539,207	\$0	\$0	\$0	\$0	\$0	\$0	\$1,539,207
Capital Projects 2021													
A3	Construct De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft (Phase I)	\$2,700,000	\$1,529,714	\$900,286		\$2,430,000	\$135,000					\$135,000	\$2,700,000
A4	Rehabilitate Stearman Taxilane (Design and Construct)	278,000				0	250,000					28,000	278,000
	Totals for 2021	\$2,978,000	\$1,529,714	\$900,286	\$0	\$2,430,000	\$385,000	\$0	\$0	\$0	\$0	\$163,000	\$2,978,000
Capital Projects 2022													
A5	Rehabilitate Northrop Taxilane (Design and Construct)	\$450,000				\$0	\$300,000					\$150,000	\$450,000
A6	Construct New Terminal (Phase I)	12,000,000			12,000,000	12,000,000						0	12,000,000
A7	Construct Landside and Roadway Improvements	2,000,000			1,665,798	1,665,798						334,202	2,000,000
A8	Taxiway D Reconstruct and Strengthen All of Taxiway to 30K lbs	1,111,111	1,000,000			1,000,000	55,556					55,555	1,111,111
A9	Construct New South GA Ramp	5,700,000				0				5,700,000		0	5,700,000
	Totals for 2022	\$21,261,111	\$1,000,000	\$0	\$13,665,798	\$14,665,798	\$355,556	\$0	\$0	\$5,700,000	\$0	\$539,757	\$21,261,111
Capital Projects 2023													
A10	Design and Construct Seal Coat and Crack Repair for All Existing GA Ramp Areas (Phase I)	\$546,364				\$0	\$0			\$109,273		\$437,091	\$546,364
A11	Design RW 15/33 Widening to 150 feet & Rehab and Lighting & Signage for A320 Design Aircraft, Taxiway A Pavement Rehab	1,215,112	1,000,000			1,000,000	55,556		159,557			0	1,215,112
A12	Broom Truck SRE Replacement	764,909		688,418		688,418	38,245		38,245			0	764,909
	Totals for 2023	\$2,526,385	\$1,000,000	\$688,418	\$0	\$1,688,418	\$93,801	\$0	\$197,802	\$109,273	\$0	\$437,091	\$2,526,385
Capital Projects 2024													
A13	Construct RW 15/33 Widening to 150 feet & Rehab and Lighting & Signage for A320 Design Aircraft, Taxiway A Pavement Rehab	\$14,631,615	\$1,000,000	\$12,168,453		\$13,168,453	\$250,000		\$300,000			\$913,161	\$14,631,615
	Totals for 2024	\$14,631,615	\$1,000,000	\$12,168,453	\$0	\$13,168,453	\$250,000	\$0	\$300,000	\$0	\$0	\$913,161	\$14,631,615
	Total Short Term Project Funding Before Financing	\$42,936,317	\$4,835,000	\$13,757,157	\$14,899,719	\$33,491,876	\$1,084,357	\$0	\$497,802	\$5,809,273	\$0	\$2,053,010	\$42,936,317
	Financing Costs for Debt Serviced with PFCs							0					0
	Total Short Term Project Funding	\$42,936,317	\$4,835,000	\$13,757,157	\$14,899,719	\$33,491,876	\$1,084,357	\$0	\$497,802	\$5,809,273	\$0	\$2,053,010	\$42,936,317

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Schedule 9-2

**Master Plan - Financial Implementation Analysis
Projected Capital Funding Sources**

25-Aug-20

		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary Funding	CARES Capital Funding	Total AIP/CARES Funding	CDOT Aviation Grants	Passenger Facility Charges (Debt)	Passenger Facility Charges (PAYG)	Private 3rd Party Funding	Funding Shortfall	Cash Reserves/ Net Revs	Total Required Funding
Capital Improvement Projects													
Mid Term Projects (2025-2029)													
B1	Fuel Farm Relocation (Design, Environmental, and Construct)	\$541,145				\$0	500,000					\$41,145	\$541,145
B2	Commercial Apron Maintenance	639,534	575,581			575,581	31,977		31,977			0	639,534
B3	Extend Portions of Lindbergh Rd. for Connection to Hangar Development and Extend Cessna St. to Lindbergh Dr.	5,214,665				0					5,214,665	0	5,214,665
B4	Rehab Existing ARFF Truck	172,182	154,964			154,964	8,609		8,609			0	172,182
B5	Reconstruct Taxiway B and Ramp Rehabilitation/Reconstruction, Including Drainage Improvements	2,309,457				0					2,309,457	0	2,309,457
B6	Terminal Parking, Reconstruction and Expansion (Phase II)	4,427,546				0					4,427,546	0	4,427,546
B7	Construct De-ice Pad and Tanks, Commercial Apron Expansion & TW E - A320 Design Aircraft (Phase II)	1,673,931	1,000,000	506,538		1,506,538	83,697		83,697			0	1,673,931
B8	Runway 6/24 Seal Coating & Pavement Maintenance	491,950				0				491,950		0	491,950
B9	Remote Tower Permanent Facility 50 feet x 50 feet Building Plus Vehicle Parking	1,217,575				0	500,000				592,575	125,000	1,217,575
B10	High Speed Runway Broom Replacement	922,405	830,165			830,165	46,120		46,120			0	922,405
B11	Terminal Expansion Design and Supporting Infrastructure (Phase II)	1,229,874				0	250,000		550,000		429,874	0	1,229,874
B12	Six E-Charging Stations for Aircraft	1,171,086				0					1,171,086	0	1,171,086
B13	Demo Two Rows of T-Hangars and Construct 2 Large Corporate Hangars	5,509,835				0				5,509,835		0	5,509,835
B14	Construct Phase I ADG I T-Hangars with Restroom and Apron	5,337,653				0				5,337,653		0	5,337,653
B15	Reconstruct and Widen Piper Taxilane (Dual Parallel Taxilane to GA Hangars SE) Including Drainage and Utility Modification/Relocation, and Close Grumman Taxilane	2,533,540				0					2,533,540	0	2,533,540
B16	Terminal Access Loop Road and Terminal Parking Expansion (Phase II)	7,416,139				0					7,416,139	0	7,416,139
B17	Terminal Expansion (Phase II)	9,838,991	1,000,000	5,000,000		6,000,000	250,000	1,250,000			2,338,991	0	9,838,991
B18	SRE Equipment Replacement	688,729	619,856			619,856	34,436		34,436			0	688,729
B19	Easement Acquisition for RW 15 RPZ	356,663	320,997			320,997	17,833		17,833			0	356,663
B20	SRE Equipment Replacement	491,950	442,755			442,755	24,597		24,597			0	491,950
B21	Reconstruct West Half of Stearman Taxilane (Design and Construct)	491,950				0					491,950	0	491,950
B22	Reconstruct Northrop Taxilane (Design and Construct)	1,629,583				0					1,629,583	0	1,629,583
B23	New FBO Building & Hangar (Private)	5,362,250				0				5,362,250		0	5,362,250
B24	Reconstruct Runway 6/24, 40 feet by 2,273 feet	2,361,358				0					2,361,358	0	2,361,358
B25	Expand Commercial Apron to the North with New Connector, Concrete (Phase II)	3,615,829				0					3,615,829	0	3,615,829
B26	Phase II ADG I T-Hangars (SE) with Apron - One Row of T-s and Associated Taxilanes	3,861,804				0				3,861,804		0	3,861,804
B27	Taxiway F (parallel to 6/24) (Design and Construct)	3,443,647				0				3,443,647		0	3,443,647
B28	RW 15 MAL S Approach Lighting & Procedure Improvements	5,903,395				0					5,903,395	0	5,903,395
Total Mid Term Project Funding Before Financing		\$78,854,665	\$4,944,318	\$5,506,538	\$0	\$10,450,856	\$1,747,270	\$1,250,000	\$797,270	\$24,007,138	\$40,435,988	\$166,145	\$78,854,665
Financing Costs for Debt Serviced with PFCs		59,711						59,711					59,711
Total Mid Term Project Funding		\$78,914,376	\$4,944,318	\$5,506,538	\$0	\$10,450,856	\$1,747,270	\$1,309,711	\$797,270	\$24,007,138	\$40,435,988	\$166,145	\$78,914,376

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Schedule 9-2

**Master Plan - Financial Implementation Analysis
Projected Capital Funding Sources**

25-Aug-20

		Total Escalated Costs	AIP Entitlement Funding	AIP Discretionary Funding	CARES Capital Funding	Total AIP/CARES Funding	CDOT Aviation Grants	Passenger Facility Charges (Debt)	Passenger Facility Charges (PAYG)	Private 3rd Party Funding	Funding Shortfall	Cash Reserves/ Net Revs	Total Required Funding
Capital Improvement Projects													
Long Term Projects (2030-2039)													
C1	Relocate Northside Drainage and Northside Apron Earthwork, and Construct Rockwell Ave Extension to Northside GA Apron Area	\$3,889,664				\$0					\$3,889,664	\$0	\$3,889,664
C2	Taxiway A 4 Extension and Phase I GA Northside Ramp Expansion	5,281,089				0					5,281,089	0	5,281,089
C3	Reconstruct Taxiway A, A320 Design Aircraft	25,377,686	2,249,450	20,590,467		22,839,917	500,000		499,049		1,538,720	0	25,377,686
C4	Phase II North GA Apron Expansion and Connector Taxiway	4,664,435				0					4,664,435	0	4,664,435
C5	Terminal Access Loop Road, Reconstruction and Expansion (Phase III)	1,154,250				0					1,154,250	0	1,154,250
C6	Terminal Parking, Reconstruction and Expansion (Phase III)	9,518,609				0					9,518,609	0	9,518,609
C7	Environmental Assessment for Runway 15/33 Extension	711,524	640,372			640,372	35,576		35,576			0	711,524
C8	Runway 15/33 Extension and Taxiway A Extension - 1,000 feet to the South	9,898,088	1,000,000	7,908,279		8,908,279	494,904		494,904			0	9,898,088
C9	Expand GA Apron to the South	3,968,722				0					3,968,722	0	3,968,722
C10	Reconstruct FBO Facilities	5,265,277				0				5,265,277		0	5,265,277
C11	Acquire SRE Replacements	3,399,503	3,059,553			3,059,553	169,975		169,975			0	3,399,503
C12	Rehabilitate Cessna Dr. and Gulfstream Ct.	2,703,791				0					2,703,791	0	2,703,791
C13	Runway 15/33 Rehab	13,835,187	1,000,000	11,451,668		12,451,668	500,000		883,519			0	13,835,187
C14	GA Apron Rehab	4,743,493	1,000,000			1,000,000	500,000				3,243,493	0	4,743,493
C15	Commercial Apron Rehab	2,893,531	1,000,000	1,604,177		2,604,177	144,677		144,677			0	2,893,531
C16	West Side Access Road	3,336,257				0				1,668,128	1,668,128	0	3,336,257
C17	Land Acquisition, Parcels 8 and 9	5,091,349				0					5,091,349	0	5,091,349
C18	Master Plan Update	1,185,873	1,067,286			1,067,286	59,294		59,294			0	1,185,873
C19	Acquire New ARFF Truck	1,075,192		967,673		967,673	53,760		53,760			0	1,075,192
Total Long Term Project Funding Before Financing		\$107,993,517	\$11,016,660	\$42,522,265	\$0	\$53,538,925	\$2,458,186	\$0	\$2,340,753	\$6,933,405	\$42,722,248	\$0	\$107,993,517
Financing Costs for Debt Serviced with PFCs		118,524						118,524					118,524
Total Long Term Project Funding		\$108,112,041	\$11,016,660	\$42,522,265	\$0	\$53,538,925	\$2,458,186	\$118,524	\$2,340,753	\$6,933,405	\$42,722,248	\$0	\$108,112,041
Total Project Funding		\$229,962,735	\$20,795,979	\$61,785,960	\$14,899,719	\$97,481,657	\$5,289,812	\$1,428,235	\$3,635,825	\$36,749,816	\$83,158,236	\$2,219,154	\$229,962,735

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Sched 9-3

**Master Plan - Financial Implementation Analysis
PFC Serviced Debt Issue**

25-Aug-20

Debt Issue Structure						
		Issue Date:	01-Jan-28			
		Interest:	2.5%			
		Term:	10 Years			
		Project Funding Requirement:	\$1,250,000			
		Debt Service Reserve Fund Requirement (MADS):	0 < no assumpt			
		Capitalized Interest:	0 < no assumpt			
		Capitalized Debt Issue Costs (0.75%):	0 < no assumpt			
		Total Debt Requirement:	<u>\$1,250,000</u>			
Notes:						
(1) Assumes no interest earnings on Construction Fund balance or Debt Service Reserve Fund deposit.						
(2) Assumes DSRF funded from the issue amount						
Debt Service Schedule						
Payment Number	Year	Beginning Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal
1	2028	\$1,250,000	\$142,823	\$31,250	\$111,573	\$1,138,427
2	2029	1,138,427	142,823	28,461	114,363	1,024,064
3	2030	1,024,064	142,823	25,602	117,222	906,842
4	2031	906,842	142,823	22,671	120,152	786,689
5	2032	786,689	142,823	19,667	123,156	663,533
6	2033	663,533	142,823	16,588	126,235	537,298
7	2034	537,298	142,823	13,432	129,391	407,907
8	2035	407,907	142,823	10,198	132,626	275,281
9	2036	275,281	142,823	6,882	135,941	139,340
10	2037	139,340	142,823	3,483	139,340	0
Totals			<u>\$1,428,235</u>	<u>\$178,235</u>	<u>\$1,250,000</u>	

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Schedule 9-4

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

25-Aug-20

Operations & Maintenance Expenses	Actual 2017	Actual 2018	Actual 2019	Short Term					Total	Mid Term 2025-2029	Long Term 2030-2039
				Budget	Projected						
				2020	2021	2022	2023	2024			
Personal Services - Wages and Salaries	\$415,912	\$405,398	\$421,942	\$486,728	\$501,330	\$611,370	\$629,711	\$708,602	\$2,937,741	\$3,874,927	\$9,699,680
Personal Services - Benefits/Allowances	133,944	147,086	174,564	216,702	223,203	271,399	279,541	314,427	1,305,273	1,719,418	4,304,030
Travel & Mileage	16,611	14,163	11,839	25,500	26,265	27,053	27,865	28,700	135,383	156,946	392,866
Insurance	26,342	25,169	30,126	40,765	41,988	43,248	44,545	45,881	216,427	250,898	628,046
Professional Services	112,929	173,624	411,488	150,000	154,500	159,135	163,909	168,826	796,370	923,212	2,310,974
Repairs & Maintenance	55,184	55,029	103,509	99,445	102,428	105,501	108,666	111,926	527,967	612,058	1,532,099
Utilities	89,145	107,828	122,577	122,800	126,484	130,279	134,187	138,212	651,962	755,803	1,891,918
Marketing and Advertising	19,696	2,179	3,338	35,000	36,050	37,132	38,245	39,393	185,820	215,416	539,227
Payments to Outside Agencies	23,450	23,450	23,450	23,450	24,154	24,878	25,624	26,393	124,499	144,329	361,282
Other Purchased Services	24,783	23,431	22,095	18,000	18,540	19,096	19,669	20,259	95,564	110,785	277,317
Office Supplies and Equipment	7,018	5,536	2,974	7,500	7,725	7,957	8,195	8,441	39,819	46,161	115,549
Building and Equipment Supplies	32,501	48,590	66,331	62,500	64,375	66,306	68,295	70,344	331,821	384,671	962,906
Other Supplies	1,611	1,816	3,370	4,500	4,635	4,774	4,917	5,065	23,891	27,696	69,329
Remote Tower Operations (if not funded through federal contract tower program)	0	0	0	0	0	0	650,000	669,500	1,319,500	3,661,100	9,164,432
Non-Operating - SIB Origination Fee	0	0	0	0	0	0	0	0	0	11,250	0
Total Operations & Maintenance Expenses	\$959,126	\$1,033,299	\$1,397,603	\$1,292,890	\$1,331,677	\$1,508,127	\$2,203,371	\$2,355,972	\$8,692,036	\$12,894,670	\$32,249,655
Annual Growth Rate	-	7.7%	35.3%	-7.5%	3.0%	13.3%	46.1%	6.9%	11.0%	3.0%	3.0%
Operating Expenses Per Enplaned Passenger:											
Northern Colorado Regional Airport	-	-	-	-	\$88.78	\$50.27	\$45.50	\$47.11	\$57.91	\$46.49	\$36.82
Non-Hub Industry Average	-	-	-	-	\$44.37	\$44.52	\$44.67	\$44.82	\$44.60	\$45.28	\$46.46

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

FNL - MP - V6

Schedule 9-5

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

25-Aug-20

Revenues	Actual 2017	Actual 2018	Actual 2019	Short Term					Mid Term 2025-2029	Long Term 2030-2039	
				Budget 2020	Projected						Total
					2021	2022	2023	2024			
<u>AIRLINE REVENUES</u>											
Landing Fees	\$7,537	\$8,331	\$8,229	\$5,500	\$13,118	\$22,134	\$37,349	\$39,716	\$117,817	\$239,689	\$769,500
ARFF Standby Fees	3,046	649	714	3,000	11,000	18,561	31,320	33,305	97,186	200,997	645,283
Terminal Rent	3,550	2,450	2,300	3,500	5,500	9,281	15,660	16,652	50,593	100,499	322,642
Total Airline Revenues	\$14,133	\$11,430	\$11,243	\$12,000	\$29,618	\$49,976	\$84,329	\$89,673	\$265,596	\$541,184	\$1,737,425
Annual Growth Rate	-	-19.1%	-1.6%	6.7%	146.8%	68.7%	68.7%	6.3%	51.5%	6.3%	6.3%
Airline Cost Per Enplaned Passenger:											
Northern Colorado Regional Airport	-	-	-	-	\$1.97	\$1.67	\$1.74	\$1.79	\$1.79	\$1.95	\$1.98
Non-Hub Industry Average	-	-	-	-	\$9.19	\$9.22	\$9.25	\$9.28	\$9.23	\$9.38	\$9.62
<u>NON-AIRLINE REVENUES</u>											
Fuel Flowage Fees (Gas & Oil Commissions)	\$152,779	\$199,017	\$190,731	\$180,000	\$190,711	\$202,059	\$214,083	\$224,419	\$1,011,273	\$1,295,480	\$3,716,099
State Aviation Fuel Tax Rebates	92,088	94,326	137,981	95,000	100,653	106,642	112,988	118,444	533,727	683,726	1,961,275
County Aviation Fuel Tax Rebates	15,093	17,754	18,680	18,000	19,071	20,206	21,408	22,442	101,127	129,548	371,610
FBO Rent (Land)	78,216	98,060	88,336	88,250	90,898	93,624	96,433	99,326	468,531	543,156	1,359,623
Hangar Rent	115,834	117,155	131,782	150,000	154,500	159,135	163,909	168,826	796,370	923,212	2,310,974
Land & Facilities Rent	193,554	232,541	650,497	644,000	663,320	683,220	703,716	724,828	3,419,083	3,963,655	9,921,783
Airport Commissions	3,300	3,300	3,600	2,400	2,472	2,546	2,623	2,701	12,742	14,771	36,976
Terminal Concessions	0	0	0	0	19,800	36,781	68,327	72,664	197,572	441,856	1,769,284
Parking Revenue	13,595	9,940	11,240	10,000	62,250	112,271	202,485	209,065	596,070	1,159,737	3,661,998
Badging Fees	10,423	13,527	11,618	11,000	11,330	11,670	12,020	12,381	58,400	67,702	169,471
Miscellaneous Revenue	14,815	11,260	2,555	2,500	0	0	0	0	2,500	0	0
Total Non-Airline Revenues	\$689,697	\$796,880	\$1,247,020	\$1,201,150	\$1,315,005	\$1,428,155	\$1,597,992	\$1,655,096	\$7,197,397	\$9,222,843	\$25,279,094
Annual Growth Rate	-	15.5%	56.5%	-3.7%	9.5%	8.6%	11.9%	3.6%	5.8%	3.7%	4.4%
<u>NON-OPERATING REVENUES</u>											
Investment Income	\$25,965	\$31,930	\$118,764	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000	\$125,000	\$250,000
City Contributions	520,000	485,000	0	0	0	0	0	0	0	0	0
CARES Act Grant - O&M Funding	0	0	0	400,000	400,000	600,000	600,000	0	2,000,000	0	0
Total Non-Operating Revenues	\$545,965	\$516,930	\$118,764	\$425,000	\$425,000	\$625,000	\$625,000	\$25,000	\$2,125,000	\$125,000	\$250,000
Annual Growth Rate	-	-5.3%	-77.0%	257.9%	0.0%	47.1%	0.0%	-96.0%	-26.8%	0.0%	0.0%
Total Revenues	\$1,249,795	\$1,325,240	\$1,377,027	\$1,638,150	\$1,769,622	\$2,103,131	\$2,307,321	\$1,769,769	\$9,587,993	\$9,889,028	\$27,266,519
Annual Growth Rate	-	6.0%	3.9%	19.0%	8.0%	18.8%	9.7%	-23.3%	5.1%	3.8%	4.5%
Operating Revenues Per Enplaned Passenger:											
Northern Colorado Regional Airport	-	-	-	-	\$89.64	\$49.27	\$34.74	\$34.89	\$52.14	\$35.20	\$30.84
Non-Hub Industry Average	-	-	-	-	\$46.75	\$46.91	\$47.07	\$47.23	\$46.99	\$47.71	\$48.95

**NORTHERN COLORADO REGIONAL AIRPORT (FNL)
Cities of Loveland and Fort Collins, Colorado**

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Schedule 9-6

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

25-Aug-20

Operating/Capital Cash Flow	Short Term					Total	Mid Term 2025-2029	Long Term 2030-2039
	Budget	Projected						
	2020	2021	2022	2023	2024			
Passenger Enplanements	1,000	15,000	30,000	48,431	50,005	144,436	277,390	875,890
Annual Growth Rates	-	1400.00%	100.00%	61.44%	3.25%	165.92%	3.9%	6.6%
Operating Cash Flow								
Revenues:								
Airline Revenues	\$12,000	\$29,618	\$49,976	\$84,329	\$89,673	\$265,596	\$541,184	\$1,737,425
Non-Airline Revenues	1,201,150	1,315,005	1,428,155	1,597,992	1,655,096	7,197,397	9,222,843	25,279,094
Non-Operating Revenues	425,000	425,000	625,000	625,000	25,000	2,125,000	125,000	250,000
Subsidy Needed to Fund Air Traffic Control Costs	0	0	0	0	586,203	586,203	3,005,642	4,983,135
Total Revenues	\$1,638,150	\$1,769,622	\$2,103,131	\$2,307,321	\$2,355,972	\$10,174,196	\$12,894,670	\$32,249,655
Operations & Maintenance Expenses	(1,292,890)	(1,331,677)	(1,508,127)	(2,203,371)	(2,355,972)	(8,692,036)	(12,894,670)	(32,249,655)
Total Net Operating Cash Flow Available For Capital Expenditures	\$345,260	\$437,945	\$595,004	\$103,950	\$0	\$1,482,159	\$0	\$0
Capital Cash Flow								
Beginning Cash Balance	\$2,523,742	\$2,869,002	\$3,143,947	\$3,199,194	\$2,866,053	\$2,523,742	\$1,952,892	\$1,786,747
Other Capital Funding Sources:								
AIP Entitlement Grants:	\$1,000,000	\$150,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,150,000	\$5,000,000	\$10,960,979
AIP Entitlement unspent current year + carryover	(1,379,714)	0	0	0	0	0	(55,682)	(0)
AIP Entitlements carryover from the prior years	685,000	1,379,714	(0)	(0)	(0)	685,000	(0)	55,682
AIP Discretionary Grants	0	900,286	0	688,418	12,168,453	13,757,157	5,506,538	42,522,265
CARES Capital Funding	1,233,921	0	13,665,798	0	0	14,899,719	0	0
CDOT Aviation Grants	0	385,000	355,556	93,801	250,000	1,084,357	1,747,270	2,458,186
Passenger Facility Charges:	0	0	118,530	191,351	197,569	507,450	1,095,968	3,460,641
PFC beginning year unliquidated balance	0	0	0	118,530	112,079	0	9,648	22,700
PFC unspent current year + carryover	0	0	(118,530)	(112,079)	(9,648)	(9,648)	(22,700)	0
SIB Debt Proceeds (10 yrs, 2.5%) Thru 2037	0	0	0	0	0	0	1,250,000	0
Less Debt Principal Funded with PFCs	0	0	0	0	0	0	(225,936)	(1,024,064)
Private 3rd Party Funding	0	0	5,700,000	109,273	0	5,809,273	24,007,138	6,933,405
Other Anticipated Capital Funding Sources	\$1,539,207	\$2,815,000	\$20,721,354	\$2,089,294	\$13,718,453	\$40,883,308	\$38,312,244	\$65,389,793
Funding Shortfall	0	0	0	0	0	0	40,435,988	42,722,248
Other Required Capital Funding Sources	\$1,539,207	\$2,815,000	\$20,721,354	\$2,089,294	\$13,718,453	\$40,883,308	\$78,748,231	\$108,112,041
Total Funds Required for Capital Expenditures	\$4,408,209	\$6,121,947	\$24,460,305	\$5,392,438	\$16,584,506	\$44,889,209	\$80,701,123	\$109,898,788
Capital Improvement Program Expenditures	1,539,207	2,978,000	21,261,111	2,526,385	14,631,615	42,936,317	78,914,376	108,112,041
Ending Cash Balance	\$2,869,002	\$3,143,947	\$3,199,194	\$2,866,053	\$1,952,892	\$1,952,892	\$1,786,747	\$1,786,747

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