

Beaufort County Airports  
Lady's Island Airport  
Hilton Head Island Airport  
Financial Highlights as of March 31, 2016

Lady's Island Airport

- Fiscal Year 2016 revenues are 68% of the annual budget while expenses are 61% of the annual budget.
- Non-operating expenses exceed non-operating revenues due to expenses that have not been funded via a Federal Aviation Administration Grant. These expenses are expected to be funded in the near future.

Hilton Head Island Airport

- Fiscal Year 2016 revenues are slightly less than the same time period as prior year. This is mainly due to uncontrollable circumstances (i.e., weather causing equipment failure and flight cancellations).
- Fiscal Year 2016 expenses include an unappropriated expense. See Note 1 on page 2 of the Hilton Head Island Airport Financial Statements.
- On page 4 of the Hilton Head Island financial statements is the Statement of Cash Flows. There has been a significant decrease in the negative equity in pooled cash and a decrease in the Note Payable to the Debt Service Fund.
- The negative equity in pooled cash is mainly affected by the timing of grant receipts and capital project expense payments.
- The Hilton Head Island Airport has two (2) bonds that were issued in 2007 and 2014. The total annual debt service on these bonds is approximately \$250,000 including principal and interest.

**PRELIMINARY AND UNAUDITED**  
**BEAUFORT COUNTY, SOUTH CAROLINA**  
**STATEMENT OF NET POSITION**  
Hilton Head Island Airport

	March 31, 2016	March 31, 2015
<b><u>ASSETS</u></b>		
Current Assets		
Cash and Investments with Trustee	\$ 200	\$ 200
Receivables, Net	733,340	1,518,417
Prepayments	-	26,233
Total Current Assets	733,540	1,544,850
Capital Assets	31,547,786	29,488,687
Accumulated Depreciation	(9,186,727)	(8,637,390)
	22,361,059	20,851,297
Total Assets	23,094,599	22,396,147
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Contributions to pension plan	98,426	-
Pension experience differences	30,485	-
Total deferred outflows of resources	128,911	-
Total assets and deferred outflows of resources	\$ 23,223,510	\$ 22,396,147
<b><u>LIABILITIES</u></b>		
Liabilities		
Account Payable	550,603	370,317
Accrued Payroll	21,700	39,051
Accrued Compensated Absences	4,786	4,786
Negative Equity in Pooled Cash	1,161,318	718,811
Current Portion of Note Payable to Debt Service Fund	156,400	152,472
Total Current Liabilities	1,894,807	1,285,437
Noncurrent Liabilities		
Accrued Compensated Absences	44,245	40,368
Net Other Postemployment Benefits Obligation	17,770	386,671
Net Pension Liability	1,126,714	-
Note Payable to Debt Service Fund	3,310,280	3,466,680
Total Noncurrent Liabilities	4,499,009	3,893,719
Total Liabilities	6,393,816	5,179,156
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Net pension change in projected investment earnings	122,402	-
Total deferred inflows of resources	122,402	-
<b><u>NET POSITION</u></b>		
Net investment in capital assets	22,361,059	20,851,297
Unrestricted (Deficit)	(5,653,767)	(3,634,306)
Total Net Position	\$ 16,707,292	\$ 17,216,991
Total liabilities, deferred inflows of resources, and net position	\$ 23,223,510	\$ 22,396,147

**PRELIMINARY AND UNAUDITED**  
 BEAUFORT COUNTY, SOUTH CAROLINA  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 Hilton Head Island Airport  
 For the Period Ended March 31, 2016

	Budget FY 2016	March 31, 2016	Budget to Actual	Percent of Budget
<b>Operating Revenues</b>				
FBO Ground Lease	\$ 52,992	\$ 38,814	\$ (14,178)	73%
FBO Concessions	36,600	3,530	(33,070)	10%
FBO Fuel Commission	280,000	149,701	(130,299)	53%
Passenger Facility Charges	225,000	98,891	(126,109)	44%
Flight Training Commissions	2,500	694	(1,806)	28%
Firefighting Fees	255,100	191,358	(63,742)	75%
Landing Fees	105,000	45,654	(59,346)	43%
Parking/Taxi Fees	55,000	26,060	(28,940)	47%
Security Fees	27,000	19,940	(7,060)	74%
Rentals	618,694	391,179	(227,515)	63%
Hangar Rentals	191,310	121,079	(70,231)	63%
TSA Revenues	65,000	54,720	(10,280)	84%
Other Charges	<u>60,100</u>	<u>90,114</u>	<u>30,014</u>	<u>150%</u>
<b>Total Operating Revenues</b>	<u>1,974,296</u>	<u>1,231,734</u>	<u>(742,562)</u>	<u>62%</u>
<b>Operating Expenses</b>				
Personnel	1,143,761	834,129	(309,632)	73%
Purchased Services	488,743	312,957	(175,786)	64%
Supplies	76,860	30,044	(46,816)	39%
Non-Grant Capital Expenses <sup>1</sup>	-	589,305	589,305	100%
Depreciation	<u>550,000</u>	<u>416,295</u>	<u>(133,705)</u>	<u>76%</u>
<b>Total Operating Expenses</b>	<u>2,259,364</u>	<u>2,182,730</u>	<u>(76,634)</u>	<u>97%</u>
<b>Operating Income (Loss)</b>	(285,068)	(950,996)	(665,928)	
<b>Non-Operating Revenues (Expenses)</b>				
FAA Grants	3,000,000	5,287,651	2,287,651	176%
SCAC Grants	120,000	-	(120,000)	0%
Non-Operating Grant Expenses	(3,240,000)	(1,840,107)	1,399,893	57%
Interest Earned	-	269	269	100%
Interest Expense	<u>(135,000)</u>	<u>(69,215)</u>	<u>65,785</u>	<u>51%</u>
<b>Total Non-Operating Revenues</b>	<u>(255,000)</u>	<u>3,378,598</u>	<u>3,633,598</u>	<u>-1325%</u>
<b>Change in Net Position</b>	(540,068)	2,427,602	2,967,670	
<b>Net Position, Beginning</b>	<u>14,279,690</u>	<u>14,279,690</u>		
<b>Net Position, Ending</b>	<u>\$ 13,739,622</u>	<u>\$ 16,707,292</u>	<u>\$ 2,967,670</u>	<u>122%</u>

Note 1: This expense includes \$500,000 paid on behalf of Palmetto Hall Plantation and was not appropriated within the budget for the Hilton Head Island Airport. Beaufort County, Town of Hilton Head and Palmetto Hall entered into a Memorandum of Understanding in December 2015.

**PRELIMINARY AND UNAUDITED**  
 BEAUFORT COUNTY, SOUTH CAROLINA  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 Hilton Head Island Airport  
 For the Period Ended March 31, 2015

	Budget FY 2015	March 31, 2015	Budget to Actual	Percent of Budget
<b>Operating Revenues</b>				
FBO Ground Lease	\$ 52,992	\$ 38,814	\$ (14,178)	73%
FBO Concessions	36,600	10,690	(25,910)	29%
FBO Fuel Commission	280,000	167,348	(112,652)	60%
Passenger Facility Charges	225,000	150,521	(74,479)	67%
Flight Training Commissions	2,500	2,470	(30)	99%
Firefighting Fees	255,100	191,358	(63,742)	75%
Landing Fees	105,000	76,976	(28,024)	73%
Parking/Taxi Fees	55,000	51,818	(3,182)	94%
Security Fees	27,000	19,940	(7,060)	74%
Rentals	618,694	413,426	(205,268)	67%
Hangar Rentals	191,310	137,059	(54,251)	72%
TSA Revenues	120,000	47,290	(72,710)	39%
Other Charges	<u>60,100</u>	<u>41,205</u>	<u>(18,895)</u>	<u>69%</u>
<b>Total Operating Revenues</b>	<u>2,029,296</u>	<u>1,348,915</u>	<u>(680,381)</u>	<u>66%</u>
<b>Operating Expenses</b>				
Personnel	1,019,163	820,426	(198,737)	80%
Purchased Services	467,843	358,470	(109,373)	77%
Supplies	84,360	47,711	(36,649)	57%
Depreciation	<u>600,000</u>	<u>416,295</u>	<u>(183,705)</u>	<u>69%</u>
<b>Total Operating Expenses</b>	<u>2,171,366</u>	<u>1,642,902</u>	<u>(528,464)</u>	<u>76%</u>
<b>Operating Income (Loss)</b>	(142,070)	(293,987)	(151,917)	207%
<b>Non-Operating Revenues (Expenses)</b>				
FAA Grants	3,119,290	742,859	(2,376,431)	24%
SCAC Grants	120,000	90,849	(29,151)	76%
Bond Proceeds	2,260,000	2,260,000	-	100%
Non-Operating Grant Expenses	(3,240,000)	(1,816,824)	1,423,176	56%
Interest Earned	-	255	255	100%
Interest Expense	<u>(29,508)</u>	<u>(55,333)</u>	<u>(25,825)</u>	<u>188%</u>
<b>Total Non-Operating Revenues</b>	<u>2,229,782</u>	<u>1,221,806</u>	<u>(1,007,976)</u>	<u>55%</u>
<b>Change in Net Position</b>	2,087,712	927,819	(1,159,893)	
<b>Net Position, Beginning</b>	<u>16,289,172</u>	<u>16,289,172</u>		
<b>Net Position, Ending</b>	<u>\$ 18,376,884</u>	<u>\$ 17,216,991</u>	<u>\$ (1,159,893)</u>	<u>94%</u>

**PRELIMINARY AND UNAUDITED**  
**BEAUFORT COUNTY, SOUTH CAROLINA**  
**STATEMENT OF CASH FLOWS**  
Hilton Head Island Airport  
For the period ending March 31, 2016

Change in Net Position	\$ 2,427,602
Plus Depreciation	<u>416,295</u>
Change in unrestricted net assets	2,843,897
Cash provided by (used for) operating activities:	
Decrease in Receivables	780,480
Decrease in Prepaid Expenses	26,233
Increase in Accounts Payable	283,577
Decrease in Accrued Payroll	<u>(61)</u>
	1,090,229
Cash provided by (used for) financing activities:	
Decrease in Negative Equity in Pooled Cash	(3,819,409)
Decrease in Note Payable to Debt Service Fund	<u>(114,717)</u>
	(3,934,126)
Change in cash	-
Beginning Cash, July 1, 2015	<u>200</u>
Ending Cash, March 31, 2016	<u><u>\$ 200</u></u>