FY 2018 Budget
Line Item Definitions and Assumptions

Approved 9 February 2017

KXSA Line Item Definitions and Assumptions for FY 2018 (July 1, 2017 – June 30, 2018)

Operating Revenue:

100 County Stipend
Budgeted amounts and date of payments are prescribed by the negotiated agreement between the Essex County Board of Supervisors and the Essex County Airport Authority. The Stipend, per the MOU is $30,000 for FY 2018. This Stipend will be terminated at the end of FY 2018.

110 Interest Income - Checking Account
Budgeted amount is based on actual interest income received during the preceding 12 months on all deposit accounts plus a +0.25% in the 2nd qtr. and an additional +.25% in the 4th qtr. in on account balances interest rates.

115 Fuel Profit LL100 and Jet-A
Budgeted amounts are based upon historic sales patterns (with judgment based adjustments). The monthly calculation is made with the following formula: (gross sales - average cost of fuel) - (credit card fees + sales tax collected). A decrease in retail fuel sales is expected and the cost of fuel purchase from the terminal is expected to increase gradually throughout the fiscal year. The retail pump prices will be increased at the time of each fuel cost increase to maintain a 15% net profit.

135 Miscellaneous Revenue
This account is only used to record unusual revenue items.

136b FY-In and Car Show Income
Vendor fees, car show registration, product sales.

145 Tie-Down Fees – Based
Budgeted based aircraft tie-down fees are based upon historical receipts. Monthly Fee is $46.80 and Yearly Fee is $583.20. Fee’s are due at signing of Tie-Down Contract.

146 Tie-Down Fees – Transient
Budgeted transient aircraft tie-down fees are based upon historical receipts. Daily fee is $10, Weekly fee is $25, and monthly fee is $46.80. Fee’s are due at signing of Tie-Down Contract.

148 Office Space Rent
Budgeted based upon the rental contract. The small office is available for rent for non-aviation related businesses or for aviation related businesses.

150 Motor Oil Sales
Budgeted amount is based on the actual sales during the preceding 12 months.

151 Hangar Rental Income
Budgeted based upon existing schedule for contract rentals. Occupancy is based upon a reduction of the Personnel Property Tax by the Board of Supervisors.

Agricultural Land Rent
Cash rent for acres in tillage.

Aviation Land Rent
Longterm Lease Income for leasee constructed aviation facilities.

Forestry Sales
Proceeds from thinning and clear cutting.

Operating Expenses:

200 Salaries – Management
Amount is the Approved Gross Salary for the FY. Does not include benefits or other items. The Authority approved a 1.5% Salary Increase.

200a Cell Phone Allowance
Reimbursement for Official Use of Managers’ personal cell phone at a $30 flat rate. No change from FY 2017.

200b Full Time Employee Benefits
No benefits are currently authorized.

202 Salaries – Part-time
Amount is the Gross Hourly wages for all hourly position (expected hours X position wage) added together for each position during the FY. Does not include benefits or other items. No Increase.

203 Salaries - Bonus
Amount is the amount available for payment during the FY. No Change from FY 2017.

204 Fringe benefits – FICA
Calculated per current laws.

208 Fringe benefits – VA Unemployment
Calculated per VA law and regulations.

209 Administrative – Bookkeeping & Auth. Sec.
Amount is the Gross Wage for the Bookkeeper and Airport Authority Secretary. Does not include benefits or other items. The Authority approved a 1.5% Salary Increase.

211 Electricity – Terminal
This is a payment account (electric service for the terminal building) and a reserve account (2 highest billings during the preceding 12 months).

213 Electricity – Chain
This is a payment account (electric service for the Chain) and a reserve account (2 highest billings during the preceding 12 months).

214 Electricity – Hangars
This is a payment account (electric service and a reserve account (2 highest billings during the preceding 12 months).

216 Facility Internet Access
This is a payment account (internet service for the terminal building) and a reserve account (2 highest billings during the preceding 12 months).

218 Facility TV Service
This is a payment account (television service for the terminal building) and a reserve account (2 highest billings during the preceding 12 months).

219 AWOS
This is a payment account. Based upon previous costs and is net of DOA reimbursements.

222 Facility Insurance
Property and Liability Insurance - Premium estimate provided by Insurance Carrier

223 Maintenance Contracts
Maintenance Contracts - estimates provided by contractors

224 Facility, Building and Grounds Maintenance
Estimated FY repair of facilities and equipment. Purchase costs of new equipment and furnishings.

228 Facility and Building Renovation and Repairs
Estimated FY repairs to facilities and equipment. Purchase costs of new equipment and furnishings.

230 Supplies
Estimated costs of all consumable office and racinly supplies (paper, paper products, cleaning items, equipment with a price or less than $25.00, standard light bulbs, soaps, sovetens, etc.

234 Courtesy Vehicle Operating Costs
Estimated fuel, service costs, inspections, and other related expenses. One sedan.
<table>
<thead>
<tr>
<th>Line Item</th>
<th>Definition/Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>242 Travel Expenses</td>
<td>POV travel (when County Vehicle is not available) and lodging and per diem in conjunction with official travel by Airport Authority Board Members or other Board designated persons.</td>
</tr>
<tr>
<td>244 Dues and Subscriptions</td>
<td>Professional Association memberships and subscriptions to aviation periodicals.</td>
</tr>
<tr>
<td>245 Contractual/Professional Services</td>
<td>Consultant Contract</td>
</tr>
<tr>
<td>248 Accounting</td>
<td>Software</td>
</tr>
<tr>
<td>250 Legal</td>
<td>Expected fees of Authority Attorney.</td>
</tr>
<tr>
<td>254 Miscellaneous Expenses</td>
<td>NOT BUDGETED - This account is only used to record unusual expense items.</td>
</tr>
<tr>
<td>256 Promotion &amp; Advertising Expenses</td>
<td>Estimate costs for print ads, radio announcements, and other expenses in promotion of KXSA</td>
</tr>
<tr>
<td>264 Motor Oil Purchases</td>
<td>Budgeted amount is based on the actual amount of aviation oil purchased during the preceding 12 months.</td>
</tr>
<tr>
<td>270 Equipment Maintenance</td>
<td>Scheduled maintenance costs for consumables (filters, lubrication, routing replaceable parts, etc)</td>
</tr>
<tr>
<td>279 Virginia Sales Tax Remitted</td>
<td>Sales Tax on fuel, oil, services, etc. paid to the Commonwealth of Virginia.</td>
</tr>
<tr>
<td>280 Construction Reserve Funding</td>
<td>To Support the CIP</td>
</tr>
<tr>
<td>281 Maintenance Reserve Funding</td>
<td>To Support the Maintenance Plan.</td>
</tr>
<tr>
<td>282 Equipment Reserve Funding</td>
<td>To Support the CIP.</td>
</tr>
</tbody>
</table>

**Fuel Sales:**
- 270 Fuel Sales: The net profit margin will remain a fixed % regardless of any fluctuation of wholesale terminal prices.

**Bond Debt:**
- Bond Debt was fully assumed by the Board of Supervisors by the MOU signed in 2015.