

AVIATION FUND

Department Description and Mission

The mission of the Houston Airport System (HAS) is to connect the people, businesses, cultures, and economies of the world to Houston.

Our vision is to establish Houston as a five-star global air service gateway where the magic of flight is celebrated.

The core values of HAS are Relationships, Innovation, Service and Excellence (R.I.S.E.).

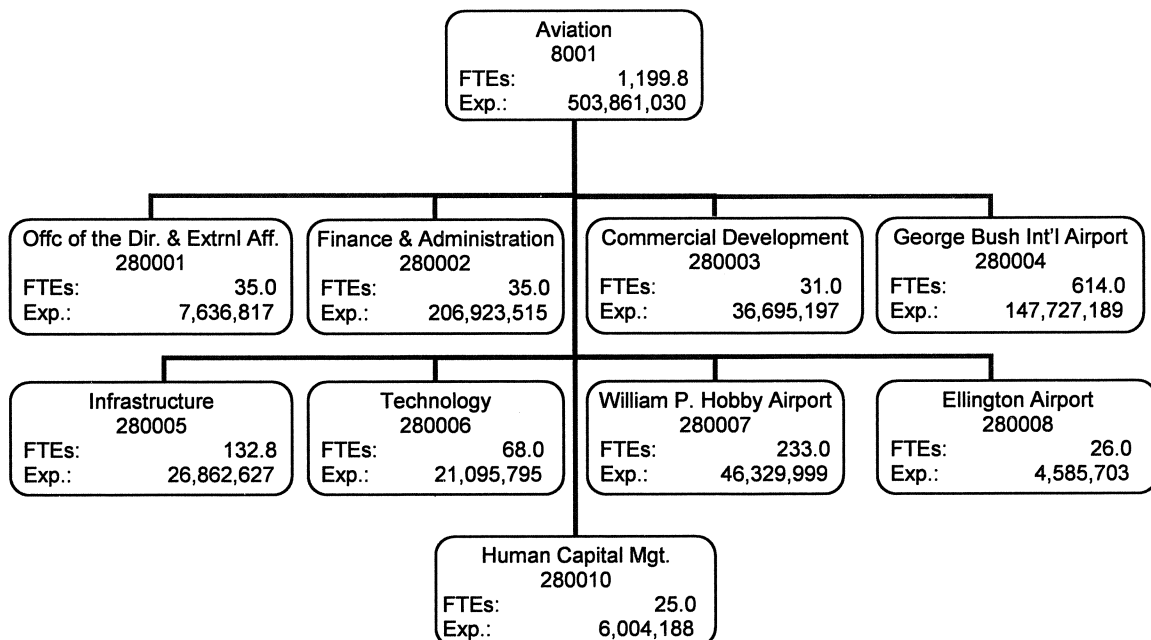
Short-Term Goals

- Upgrade wayfinding at George Bush Intercontinental Airport (IAH) in Terminals A and C as well as C/D/E Parking Garage.
- Continue installation of InFAX Smart Restroom technology at IAH and begin such installation at William P. Hobby Airport (HOU).
- Secure tenants at Ellington Airport (EFD) in support of the Houston Spaceport.
- Begin construction of new air traffic control tower at Ellington Airport (EFD).
- Complete preliminary design for the new Mickey Leland Terminal.
- Maintain actual debt service ratio of at least 1.5x. (This is the ratio of revenues available annually for debt service payments over the total debt service payment.)

Long-Term Goals

- Expand services to enhance the passenger experience with the goal of achieving Skytrax ratings of 5 stars at IAH and HOU.
- Pursue phase I development of the Houston Spaceport.
- Maintain airline cost per enplaned passenger (CPE) within levels that will keep George Bush Intercontinental Airport (IAH) and William P. Hobby Airport (HOU) competitive with peer airports.
- Enhance passenger experience and decrease environmental footprint through the reduction of shuttle bus traffic by constructing a consolidated rental car facility at HOU.
- Maintain debt service coverage ratio of at least 1.4x.

Department Organization



FISCAL YEAR 2018 BUDGET

Fund Summary

Fund Name : HAS-Revenue Fund
Business Area : Houston Airport System
Fund No./Bus. Area No. : 8001 / 2800

	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Beginning Fund Balance	0	0	0
Current Revenues	495,887,166	495,887,166	503,861,030
Total Available Resources	495,887,166	495,887,166	503,861,030
Maintenance and Operations	280,171,701	280,171,701	310,946,353
Debt Services	123,134,826	123,134,826	123,311,237
Renewal / Replacement Cap. Exps.	33,666,796	33,666,796	20,000,000
System Improvements	56,169,713	56,169,713	47,075,712
Other Interest	2,744,130	2,744,130	2,527,728
Total Expenditures	495,887,166	495,887,166	503,861,030
Planned Ending Fund Balance	0	0	0
Total Budget	495,887,166	495,887,166	503,861,030

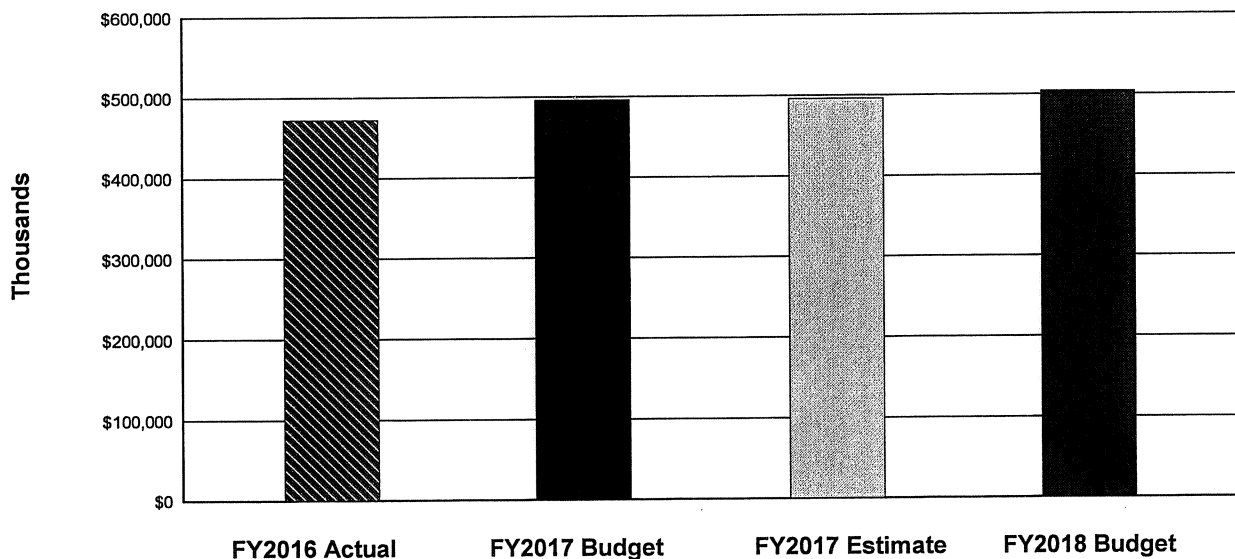


FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

Fund Name : HAS-Revenue Fund					
Business Area : Houston Airport System					
Fund No. /Bus. Area No. : 8001 / 2800		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	123,871,601	104,077,946	104,077,946	111,755,068
	Supplies	8,140,350	8,143,892	8,143,892	9,317,930
	Other Services and Charges	176,329,458	166,765,188	166,765,188	187,280,765
	Non-Capital Equipment	1,113,797	1,182,993	1,182,993	2,486,090
	Total M & O Expenditures	309,455,206	280,170,019	280,170,019	310,839,853
	Debt Service & Other Uses	162,781,222	215,717,147	215,717,147	193,021,177
	Total Expenditure	472,236,428	495,887,166	495,887,166	503,861,030
Revenues		496,793,672	495,887,166	495,887,166	503,861,030
Staffing	Full-Time Equivalents - Civilian	1,187.4	1,161.0	1,161.0	1,199.8
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	1,187.4	1,161.0	1,161.0	1,199.8
	Full-Time Equivalents - Overtime	58.2	54.6	54.6	55.1
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2018 Budget provides funding for the health benefits, pension contribution and municipal employees contractual pay increases. o Continues to focus on providing world-class facilities and customer service in an effort to increase our SKYTRAX ratings at both airports. o Increase in Garage Parking Revenues is attributable to increase in parking rates that were implemented this May; Terminal Space Rental Revenue increase is due to projected increase in M&O costs. 				

**HAS-Revenue Fund
Houston Airport System
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Business Area Performance Measures	
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Fund Name	: HAS-Revenue Fund
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Business Area : Houston Airport System

Fund No. /Bus. Area No. : 8001 / 2800				

Performance Measures	FY2016 Actual	FY2017 Budget	FY2017 Estimate	FY2018 Budget
Airline Costs per Enplaned Passenger (CPE) for HOU	\$7.38	\$7.02	\$6.37	\$6.92
Airline Costs per Enplaned Passenger (CPE) for IAH	\$10.53	\$10.65	\$11.12	\$11.48
Debt Service Coverage Ratio (FY16 is shown net of grants to match other years)	1.49	1.52	1.68	1.55
Passengers Clearing Customs and Border Protection within 30 Minutes (HOU)	99.2%	90%	99.4%	90%
Passengers Clearing Customs and Border Protection within 30 Minutes (IAH)	76.7%	80%	71.7%	80%
Passengers Clearing TSA within 15 Minutes (HOU)	97.3%	95%	97.4%	95%
Passengers Clearing TSA within 15 Minutes (IAH)	96.7%	95%	97.2%	95%
Total M&O per Passenger	\$10.33	\$11.08	\$10.45	\$11.81
Expenditures Adopted Budget vs Actual Utilization	94%	98%	99%	98%
Revenues Adopted Budget vs Actual Utilization	99%	100%	99%	100%

FISCAL YEAR 2018 BUDGET

Division Summary						
Fund Name : HAS-Revenue Fund Business Area : Houston Airport System Fund No. /Bus Area No. : 8001 / 2800						
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
Office of the Director & External Affairs 280001 The Office of the Director consists of the Director's Office, Safety & Emergency Management, Municipal Affairs, External Affairs, and the Office of Business Opportunity .	43.5	8,785,461	35.0	7,329,447	35.0	7,636,817
Finance & Administration 280002 The Finance Division consists of Financial Planning & Analysis, Accounting, Internal Audit and Corporate Strategy. Finance exists to ensure that Houston Airport System (HAS) generates the financial resources necessary to provide the facilities and services that passengers want.	58.2	199,700,397	52.0	230,212,263	35.0	206,923,515
Commercial Development 280003 The Commercial Development Division plans and directs parking facilities and products, concession programs, airline agreements and real estate, air service development, and marketing to maximize customers choices, experiences, and grow non-airline revenue.	27.0	29,220,403	30.0	32,166,609	31.0	36,695,197
George Bush Intercontinental Airport 280004 The George Bush Intercontinental Airport (IAH) Division ensures the highest level of customer service for all passengers, visitors, tenants, and team members through a safe, secure and efficient operating environment by maintaining strict compliance with federal, state and local government regulations.	607.1	136,175,251	594.0	138,399,337	614.0	147,727,189
Infrastructure 280005 The Infrastructure Division is responsible for planning, designing, constructing, and maintaining all Houston Airport System (HAS) physical infrastructure as well as the procurement function. This division constantly monitors all landside facilities, which continue to be developed and maintained to optimize sustainability and life-cycle costs.	119.4	29,479,789	119.0	19,428,817	132.8	26,862,627
Technology 280006 The purpose of the Technology Division is to provide technology systems and information that enhance the passenger experience and empowers the Houston Airports to meet its mission and vision. We aim to ensure passengers and business partners experience easy, pleasant, forward thinking and efficient technology platforms where information is relevant and accessible.	60.3	16,774,617	60.0	16,401,443	68.0	21,095,795

FISCAL YEAR 2018 BUDGET

Division Summary							
Fund Name : HAS-Revenue Fund Business Area : Houston Airport System Fund No. /Bus Area No. : 8001 / 2800							
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
William P. Hobby Airport 280007 The William P. Hobby Airport (HOU) Division provides a safe, secure and efficient airport that focuses attention on the needs of its customers, the talent of its employees and the vision of the Aviation Department. HOU's objective is to establish the most efficient and cost effective organization possible within the current economic environment.	227.7	43,213,517	226.0	42,379,692	233.0	46,329,999	
Ellington Airport 280008 The Ellington Airport (EFD) Division provides a safe, secure and efficient airport focusing attention on the needs of its customers, the talent of its employees and the vision of the Aviation Department. Additionally, EFD is responsible for the development of the Houston Spaceport.	26.4	4,070,031	23.0	4,226,300	26.0	4,585,703	
Human Capital Management 280010 The Human Capital Management Division provides services that enable the organization to attract, support, retain and develop the diverse talent needed to achieve and sustain the airport's mission, vision and strategic objectives.	17.8	4,816,962	22.0	5,343,258	25.0	6,004,188	
Total	1,187.4	472,236,428	1,161.0	495,887,166	1,199.8	503,861,030	

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

Fund Name : HAS-Revenue Fund
Business Area : Houston Airport System
Fund No./Bus. Area No. : 8001 / 2800

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Licenses and Permits	0	330,000	330,000	363,260
Intergovernmental	4,925	0	0	0
Charges for Services	485,500,510	485,687,488	485,687,488	493,803,590
Other Fines and Forfeits	48	0	0	0
Interest	6,986,052	9,200,000	9,200,000	9,000,000
Miscellaneous/Other	3,339,565	650,270	650,269	694,180
Other Resources	962,572	19,408	19,409	0
Grand Total Revenues	<u>496,793,672</u>	<u>495,887,166</u>	<u>495,887,166</u>	<u>503,861,030</u>