

**Accounting for Passenger Landing Fee Rates  
LAX FY2017 Budget**

FY2017 Proposed Budget Passenger Rate	<b>\$4.50</b>
FY2016 Adopted Budget Passenger Rate	<b>\$4.38</b>
	<b>\$0.12</b>

<b>Accounting for Combined Landing Fee Rate</b>		<b>Variance</b>	<b>Notes</b>
<b>Operating Expenses</b>		<b>\$0.25</b>	<b>See table and Sections a - e below, for Variance Analysis. Please note that dollar amounts in the sections below may not exactly add up to the table totals below, due to line items/amounts not shown if immaterial to the rate change.</b>
Amortization		\$0.05	\$2.6m net increase in FY17 amortization mainly due to \$3.8m gross increase [\$3.3m higher project amortization for new projects (Taxi Holding Lot Relocation, West Aircraft Maintenance Area (WAMA), Runway 6L-24R RSA Impr, ARFF Vehicles, BW Aprons/Demo Northeast Side, Underground Storage Tanks) and \$0.3m higher indirect Access (New Face CTA - Ph2 at 50% ACC, BW Traffic Mitigation at World Way S/Ctr Way, Second Level Roadway Repairs)], reduced by (\$1.0m) gross decrease [(\$0.5m) higher Bond Proceeds funding (Aircraft & Noise Monitoring Mgmt System), (\$0.3m) full amortization of assets and (\$0.2m) lower project cost (Txln T - Phase 1)].
Debt Service Expense	\$0.45	\$0.11	\$6.0m net increase in FY17 debt funding for \$5.6m Airfield and \$0.4m Apron projects mainly due to \$3.0m Future Series - Sub (WAMA at 62% AIR/38% AVA, T1 Apron (Southwest) Project), \$1.4m Series 2013B (Runway 6L-24R RSA Impr, BW Aprons/Demo NE Side, WAMA), \$1.2m Indirect Access Expense (Second Level Roadway Repairs, New Face CTA-Ph2 at 50% ACC), and \$0.5m Series 2010C (Runway 6L-24R RSA Impr), reduced by (\$0.1m) Series 2009C debt service due to lower project costs (Twy S, Crossfield Twy).
Reserves		\$0.02	higher overall increase in Airfield operating expenses
VNY Reliever Net Costs		\$0.02	\$0.8m net increase due to \$1.0m gross increase in Operating Expenses (\$0.6m VNY CFR and \$0.4m VNY Maint Personnel), reduced by (\$0.2m) gross decrease in Amortization.
Landing Units	(\$0.33)	(\$0.33)	due to 4.5m or 8.0% higher landing units
		<b>\$0.12</b>	

<b>Net Increase of Twenty-five Cents in Operating Expenses:</b>		
<b>a. Salaries &amp; Benefits</b>	<b>\$0.12</b>	\$6.2m increase, see below (9 cents AIR, 3 cents APR)
<b>b. Contractual Services</b>	<b>\$0.09</b>	\$4.5m increase, see below (7 cents AIR, 2 cents APR)
<b>c. Materials &amp; Supplies</b>	<b>\$0.03</b>	\$1.4m increase, see below (2 cents AIR, 1 cent APR)
<b>d. Higher Reimbursed Costs</b>	<b>(\$0.02)</b>	(\$0.9m) decrease, see below (-2 cents AIR, 0 cent APR)
<b>Indirect Expense - Admin</b>	<b>\$0.00</b>	\$1.7m increase, (0 cent AIR, 0 cent APR)
<b>e. Indirect Expense - Access</b>	<b>\$0.03</b>	\$1.8m increase, see below (3 cents AIR)
	<b>\$0.25</b>	<b>\$14.7m net increase (19 cents AIR, 6 cents APR)</b>

<b>a. Increase Due to Salaries</b>	<b>\$0.12</b>	
Airport Police	0.07	\$4.2m increase, due to \$1.6m higher headcount and COLA [\$0.9m (23) Security Access Ctrl (31.3% AIR, 17% APR), \$0.2m (2) Law Enf/Homeland Sec (34% AIR), \$0.2m (4) Emerg Svcs (30% AIR), \$0.1m (2) Training & Recruit (34% AIR), \$0.1m (3) APD ARCC (34% AIR), and \$0.1m (3) Admin & Proj (34% AIR)], \$0.7m higher charges [\$0.2m Watch 2 (30% AIR), \$0.2m Dignitary Protec (100% AIR), \$0.1m APD Fiscal Ops (34% AIR), \$0.1m Offcr in Training (34% AIR), and \$0.1m Watch 1 (30% AIR)], \$1.3m Retirement, \$0.3m Health, and \$0.1m Workers Comp.
Environmental Services	0.06	\$3.2m increase, due to staff transfer (21) from HazMat/WQ/Commit&WD (100% ADM) to direct cost center Environmental Performance (85% AIR, 15% ADM) -- for oversight and advisory role in facilitating and coordinating environmental compliance activities among various LAWA divisions and groups. New section is comprised of the 3 following units: 9 - Noise Mgmt (100% AIR), 6 - Mitigation Compliance (100% AIR), and 6 - Sustainability (50% AIR, 50% ADM).
Capital Programming Planning & Engr	0.02	\$1.1m increase, due to \$0.7m higher headcount (6) by FPD Airside Improv. (100% AIR) and \$0.4m higher charges by FPD Airside (100% AIR).
Maintenance Services	0.02	\$1.0m increase, due to \$0.5m higher headcount (3, from 6 to 9) for Airfield Bus Maintenance (100% APR) and \$0.5m cost center allocation updates for Asphalt Paving Crew and Field Paint.
Airport Operations	(0.04)	(\$2.3m) decrease, due to lower headcount (-62) from Ops stff reorg (PP15): (\$1.6m) Duty Ops (41.6% AIR) (-44 from 76 to 32) and (\$0.8m) other sections [-4 Reg Cmpl (27% AIR), -8 Ops Coord (20% AIR), -3 Cons. Desk (75% AIR), -3 LAX Dir (27% AIR)], reduced by \$0.1m higher OT by Bus Ops (100% APR).
Engineering & Facilities Mgmt	(0.01)	(\$1.1m) decrease, mainly due to (\$0.8m) lower avg headcount due to reorg [(\$0.5m) (11) EFM Div Admin (42% AIR), (\$0.2m) (9) EFM Fac & Infra Proj (54% AIR), and (\$0.1m) (6) EFM Tech Support] and (\$0.3m) lower charges by EFM Airfield.
	<b>0.12</b>	<b>\$6.2m total payroll increase mainly due to higher headcount/ COLA/ Retirement/ Health and allocated charges by Airport Police, CPPE Airside/Impr, and MSD Airfield Bus Maint; and Environmental Services staff transfer to direct cost centers.</b>

**b. Increase Due to Contractual Services**

	<u>\$0.09</u>	
Capital Programming Planning & Engr	0.05	\$3.1m increase, due to \$2.0m Airside/Landside Planning Studies, \$0.9m Airport Pavement Mgmt Consultant, and \$0.2m Pax Survey by FPD Airside Improvements (100% AIR).
City Services - LAFD and LAPD	0.04	\$2.0m increase, due to higher City Services Bill: \$1.3m due to \$2.4m higher Fire Services (CFR Allocation: 56% AIR, 1% APR) and \$0.7m due to \$2.0m higher Police Services (Matrix: 14% AIR, 21% APR).
Airport Operations - Bus Ops	0.01	\$0.5m increase, due to \$0.4m increase in Airfield Passenger Busing Services to transport arriving international passengers to terminal with staffed FIS per CBP's changing operating hours by Bus Ops (100% APR) and \$0.1m increase in Ops & Maintenance of Commercial Vehicle Holding Lot at (\$0.4m) by Airport Permits (33% AIR, 67% COM).
Engineering & Facilities Mgmt	(0.01)	(\$0.9m) decrease, mainly due to (\$0.8m) lower Consulting Svcs [\$0.6m by Engr & Facil Mgmt at \$2.2m (30% AIR) and \$0.2m by EFM Tech Support at \$1.7m (10% AIR)] and (\$0.1m) due to rounding.
	<u><u>0.09</u></u>	<b>\$4.5m total increase, mainly due to CPPE Airside/Landside Planning Studies and Airport Pavement Mgmt Consultant, and City Services for Fire and Police Services.</b>

**c. Increase Due to Materials & Supplies**

	<u>\$0.03</u>	
Maintenance Services - Field Paint	0.01	\$0.6m increase, due to Field Paint Supp/Svcs by MSD-FLD Airfield at \$1.3m (50% AIR increase -- allocation updated) for plane parking at public remote gates.
Maintenance Services - Field Airfield	0.01	\$0.5m increase, due to \$0.3m Runway Rubber Removal and \$0.2m Ramp Cleaning/Scrubbing for remote hardstand plane parking by MSD-FLD Airfield (100% AIR).
Maintenance Services - Field Apron	0.01	\$0.2m increase due to Asphalt Paving Crew staffing cost at \$3.7m (10% APR) * 60% APR for plane parking for CTA passenger gates.
	<u><u>\$0.03</u></u>	<b>\$1.3m total increase, mainly due to Maintenance Services for Field Paint, Runway Rubber Removal, Ramp Cleaning, and Asphalt Paving.</b>

**d. Decrease Due to Higher Reimbursed Costs for Plane Parking at Public Aircraft Gates**

	<u><u>(0.02)</u></u>	
Duty Ops	(0.01)	\$0.3m increase due to higher overall Salaries & Benefits from COLA increase for Duty Ops staff (3) assigned to public plane parking at \$0.5m (3/32 total Duty Ops staff or 9% AIR share of \$4.8m salaries & benefits) vs. \$0.2m in FY16 (3/75 or 4% share of \$11.7m * 41% AIR for cargo carrier revenue).
Apron Cleaning	(0.01)	\$0.3m increase due to \$0.2m higher Apron Cleaning at \$0.8m (20% higher allocation at 40% AIR in FY17 vs. 20% AIR in FY16) and \$0.1m higher indirect cost allocation to AIR.
	<u><u>(0.02)</u></u>	<b>(\$0.9m) total decrease, due to higher reimbursed costs for Plane Parking at Public Aircraft Gates for remote, hardstand positions.</b>

**e. Increase Due to Indirect Access Expense**

	<u>\$0.03</u>	
Salaries and Benefits	0.01	Higher by \$0.6m (32% AIR/APR * \$2.1m increase (\$2.1m net incr mainly due to \$3.8m gross incr [\$3.5m higher headcount/charges by LAW and \$0.3m incr by CDG-LND], reduced by (\$1.7m) gross decr [(\$1.2m) lower headcount (-12) by MSD Landscaping and charges by MSD-FLD Rdways & SW, (\$0.3m) lower headcount (-42) by Duty Ops (6% ACC), and (\$0.2m) lower headcount (3) by FPD Lnd Improv].
Contractual Services	0.02	Higher by \$1.2m (32% AIR/APR * \$3.9m net increase due to \$4.8m gross incr [\$4.5m higher LND FlyAway & Shuttle Bus Ops and \$0.3m City Svcs - LAPD], reduced by (\$0.9m) gross decr [(\$0.7m) AE P&E Costs and (\$0.2m) LAW Cont. for Subject Matter Experts].
	<u><u>\$0.03</u></u>	<b>\$1.8m increase in indirect Access expense, mainly due to higher Shuttle Bus/ FlyAway Bus Ops Contracts, Airport Police personnel costs and City Svcs-LAPD.</b>

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**Table 1 - Airfield & Apron Rate Calculation and Variance Explanation**

FY17 Budget Landing Fee Rates

• Increase in Passenger (Combined Rate)	\$	0.12	↑
FY17 Budget Rate:	\$	4.50	
FY16 Budget Rate:	\$	4.38	
• Increase in Airfield (Cargo/Remote Commuter Rate)	\$	0.08	↑
FY17 Budget Rate:	\$	3.54	
FY16 Budget Rate:	\$	3.46	

Landing Fee Variance Explanation Highlights

**Los Angeles International Airport  
Airfield & Apron Rate Calculation  
FY 2017 Budget Rates**

Airfield Rate	Ref	Budget		Fav (Unfav) Variance		Increase (Decrease) LF Rate		Comments
		2017	2016	\$	%			
Operating Expense	T.2	\$ 151,153,911	\$ 139,347,276	\$ (11,806,635)	-8.47%	\$	0.19	(\$11.8m) net increase due to (\$9.9m) higher Airfield Operating Expense [(\$5.1m) 510- APD/ESD/CPP/ADG higher headcount & COLA, (\$3.7m) 520- \$3.1m CPP Airside Impr, \$1.6m City Svcs, (\$1.2m) 522-MSD), (\$1.4m) higher indirect Admin Expense (510-AE reorg, 104-IMTG) and (\$1.4m) higher indirect Access Expense (510-APD/CDG-LND, 520-Shuttle Svcs/FlyAway), reduced by \$0.9m higher Plane Parking Revenue.
Amortization Expense	T.5	13,832,130	12,626,713	(1,205,418)	-9.55%		0.02	(\$1.2m) net increase mainly due to (\$2.0m) new assets (THLR, WAMA, WAMA (Qantas), Rwy 6R-24L RSA & Rehab, ARFF Vehicles, OCIP, UST) and (\$0.2m) higher indirect Access (NFace of CTA-Ph 2, BW Traf Mitig at WWS/Ctr Way, SL Rdwy Repairs), reduced by \$0.5m higher BP funding, \$0.3m end of useful life assets, and \$0.2m lower project cost (Tx-In T).
Debt Service Expense	T.6	56,013,974	50,358,823	(5,655,151)	-11.23%		0.10	(\$5.6m) increase mainly due to (\$2.6m) Future Series - Sub (WAMA), (\$1.7m) Series 2013B (Rwy 6L-24R RSA, WAMA), (\$0.5m) Series 2010C (Rwy 6L-24R RSA), and (\$0.9m) indirect ACC (SLR Repairs, NFCTA-Ph2), reduced by \$0.1m Series 2009C due to lower project costs.
Debt Service Coverage		-	-	-	-		-	
Build America Bonds Subsidy	T.6.1	(7,621,094)	(7,719,652)	(98,558)	1.28%		-	
Net Debt Service Expense		48,392,880	42,639,171	(5,753,708)	-13.49%		0.10	
Reserves	T.7	2,055,496	1,050,336	(1,005,160)	-95.70%		0.02	higher reserve requirement due to overall increase in operating expenses
Van Nuys Reliever Net Costs	T.8	1,708,914	880,922	(827,992)	-93.99%		0.02	(\$0.8m) incr due to (\$1.0m) incr in Operating Expenses (\$0.6m VNY CFR and \$0.4m VNY Maint Personnel), reduced by \$0.2m decr in Amortization.
Total Costs		\$ 217,143,330	\$ 196,544,418	\$ (20,598,912)	-10.48%	\$	0.35	
Landing Units in 1,000s	T.9	61,389,188	\$ 56,864,898	\$ 4,524,290	7.96%		(0.27)	8.0% increase in combined forecast
Rate Per 1,000 # unit		\$ 3.54	\$ 3.46	(0.08)	-2.31%	\$	0.08	
<b>Apron Rate</b>								
Operating Expense	T.2	\$ 36,670,640	\$ 33,748,432	(2,922,208)	-8.66%	\$	0.06	(\$2.9m) increase due to (\$2.2m) higher Apron Operating Expense [(\$0.6m) LAW & (\$0.5m) MSD Bus Maint due to higher headcount and (\$0.1m) OT for OEM Bus Ops, (\$0.4m) LAPD Bill, (\$0.4m) Bus Ops Contract, and (\$0.2m) Eqmt/Vehicles], (\$0.3m) higher indirect Admin Expense, and (\$0.4m) higher indirect Access Expense.
Amortization Expense	T.5	4,064,036	\$ 2,673,364	(1,390,672)	-52.02%		0.03	(\$1.4m) increase due to (\$1.3m) new assets (BW Aprons/Demo NE Side, UST) and (\$0.1m) higher indirect Access (NFCTA-Ph2, BW Traffic Mitig-WWS/Ctr Wy, SLR Repairs).
Debt Service Expense	T.6	9,454,437	\$ 9,091,444	(362,993)	-3.99%		0.01	(\$0.4m) increase mainly due to (\$0.4m) Future Series - Sub (T1 Apron) and (\$0.3m) indirect ACC (Series 2015B and 2015E: NFCTA-Ph2, SLR), reduced by \$0.3m Series 2013B (WAMA - 0% APR).
Debt Service Coverage		-	-	-	-		-	
Reserves	T.7	498,673	\$ 254,380	(244,293)	-96.03%		-	higher reserve requirement due to overall increase in operating expenses
Total Costs		\$ 50,687,785	\$ 45,767,620	(4,920,166)	-10.75%	\$	0.10	
Landing Units in 1,000s	T.9	\$ 52,989,818	\$ 49,565,902	3,423,916	6.91%		(0.06)	6.9% increase in passenger forecast due to anticipated growth, as provided by airlines for FY17 budget and/or FY16 estimate
Rate Per 1,000 # unit		\$ 0.96	\$ 0.92	(0.04)	-4.35%	\$	0.04	
<b>Combined Rate</b>		<b>\$ 4.50</b>	<b>\$ 4.38</b>	<b>\$ (0.12)</b>	<b>-2.74%</b>	<b>\$</b>	<b>0.12</b>	

## **Table 2 - Allocation of Operating Expenses**

### **FY17 Budget**

Components of Net Operating Expenses (net of deductions and allocations):

- Direct Division Expenses \$ 703,477,450
  - Total charges to 5 direct cost centers:
    - AIR, APR, AVA, COM, TCC
- Administrative Expense (net of applied Filming Fees credit) \$ 167,089,429
  - Allocated based on ratio of Direct Divisions Net M&O Expense by Cost Center
- Access Expense \$ 76,772,206
  - Allocated based on ratio of Land Area by Cost Center

For LAX Landing Fee Calculation

- Net Operating Expenses of AIR and APR only are included:
  - AIR Operating Expenses: \$ 151,153,911
  - APR Operating Expenses: \$ 36,670,640

**Los Angeles International Airport  
Allocation of Operating Expenses  
FY 2017 Budget Rates**

	<u>Net Expenses</u>	<u>AIR</u>	<u>APR</u>	<u>AVA</u>	<u>COM</u>	<u>TCC</u>	<u>ACC</u>	<u>Total</u>
<u>Direct Divisions (T.3)</u>	\$ 558,541,589	\$ 103,124,598	\$ 24,184,003	\$ 26,437,152	\$ 68,022,937	\$ 265,213,049	\$ 71,559,849	\$ 558,541,589
TSA K9 Reimbursement	(1,515,000)	(474,195)	(259,065)	(315,120)	-	(404,505)	(62,115)	(1,515,000)
LEO Grants	(1,580,000)	(439,940)	(89,872)	(106,008)	(59,244)	(554,232)	(330,704)	(1,580,000)
TSA Janitorial Services Reimbursement	(1,510,763)	-	-	-	-	(1,510,763)	-	(1,510,763)
TSA Utility Reimbursement	(740,738)	-	-	-	-	(740,738)	-	(740,738)
VNY Auto Parking	(2,540,043)	-	-	-	(2,540,043)	-	-	(2,540,043)
Reimbursed Access Cost (Flyaway Bus Svce)	(12,525,000)	-	-	-	-	-	(12,525,000)	(12,525,000)
Reimbursed Access Cost (VNY Flyaway Concessions)	(104,700)	-	-	-	-	-	(104,700)	(104,700)
Reimbursed Apron Cost (Plane Parking)	(1,522,519)	(1,522,519)	-	-	-	-	-	(1,522,519)
Non-Permitted Landing Fees	(114,804)	(103,709)	(11,095)	-	-	-	-	(114,804)
Total Operating Expenses-Direct Divisions	<u>\$ 536,388,021</u>	\$ 100,584,235	\$ 23,823,972	\$ 26,016,024	\$ 65,423,649	\$ 262,002,811	\$ 58,537,330	\$ 536,388,021
Ratio of M&O Expense by Cost Center		18.75%	4.44%	4.85%	12.20%	48.85%	10.91%	100.00%
<u>Administrative Expenses - Net of 15% admin cost (T.4)</u>	\$ 167,364,429							
LAX Filming Fees (Accommodations & Misc. Revenue)	(275,000)							
Administrative Expenses by Cost Center	\$ 167,089,429	31,332,844	7,421,370	8,104,213	20,380,023	81,616,103	18,234,876	167,089,429
<u>Total Direct and Administrative Expenses</u>		\$ 131,917,080	\$ 31,245,341	\$ 34,120,237	\$ 85,803,672	\$ 343,618,914	\$ 76,772,206	\$ 703,477,450
Ratio of Land Area by Cost Center		25.06%	7.07%	28.10%	14.72%	25.06%		100.00%
<u>Allocation of Access Cost Center</u>		19,236,832	5,425,299	21,571,770	11,301,473	19,236,832	(76,772,206)	\$ -
Total Operating Expenses		\$ 151,153,911	\$ 36,670,640	\$ 55,692,007	\$ 97,105,146	\$ 362,855,745	-	\$ 703,477,450
<b>Net Operating Expenses</b>		<b>\$ 151,153,911</b>	<b>\$ 36,670,640</b>	<b>\$ 55,692,007</b>	<b>\$ 97,105,146</b>	<b>\$ 362,855,745</b>	<b>\$ -</b>	<b>\$ 703,477,450</b>
		21%	5%	8%	14%	52%	0%	100%

**Note:**

Table above highlights the following:

The main components of Net Operating Expenses -Direct Division Expense, Administrative Expense and Access Costs net of the deductions listed and the allocation of Net Operating Expenses to the 5 direct cost centers- AIR, APR, AVA, COM, TCC.

**For the LAX Landing Fee Calculation we only include the Net Operating Expenses of the Airfield and Apron Cost Centers. (pls see Table 1)**

1. Total Administrative expenses of \$167.1m are allocated based on the ratio of Net Direct Divisions M & O Expense by Cost Center
2. Total Access Costs of \$76.8m are allocated based on the ratio of Land Area by Cost Center

**Table 2.1 - Summary of Operating Expenses**

FY17 Budget vs. FY16 Budget Expenses for Direct & Admin. Divisions:		<b><u>FY17 Budget</u></b>	<b><u>FY16 Budget</u></b>
• Direct Divisions		\$ 558,541,589	\$ 522,577,994
• Admin. Divisions		\$ 177,654,856	\$ 174,990,633
▪ Reduced by Admin. Cost allocated to other Airports		\$ (10,290,428)	\$ (10,618,317)
▪ Net Admin. Expense		<u>\$ 167,364,429</u>	<u>\$ 164,372,317</u>



Table 2.1

Los Angeles International Airport  
Summary of Operating Expenses  
FY2017 vs FY2016 Budget

Account Titles	Budget FY 2017			Budget FY 2016			Fav (Unfav) Variance			% Variance
	Adm	Direct	Total	Adm	Direct	Total	Adm	Direct	Total	
104 Equipment and Vehicles	1,827,779	\$6,572,858	\$8,400,638	\$1,060,484	6,049,141	\$7,109,625	(767,295)	(523,717)	(1,291,013)	-18.16%
510 Salaries and Benefits	99,319,716	\$308,310,121	407,629,838	\$95,625,344	284,395,826	380,021,170	(3,694,372)	(23,914,295)	(27,608,668)	-7.27%
520 Contractual Services	45,479,749	\$160,087,085	205,566,834	\$46,807,564	144,446,436	191,254,000	1,327,816	(15,640,650)	(14,312,834)	-7.48%
521 Administrative Services	3,093,102	\$1,260,998	4,354,100	\$3,100,613	1,430,587	4,531,200	7,511	169,590	177,100	3.91%
522 Materials and Supplies	14,123,413	\$35,311,387	49,434,800	\$13,717,811	36,833,589	50,551,400	(405,602)	1,522,202	1,116,600	2.21%
523 Utilities	4,749,976	\$38,384,525	43,134,502	\$5,016,342	40,053,857	45,070,199	266,365	1,669,332	1,935,697	4.29%
524 Advertising and Public Relations	735,159	\$301,275	1,036,434	\$1,804,909	243,425	2,048,334	1,069,750	(57,850)	1,011,900	49.40%
525 Other Operating Expenses	8,325,961	\$8,313,339	16,639,300	\$7,857,566	9,125,134	16,982,700	(468,395)	811,795	343,400	2.02%
	\$177,654,856	\$558,541,589	\$736,196,445	174,990,633	522,577,994	\$697,568,627	(2,664,223)	(35,963,595)	(38,627,817)	-5.54%
Admin Cost Allocated to other Airports	(10,290,428)	-	(10,290,428)	(10,618,317)	-	(10,618,317)	(327,889)	-	(327,889)	3.09%
Total Operating Expenses	167,364,429	558,541,589	725,906,017	164,372,317	522,577,994	686,950,311	(2,992,111.88)	(35,963,595)	(38,955,706)	-5.67%
% Favorable (Unfavorable) Variance							-2%	-7%	-6%	
Division Allocation % To Total	23%	77%	100%	24%	76%	100%				

**Table 2.2 - Revenue Variance Analysis**

FY17 Budget Revenues/Reimbursed Costs included in Landing Fee Calculation:

	<b><u>FY17 Budget</u></b>	<b><u>FY16 Budget</u></b>
• Reimbursed K-9 Cost	\$ 1,515,000	\$ 1,515,000
• Reimbursed LEO Cost	\$ 1,580,000	\$ 1,111,206
• Reimbursed Janitorial Services Cost	\$ 1,510,763	\$ 1,028,194
• Reimbursed Utility Reimbursement Cost	\$ 740,738	\$ 740,738
• VNY Auto Parking Revenue	\$ 2,540,043	\$ 1,919,611
• Reimbursed Access Costs - FlyAway Bus Service	\$ 12,525,000	\$ 12,048,000
• Reimbursed Access Cost - VNY FlyAway Concessions	\$ 104,700	\$ 108,000
• Reimbursed Apron Cost - Plane Parking	\$ 1,522,519	\$ 583,920
• Non-permitted Landing Fees - Airfield	\$ 103,709	\$ 158,598
• Non-permitted Landing Fees - Apron	\$ 11,095	\$ 8,975
• LAX Filming Fees	\$ 275,000	\$ 188,000
	<b><u>\$ 22,428,567</u></b>	<b><u>\$ 19,410,241</u></b>

FY17 Total Variance: **\$ 3,018,327**

Los Angeles International Airport  
Revenue Variance Analysis  
Budget FY2016 vs FY 2015

Revenue Cost Centers	Budget FY 2017	Budget FY 2016	Credit Variance	% Change	Reasons for Revenue Credit Variance:
Reimbursed K-9 Cost	\$1,515,000	\$1,515,000	-	0.0%	The TSA K-9 Reimbursement of \$1.5m is based on the cost of \$50,500 per handler/canine team x 30 units at LAX, per Board Reso. 25584 (effective 1/1/15 to 12/31/19).
Reimbursed LEO Cost	1,580,000	1,111,206	468,794	42.2%	\$0.5m increase due to \$0.3m UASI Grant for security-related planning services per Board Reso. 25940 on 4/18/16 and \$0.2m increase in reimbursement of LEO Program expenditures at LAX per Board Reso. 25902 on 3/17/16.
Reimbursed Janitorial Services Cost	1,510,763	1,028,194	482,569	n/a	\$0.5m higher reimbursement estimate based on full amount of reimbursement cost per Reso. 25392, not FYTD actuals (FY14 at \$1.1M and FY15 at \$1.6M). The TSA Janitorial Services Reimbursement of \$1,584,121 (based on 80,087 total sq. ft. x \$19.78 annual cost per sq. ft.) will be provided by the U.S. Dept. of Homeland Security/TSA per the 5-yr Other Transaction Agreement to operate passenger and baggage screening equipment located in LAX terminal facilities, per Board Reso. 25392 (effective 6/1/14 to 6/1/19).
Reimbursed Utility Cost	740,738	740,738	-	n/a	\$0.7m reimbursed based on FYTD actuals. The TSA Utility Reimbursement of \$674,396 (based on LAX annual electric consumption at 4,851,772.84 KWH/yr x \$0.139 cost/KWH) will be provided by the U.S. Dept. of Homeland Security/TSA per the 5-yr Other Transaction Agreement to operate passenger and baggage screening equipment located in LAX terminal facilities, per Board Reso. 25392 (effective 6/1/14 to 6/1/19).
VNY Auto Parking Revenue	2,540,043	1,919,611	620,433	32.3%	\$2,540,043 LAX Auto Parking Revenue = \$2,591,881 annual (based on Operating Budget's Revenue database projection) for Auto Parking Revenue x 98% LAX portion. \$51,838 or 2% goes to VNY Auto Parking Revenue.
Flyaway Bus Service Revenue	12,525,000	12,048,000	477,000	4.0%	Net increase of \$0.5m for Flyaway Bus Revenue due to \$0.9m gross incr [\$0.6m VNY, \$0.3m Hollywood, and \$0.1m Long Beach/Orange Line], reduced by (\$0.4m) gross decr [(\$0.3m) Westwood and (\$0.1m) Union Station].
Reimbursed Access Cost (VNY FlyAway Concessions Revenue)	104,700	108,000	(3,300)	100.0%	
Reimbursed Airfield Cost (Plane Parking Revenue)	1,522,519	583,920	938,599	100.0%	\$0.9m increase for reimbursed airfield costs related to aircraft parking at Remote Gates. FY17 budget variances mainly due to added cost for salaries & benefits included in FY17 at (\$0.2m) incr for Apron Cleaning, (\$0.1m) Apron Paving, (\$0.3m) Duty Ops plane parking assignment at 100% AIR (vs. 41%), and (\$0.3m) indirect expenses. Estimated rates are lower from FY16, due to cost requirement divided by higher estimated parking activity for both cargo carriers and passenger airlines (for remote, hardstand positions) based on annualized FY16 billing's reported activity in Q1-Q2).
Non-Permitted Landed Fees - Airfield	103,709	158,598	(54,889)	-34.6%	Reimburses Permitted airlines for Non-signatory Landing Fees - Passenger and Cargo Airlines (based on FY15 Actual Non-Permitted Cargo Carriers landing fees paid).
Non-Permitted Landed Fees - Apron	11,095	8,975	2,120	23.6%	
LAX Filming Fees	275,000	188,000	87,000	46.3%	\$0.1m higher estimate is based on an Operating Budget revenue database projection per LAX Film Office (as of March 2016).
<b>Total</b>	<b>\$22,428,567</b>	<b>\$19,410,241</b>	<b>\$3,018,327</b>	<b>15.6%</b>	

**Table 2.3 - Allocation of Security Costs by Cost Center**

▪ Details of FY17 Total Security Costs

• Gross Security Costs	<b>\$ 167,873,123</b>	
○ Airport Police	\$ 145,086,323	
○ City Services – Police	\$ 22,786,800	
• Security Costs, Net of Grants & Reimbursements	<b>\$ 164,778,123</b>	
○ TSA grants, i.e., K-9 and LEO	\$ (3,095,000)	
• Administrative Security Costs	\$ 219,095	
○ Allocation based on ratio of Direct Divisions (Yields Net Security Costs by Cost Center)		
• Access Security Costs	\$ 32,854,670	
○ Allocation based on ratio of Land Area by Cost Center		
• Net Security (net of deductions and allocations)	\$ 164,778,123	
• FY17 Security Cost to Landing Fee (AIR + APR)	<b>\$ 65,933,854</b>	40.0%

<b>LOS ANGELES INTERNATIONAL AIRPORT</b> <b>Allocation of Security Cost by Cost Center</b> <b>FY 2017 Budget Rates</b>
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		AIR	APR	AVA	COM	TCC	ACC	ADM	TOTAL	
Security Costs										
LAX-LAW	\$	145,086,323	\$ 40,398,290	\$ 8,252,625	\$ 9,734,377	\$ 5,440,199	\$ 50,893,316	\$ 30,367,517	\$ -	\$ 145,086,323
City Services - Police		22,786,800	3,263,287	4,654,929	4,654,929	2,503,344	4,654,929	2,836,288	219,095	22,786,800
Total Security Costs		167,873,123	43,661,577	12,907,554	14,389,305	7,943,543	55,548,245	33,203,805	219,095	167,873,123
Less Grants & Reimb		(3,095,000)	(914,135)	(348,937)	(421,128)	(59,244)	(958,737)	(392,819)		(3,095,000)
Security Costs, net of Grants		164,778,123	42,747,442	12,558,617	13,968,177	7,884,299	54,589,508	32,810,985	219,095	164,778,123
Allocation of Admn Security Costs		56,914	16,721	18,597	10,497	72,681	43,685	(219,095)		-
Security Costs with allocated admn cost		164,778,123	42,804,356	12,575,338	13,986,775	7,894,796	54,662,189	32,854,670	-	164,778,123
Ratio of Land Area by Cost Center		25.06%	7.07%	28.10%	14.72%	25.06%				
Allocation of Access Security Costs		8,232,403	2,321,757	9,231,640	4,836,466	8,232,403	(32,854,670)			-
Total Security Cost by CC		\$ 164,778,123	\$ 51,036,759	\$ 14,897,095	\$ 23,218,415	\$ 12,731,262	\$ 62,894,592	\$ -	\$ -	\$ 164,778,123
		31.0%	9.0%	14.1%	7.7%	38.2%				100.0%
Security Cost to Lfee (AIR + APR)		\$ 65,933,854								
		40.0%								

**Table 3 - Operating Expenses - Direct Divisions**

Table of FY17 Budget vs. Budget Operating Expenses – Direct Divisions  
(AIR, APR, AVA, COM, TCC, ACC)

FY17 Budget Rate:	\$ 558,541,589
FY16 Budget Rate:	\$ 522,577,994
Variance:	<u>\$ 35,963,595</u>

**Los Angeles International Airport**  
**Operating Expenses - Direct Divisions**  
**FY 2017 Budget Rates**

			BUDGET FY 2016	BUDGET FY 2017	AIR	APR	AVA	COM	TCC	ACC
LAX-ADG	<b>Airport Development Group</b>									
	LAX-ADG	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	LAX-ADG	510 Salaries and Benefits	3,804,841	3,811,232	1,944,856	9,311	204,832	93,105	1,549,817	9,311
	LAX-ADG	520 Contractual Services	2,786,490	2,078,010	692,670	-	-	-	1,385,340	-
	LAX-ADG	521 Administrative Services	39,240	32,760	10,920	-	-	-	21,840	-
	LAX-ADG	522 Materials and Supplies	61,740	58,271	19,424	-	-	-	38,847	-
	LAX-ADG	523 Utilities	16,631	11,019	2,214	-	-	-	8,805	-
	LAX-ADG	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	LAX-ADG	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			6,708,942	5,991,292	2,670,084	9,311	204,832	93,105	3,004,650	9,311
ADM-COM-FRD	<b>Comptroller Group</b>									
	ADM-COM	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	ADM-COM	510 Salaries and Benefits	1,458,511	1,362,022	-	-	-	1,040,459	321,563	-
	ADM-COM	520 Contractual Services	-	-	-	-	-	-	-	-
	ADM-COM	521 Administrative Services	-	-	-	-	-	-	-	-
	ADM-COM	522 Materials and Supplies	6,100	6,100	-	-	-	3,450	2,650	-
	ADM-COM	523 Utilities	-	-	-	-	-	-	-	-
	ADM-COM	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	ADM-COM	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			1,464,611	1,368,122	-	-	-	1,043,909	324,213	-
ADM-RSK	<b>Risk Management</b>									
	ADM-RSK	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	ADM-RSK	510 Salaries and Benefits	1,638	-	-	-	-	-	-	-
	ADM-RSK	520 Contractual Services	-	-	-	-	-	-	-	-
	ADM-RSK	521 Administrative Services	-	-	-	-	-	-	-	-
	ADM-RSK	522 Materials and Supplies	-	-	-	-	-	-	-	-
	ADM-RSK	523 Utilities	-	-	-	-	-	-	-	-
	ADM-RSK	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	ADM-RSK	525 Other Operating Expenses	7,956,134	7,137,289	359,566	111,383	1,453,698	732,888	4,325,474	154,280
			7,957,772	7,137,289	359,566	111,383	1,453,698	732,888	4,325,474	154,280
CDG-CSS	<b>Concessions</b>									
	CDG-CSS	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	CDG-CSS	510 Salaries and Benefits	-	-	-	-	-	-	-	-
	CDG-CSS	520 Contractual Services	6,089,000	4,710,000	-	-	-	-	4,710,000	-
	CDG-CSS	521 Administrative Services	-	-	-	-	-	-	-	-
	CDG-CSS	522 Materials and Supplies	70,000	-	-	-	-	-	-	-
	CDG-CSS	523 Utilities	-	-	-	-	-	-	-	-
	CDG-CSS	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	CDG-CSS	525 Other Operating Expenses	25,000	-	-	-	-	-	-	-
			6,184,000	4,710,000	-	-	-	-	4,710,000	-
CDG-LND	<b>Landside Operations</b>									
	CDG-LND	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	CDG-LND	510 Salaries and Benefits	2,260,473	2,783,970	-	-	-	1,009,395	-	1,774,575
	CDG-LND	520 Contractual Services	56,826,200	63,506,834	-	-	-	42,043,900	-	21,462,934
	CDG-LND	521 Administrative Services	600	600	-	-	-	600	-	-
	CDG-LND	522 Materials and Supplies	396,057	170,607	-	-	-	65,540	-	105,067
	CDG-LND	523 Utilities	694,198	430,200	-	-	-	-	-	430,200
	CDG-LND	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	CDG-LND	525 Other Operating Expenses	1,118,400	1,140,800	-	-	-	855,600	-	285,200
			61,295,929	68,033,011	-	-	-	43,975,035	-	24,057,977

no impact  
on landing  
fees

no impact  
on landing  
fees

**Los Angeles International Airport**  
**Operating Expenses - Direct Divisions**  
**FY 2017 Budget Rates**

			BUDGET FY 2016	BUDGET FY 2017	AIR	APR	AVA	COM	TCC	ACC
CDG-RES	<b>Real Estate Services</b>									
	CDG-RES	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	CDG-RES	510 Salaries and Benefits	7,113,431	7,437,375	-	-	2,757,884	1,339,046	3,340,446	-
	CDG-RES	520 Contractual Services	875,000	4,326,600	-	-	88,400	23,600	4,214,600	-
	CDG-RES	521 Administrative Services	94,700	70,900	-	-	12,368	1,292	57,240	-
	CDG-RES	522 Materials and Supplies	123,500	193,500	-	-	25,570	640	167,290	-
	CDG-RES	523 Utilities	-	-	-	-	-	-	-	-
	CDG-RES	524 Advertising and Public Relations	19,200	9,200	-	-	1,804	88	7,308	-
	CDG-RES	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			8,225,831	12,037,575	-	-	2,886,026	1,364,666	7,786,884	-
CFO/FB/FRD	<b>CFO/Finance &amp; Budget/Financial Reporting</b>									
	CFO/FB/FRD	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	CFO/FB/FRD	510 Salaries and Benefits	1,520,552	1,838,275	886,308	-	-	-	951,967	-
	CFO/FB/FRD	520 Contractual Services	3,621,900	3,496,900	1,613,450	-	-	-	1,883,450	-
	CFO/FB/FRD	521 Administrative Services	-	-	-	-	-	-	-	-
	CFO/FB/FRD	522 Materials and Supplies	5,000	5,000	2,250	-	-	-	2,750	-
	CFO/FB/FRD	523 Utilities	-	-	-	-	-	-	-	-
	CFO/FB/FRD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	CFO/FB/FRD	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			5,147,452	5,340,175	2,502,008	-	-	-	2,838,167	-
CityServ	<b>City Services</b>									
	CityServ	520 Contractual Services	45,535,800	49,923,105	18,465,849	4,793,029	7,831,239	3,884,348	12,112,352	2,836,288
			45,535,800	49,923,105	18,465,849	4,793,029	7,831,239	3,884,348	12,112,352	2,836,288
COO/CPP	<b>COO/Capital Programming &amp; Planning</b>									
	COO/CPP	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	COO/CPP	510 Salaries and Benefits	4,222,816	5,699,044	2,515,184	96,539	23,724	288,230	2,701,413	73,955
	COO/CPP	520 Contractual Services	4,327,000	6,570,600	4,138,600	-	-	-	2,356,000	76,000
	COO/CPP	521 Administrative Services	-	13,000	-	-	-	-	13,000	-
	COO/CPP	522 Materials and Supplies	149,700	364,600	14,400	-	-	-	350,200	-
	COO/CPP	523 Utilities	48,676	28,338	28,338	-	-	-	-	-
	COO/CPP	524 Advertising and Public Relations	-	15,000	-	-	-	-	-	15,000
	COO/CPP	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			8,748,192	12,690,582	6,696,521	96,539	23,724	288,230	5,420,613	164,955
LAX-EA	<b>External Affairs</b>									
	LAX-EA	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
	LAX-EA	510 Salaries and Benefits	228,891	297,790	-	-	-	-	297,790	-
	LAX-EA	520 Contractual Services	210,000	322,000	-	-	-	-	322,000	-
	LAX-EA	521 Administrative Services	167,125	79,625	-	-	-	-	79,625	-
	LAX-EA	522 Materials and Supplies	11,375	14,525	-	-	-	-	14,525	-
	LAX-EA	523 Utilities	-	-	-	-	-	-	-	-
	LAX-EA	524 Advertising and Public Relations	85,750	58,100	-	-	-	-	58,100	-
	LAX-EA	525 Other Operating Expenses	-	-	-	-	-	-	-	-
			703,141	772,040	-	-	-	-	772,040	-
FMG-AE	<b>Engineering &amp; Facilities Management</b>									
	FMG-AE	104 Equipment and Vehicles	85,000	86,250	39,375	-	5,625	-	24,375	16,875
	FMG-AE	510 Salaries and Benefits	5,465,942	2,128,096	714,227	5,141	74,699	225,432	847,418	261,180
	FMG-AE	520 Contractual Services	4,451,500	541,500	162,450	-	54,150	-	162,450	162,450
	FMG-AE	521 Administrative Services	133,900	185,700	62,317	-	12,600	-	72,983	37,800
	FMG-AE	522 Materials and Supplies	252,079	355,800	117,373	-	26,640	-	131,867	79,920
	FMG-AE	523 Utilities	-	-	-	-	-	-	-	-
	FMG-AE	524 Advertising and Public Relations	1,000	1,000	300	-	100	-	300	300
	FMG-AE	525 Other Operating Expenses	500	500	150	-	50	-	150	150
			10,389,921	3,298,846	1,096,192	5,141	173,864	225,432	1,239,543	558,675
FMG-MSD	<b>Facilities/Field Maint/Custodial</b>									
	FMG-MSD	104 Equipment and Vehicles	2,740,291	2,257,296	537,041	155,552	34,597	139,958	1,057,939	332,209
	FMG-MSD	510 Salaries and Benefits	104,252,785	111,092,253	12,181,280	2,333,464	781,547	3,559,861	82,480,948	9,755,153
	FMG-MSD	520 Contractual Services	5,141,610	7,364,299	329,505	35,802	39,901	581,616	6,284,574	92,901
	FMG-MSD	521 Administrative Services	105,282	106,343	6,613	2,423	546	4,620	84,742	7,399
	FMG-MSD	522 Materials and Supplies	32,361,166	30,700,937	6,216,960	1,852,081	893,565	1,710,811	17,616,174	2,411,346
	FMG-MSD	523 Utilities	38,189,860	37,859,294	899,726	393,188	1,901,358	1,180,934	33,225,000	259,089
	FMG-MSD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
	FMG-MSD	525 Other Operating Expenses	5,100	5,100	575	250	55	380	3,125	715
			182,796,095	189,385,521	20,171,700	4,772,760	3,651,569	7,178,179	140,752,501	12,858,813



**Los Angeles International Airport**  
**Operating Expenses - Direct Divisions**  
**FY 2017 Budget Rates**

		BUDGET FY 2016	BUDGET FY 2017	AIR	APR	AVA	COM	TCC	ACC
FMG-ESD	<b>Environmental Services</b>								
FMG-ESD	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
FMG-ESD	510 Salaries and Benefits	5,363	3,180,734	3,180,734	-	-	-	-	-
FMG-ESD	520 Contractual Services	1,463,400	1,687,180	1,687,180	-	-	-	-	-
FMG-ESD	521 Administrative Services	1,800	1,530	1,530	-	-	-	-	-
FMG-ESD	522 Materials and Supplies	8,500	7,225	7,225	-	-	-	-	-
FMG-ESD	523 Utilities	69,800	5,000	5,000	-	-	-	-	-
FMG-ESD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
FMG-ESD	525 Other Operating Expenses	9,000	7,650	7,650	-	-	-	-	-
		1,557,863	4,889,319	4,889,319	-	-	-	-	-
LAX-IMTG	<b>Information Technology</b>								
LAX-IMTG	104 Equipment and Vehicles	-	-	-	-	-	-	-	-
LAX-IMTG	510 Salaries and Benefits	3,809	1,736	-	-	-	-	1,736	-
LAX-IMTG	520 Contractual Services	8,674,037	11,003,457	647,715	306,998	396,888	723,173	8,823,829	104,854
LAX-IMTG	521 Administrative Services	-	-	-	-	-	-	-	-
LAX-IMTG	522 Materials and Supplies	866,289	378,673	31,578	15,919	21,158	123,064	182,372	4,582
LAX-IMTG	523 Utilities	973,154	-	-	-	-	-	-	-
LAX-IMTG	524 Advertising and Public Relations	-	-	-	-	-	-	-	-
LAX-IMTG	525 Other Operating Expenses	-	-	-	-	-	-	-	-
		10,517,288	11,383,866	679,293	322,917	418,046	846,237	9,007,938	109,436
LAX-LAW	<b>Airport Police</b>								
LAX-LAW	104 Equipment and Vehicles	2,663,350	3,921,138	1,311,655	228,489	249,910	146,075	1,067,483	917,525
LAX-LAW	510 Salaries and Benefits	123,793,152	136,118,478	37,407,696	7,706,416	9,130,454	5,114,957	48,402,531	28,356,423
LAX-LAW	520 Contractual Services	2,405,200	1,578,100	531,218	98,413	107,780	57,293	392,534	390,863
LAX-LAW	521 Administrative Services	757,800	655,100	224,480	45,689	51,392	21,418	172,366	139,757
LAX-LAW	522 Materials and Supplies	2,157,578	2,610,333	854,558	158,629	178,004	93,892	808,886	516,366
LAX-LAW	523 Utilities	51,536	38,675	12,707	4,035	4,720	867	9,555	6,790
LAX-LAW	524 Advertising and Public Relations	73,000	142,500	48,540	9,547	10,578	4,905	34,792	34,139
LAX-LAW	525 Other Operating Expenses	11,000	22,000	7,436	1,408	1,540	792	5,170	5,654
		131,912,616	145,086,323	40,398,290	8,252,625	9,734,377	5,440,199	50,893,316	30,367,517
LAX-OEM	<b>Operations &amp; Emergency Management</b>								
LAX-OEM	104 Equipment and Vehicles	560,500	308,175	29,970	188,295	3,330	8,325	78,255	-
LAX-OEM	510 Salaries and Benefits	30,263,623	32,559,115	4,867,769	5,073,115	50,527	1,598,420	20,526,961	442,324
LAX-OEM	520 Contractual Services	2,039,300	2,978,500	175,650	481,000	-	1,288,100	1,033,750	-
LAX-OEM	521 Administrative Services	130,140	115,440	25,612	25,566	2,909	4,929	56,424	-
LAX-OEM	522 Materials and Supplies	364,504	445,815	85,585	52,028	2,953	50,242	254,733	275
LAX-OEM	523 Utilities	10,000	12,000	-	-	-	-	12,000	-
LAX-OEM	524 Advertising and Public Relations	64,475	75,475	11,190	295	60	695	63,235	-
LAX-OEM	525 Other Operating Expenses	-	-	-	-	-	-	-	-
		33,432,542	36,494,521	5,195,776	5,820,299	59,779	2,950,710	22,025,358	442,599
<b>Total Operating Expenses - Direct Divisions</b>		<b>522,577,994</b>	<b>558,541,589</b>	<b>103,124,598</b>	<b>24,184,003</b>	<b>26,437,152</b>	<b>68,022,937</b>	<b>265,213,049</b>	<b>71,559,849</b>
Summary -									
	104 Equipment and Vehicles	6,049,141	6,572,858	1,918,041	572,336	293,462	294,358	2,228,052	1,266,609
	510 Salaries and Benefits	284,395,826	308,310,121	63,698,054	15,223,985	13,023,666	14,268,904	161,422,591	40,672,921
	520 Contractual Services	144,446,436	160,087,085	28,444,287	5,715,243	8,518,357	48,602,030	43,680,878	25,126,291
	521 Administrative Services	1,430,587	1,260,998	331,472	73,678	79,815	32,859	558,220	184,956
	522 Materials and Supplies	36,833,589	35,311,387	7,349,352	2,078,656	1,147,891	2,047,638	19,570,294	3,117,556
	523 Utilities	40,053,857	38,384,525	947,986	397,223	1,906,077	1,181,801	33,255,360	696,078
	524 Advertising and Public Relations	243,425	301,275	60,030	9,842	12,542	5,688	163,735	49,439
	525 Other Operating Expenses	9,125,134	8,313,339	375,377	113,041	1,455,343	1,589,660	4,333,919	445,999
	<b>Total Operating Expenses - Direct Divisions</b>	<b>522,577,994</b>	<b>558,541,589</b>	<b>103,124,598</b>	<b>24,184,003</b>	<b>26,437,152</b>	<b>68,022,937</b>	<b>265,213,049</b>	<b>71,559,849</b>

**Table 3.1 - Direct Divisions - Variance Analysis**

FY17 Budget vs. FY16 Budget - Direct Divisions (Airfield, Apron, Access		<b><u>FY17 Budget</u></b>	<b><u>FY16 Budget</u></b>
• Airfield Expenses:		\$ 103,124,598	\$ 93,150,051
	<b>AIR Variance:</b>	<b>\$ 9,974,547</b>	
• Apron Expenses:		\$ 24,184,003	\$ 21,987,036
	<b>APR Variance:</b>	<b>\$ 2,196,967</b>	
• Access Expenses:		\$ 71,559,849	\$ 66,116,302
	<b>ACC Variance:</b>	<b>\$ 5,443,547</b>	
	<b>TOTAL Variance:</b>	<b><u>\$ 17,615,062</u></b>	

**Los Angeles International Airport  
Direct Divisions - Variance Analysis  
FY 2017 Budget Rates**

		Budget FY 2017			Budget FY 2016			Favorable (Unfav) Variance				
		AIR	APR	ACCESS	AIR	APR	ACCESS	AIR	APR	ACCESS	TOTAL	
<b>Airport Development Group</b>												
LAX-ADG	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-	
LAX-ADG	510 Salaries and Benefits	1,944,856	9,311	9,311	1,776,516	3,252	3,252	(168,340)	(6,058)	(6,058)	(180,456)	AIR, (\$0.2m) incr due to higher headcount (1) for ADG Airside (100% AIR)
LAX-ADG	520 Contractual Services	692,670	-	-	928,830	-	-	236,160	-	-	236,160	AIR, \$0.2m decr due to On-Call Tenant Inspection at \$0.5m by Construction Inspection (30% AIR).
LAX-ADG	521 Administrative Services	10,920	-	-	13,080	-	-	2,160	-	-	2,160	
LAX-ADG	522 Materials and Supplies	19,424	-	-	20,580	-	-	1,156	-	-	1,156	
LAX-ADG	523 Utilities	2,214	-	-	3,315	-	-	1,101	-	-	1,101	
LAX-ADG	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-	
LAX-ADG	525 Other Operating Expenses	-	-	-	-	-	-	-	-	-	-	
		<u>2,670,084</u>	<u>9,311</u>	<u>9,311</u>	<u>2,742,321</u>	<u>3,252</u>	<u>3,252</u>	<u>72,238</u>	<u>(6,058)</u>	<u>(6,058)</u>	<u>60,122</u>	
<b>Risk Management</b>												
ADM-RSK	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	510 Salaries and Benefits	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	520 Contractual Services	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	521 Administrative Services	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	522 Materials and Supplies	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	523 Utilities	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-	
ADM-RSK	525 Other Operating Expenses	359,566	111,383	154,280	406,321	125,120	173,415	46,754	13,737	19,135	79,626	AIR, lower insurance premiums at \$0.7m by LAX-RM Arfld (4.43% AIR) based on FYTD actuals in FY16.
		<u>359,566</u>	<u>111,383</u>	<u>154,280</u>	<u>406,321</u>	<u>125,120</u>	<u>173,415</u>	<u>46,754</u>	<u>13,737</u>	<u>19,135</u>	<u>79,626</u>	
<b>Lanside Operations</b>												
CDG-LND	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-	
CDG-LND	510 Salaries and Benefits	-	-	1,774,575	-	-	1,472,095	-	-	(302,480)	(302,480)	ACC, (\$0.3m) incr due to (\$0.2m) higher charges to VNY FlyAway Ops (100% ACC) and (\$0.1m) higher headcount (2) by Lnd Bus. Mgmt (32.5% ACC).
CDG-LND	520 Contractual Services	-	-	21,462,934	-	-	16,925,100	-	-	(4,537,834)	(4,537,834)	ACC (\$4.5m) incr due to (\$3.6m) LAX Shuttle Service [\$2.7m Ops Contracts, \$0.5m 24/7 Maintenance, \$0.5m ADA Shuttle Svcs P1-P7] by LND Gr Trans
CDG-LND	521 Administrative Services	-	-	-	-	-	-	-	-	-	-	All (100% ACC) and (\$0.9m) Flyaway Svcs (100% ACC).
CDG-LND	522 Materials and Supplies	-	-	105,067	-	-	113,051	-	-	7,984	7,984	
CDG-LND	523 Utilities	-	-	430,200	-	-	694,198	-	-	263,998	263,998	ACC, \$0.3m decr in Electricity by VNY FlyAway Ops (100% ACC) Terminal.
CDG-LND	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-	
CDG-LND	525 Other Operating Expenses	-	-	285,200	-	-	279,654	-	-	(5,546)	(5,546)	
		<u>-</u>	<u>-</u>	<u>24,057,977</u>	<u>-</u>	<u>-</u>	<u>19,484,099</u>	<u>-</u>	<u>-</u>	<u>(4,573,878)</u>	<u>(4,573,878)</u>	
<b>City Services</b>												
CityServ	520 Contractual Services	18,465,849	4,793,029	2,836,288	16,850,491	4,370,867	2,590,550	(1,615,357)	(422,162)	(245,738)	(2,283,257)	Please see Table 10
		<u>18,465,849</u>	<u>4,793,029</u>	<u>2,836,288</u>	<u>16,850,491</u>	<u>4,370,867</u>	<u>2,590,550</u>	<u>(1,615,357)</u>	<u>(422,162)</u>	<u>(245,738)</u>	<u>(2,283,257)</u>	
<b>CFO/Finance &amp; Budget/Financial Reporting</b>												
CFO/FB/FRD	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-	
CFO/FB/FRD	510 Salaries and Benefits	886,308	-	-	739,932	-	-	(146,376)	-	-	(146,376)	AIR, (\$0.1m) incr due to higher staff allocation/charges by 2 for Rates and Charges (40% AIR) and Capital Budget (50% AIR).
CFO/FB/FRD	520 Contractual Services	1,613,450	-	-	1,675,950	-	-	62,500	-	-	62,500	AIR, \$0.1m decr in Financial Svcs contracts by Debt & Treasury (50% AIR).
CFO/FB/FRD	521 Administrative Services	-	-	-	-	-	-	-	-	-	-	
CFO/FB/FRD	522 Materials and Supplies	2,250	-	-	2,250	-	-	-	-	-	-	
CFO/FB/FRD	523 Utilities	-	-	-	-	-	-	-	-	-	-	
CFO/FB/FRD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-	
CFO/FB/FRD	525 Other Operating Expenses	-	-	-	-	-	-	-	-	-	-	
		<u>2,502,008</u>	<u>-</u>	<u>-</u>	<u>2,418,132</u>	<u>-</u>	<u>-</u>	<u>(83,876)</u>	<u>-</u>	<u>-</u>	<u>(83,876)</u>	
<b>Engineering &amp; Facilities Management</b>												
FMG-AE	104 Equipment and Vehicles	39,375	-	16,875	26,700	-	22,500	(12,675)	-	5,625	(7,050)	
FMG-AE	510 Salaries and Benefits	714,227	5,141	261,180	1,852,351	8,802	308,706	1,138,124	3,661	47,526	1,189,310	AIR, \$1.1m decr due to \$0.8m lower avg headcount due to reorg [\$0.5m (11) EFM Div Admin (42% AIR), \$0.2m (9) EFM Fac & Infra Proj (54% AIR), and \$0.1m (6) EFM Tech Support] and \$0.3m lower charges by EFM Airfield.
FMG-AE	520 Contractual Services	162,450	-	162,450	1,005,450	-	840,450	843,000	-	678,000	1,521,000	AIR, \$0.8m decr in P&E Consulting Svcs [\$0.6m by Engr & Facil Mgmt at \$2.2m (30% AIR) and \$0.2m by EFM Tech Support at \$1.7m (10% AIR)].
FMG-AE	521 Administrative Services	62,317	-	37,800	41,332	-	37,110	(20,985)	-	(690)	(21,675)	ACC, \$0.7m decr in P&E Consulting by Engr & Facil Mgmt at \$2.2m (30% ACC).
FMG-AE	522 Materials and Supplies	117,373	-	79,920	88,822	-	42,354	(28,551)	-	(37,566)	(66,118)	AIR and ACC, (\$0.1m) incr Airport Signs by Engr. & Facil Mgmt (30% AIR, 30% ACC).
FMG-AE	523 Utilities	-	-	-	-	-	-	-	-	-	-	
FMG-AE	524 Advertising and Public Relations	300	-	300	300	-	300	-	-	-	-	
FMG-AE	525 Other Operating Expenses	150	-	150	150	-	150	-	-	-	-	
		<u>1,096,192</u>	<u>5,141</u>	<u>558,675</u>	<u>3,015,105</u>	<u>8,802</u>	<u>1,251,569</u>	<u>1,918,912</u>	<u>3,661</u>	<u>692,894</u>	<u>2,615,468</u>	

**Los Angeles International Airport**  
**Direct Divisions - Variance Analysis**  
**FY 2017 Budget Rates**

		Budget FY 2017			Budget FY 2016			Favorable (Unfav) Variance			
		AIR	APR	ACCESS	AIR	APR	ACCESS	AIR	APR	ACCESS	TOTAL
<b>Environmental Services</b>											
FMG-ESD	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-
AIR, (\$3.2m) incr due to staff transfer (21) from HazMat/WQ/Commit&WD (100% ADM) to direct cost center Environmental Performance (85% AIR, 15% ADM) -- for oversight in facilitating and coordinating environmental compliance activities among various LAWA divisions and groups. New section is comprised of the following units: 9 - Noise Mgmt (100% AIR), 6 - Mitig Compliance (100% AIR), and 6 - Sustainability (50% AIR, 50% ADM).											
FMG-ESD	510 Salaries and Benefits	3,180,734	-	-	5,363	-	-	(3,175,372)	-	-	(3,175,372)
FMG-ESD	520 Contractual Services	1,687,180	-	-	1,463,400	-	-	(223,780)	-	-	(223,780)
FMG-ESD	521 Administrative Services	1,530	-	-	1,800	-	-	270	-	-	270
FMG-ESD	522 Materials and Supplies	7,225	-	-	8,500	-	-	1,275	-	-	1,275
FMG-ESD	523 Utilities	5,000	-	-	69,800	-	-	64,800	-	-	64,800
FMG-ESD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-
FMG-ESD	525 Other Operating Expenses	7,650	-	-	9,000	-	-	1,350	-	-	1,350
		<u>4,889,319</u>	<u>-</u>	<u>-</u>	<u>1,557,863</u>	<u>-</u>	<u>-</u>	<u>(3,331,457)</u>	<u>-</u>	<u>-</u>	<u>(3,331,457)</u>
<b>COO/Capital Programming &amp; Planning</b>											
COO/CPP	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-
AIR, (\$1.1m) incr due to (\$0.7m) higher headcount (6) by FPD Airside Improv. (100% AIR) and (\$0.4m) higher charges by FPD Airside (100% AIR). ACC, \$0.2m decr due to lower headcount (3) by FPD Landside Improv. (100% ACC).											
COO/CPP	510 Salaries and Benefits	2,515,184	96,539	73,955	1,461,917	111,842	286,103	(1,053,267)	15,303	212,148	(825,816)
COO/CPP	520 Contractual Services	4,138,600	-	76,000	1,000,000	-	91,000	(3,138,600)	-	15,000	(3,123,600)
COO/CPP	521 Administrative Services	-	-	-	-	-	-	-	-	-	-
COO/CPP	522 Materials and Supplies	14,400	-	-	9,000	-	-	(5,400)	-	-	(5,400)
COO/CPP	523 Utilities	28,338	-	-	48,676	-	-	20,339	-	-	20,339
COO/CPP	524 Advertising and Public Relations	-	-	15,000	-	-	-	-	-	(15,000)	(15,000)
COO/CPP	525 Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
		<u>6,696,521</u>	<u>96,539</u>	<u>164,955</u>	<u>2,519,593</u>	<u>111,842</u>	<u>377,103</u>	<u>(4,176,928)</u>	<u>15,303</u>	<u>212,148</u>	<u>(3,949,477)</u>
<b>Facilities/Field Maint/Custodial</b>											
FMG-MSD	104 Equipment and Vehicles	537,041	155,552	332,209	544,434	81,238	514,426	7,393	(74,314)	182,217	115,296
30 addl. vehicles and equipment budgeted in FY17 at same overall cost, due to various replacement vehicles reflected at 50% cost.											
FMG-MSD	510 Salaries and Benefits	12,181,280	2,333,464	9,755,153	11,705,823	1,827,548	10,961,145	(475,457)	(505,916)	1,205,991	224,618
FMG-MSD	520 Contractual Services	329,505	35,802	92,901	345,080	6,542	68,316	15,575	(29,260)	(24,585)	(38,270)
FMG-MSD	521 Administrative Services	6,613	2,423	7,399	6,728	2,469	7,422	115	46	23	184
AIR, (\$0.5m) due to cost center alloc. update at (\$0.3m) Asphalt Paving Crew (70% AIR) and (\$0.2m) Field Paint Sub-unit (80% AIR). APR, (\$0.5m) due to (\$0.3m) higher headcount (from 6 to 9) for Air. Bus Maint (100% APR) and (\$0.2m) St Clng-Graveyard (30% APR updated from 0%). ACC, \$1.2m decr due to \$0.8m decr in charges by MSD FLD Rdways & SW (100% ACC) and \$0.4m lower headcount (-12) by Landscaping (100% ACC).											
FMG-MSD	522 Materials and Supplies	6,216,960	1,852,081	2,411,346	5,131,693	1,704,423	2,572,071	(1,085,267)	(147,658)	160,725	(1,072,200)
AIR, (\$1.1m) incr mainly due to (\$0.6m) Field Paint Supp by Field Paint Sub-Unit at \$1.3m at 50% incr (80% AIR, from 30%), (\$0.3m) Runway Rubber Removal and (\$0.2m) Plane Parking remote ramp scrubbing by MSD-FLD Airfield. APR, (\$0.1m) incr mainly due to Apron Paving by MSD-FLD Apron (100% APR) for plane parking. ACC, \$0.2m decr mainly for Field Paint at \$1.3m at -15% decr (5% ACC, from 20%).											
FMG-MSD	523 Utilities	899,726	393,188	259,089	1,142,921	530,894	327,600	243,194	137,706	68,511	449,411
FMG-MSD	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-
FMG-MSD	525 Other Operating Expenses	575	250	715	575	250	715	-	-	-	-
		<u>20,171,700</u>	<u>4,772,760</u>	<u>12,858,813</u>	<u>18,877,253</u>	<u>4,153,363</u>	<u>14,451,694</u>	<u>(1,294,447)</u>	<u>(619,397)</u>	<u>1,592,882</u>	<u>(320,962)</u>

**Los Angeles International Airport  
Direct Divisions - Variance Analysis  
FY 2017 Budget Rates**

		Budget FY 2017			Budget FY 2016			Favorable (Unfav) Variance			
		AIR	APR	ACCESS	AIR	APR	ACCESS	AIR	APR	ACCESS	TOTAL
<b>Information Technology</b>											
LAX-IMTG	104 Equipment and Vehicles	-	-	-	-	-	-	-	-	-	-
LAX-IMTG	510 Salaries and Benefits	-	-	-	-	-	-	-	-	-	-
AIR, (\$0.1m) incr mainly due to \$25k incr in CCTV Security Svcs Maint using CCTV physical inventory allocation at (\$0.4m) incr (6% AIR) and \$20k Annual Maintenance Support for WAMA Ground Run-Up (Noise) Monitoring System from IT-BAS (100% ADM) to IT-BAS Airfield.											
LAX-IMTG	520 Contractual Services	647,715	306,998	104,854	602,669	304,926	92,570	(45,047)	(2,073)	(12,284)	(59,404)
LAX-IMTG	521 Administrative Services	-	-	-	-	-	-	-	-	-	-
LAX-IMTG	522 Materials and Supplies	31,578	15,919	4,582	96,228	49,139	14,775	64,650	33,220	10,194	108,065
AIR, \$0.1m decr in Communication Svcs & Supplies - Security Systems Maintenance using Matrix allocation at \$0.2m decr (34% AIR)											
LAX-IMTG	523 Utilities	-	-	-	61,146	3,426	30,031	61,146	3,426	30,031	94,603
LAX-IMTG	524 Advertising and Public Relations	-	-	-	-	-	-	-	-	-	-
LAX-IMTG	525 Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
		679,293	322,917	109,436	760,043	357,491	137,377	80,750	34,574	27,940	143,264
<b>Airport Police</b>											
LAX-LAW	104 Equipment and Vehicles	1,311,655	228,489	917,525	827,263	146,790	785,205	(484,393)	(81,698)	(132,320)	(698,411)
\$1.7m incr due to 11 addl. replacement vehicles (50 at \$4.4m in FY17 vs. 39 at \$2.7m in FY16) by Airport Police (34% AIR, 6% APR, 26% ACC)											
AIR, (\$3.6m) incr mainly due to (\$1.0m) higher headcount (40) and COLA (\$0.3m (23) by Security Access Ctrl (31.3% AIR), \$0.2m (2) by Law Enf/Homeland Sec (34% AIR), \$0.2m (4) by Emerg Svcs (30% AIR), \$0.1m (2) by Training & Recruit (34% AIR), \$0.1m (3) APD ARCC (34% AIR), and \$0.1m (3) Admin & Proj (34% AIR)] and (\$0.7m) higher charges [\$0.2m Watch 2 (30% AIR), \$0.2m Dignitary Protec (100% AIR), \$0.1m APD Fiscal Ops (34% AIR), \$0.1m Offor in Training (34% AIR) and \$0.1m Watch 1 (30% AIR)], (\$1.3m) Retirement, (\$0.3m) Health, and (\$0.2m) Overtime by Dignitary Protec (100% AIR) and Watch 1 (30% AIR), and (\$0.1m) Workers Comp. APR, (\$0.6m) incr mainly due to higher headcount (23) by Security Access Ctrl (17% APR). ACC, (\$3.5m) incr due to (\$2.7m) higher headcount [\$2.1m (19) Traffic Ctrl Unit (100% ACC), \$0.3m (3) APD ARCC (26% ACC), \$0.2m (2) Law Enf/Homeland Sec (26% ACC), and \$0.1m (2) Training & Recruit (26% ACC)] and (\$0.8m) higher charges [(\$0.4m) by Traffic Bicycle Team (100% ACC), (\$0.2m) APD Fiscal Ops (26% ACC), (\$0.1m) Officer N Training (26% ACC), and (\$0.1m) Adm & Proj (26% ACC)].											
LAX-LAW	510 Salaries and Benefits	37,407,696	7,706,416	28,356,423	33,853,140	7,085,601	24,878,954	(3,554,556)	(620,815)	(3,477,469)	(7,652,840)
LAX-LAW	520 Contractual Services	531,218	98,413	390,863	812,581	154,159	615,363	281,363	55,746	224,500	561,609
AIR, APR and ACC, decr in Contingency for Subject Matter Experts for After Action Activities by LEHS DED at \$0.8m (34% AIR, 6% APR, 26% ACC).											
LAX-LAW	521 Administrative Services	224,480	45,689	139,757	257,747	53,351	180,017	33,268	7,662	40,260	81,190
AIR and ACC, \$0.1m decr in Contingency funding for Training and Allowances for After Action Activities by LEHS DED (34% AIR, 26% ACC).											
LAX-LAW	522 Materials and Supplies	854,558	158,629	516,366	709,794	139,671	448,773	(144,763)	(18,957)	(67,593)	(231,313)
LAX-LAW	523 Utilities	12,707	4,035	6,790	16,894	5,545	8,710	4,187	1,509	1,920	7,616
AIR and ACC, (\$0.1m) incr mainly due to Security & Safety Sup (Tactical Body Armor, rifles) by Security Credential at (\$0.1m) (34% AIR, 26% ACC)											
LAX-LAW	524 Advertising and Public Relations	48,540	9,547	34,139	25,236	5,036	17,640	(23,304)	(4,511)	(16,499)	(44,314)
LAX-LAW	525 Other Operating Expenses	7,436	1,408	5,654	3,718	704	2,827	(3,718)	(704)	(2,827)	(7,249)
		40,398,290	8,252,625	30,367,517	36,506,374	7,590,857	26,937,489	(3,891,916)	(661,768)	(3,430,028)	(7,983,712)
<b>Operations &amp; Emergency Management</b>											
LAX-OEM	104 Equipment and Vehicles	29,970	188,295	-	106,200	135,700	-	76,230	(52,595)	-	23,635
AIR, \$0.1m decr due to 5 less vehicles budgeted by Ops & Em Mgmt DED at \$0.3m (18% AIR). APR, (\$0.1m) incr due to 2 ADA Shuttle Busses for Bus Ops (100% APR) reflected at 50% cost.											
LAX-OEM	510 Salaries and Benefits	4,867,769	5,073,115	442,324	7,240,723	5,003,148	709,104	2,372,954	(69,967)	266,780	2,569,767
AIR, (\$2.4m) decr mainly due to lower headcount (-62) from staff reorg (PP15): \$1.6m Duty Ops (41.6% AIR) (-44 from 76 to 32) and \$0.8m other sections [-4 Reg Compl (27% AIR), -8 Ops Coord (20% AIR), -3 Construc. Desk (75% AIR), -3 LAX Dir Office (27% AIR)]. APR, (\$0.1m) incr mainly due to higher Overtime by Bus Ops (100% APR). ACC, \$0.3m decr mainly due to lower headcount (-42) by Duty Ops (6% ACC)											
LAX-OEM	520 Contractual Services	175,650	481,000	-	57,444	50,000	-	(118,206)	(431,000)	-	(549,206)
LAX-OEM	521 Administrative Services	25,612	25,566	-	27,758	29,586	-	2,146	4,020	-	6,166
LAX-OEM	522 Materials and Supplies	85,585	52,028	275	59,081	46,713	650	(26,504)	(5,315)	375	(31,444)
LAX-OEM	523 Utilities	-	-	-	-	-	-	-	-	-	-
LAX-OEM	524 Advertising and Public Relations	11,190	295	-	5,350	295	-	(5,840)	-	-	(5,840)
LAX-OEM	525 Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
		5,195,776	5,820,299	442,599	7,496,556	5,265,442	709,754	2,300,780	(554,857)	267,155	2,013,078
<b>Total Operating Expenses - Direct Divisions</b>		\$ 103,124,598	\$ 24,184,003	\$ 71,559,849	\$ 93,150,051	\$ 21,987,036	\$ 66,116,302	\$ (9,974,547)	\$ (2,196,967)	\$ (5,443,547)	\$ (17,615,062)

**Los Angeles International Airport  
Direct Divisions - Variance Analysis  
FY 2017 Budget Rates**

	Budget FY 2017			Budget FY 2016			Favorable (Unfav) Variance				
	AIR	APR	ACCESS	AIR	APR	ACCESS	AIR	APR	ACCESS	TOTAL	
<b>Summary -</b>											
104 Equipment and Vehicles	1,918,041	572,336	1,266,609	1,504,597	363,728	1,322,131	(413,445)	(208,607)	55,522	(566,530)	Incr for equipment and vehicles due to MSD, LAW, and OEM divisions
											AIR, (\$5.1m) net incr due (\$8.6m) gross incr [(\$3.6m) LAW higher headcount (40) and COLA, (\$3.2m) ESD higher headcount (21) for ELUP Envir. Performance, (\$1.0m) CPP higher headcount (6) by FPD Airside Improv. and higher charges by FPD Airside, (\$0.5m) MSD APC and Field Paint alloc., (\$0.2m) ADG higher headcount (1) for ADG Airside, and (\$0.1m) FB higher headcount], reduced by \$3.5m gross decr [\$2.4m to lower OEM headcount (-62) and \$1.1m lower AE headcount (-26) and lower charges by EFM Airfield], APR, (\$1.2m) incr due to (\$0.6m) LAW higher headcount (23) for Sec Acc Ctrl (17% APR), (\$0.5m) MSD higher headcount (3) for Airfield Bus Maint, and (\$0.1m) OEM higher Overtime by Bus Ops. ACC, (\$2.1m) net incr mainly due to (\$3.8m) gross incr [(\$3.5m) higher headcount/ charges by LAW and (\$0.3m) incr by CDG-LND], reduced by \$1.7m gross decr [\$1.2m lower headcount (-12) by MSD Landscaping and charges by MSD-FLD Rdways & SW, \$0.3m lower headcount (-42) by Duty Ops (6% ACC), and \$0.2m lower headcount (3) by FPD Lnd Improv.].
510 Salaries and Benefits	63,698,054	15,223,985	40,672,921	58,635,765	14,040,193	38,619,359	(5,062,289)	(1,183,793)	(2,053,563)	(8,299,645)	
											AIR, (\$3.7m) net incr due to (\$5.1m) gross incr [(\$3.1m) higher CPP Airside Improv. P&E Costs, (\$1.6m) City Svcs - LAFD & LAPD, (\$0.2m) ESD Noise Monitoring Report, (\$0.1m) IT Sec. Svcs. and (\$0.1m) OEM CVHL], reduced by \$1.4m gross decr [\$0.9m lower AE EFM P&E Costs, \$0.3m LAW Cont. for Subject Matter Experts, \$0.2m ADG On-Call Tenant Inspection]. APR, (\$0.8m) incr due to (\$0.4m) higher City Services - LAPD [(\$2.0m) incr x 20.7% APR (Matrix Allocation)] and (\$0.4m) incr in Airfield Pax Busing Svcs by Bus Ops (100% APR). ACC, (\$3.9m) net incr due to (\$4.8m) gross incr [\$4.5m higher LND FlyAway & Shuttle Bus Ops and \$0.3m City Svcs - LAPD], reduced by \$0.9m gross decr [lower \$0.7m AE P&E Costs and \$0.2m LAW Cont. for Subject Matter Experts].
520 Contractual Services	28,444,287	5,715,243	25,126,291	24,741,895	4,886,493	21,223,349	(3,702,392)	(828,749)	(3,902,941)	(8,434,082)	
											ACC, \$0.1m decr in Contingency funding for Training and Allowances for After Action Activities by LEHS DED (26% ACC).
521 Administrative Services	331,472	73,678	184,956	348,445	85,406	224,549	16,974	11,728	39,593	68,295	
											AIR, (\$1.2m) incr in (\$0.6m) Field Paint \$1.3m at 50% AIR incr, (\$0.3m) Runway Rubber Removal, (\$0.2m) Plane Parking remote ramp scrubbing, and (\$0.1m) LAW tactical gear. APR, (\$0.1m) incr mainly due to Apron Paving for plane parking. ACC, \$0.1m decr mainly due to Field Paint Sub-Unit at \$1.3m at -15% ACC decr.
522 Materials and Supplies	7,349,352	2,078,656	3,117,556	6,125,948	1,939,946	3,191,674	(1,223,404)	(138,710)	74,118	(1,287,996)	
											AIR, \$0.4m decr due to \$0.2m Electricity for EFM Bldg-Airfield, \$0.1m Tel. charges for WAN of Noise Mgmt. System (100% AIR) and \$0.1m Tel. charges for WAN of CCTV data storage/network connection by IMTG phy. inv. (6% AIR). APR, \$0.1m decr in Electricity by EFM Remote Pad (100% APR). ACC, \$0.4m decr in Electricity by \$0.3m VNY FlyAway Ops (100% ACC) Terminal and \$0.1m EFM Rdways (100% ACC).
523 Utilities	947,986	397,223	696,078	1,342,752	539,865	1,060,539	394,766	142,641	364,460	901,868	
											AIR and ACC, (\$0.1m) incr due to Industry/Comm Events for APD Women's Conference by LEHS (34% AIR, 26% ACC).
524 Advertising and Public Relations	60,030	9,842	49,439	30,886	5,331	17,940	(29,144)	(4,511)	(31,499)	(65,154)	
											AIR, \$0.1m decr in insurance premiums allocated to AIR by LAX-RM Insnce-Arld at \$0.7m (4.43% AIR).
525 Other Operating Expenses	375,377	113,041	445,999	419,764	126,074	456,761	44,386	13,033	10,762	68,181	
Total Operating Expenses - Direct Divisions	103,124,598	24,184,003	71,559,849	93,150,051	21,987,036	66,116,302	(9,974,547)	(2,196,967)	(5,443,547)	(17,615,062)	

**Table 4 - Operating Expenses - Administrative Divisions**

Table of Operating Expenses – Administrative Divisions

• Budget Admin. Expenses	\$ 177,654,856
• Admin. Cost allocated to other Airports	\$ (10,290,428)
• Net Admin. Expenses	<u>\$ 167,364,429</u>

Variance Explanation Highlights

• Net Increase in Budget Admin Expenses due to:	<u>\$ (2,992,112)</u>
○ Increase in Equipment	\$ (767,295)
○ Increase in Salaries & Benefits Expenses	\$ (3,694,372)
○ Decrease in Contractual Services	\$ 1,327,816
○ Decrease in Administrative Supplies	\$ 7,511
○ Increase in Materials & Supplies	\$ (405,602)
○ Decrease in Utilities	\$ 266,365
○ Decrease in Advertising & PR	\$ 1,069,750
○ Increase in Other Operating Expenses	\$ (468,395)
○ Decrease in 15% Admin Cost to Other Airports	\$ (327,889)
	<u>\$ (2,992,112)</u>

<b>Los Angeles International Airport</b> <b>Operating Expenses - Administrative Divisions</b> <b>FY 2017 Budget Rates</b>
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		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>Airports Development Group</b>					
LAX-ADG	104 Equipment and Vehicles	60,750	93,500	32,750	
LAX-ADG	510 Salaries and Benefits	2,734,171	1,689,390	(1,044,781)	(\$1.0m) incr due to higher headcount by (3) Tenant Construction and (3) ADG Fin/Contracts/Ctrl (100% ADM).
LAX-ADG	520 Contractual Services	230,890	312,410	81,520	\$0.1m decr mainly due to \$1.0M decr in City Svcs-Tenant Inspection by Construction Inspection (10% ADM).
LAX-ADG	521 Administrative Services	36,240	43,860	7,620	
LAX-ADG	522 Materials and Supplies	176,075	182,460	6,385	
LAX-ADG	523 Utilities	738	1,105	367	
LAX-ADG	524 Advertising and Public Relations	5,500	4,000	(1,500)	
LAX-ADG	525 Other Operating Expenses	-	-	-	
		<u>3,244,363</u>	<u>2,326,725</u>	<u>(917,638)</u>	
<b>Comptroller</b>					
ADM-COM	104 Equipment and Vehicles	-	-	-	
ADM-COM	510 Salaries and Benefits	2,509,667	2,523,799	14,132	
ADM-COM	520 Contractual Services	100,000	100,000	-	
ADM-COM	521 Administrative Services	53,300	65,700	12,400	
ADM-COM	522 Materials and Supplies	38,700	28,800	(9,900)	
ADM-COM	523 Utilities	-	-	-	
ADM-COM	524 Advertising and Public Relations	-	-	-	
ADM-COM	525 Other Operating Expenses	-	-	-	
		<u>2,701,667</u>	<u>2,718,299</u>	<u>16,632</u>	
<b>Accounting Operations</b>					
ADM-COM-AOD	104 Equipment and Vehicles	-	-	-	
ADM-COM-AOD	510 Salaries and Benefits	4,083,808	4,571,522	487,714	\$0.5m decr due to lower average headcount (3) for Accounts Ops/Payable/Receivable (100% ADM)
ADM-COM-AOD	520 Contractual Services	704,000	550,000	(154,000)	(\$0.2m) incr in City Svcs - On Site City Controller staffing by Accounting Ops (100% ADM)
ADM-COM-AOD	521 Administrative Services	1,500	1,500	-	
ADM-COM-AOD	522 Materials and Supplies	106,100	106,100	-	
ADM-COM-AOD	523 Utilities	-	-	-	
ADM-COM-AOD	524 Advertising and Public Relations	-	-	-	
ADM-COM-AOD	525 Other Operating Expenses	-	-	-	
		<u>4,895,408</u>	<u>5,229,122</u>	<u>333,714</u>	
<b>Financial Management Systems</b>					
ADM-COM-FMS	104 Equipment and Vehicles	-	-	-	
ADM-COM-FMS	510 Salaries and Benefits	2,111,968	1,683,231	(428,737)	(\$0.4m) incr due to higher headcount (2) and COLA for Fin. Mgmt Systems and RAMS Section (100% ADM)
ADM-COM-FMS	520 Contractual Services	1,025,000	1,051,200	26,200	
ADM-COM-FMS	521 Administrative Services	110,200	82,000	(28,200)	
ADM-COM-FMS	522 Materials and Supplies	22,500	19,500	(3,000)	
ADM-COM-FMS	523 Utilities	-	-	-	
ADM-COM-FMS	524 Advertising and Public Relations	-	-	-	
ADM-COM-FMS	525 Other Operating Expenses	-	-	-	
		<u>3,269,668</u>	<u>2,835,931</u>	<u>(433,737)</u>	
<b>Admin DED/Board/Internal Audit</b>					
ADM-DED/BOA/IA	104 Equipment and Vehicles	-	-	-	
ADM-DED/BOA/IA	510 Salaries and Benefits	2,010,138	2,319,103	308,965	\$0.3m decr due to lower headcount (-2) for Administration-DED and Internal Audit (100% ADM)
ADM-DED/BOA/IA	520 Contractual Services	210,100	859,900	649,800	\$0.6m decr in Misc. Contract Svcs (LAEDC Econ Impact Study) by Admin DED (100% ADM).
ADM-DED/BOA/IA	521 Administrative Services	46,300	45,900	(400)	
ADM-DED/BOA/IA	522 Materials and Supplies	34,500	33,100	(1,400)	
ADM-DED/BOA/IA	523 Utilities	-	-	-	
ADM-DED/BOA/IA	524 Advertising and Public Relations	6,000	11,000	5,000	
ADM-DED/BOA/IA	525 Other Operating Expenses	-	-	-	
		<u>2,307,038</u>	<u>3,269,003</u>	<u>961,965</u>	



<b>Los Angeles International Airport</b> <b>Operating Expenses - Administrative Divisions</b> <b>FY 2017 Budget Rates</b>
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		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>Human Resources</b>					
ADM-HR	104 Equipment and Vehicles	31,875	42,500	10,625	
					(\$0.9m) incr due to (\$0.5m) higher headcount (6) for HR Performance Mgmt and HR Special Projects (100% ADM), (\$0.2m) Retirement and (\$0.1m) Health.
ADM-HR	510 Salaries and Benefits	8,254,924	7,399,853	(855,071)	
ADM-HR	520 Contractual Services	300,000	281,000	(19,000)	
ADM-HR	521 Administrative Services	834,700	577,100	(257,600)	(\$0.3m) incr in Training by HR Director (100% ADM).
ADM-HR	522 Materials and Supplies	647,275	580,851	(66,424)	(\$0.1m) incr in Fuel for Vanpool Program by Rideshare Unit (100% ADM)
ADM-HR	523 Utilities	-	-	-	
ADM-HR	524 Advertising and Public Relations	10,800	25,000	14,200	
ADM-HR	525 Other Operating Expenses	270,800	446,000	175,200	\$0.2m decr in Rideshare Program (100% ADM).
		<u>10,350,374</u>	<u>9,352,304</u>	<u>(998,070)</u>	
<b>Procurement Services</b>					
ADM-PROC	104 Equipment and Vehicles	142,500	40,000	(102,500)	(\$0.1m) incr due to 10 vehicles budgeted by Purchasing Services/Warehouse (100% ADM)
ADM-PROC	510 Salaries and Benefits	5,143,640	4,830,804	(312,837)	(\$0.3m) incr due to higher headcount (2) for Project Review Section (100% ADM)
ADM-PROC	520 Contractual Services	485,400	649,600	164,200	\$0.2m decr in MOU with Public Works for various investigations.
ADM-PROC	521 Administrative Services	7,900	7,900	-	
ADM-PROC	522 Materials and Supplies	59,995	58,567	(1,428)	
ADM-PROC	523 Utilities	-	-	-	
ADM-PROC	524 Advertising and Public Relations	10,100	10,100	-	
ADM-PROC	525 Other Operating Expenses	-	-	-	
		<u>5,849,536</u>	<u>5,596,971</u>	<u>(252,565)</u>	
<b>Risk Management</b>					
ADM-RSK	104 Equipment and Vehicles	-	-	-	
ADM-RSK	510 Salaries and Benefits	4,225,679	3,944,796	(280,883)	(\$0.3m) incr due to COLA for Employee Safety (5 staff) and Workers Comp - City and LAWA (10 staff).
ADM-RSK	520 Contractual Services	375,000	375,000	-	
ADM-RSK	521 Administrative Services	177,500	200,500	23,000	
ADM-RSK	522 Materials and Supplies	194,000	137,539	(56,461)	(\$0.1m) incr in Security & Safety Supplies by Workers Comp/Safety (100% ADM)
ADM-RSK	523 Utilities	-	-	-	
ADM-RSK	524 Advertising and Public Relations	-	-	-	
					(\$0.2m) incr mainly due to higher insurance expenses (All Risk, Property, War Risk, General Liability) by Prop/Liability/OCIP (100% ADM).
ADM-RSK	525 Other Operating Expenses	984,111	815,766	(168,345)	
		<u>5,956,290</u>	<u>5,473,602</u>	<u>(482,688)</u>	
<b>Commercial Develop-Real Estate Serv</b>					
CDG-RES	104 Equipment and Vehicles	-	-	-	
CDG-RES	510 Salaries and Benefits	1,133,133	1,200,570	67,436	\$0.1m decr due to lower average headcount (-1) for Real Estate Svcs Business Support (100% ADM)
CDG-RES	520 Contractual Services	-	-	-	
CDG-RES	521 Administrative Services	-	-	-	
CDG-RES	522 Materials and Supplies	248,300	248,300	-	
CDG-RES	523 Utilities	-	-	-	
CDG-RES	524 Advertising and Public Relations	-	-	-	
CDG-RES	525 Other Operating Expenses	5,391,500	5,045,000	(346,500)	(\$0.4m) incr in lease expense for ViaWest off site Data Center by RE Svcs Bus Support (100% ADM).
		<u>6,772,933</u>	<u>6,493,870</u>	<u>(279,064)</u>	
<b>CFO/Finance &amp; Budget/Financial Reporting</b>					
CFO/FB/FRD	104 Equipment and Vehicles	-	-	-	
					(\$0.2m) incr due to 1 staff transfer to Finance & Budget (100% ADM) from Rates and Charges (40% AIR, 60% TCC) in FY16 budget.
CFO/FB/FRD	510 Salaries and Benefits	2,821,915	2,576,048	(245,867)	
CFO/FB/FRD	520 Contractual Services	375,000	375,000	-	
CFO/FB/FRD	521 Administrative Services	34,000	28,400	(5,600)	
CFO/FB/FRD	522 Materials and Supplies	50,200	21,200	(29,000)	
CFO/FB/FRD	523 Utilities	-	-	-	
CFO/FB/FRD	524 Advertising and Public Relations	-	-	-	
CFO/FB/FRD	525 Other Operating Expenses	-	-	-	
		<u>3,281,115</u>	<u>3,000,648</u>	<u>(280,467)</u>	

<b>Los Angeles International Airport</b> <b>Operating Expenses - Administrative Divisions</b> <b>FY 2017 Budget Rates</b>
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		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>City Services</b>					
CityServ	520 Contractual Services	3,929,395	3,954,210	24,815	See Table 10
		3,929,395	3,954,210	24,815	
<b>General Admin/LAX Accruals</b>					
LAX/FB-GADM	104 Equipment and Vehicles	30,000	-	(30,000)	
LAX/FB-GADM	510 Salaries and Benefits	325,350	250,042	(75,308)	(\$0.1m) incr in unexpected Overtime Funding (100% ADM).
LAX/FB-GADM	520 Contractual Services	730,000	230,090	(499,910)	(\$0.5m) incr in Contingency for Contractual Services (100% ADM)
LAX/FB-GADM	521 Administrative Services	-	-	-	
LAX/FB-GADM	522 Materials and Supplies	-	-	-	
LAX/FB-GADM	523 Utilities	-	-	-	
LAX/FB-GADM	524 Advertising and Public Relations	-	-	-	
LAX/FB-GADM	525 Other Operating Expenses	-	-	-	
		1,085,350	480,132	(605,218)	
<b>CEO/Ethics/Bus Conduct/Ombuds/Legal</b>					
CEO/EBO/Legal	104 Equipment and Vehicles	-	-	-	
CEO/EBO/Legal	510 Salaries and Benefits	1,719,177	1,314,476	(404,701)	(\$0.4m) incr due to higher headcount (4) for Chief Executive Officer (100% ADM)
					\$1.2m net decr due to \$2.3m lower Legal Services contracts, reduced by (\$0.6m) higher City Attorney salaries and (\$0.5m) higher Contingency for Strategic Planning Consultant by CEO (100% ADM).
CEO/EBO/Legal	520 Contractual Services	11,204,100	12,376,200	1,172,100	
CEO/EBO/Legal	521 Administrative Services	196,600	209,200	12,600	
CEO/EBO/Legal	522 Materials and Supplies	63,700	79,200	15,500	
CEO/EBO/Legal	523 Utilities	-	-	-	
CEO/EBO/Legal	524 Advertising and Public Relations	29,200	30,000	800	
CEO/EBO/Legal	525 Other Operating Expenses	1,025,000	1,025,000	-	
		14,237,777	15,034,076	796,299	
<b>LAX External Affairs Group</b>					
LAX-EA	104 Equipment and Vehicles	-	-	-	
					(\$0.2m) incr mainly due to (\$0.4m) higher headcount (4) for Community Projects, reduced by \$0.2m lower headcount (-6) Business and Job Res. (100% ADM)
LAX-EA	510 Salaries and Benefits	6,275,101	6,090,541	(184,560)	
					(\$0.4m) incr due to (\$0.2m) Training Program by Project LIFTOFF at (\$0.4m) (65% ADM), (\$0.1m) First Source Hiring Program and (\$0.1m) Bond Assistance Program by Business & Job Res (100% ADM).
LAX-EA	520 Contractual Services	2,991,600	2,635,800	(355,800)	\$0.2m decr in Guest Experience training by Project LIFTOFF at \$0.3m (65% ADM).
LAX-EA	521 Administrative Services	826,375	1,042,275	215,900	
LAX-EA	522 Materials and Supplies	255,062	229,606	(25,456)	
LAX-EA	523 Utilities	56,067	82,142	26,075	
					\$1.0m decr mainly due to Mktg/Advertising/PR by \$0.6m LAX Modernization Public Education contracts by Public/Media Relations, \$0.3m Air Service Mktg, and \$0.1m Special Events by Project LIFTOff (65% ADM)
LAX-EA	524 Advertising and Public Relations	581,234	1,600,284	1,019,050	
LAX-EA	525 Other Operating Expenses	-	-	-	
		10,985,440	11,680,648	695,208	
<b>Engineering &amp; Facilities Management</b>					
FMG-AE	104 Equipment and Vehicles	16,000	-	(16,000)	
					(\$3.7m) incr due to (\$2.2m) higher allocated salaries and benefits based on FY16 actuals (full year vs. lower charges in FY15 when admin cost centers for FMG-AE HR, Budget & Contracts were created) and (\$1.5m) salaries & benefits for reorg of P&E Utilities Infrastructure (100% ADM) formerly EFM Technical Support (10% AIR, 15% AVA, 75% TCC).
FMG-AE	510 Salaries and Benefits	6,456,927	2,764,517	(3,692,410)	
					(\$1.5m) net incr due to (\$3.0m) Plng & Engr Consultant Svcs and (\$0.3m) City Svcs-BoS Sewer Assessment by P&E Utilities Infra (100% ADM), reduced by (\$1.8m) decr by LAWA Facilities Mgmt (100% ADM).
FMG-AE	520 Contractual Services	3,284,700	1,825,000	(1,459,700)	
FMG-AE	521 Administrative Services	88,100	107,500	19,400	
FMG-AE	522 Materials and Supplies	26,566	26,100	(466)	
FMG-AE	523 Utilities	-	-	-	
FMG-AE	524 Advertising and Public Relations	5,000	5,000	-	
FMG-AE	525 Other Operating Expenses	-	-	-	
		9,877,293	4,728,117	(5,149,176)	

<b>Los Angeles International Airport</b> <b>Operating Expenses - Administrative Divisions</b> <b>FY 2017 Budget Rates</b>
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		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>Environmental Services</b>					
FMG-ESD	104 Equipment and Vehicles	25,000	-	(25,000)	
FMG-ESD	510 Salaries and Benefits	3,901,131	5,750,111	1,848,980	\$1.9m decr due to \$2.4m reorg and lower headcount by (-15) Hazmat/WQ/Commit&WD (100% ADM) and (-3) Noise/AQ/WD Prj Sec. (100% ADM), reduced by (\$0.5m) incr due to COLA for (14) Proj Impl (100% ADM).
FMG-ESD	520 Contractual Services	3,614,520	3,323,100	(291,420)	(\$0.3m) incr mainly due to Environmental Policy Consultant by Envir. Svcs (100% ADM).
FMG-ESD	521 Administrative Services	54,170	9,200	(44,970)	
FMG-ESD	522 Materials and Supplies	191,075	37,000	(154,075)	(\$0.2m) incr in (\$0.1m) Contingency for Hazardous Waste Clngr/Disposal by Envir. Svcs (100% ADM) and (\$0.1m) Public Storage Fees for Fairy Shrimp by Project Impl (100% ADM).
FMG-ESD	523 Utilities	-	-	-	
FMG-ESD	524 Advertising and Public Relations	44,500	-	(44,500)	(\$0.1m) incr in Gov't Fees (Hazardous Substances Regulatory Fees- SBOE) by Envir. Svcs (100% ADM).
FMG-ESD	525 Other Operating Expenses	654,150	525,400	(128,750)	
		<u>8,484,546</u>	<u>9,644,811</u>	<u>1,160,265</u>	
<b>COO/Capital Programming &amp; Planning</b>					
COO/CPP	104 Equipment and Vehicles	-	-	-	
COO/CPP	510 Salaries and Benefits	3,739,921	4,765,461	1,025,539	\$1.0m decr mainly due to lower headcount (-3) by Facil Plng (100% ADM) and (-2) FPD Reg/Land Use Pln.
COO/CPP	520 Contractual Services	2,310,000	3,985,000	1,675,000	\$1.7m decr in \$0.8m P&E Consultant Svcs (Outdoor Advertising & Northside Plan Premarketing) by Facil Plng (100% ADM), \$0.5m CPP Staff Augmentation by FPD Capital Impr (100% ADM), and \$0.4m Envir Consultant (Solar Eval Plan, Storm Water Drainage Plan).
COO/CPP	521 Administrative Services	25,200	66,900	41,700	
COO/CPP	522 Materials and Supplies	800	44,600	43,800	\$0.1m decr in Advertising by Facilities Plng (100% ADM).
COO/CPP	523 Utilities	-	-	-	
COO/CPP	524 Advertising and Public Relations	-	97,500	97,500	
COO/CPP	525 Other Operating Expenses	-	-	-	
		<u>6,075,921</u>	<u>8,959,461</u>	<u>2,883,539</u>	
<b>Facilities/Field Maint/Custodial</b>					
FMG-MSD	104 Equipment and Vehicles	124,329	194,059	69,730	
FMG-MSD	510 Salaries and Benefits	10,433,014	10,260,604	(172,410)	(\$0.2m) incr due to higher headcount (1) by Outlying (100% ADM) and Overtime by Outlying Crew-Swing (100% ADM)
FMG-MSD	520 Contractual Services	308,201	260,790	(47,411)	
FMG-MSD	521 Administrative Services	9,157	9,218	61	\$0.4m mainly due to \$0.3m lower Contingency for Maint Expense by EFM-BLD Admin Bldg (100% ADM) and \$0.1m lower Asphalt Paving Crew at \$2.3m (5% ADM vs. 10% ADM).
FMG-MSD	522 Materials and Supplies	3,148,225	3,546,759	398,533	
FMG-MSD	523 Utilities	1,702,171	2,408,724	706,553	\$0.7m decr due to Electricity for EFM-BLD Admin Bldg/W (100% ADM).
FMG-MSD	524 Advertising and Public Relations	-	-	-	
FMG-MSD	525 Other Operating Expenses	400	400	-	
		<u>15,725,498</u>	<u>16,680,554</u>	<u>955,056</u>	
<b>Information Technology</b>					
LAX-IMTG	104 Equipment and Vehicles	1,220,250	660,925	(559,325)	(\$0.6m) incr due to 46 replacement/additional vehicles and equipment for IMTG Division (100% ADM)
LAX-IMTG	510 Salaries and Benefits	28,724,012	27,312,047	(1,411,966)	(\$1.4m) incr mainly due to higher headcount by (9) IT Infrastructure-Voice and (2) Project Managers (at \$1.0m Reg Salaries, \$0.3m Retirement, and \$0.1m Health).
LAX-IMTG	520 Contractual Services	12,140,443	13,469,063	1,328,621	\$1.3m decr mainly due to \$1.1m System Svcs (Helpdesk Svcs & ITSM System Repl) by IT Plan & Client Supp (100% ADM) and \$0.2m CADD & BIM Supp Svcs by IT GIS Support Svcs (100% ADM).
LAX-IMTG	521 Administrative Services	538,500	551,600	13,100	
LAX-IMTG	522 Materials and Supplies	8,635,470	8,138,609	(496,861)	(\$0.5m) net incr mainly due to (\$0.7m) Computer software & licenses for Data Center server and end user PC's by IT Business Appl. Sup (100% ADM), reduced by \$0.2m decr in Comm., Network & Infra Supplies & Svcs by IT Infra (100% ADM).
LAX-IMTG	523 Utilities	2,991,000	2,524,371	(466,629)	
LAX-IMTG	524 Advertising and Public Relations	11,300	12,000	700	(\$0.5m) incr due to Telephone Charges by IT Infra (100% ADM).
LAX-IMTG	525 Other Operating Expenses	-	-	-	
		<u>54,260,976</u>	<u>52,668,616</u>	<u>(1,592,360)</u>	

<b>Los Angeles International Airport</b> <b>Operating Expenses - Administrative Divisions</b> <b>FY 2017 Budget Rates</b>
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		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>Operations &amp; Emergency Management</b>					
LAX-OEM	104 Equipment and Vehicles	177,075	29,500	(147,575)	(\$0.2m) incr in 3 Motorola Dispatch Consoles for the ARCC (100% ADM)
LAX-OEM	510 Salaries and Benefits	2,716,038	4,378,429	1,662,391	\$1.6m lower headcount at (-2) \$1.1m ARCC Mgmt (100% ADM) and (-44) \$0.4m Duty Ops (12% ADM).
LAX-OEM	520 Contractual Services	1,161,400	194,200	(967,200)	(\$1.0m) incr due to Emergency Mgmt Contract (100% ADM) per CEO.
LAX-OEM	521 Administrative Services	53,360	51,860	(1,500)	
LAX-OEM	522 Materials and Supplies	224,870	199,520	(25,350)	
LAX-OEM	523 Utilities	-	-	-	
LAX-OEM	524 Advertising and Public Relations	31,525	10,025	(21,500)	
LAX-OEM	525 Other Operating Expenses	-	-	-	
		<b>4,364,268</b>	<b>4,863,534</b>	<b>499,266</b>	
<b>Total Operating Expenses-Administrative Divs</b>					
		<b>177,654,856</b>	<b>174,990,633</b>	<b>(2,664,223)</b>	
		BUDGET FY 2017	BUDGET FY 2016	Fav (Unfav) Variance	
<b>Summary-</b>					
	104 Equipment and Vehicles	1,827,779	1,060,484	(767,295)	(\$0.8m) incr in equipment and vehicles mainly due to (\$0.6m) IMTG, (\$0.1m) OEM, and (\$0.1m) PROC division
					(\$3.7m) gross incr in Salaries and Benefits budget categories due to (\$2.2m) Regular Salaries mainly due to higher headcount for staff charging to ADM, (\$0.3m) Retirement due to higher Pension contributions based on higher Reg. Salaries, (\$0.2m) Overtime, (\$0.5m) Health and (\$0.5m) Workers Comp. due to higher headcount. <u>Variance by division:</u> (\$3.7m) net incr due to (\$9.1m) gross incr mainly due to higher headcount [(\$3.7m) AE reorg/staff transfer, (\$1.4m) IT, (\$1.0m) ADG, (\$0.9m) HR, (\$0.4m) FMS, (\$0.4m) CEO, \$0.3m PROC, \$0.3m RSK due to COLA, \$0.2m MSD, \$0.2m FB staff transfer, \$0.2m EA, and \$0.1m GADM], reduced by \$5.4m gross decr mainly due to lower headcount [\$1.9m ESD, \$1.6m OEM, \$1.0m CPP, \$0.5m AOD, \$0.3m ADM-DED/BOA/IA and \$0.1m CDG-RES].
	510 Salaries and Benefits	99,319,716	95,625,344	(3,694,372)	\$1.3m net decr due to \$5.6m gross decr [\$1.7m CPP Planning Costs, \$1.7m Legal Costs, \$1.3m IMTG Helpdesk System Svcs, \$0.6m Admin DED LAEDC Econ. Impact Study, \$0.2m MOU Public Works, \$0.1m ADG Construc Inspec. Svcs], reduced by (\$4.3m) gross incr [(\$1.5m) AE P&E Consulting Svcs, (\$1.0m) OEM Emer. Mgmt. Consultant, (\$0.5m) Contingency, (\$0.5m) Strategic Plng Consultant, (\$0.3m) EA Guest Exper. Training & Admin Svcs, (\$0.3m) Envir. Policy Consultant, and (\$0.2m) AOD On-Site City Controller staffing].
	520 Contractual Services	45,479,749	46,807,564	1,327,816	
	521 Administrative Services	3,093,102	3,100,613	7,511	
	522 Materials and Supplies	14,123,413	13,717,811	(405,602)	(\$0.4m) incr mainly due to (\$0.5m) IMTG Computer software & licenses.
	523 Utilities	4,749,976	5,016,342	266,365	\$0.3m net decr due \$0.7m decr in Electricity Expense by EFM-BLD Admin Bldg/W, reduced by (\$0.4m) incr in Telephone Charges by IT Infrastructure.
	524 Advertising and Public Relations	735,159	1,804,909	1,069,750	\$1.1m decr due to \$0.6m LAX Modernization Public Education by Public/Media Relations, \$0.3m Air Service Mktg, \$0.1m Special Events by Project LIFToff (100% ADM) and \$0.1m Adv. by Facilities Plng (100% ADM).
	525 Other Operating Expenses	8,325,961	7,857,566	(468,395)	(\$0.5m) incr mainly due to (\$0.4m) CDG Lease Expense for Data Center and (\$0.1m) ESD Gov't Fees.
	<b>Total Operating Expenses</b>	<b>177,654,856</b>	<b>174,990,633</b>	<b>(2,664,223)</b>	
	Admin. Cost allocated to other Airports	(10,290,428)	(10,618,317)	(327,889)	
	<b>Administrative Cost , Net (A.2)</b>	<b>167,364,429</b>	<b>164,372,317</b>	<b>(2,992,112)</b>	

**Table 5 - Amortization Expense by Cost Center**

Amortization Expense

	<b><u>FY17 Budget</u></b>	<b><u>FY16 Budget</u></b>
• Airfield Amortization:	\$ 13,832,130	\$ 12,626,713
	<b>Variance: \$ 1,205,418</b>	
• Apron Amortization:	\$ 4,064,036	\$ 2,673,364
	<b>Variance: \$ 1,390,672</b>	

**Los Angeles International Airport  
Amortization Expense by Cost Center  
FY 2017 Budget Rates**

Description	Ref	Direct LAX Cost Centers					Indirect LAX Cost Centers		
		Airfield	Apron	Aviation	Commercial	Terminal	Access	General Admin	Total
a. Total LAX C/Cs		9,561,320	2,936,921	2,435,155	20,790,608	79,024,125	9,212,065	9,133,760	133,093,954
b. Ratio of M&O Expense by C/C		18.75%	4.44%	4.85%	12.20%	48.85%	10.91%		100.00%
c. Allocation of Gen. Admin. Amort.	a*b	1,712,775	405,681	443,008	1,114,052	4,461,454	996,789	(9,133,760)	-
d. Total	a+c	11,274,095	3,342,602	2,878,163	21,904,660	83,485,580	10,208,854	-	133,093,954
e. Ratio of Land Area by C/C		25.06%	7.07%	28.10%	14.72%	25.06%			100.00%
f. Allocation of Access Amort.	d*e	2,558,035	721,434	2,868,526	1,502,824	2,558,035	(10,208,854)	-	-
g. Total	d+f	13,832,130	4,064,036	5,746,689	23,407,483	86,043,615	-	-	133,093,954
h. LAX Allocation by Direct C/C	T.1	<b>13,832,130</b>	<b>4,064,036</b>	5,746,689	23,407,483	86,043,615	-	-	\$133,093,954
Amortization Expense per FY 2016 Budget		<b>12,626,713</b>	<b>2,673,364</b>						
Variance		<b>(1,205,418)</b>	<b>(1,390,672)</b>						

For AIR, (\$1.2m) net increase mainly due to (\$2.0m) new assets (THLR, WAMA, WAMA (Qantas), Rwy 6R-24L RSA & Rehab, ARFF Vehicles, OCIP, UST) and (\$0.2m) higher indirect Access (NFace of CTA-Ph 2, BW Traf Mitig at WWS/Ctr Wy, SL Rdwy Repairs), reduced by \$0.5m higher BP funding, \$0.3m end of useful life assets, and \$0.2m lower project cost (Tx-In T).

		Variance	Amort Start Date	Amort End Date	
<b>Airfield Projects:</b>					
new projects at (\$2.0m) incr	Taxi Holding Lot relocation (RSA Enabling Airfield)	(\$0.5m)	1/1/2015	12/31/2019	new project (100% AIR)
	West Aircraft Maintenance Area (WAMA)	(\$0.4m)	7/1/2016	6/30/2046	new project (62% AIR)
	WAMA Tenant Improvements (Qantas)	(\$0.4m)	7/1/2016	6/30/2046	new project (50% AIR)
	Runway 6R-24L Runway Safety Area (RSA) Impr and Rehab	(\$0.2m)	1/1/2017	12/31/2036	new project (100% AIR)
	ARFF Vehicles	(\$0.2m)	1/1/2016	12/31/2025	full year of amortization
	OCIP not charged in FY06-09 for SP-IBSS T1, T2, T4-8	(\$0.2m)	1/1/2015	12/31/2029	new project (29% AIR)
	Underground Storage Tanks - 2017	(\$0.1m)	1/1/2017	12/31/2026	new project (50% AIR)
higher indirect amortization at (\$0.2m) incr	Higher indirect Access at 25% AIR * (\$0.7m) net incr (NFCTA-Ph 2 (50% ACC), BW Traf Mitig at WWS/Ctr Wy (100% ACC), SLR Repairs (100% ACC))	(\$0.2m)			
higher BP funding at \$0.5m decr	Aircraft & Noise Monitoring & Management System (ANMMS)	\$0.5m	1/1/2015	12/31/2019	higher BP funding
end of useful life at \$0.3m decr	6768 Service Road 75 & Bridge	\$0.1m	4/1/1996	3/31/2016	end of useful life in FY15
	7537 Taxiway K Easterly Extension	\$0.1m	3/1/1996	2/29/2016	end of useful life in FY15
	6769 Taxiway K Easterly Extension	\$0.1m	3/1/1996	2/29/2016	end of useful life in FY15
lower capital cost at \$0.2m decr	Taxilane T Program-Phase 1	\$0.2m	7/1/2014	6/30/2039	lower cost
<b>AIR Total</b>		<b>(\$1.2m)</b>			

For APR, (\$1.4m) net increase due to (\$1.3m) new assets (BW Aprons/Demo NE Side, UST) and (\$0.1m) higher indirect Access (NFCTA-Ph2, BW Traffic Mitig-WWS/Ctr Wy, SLR Repairs).

		Amort Start Date	Amort End Date	
<b>Apron Projects:</b>				
BW Aprons/Demo North East Side		(\$1.2m)	7/1/2015	6/30/2035
	Underground Storage Tanks - 2017	(\$0.1m)	1/1/2017	12/31/2027
Higher indirect Access at 7% APR * (\$0.2m) net incr (see above)		(\$0.1m)		
<b>APR Total</b>		<b>(\$1.4m)</b>		

**Table 6 - Debt Service Expense**

Net Increase in Airfield Debt Service Expense (net of BABs)	<b>\$ (5,659,339)</b> AIR + BABs
• Net Decrease in Airfield Debt Service (gross of BABS) due to:	\$ (5,655,151)
Series 2009C	\$ 109,335
Series 2010C	\$ (553,461)
Series 2013B	\$ (1,662,475)
Future Series - Sub	\$ (2,603,672)
Indirect Access	\$ (850,509)
	<b>\$ (5,560,782)</b> AIR
Net Increase in Apron Debt Service (gross of BABS) mainly due to:	\$ (362,993)
Series 2013B	\$ 279,557
Future Series	\$ (398,509)
Increase in indirect Access expense	\$ (241,362)
	<b>\$ (360,315)</b> APR

**Table 6.1 - Build America Bonds (BABs) Subsidy**

• Decrease in BABs subsidy	<b>\$ (98,558)</b> BABs
FY17 Budget:	\$ (7,621,094)
FY16 Budget:	\$ (7,719,652)

Table 6

**Los Angeles International Airport  
Debt Service Expense by Cost Center  
FY 2017 Budget Rates**

Year of Issue	Ref	FY 2017 Annual Debt Service	Direct LAX Cost Centers					Indirect LAX Cost Centers		Total
			Airfield	Apron	Aviation	Commercial	Terminal	Access	General Admin	
2008A (net of partial tender refunding by 2009A)		40,434,263	-	-	-	-	40,434,263	-	-	40,434,263
2008C		6,195,818	6,195,818	-	-	-	-	-	-	6,195,818
2009A		20,959,525	-	-	-	4,799,200	16,160,325	-	-	20,959,525
2009C		27,766,597	27,615,468	151,129	-	-	-	-	-	27,766,597
2009E - Ref. 2002C-1, Reimb. LAWA for T6T7FIS buyout		4,790,950	-	-	-	-	4,790,950	-	-	4,790,950
2010A		61,893,400	-	-	-	-	61,893,400	-	-	61,893,400
2010B		6,734,000	327,333	6,406,667	-	-	-	-	-	6,734,000
2010C		4,186,661	4,186,661	-	-	-	-	-	-	4,186,661
2010D		51,725,225	-	-	-	-	50,973,438	-	751,787	51,725,225
2012A		11,583,800	-	-	-	-	11,583,800	-	-	11,583,800
2012B		9,071,000	-	-	-	-	9,071,000	-	-	9,071,000
2012C - Refunding Issue 2002A		6,896,800	-	-	-	-	-	6,896,800	-	6,896,800
2013A		8,534,250	-	-	-	-	8,534,250	-	-	8,534,250
2013B		5,053,638	2,391,246	1,727,899	934,493	-	-	-	-	5,053,638
2015A		15,027,080	-	-	-	-	15,027,080	-	-	15,027,080
2015B		2,850,403	-	-	-	-	715,920	2,134,483	-	2,850,403
2015C		9,782,500	9,782,500	-	-	-	-	-	-	9,782,500
2015D		19,702,344	-	-	-	-	19,702,344	-	-	19,702,344
2015E		2,147,900	-	-	-	-	834,350	1,313,550	-	2,147,900
Future Series - Sub		4,717,474	2,761,307	398,509	1,557,658	-	-	-	-	4,717,474
<b>Total</b>		<b>320,053,627</b>	<b>53,260,332</b>	<b>8,684,204</b>	<b>2,492,151</b>	<b>4,799,200</b>	<b>239,721,119</b>	<b>10,344,833</b>	<b>751,787</b>	<b>320,053,627</b>
Total LAX C/CS	a		53,260,332	8,684,204	2,492,151	4,799,200	239,721,119	10,344,833	751,787	320,053,627
Ratio of M&O Expense by C/C	b		18.75%	4.44%	4.85%	12.20%	48.85%	10.91%		100.00%
Allocation of General Admin. D/S	c (a*b)		140,976	33,391	36,463	91,696	367,216	82,044	(751,787)	-
Total	d (a+c)		53,401,309	8,717,595	2,528,614	4,890,896	240,088,335	10,426,877	-	320,053,627
Ratio of Land Area by C/C	e		25.06%	7.07%	28.10%	14.72%	25.06%			100.00%
Allocation of Access D/S	f (a*e)		2,612,665	736,841	2,929,787	1,534,918	2,612,665	(10,426,877)	-	-
Total	g (d+f)		56,013,974	9,454,437	5,458,401	6,425,815	242,701,001	-	-	320,053,627
<b>LAX Allocation by Direct C/C</b>	<b>T.1</b>		<b>56,013,974</b>	<b>9,454,437</b>	5,458,401	6,425,815	242,701,001	-	-	320,053,627
<b>Debt Service Per FY 2016 Budget</b>			<b>50,358,823</b>	<b>9,091,444</b>						
<b>Variance - Favorable (Unfavorable)</b>			<b>(5,655,151)</b>	<b>(362,993)</b>						

For AIR, (\$5.6m) increase mainly due to (\$2.6m) Future Series - Sub (WAMA), (\$1.7m) Series 2013B (Rwy 6L-24R RSA, WAMA), (\$0.5m) Series 2010C (Rwy 6L-24R RSA), and (\$0.9m) indirect ACC (SLR Repairs, NFCTA-Ph2), reduced by \$0.1m Series 2009C due to lower project costs.

Airfield - Project Description	Series Bond	In-Service Date	FY17	FY16	Variance	
Crossfield Taxiway Project & Associated Projects	2009C	May-10	\$ 12,637,313	\$ 12,703,208	\$ 65,895	ds schedule decr
Taxilane 'S'	2009C	Nov-11	\$ 8,330,931	\$ 8,374,371	\$ 43,440	ds schedule decr
Runway 6L-24R RSA Improvement	2010C	Dec-15	\$ 1,164,749	\$ 611,288	\$ (553,461)	higher bond proceeds
Runway 6L-24R RSA Improvement	2013B	Dec-15	\$ 866,547	\$ 500,024	\$ (366,523)	higher bond proceeds
West Aircraft Maint. Area (WAMA) at 62% AIR	2013B	Feb-16	\$ 1,524,699	\$ 228,747	\$ (1,295,952)	full year of debt svc
Aircraft Parking Position electrification - 2017	Future Series -Sub	Jun-16	\$ 62,231	\$ -	\$ (62,231)	new debt svc
West Aircraft Maintenance Area (WAMA)	Future Series -Sub	Feb-16	\$ 2,541,441	\$ -	\$ (2,541,441)	new debt svc
<b>Debt Service Total - Airfield</b>			<b>\$ 27,127,911</b>	<b>\$ 22,417,638</b>	<b>\$ (4,710,273)</b>	<b>direct AIR</b>
Central Utility Plant (CUP) Replacement	2010D		\$ 751,787	\$ 805,929	\$ 54,142	lower project cost
New Face of the CTA, Phase 2... Lights & Ribbon	2015B	Dec-15	\$ 715,920	\$ -	\$ (715,920)	new project
Second Level Roadway Expansion Joint and Deck Repairs	2015B	Jun-16	\$ 1,418,563	\$ -	\$ (1,418,563)	new project
New Face of the CTA, Phase 2... Lights & Ribbon	2015E	Dec-15	\$ 834,350	\$ -	\$ (834,350)	new project
Second Level Roadway Expansion Joint and Deck Repairs	2015E	Jun-16	\$ 479,200	\$ -	\$ (479,200)	new project
<b>Debt Service Total - Access</b>			<b>\$ 3,448,033</b>	<b>\$ -</b>	<b>\$ (3,393,891)</b>	<b>indirect ACC</b>
					<b>\$ (850,509)</b>	<b>indirect ACC at 25% AIR</b>
					<b>\$ (5,560,782)</b>	<b>Total AIR</b>

For APR, (\$0.4m) increase mainly due to (\$0.4m) Future Series - Sub (T1 Apron) and (\$0.3m) indirect ACC (Series 2015B and 2015E: NFCTA-Ph2, SLR), reduced by \$0.3m Series 2013B (WAMA - 0% APR).

Apron- Project Description	Series Bond	In-Service Date	FY17	FY16	Variance	
BW Aprons/Demo North East Side	2013B	Jun-15	\$ 1,727,899	\$ 1,582,639	\$ (145,260)	higher bond proceeds
West Aircraft Maint. Area (WAMA)	2013B	Feb-16	\$ -	\$ 424,817	\$ 424,817	0% APR vs. 65% APR
T1 Terminal Apron Project (Southwest Airlines) - FY2017	Future Series -Sub	Jun-16	\$ 398,509	\$ -	\$ (398,509)	new project
<b>Debt Service Total - Apron</b>			<b>\$ 2,126,408</b>	<b>\$ 2,007,456</b>	<b>\$ (118,953)</b>	<b>direct APR</b>
<b>Debt Service Total - Access</b>			<b>\$ 3,448,033</b>	<b>\$ -</b>	<b>\$ (3,448,033)</b>	<b>indirect ACC</b>
					<b>\$ (241,362)</b>	<b>indirect ACC at 7% APR</b>
					<b>\$ (360,315)</b>	<b>Total APR</b>
<b>Debt Service Total - Grand Total</b>					<b>\$ (5,921,097)</b>	<b>AIR + APR</b>



Los Angeles International Airport  
Debt Service Expense - Details  
BABS Subsidy - Series 2009C, 2010C  
FY2017 Budget - Landing Fee

SUBORDINATE SERIES 2009C			
Project Description	D/S net of cap interest	FY17 BABS Credit	D/S after BABS Credit
AOA Perimeter Fence (World Way West) Phase 3	\$ 1,067,132	\$ (240,409)	\$ 826,723
Airfield Intersection Improvements Phase 2	1,690,883	(380,931)	1,309,952
IT Hub Relocation Project	246,663	(55,570)	191,093
Aircraft Rescue & Fire Fighting Station Construction	300,630	(67,728)	232,902
Crossfield Taxiway & Associated Projects	12,637,313	(2,847,001)	9,790,312
<b>Total - FY2011 Projects</b>	<b>\$ 15,942,621</b>	<b>\$ (3,591,638)</b>	<b>\$ 12,350,983</b>
Taxilane "S" (2012)	8,330,931	(1,876,836)	6,454,095
<b>Total - FY2012 Projects</b>	<b>\$ 8,330,931</b>	<b>\$ (1,876,836)</b>	<b>\$ 6,454,095</b>
Taxilane D-10 Reconstruction (2013)	201,505	(45,396)	156,109
<b>Total - FY2013 Projects</b>	<b>\$ 201,505</b>	<b>\$ (45,396)</b>	<b>\$ 156,109</b>
Taxilane T (2014)	3,291,540	(741,536)	2,550,004
<b>Total - FY2014 Projects</b>	<b>\$ 3,291,540</b>	<b>\$ (741,536)</b>	<b>\$ 2,550,004</b>
<b>Total - Series 2009 C Projects</b>	<b>\$ 27,766,597</b>	<b>(6,255,406)</b>	<b>\$ 21,511,191</b>

SUBORDINATE SERIES 2010C			
Project Description	D/S net of cap interest	FY17 BABS Credit	D/S after BABS Credit
Taxilane T Program-Phase 1	822,004	(268,138)	553,866
Taxilane T Program-Phase 1 (RSA Proceeds Transfer)	178,033	(58,074)	119,959
Taxilane T Program-Phase 2 (RSA Proceeds Transfer)	51,420	(16,773)	34,647
<b>Total - FY2015 Projects</b>	<b>\$ 51,420</b>	<b>\$ (342,985)</b>	<b>\$ 34,647</b>
Runway 6L-24R RSA Improvements and Rehabilitation	1,164,749	(379,941)	784,808
Runway 7R-25L Repair and Rehabilitation	1,970,455	(642,762)	1,327,693
<b>Total - FY2016 Projects</b>	<b>\$ 1,970,455</b>	<b>\$ (1,022,703)</b>	<b>\$ 1,327,693</b>
<b>Total - Series 2010 C Projects</b>	<b>\$ 6,208,536</b>	<b>\$ (1,365,689)</b>	<b>\$ 4,183,312</b>

BABS Credit Total	
<b>2009C - BABS</b>	<b>\$ (6,255,406)</b>
<b>2010C - BABS</b>	<b>\$ (1,365,689)</b>
<b>Total BABS Credit</b>	<b>\$ (7,621,095)</b>

**Table 7 - Allocation of Required Deposit to O&M Reserve**

**25% Required Reserve of Budget O&M Expenses by airport**

Total O&M Expenses:	\$	729,111,817
Less Equipment:	\$	(8,400,638)
Net O&M Expenses:	\$	<u>720,711,180</u>
Percent Reserve for O&M:		25%
Required Reserve for FY2017:	\$	180,177,795
Less Required Reserve - Budget FY2016:	\$	170,611,421
Required Deposit FY2017:	\$	<u>9,566,373</u>

**O&M Reserve calculation is always based on budget**

O&M Reserve for LAX direct cost centers:	\$	<u>9,566,373</u>
• Airfield % allocation of required deposit:		21.49%
○ Required Deposit for AIR:	\$	2,055,496
• Apron % allocation of required deposit:		5.21%
○ Required Deposit for APR:	\$	498,673

Los Angeles International Airport  
Allocation of Required Deposit to O&M Reserve  
FY 2017 Budget Rates

Calculation of Required Deposit to O&M Reserve		LAX
O&M Expenses for LAX Airport -- Budget 2017		\$ 729,111,817
Less: Equipment		(8,400,638)
Net O&M Expenses for LAX		<b>\$ 720,711,180</b>
Percent Reserve for O&M		25%
Required Reserve -- FY 2017	<b>a</b>	<b>\$180,177,795</b>
Less: Required Reserve -- Budget FY 2016	<b>b</b>	<b>\$170,611,421</b>
<b>Required Deposit -- FY 2017</b>	<b>a-b</b>	<b>\$ 9,566,373</b>

		Direct LAX Cost Centers					
Ref	Total	Airfield	Apron	Aviation	Commercial	Terminal	
O&M Expenses -- LAX							
<u>Direct O&amp;M Expenses</u>	FY Budget	\$ 703,477,450	\$ 151,153,911	\$ 36,670,640	\$ 55,692,007	\$ 97,105,146	\$ 362,855,745
<b>Percent to total</b>		100.00%	21.49%	5.21%	7.92%	13.80%	51.58%
Allocation of LAX Required Deposit	T.7.1	\$ 9,566,373	<b>\$ 2,055,496</b>	<b>\$ 498,673</b>	\$ 757,338	\$ 1,320,503	\$ 4,934,364

\* O&M Reserve calculation is always based on Budget (see Table 2).

**Table 8 - VNY Reliever Net Costs**

Net Increase in FY17 Budget (from FY16 Budget):

- Increase in Operating Expenses
- Decrease in Amortization Expense
- Increase in Operating Revenues

**\$ (827,992)**

\$ (1,056,723)

VNY CFR & Maint Svcs Staff

\$ 212,743

\$ 15,988

\$ (827,992)

**Los Angeles International Airport  
VNY Reliever Net Costs  
FY 2017 Budget Rates**

Description	Ref	Budget		Variance Fav (Unfav)	
		2017	2016		
Operating Expenses		\$ 16,676,088	\$ 15,619,366	(1,056,723)	(\$1.0m) incr due to (\$0.6m) VNY CFR and (\$0.4m) VNY Maint Salaries & Benefits.
Amortization Expense	T.8.1	\$ 2,916,874	\$ 3,129,617	212,743	\$0.2m net decr in VNY amortization due to \$0.5m end of useful life for various assets in FY16, reduced by (\$0.2m) incr for VNY Runway 16R Rehab and (\$0.1m) VNY Debris Pile Removal.
Debt Service Expense		\$ -	\$ -	-	
Debt Service Coverage		\$ -	\$ -	-	
Total Costs		\$ 19,592,962	\$ 18,748,983	\$ (843,979)	(\$0.8m) net incr due to (\$1.0m) incr in Operating Expenses (Personnel Expense, CFR & Admn Cost Alloc), reduced by \$0.2m net decr in Amortization Expense.
Less:				-	
Operating Revenue		\$ (17,884,049)	\$ (17,868,061)	\$ 15,988	
Van Nuys Reliever Net Costs	T.1	<b>\$ 1,708,914</b>	<b>\$ 880,922</b>	<b>\$ (827,992)</b>	(\$0.8m) incr due to (\$1.0m) incr in Operating Expenses (\$0.6m VNY CFR and \$0.4m VNY Maint Personnel), reduced by \$0.2m decr in Amortization.

**Details of Operating Expenses**

	Budget		Variance Fav (Unfav)	
	2017	2016		
Equipment and Vehicles	\$ 29,025	\$ 39,000	\$ 9,975	
Salaries and Benefits	\$ 6,958,741	\$ 6,565,844	(392,897)	(\$0.4m) incr due to higher headcount for VNY Maint (3).
Contractual Services	\$ 5,535,166	\$ 4,972,100	(563,066)	(\$0.6m) incr due to (\$0.7m) VNY CFR, reduced by \$0.1m Envir Consultants (UST).
Administrative Services	\$ 28,000	\$ 22,200	(5,800)	
Materials and Supplies	\$ 778,900	\$ 819,400	40,500	\$0.1m decr in Contingency for Misc. purchases (i.e., Fuel)
Utilities	\$ 726,100	\$ 726,100	-	
Advertising and Public Relations	\$ 133,000	\$ 133,300	300	
Other Operating Expenses	\$ 315,800	\$ 309,200	(6,600)	
Total Operating Expenses, before Admn cost	\$ 14,504,732	\$ 13,587,144	\$ (917,588)	
15% ADMN Cost (15% of expenses excluding equip/veh)	2,171,356	2,032,222	(139,134)	(\$0.1m) incr due to higher overall increase in VNY operating expenses
Total Operating Expenses, incl Admn cost	\$ 16,676,088	\$ 15,619,366	\$ (1,056,723)	(\$1.0m) incr due to (\$0.6m) VNY CFR and (\$0.4m) VNY Maint Salaries & Benefits.

**Details of Contractual Services**

Administrative Services	\$ 35,000	\$ 50,000	\$ 15,000	
City Services	\$ 4,641,400	\$ 3,929,300	(712,100)	\$0.7m incr for VNY CFR (100% VNY)
Environmental Consultants	\$ 221,000	\$ 333,400	\$ 112,400	\$0.1m decr mainly for UST by VNY Envir Compl
Equipment Maintenance Contract	\$ 98,000	\$ 98,000	\$ -	
Operational Contracts	\$ 122,866	\$ 132,400	\$ 9,534	
Public Relations Services	\$ 10,000	\$ 10,000	\$ -	
Systems Services	\$ 138,900	\$ 159,000	\$ 20,100	
Miscellaneous Contractual Services	\$ 268,000	\$ 260,000	\$ (8,000)	
Total Contractual Svcs	\$ 5,535,166	\$ 4,972,100	\$ (563,066)	

**Table 8.1 - VNY Amortization Expense**

▪ Capital Assets for VNY Amortization

• FY17 VNY Amortization

FY17 Budget:	\$	2,916,874	
FY16 Budget:	\$	3,129,617	
<b>Variance:</b>	<b>\$</b>	<b>212,743</b>	

○ Variance mainly due to assets:

Various assets	\$	485,132	full amortization
VNY Runway 16R Rehabilitation	\$	(191,549)	higher cost
VNY Debris Pile Removal	\$	(75,487)	new project in FY17
Mark Manlift, Aerial Manlift, Self Propelled Electric	\$	(10,704)	FY16 asset
	<b>\$</b>	<b>207,392</b>	

Table 8.1

**Los Angeles International Airport**  
**VNY Reliever Net Costs**  
**VNY Amortization Expense**  
**FY 2017 Budget Rates**

R&C ID	Asset Description	Useful Life	Capitalized Date	End Date	Amount
1144	E2321 Hangars - Schaefer Air	35	2/15/1985	2/14/2020	\$ 20,141
1327	Taxiway E Relocation Part 2(VNY)	20	6/30/1999	6/29/2019	\$ 236,626
1416	Seismic Repairs-Hangars 901/902 (VNY)	20	6/30/2003	6/29/2023	\$ 851,812
1452	06 El Dorado Exp Paratransit B	12	6/7/2006	6/6/2018	\$ 37,408
1485	Wheel Loader	12	6/30/2007	6/29/2019	\$ 23,999
1520	VNY Maintenance Yard Relocation	20	2/15/2008	2/14/2028	\$ 657,968
1528	VNY Perimeter Improvements	20	8/1/2008	7/31/2028	\$ 11,693
1491	VNY Prior Yr Benefits Liability Adjustment	10	7/1/2007	6/30/2017	\$ 60,531
1434	Flyaway Bus terminal Project	40	3/1/2005	2/28/2045	\$ 51,705
1587	2002C-2_Bond-funded-portion_Flyaway Bus Terminal Project - VNY	10	4/1/2010	3/31/2020	\$ 7,008
1607	VNY Vault & Westside Signage Upgrade	10	7/1/2010	6/30/2020	\$ 92,937
1621	VNY Propellor Aircraft Aviation	20	1/1/2011	12/31/2030	\$ 397,120
1623	Bull Creek Bridget and Service	20	2/1/2011	1/31/2031	\$ 89,875
1634	Pavement Management Program - VNY A2	20	6/1/2011	5/31/2031	\$ 7,216
1648	VNY Parking System Replacement *	10	3/1/2012	2/28/2022	\$ 1,732
1651	Pavement Management Program - VNY Taxilane A2 Rehab - Phase 2	20	6/1/2012	5/31/2032	\$ 10,322
1673	Broom Sweeper - Schwarze CNG M6000	5	07/01/2012	6/30/2017	\$ 66,627
1711	Backhoe Mower	10	9/1/2013	8/31/2023	\$ 14,411
1849	VNY Runway 16R Rehabilitation	20	1/1/2016	12/31/2035	\$ 191,549
1821	Mark Manlift, Aerial Manlift, Self Propelled Electric	12	1/1/2016	12/31/2027	\$ 10,704
1874	VNY Debris Pile Removal	5	1/1/2017	12/31/2021	\$ 75,487
	<b>Total Amortization Expense - VNY</b>				<b>\$ 2,916,874</b>

\* Cost Center Allocation for VNY FlyAway-related assets is 98% COM (LAX), 2% VNY

**Table 9 - Landed Weight**

FY17 Budget - Total Landing Units  
(Passenger, Cargo & Remote Commuters)

61,389,188

	<b><u>Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
• Higher than FY16 budget of 56.9m		4,524,290	8%
• Higher than FY15 budget of 52.4m		7,740,280	14%
• Higher than FY14 budget of 52.4m		9,030,515	17%
• Higher than FY13 budget of 51.5m		9,925,442	19%
• Higher than FY12 budget of 48.8m		12,616,417	26%



**Los Angeles International Airport  
Landed Weight  
FY 2017 Budget Rates**

Airfield Users

Passenger Airlines /1  
Cargo Airlines and Remote Commuters /2

Total

Apron Users

Passenger Airlines

Ref

T.1

T.1

FY 2017 Budget	FY 2016 Budget	Fav (Unfav) Variance		FY 2016 Estimated Actual	% Var FY16 Budget
		Units	%		
52,989,818	49,565,902	3,423,916	6.9%	50,786,151	2.5%
8,399,370	7,298,996	1,100,374	15.1%	8,055,264	10.4%
61,389,188	56,864,898	4,524,290	8.0%	58,841,415	3.5%
52,989,818	49,565,902	3,423,916	6.9%	50,786,151	2.5%

Notes:

Passenger/Cargo	Reported LW forecasts for FY17 were provided by 39 passenger and 13 cargo airlines and used to forecast the Total Landed Weight for LAX. For airlines that did not provide forecasts, the FY16 midyear estimate as provided by airlines or the FYTD trend (as of March 31, 2016 data) was generally applied.
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**Table 9.1 - Estimated Landing Fees Due from Airlines**

FY17 Budget - LAX Estimated Landing Fees Due

• Passenger (Combined Rate)	
○ Adopted Rate	\$ 4.50
○ Estimated Landing Units	52,989,818
○ Estimated Landing Fees Due	<u>\$ 238,454,181</u>
• Airfield (Cargo/Remote Commuter Rate)	
○ Adopted Rate	\$ 3.54
○ Estimated Landing Units	8,399,370
○ Estimated Landing Fees Due	<u>\$ 29,733,770</u>

FY17 Budget Total Estimated Landing Fees Due:	<u>\$ 268,187,951</u>
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FY16 Budget Total Estimated Landing Fees Due:	\$ 242,353,177	\$	<u>Variance</u> 25,834,774
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<b>Los Angeles International Airport</b> <b>Landing Fees</b> <b>FY 2017 Budget Rates</b>
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	<i>Permitted-Pssgr</i>	<i>Permitted-Cargo</i>
Landing fee based on budgeted expenses	\$ 4.50	\$ 3.54

FY 2017 Estimates	
Landed Weight	Landing Fee

**PERMITTED PASSENGER AIRLINES**

Aer Lingus Limited	83,408	\$ 375,336
Aeroflot Russian International Airlines	168,273	\$ 757,229
Aerovias De Mexico S A D E C V	462,415	2,080,866
Aerovias del Continente Americano S.A. Avianca	79,420	357,390
Air Berlin PLC & Co Luftverkehrs KG	58,084	261,376
Air Canada	1,098,891	4,945,010
Air China Limited	579,157	2,606,209
Air France	570,028	2,565,126
Air New Zealand	624,922	2,812,149
Air Pacific Limited	146,365	658,643
Air Tahiti Nui	327,343	1,473,042
Alaska Airlines Inc	1,869,597	8,413,187
Alitalia-Societa' Aerea Italiana S P A	79,900	359,550
All Nippon Airways Co Ltd	388,909	1,750,090
Allegiant Air LLC	220,000	990,000
American Airlines Inc	9,305,550	41,874,975
Asiana Airlines	486,432	2,188,944
Atlas Air Inc	3,667	16,500
ABC Aerolineas SA de CV	18,318	82,431
British Airways PLC	576,836	2,595,762
Cathay Pacific Airways Ltd	748,454	3,368,043
China Airlines Ltd	392,455	1,766,048
China Eastern Airlines	449,424	2,022,408
China Southern Airlines	420,198	1,890,891
Concesionaria Vuela Compania de Aviacion SAPI deCV	298,560	1,343,521
Copa Airlines	163,311	734,900
Delta Airlines Inc	8,447,621	38,014,295
El Al Israel Airlines Ltd	97,760	439,920
Emirates	320,776	1,443,492
Etihad Airways	180,134	810,603
Ethiopian Airlines	57,608	259,236
Eva Airways Corporation	618,264	2,782,188
Frontier Airlines Inc	241,185	1,085,333
Hainan Airlines	41,040	184,680
Hawaiian Airlines Inc	637,235	2,867,558
Iberia Lineas de Espana S A Sociedad Anonima Opera	59,004	265,519
Japan Airlines Co Ltd	340,910	1,534,095
JetBlue Airways Corporation	777,511	3,498,800
KLM Royal Dutch Airlines	346,500	1,559,250
Korean Airlines	747,056	3,361,752
LATAM Airlines Group S A	141,948	638,767
Lan Peru SA	95,569	430,058
Lineas Aereas Costarricenses SA	116,070	522,315
Lufthansa German Airlines	610,974	2,749,383
Mesa Airlines Inc	99	444
MN Airlines LLC	103,029	463,630
Norwegian Air Shuttle ASA	190,038	855,171
OJSC Transaero Airlines	23,710	106,696
Philippine Airlines	355,145	1,598,153
Qantas Airways Ltd	1,404,257	6,319,156
Qatar Airways Q C S C	179,580	808,110
Saudi Arabian Airlines Corporation	143,486	645,687
Scandinavian Airlines of North America Inc	97,136	437,112
Singapore Airlines Ltd	314,630	1,415,835
Southwest Airlines Co	5,339,385	24,027,231
Spirit Airlines Inc	818,760	3,684,420
Swiss International Airlines	202,940	913,230
TACA International Airlines SA	122,830	552,735

<b>Los Angeles International Airport</b> <b>Landing Fees</b> <b>FY 2017 Budget Rates</b>
--

	<i>Permitted-Pssgr</i>	<i>Permitted-Cargo</i>
Landing fee based on budgeted expenses	\$ 4.50	\$ 3.54
<b>FY 2017 Estimates</b>		
	<b>Landed Weight</b>	<b>Landing Fee</b>
TEM Enterprises Inc	192	864
Turk Hava Yollari A O	312,456	1,406,052
Ultimate Jetcharters LLC	1,800	8,100
United Airlines Inc	6,782,792	30,522,564
Virgin America Inc	2,028,464	9,128,088
Virgin Atlantic Airways Ltd	301,325	1,355,963
Virgin Australia International Airlines	404,419	1,819,886
Westjet	269,128	1,211,076
Wow Air	97,136	437,112
<b>Total - Permitted Passenger Airlines</b>	<b>52,989,818</b>	<b>\$ 238,454,181</b>
<b>Pasenger Carriers-Remote Commuters @ Cargo rate</b>		
Envoy Air Inc	13,043	\$ 46,171
American Airlines Inc	1,884,983	6,672,840
<b>Total Remote Commuters</b>	<b>1,898,026</b>	<b>\$ 6,719,011</b>
<b>PERMITTED CARGO CARRIERS</b>		
ABX Air Inc	302,202	\$ 1,069,795
Aerologic GmbH	60,375	213,728
Aerotransporte De Carga Union S A de C A	185,762	657,597
Aerotransportes Mas De Carga SA	115,324	408,245
Air Bridge Cargo Airlines	153,708	544,126
Air China Limited	175,584	621,566
Air Transport International Inc	51,876	183,641
Ameriflight LLC	4,611	16,322
Asiana Airlines	192,849	682,684
Atlas Air Inc	112,388	397,855
Cargolux Airlines International SA	249,283	882,462
Cathay Pacific Airways Ltd	366,073	1,295,899
China Airlines Ltd	355,240	1,257,549
China Cargo Airlines LTD	226,989	803,540
China Southern Airlines	240,350	850,839
Emirates	55,200	195,408
Eva Airways Corporation	125,184	443,151
Federal Express Corp	1,843,362	6,525,501
Gulf & Caribbean Cargo Inc	11,890	42,091
Kalitta Air LLC	231,831	820,681
Korean Airlines	353,682	1,252,034
Lan Cargo S A	901	3,190
Lufthansa German Airlines	59,225	209,657
National Air Cargo Group Inc	3,477	12,310
Nippon Cargo Airlines	334,207	1,183,093
Polar Air Cargo	168,782	597,487
Qantas Airways Ltd	3,330	11,788
Qatar Airways Q C S C	119,600	423,384
Singapore Airlines Cargo Pte Ltd	30,636	108,451
Sky lease I Inc	56,610	200,399
Southern Air Inc	149,730	530,044
United Parcel Service	161,085	570,242
USA Jet Airlines Inc		
<b>Total - Permitted Cargo Carriers &amp; Remote Commuters</b>	<b>8,399,370</b>	<b>\$ 29,733,770</b>
<b>TOTAL - Passenger Airlines &amp; Cargo Carriers</b>	<b>61,389,188</b>	<b>\$ 268,187,951</b>

**Table 10 - Special City Services**

FY17 Budget Special City Services

FY17 Budget:	\$	65,649,000	
FY16 Budget:	\$	59,943,110	
Variance:	\$	<b>5,705,890</b>	net incr

Variance Explanation Highlights:

Fire Svces / 1	\$	(2,421,900)
City Atty	\$	(631,300)
Central Svces	\$	(74,900)
Council Office	\$	(137,933)
CAO(Proprietary Analysis)	\$	186,683
Mayor & Office of International Trade	\$	(323,348)
Office of Finance/Treasurer	\$	393,608
Police Svces /2	\$	(1,984,700)
Police Contingency(LAPD Overtime) /2	\$	-
Total - LAX	\$	(4,993,790)
VNY- CFR	\$	(712,100)
Total Special City Svces - LAX Variance	\$	(5,705,890)

	Budget		Budget FY 2017							
	FY 2016	FY 2017	Airfield	Apron	Aviation	Commercial	Terminal	Access	ADMN	Total
Central Svcs	\$ 2,495,100	\$ 2,570,000							\$ 2,570,000	\$ 2,570,000
CAO(Proprietary Analysis)	420,008	233,325							233,325	233,325
Fire Svcs / 1	24,933,500	27,355,400	15,202,561	138,100	3,176,310	1,381,004	7,457,424	-	-	27,355,400
Police Svcs /2	20,552,100	22,536,800	3,059,158	4,654,929	4,654,929	2,503,344	4,654,929	2,790,417	219,095	\$ 22,536,800
Police Contingency(LAPD Overtime) /2	250,000	250,000	204,129	-	-	-	-	45,871	-	250,000
	\$ 20,802,100	\$ 22,786,800	\$ 3,263,287	\$ 4,654,929	\$ 4,654,929	\$ 2,503,344	\$ 4,654,929	\$ 2,836,288	\$ 219,095	\$ 22,786,800
Council Office	93,821	231,754							231,754	231,754
Mayor & Office of International Trade	248,871	572,219							572,219	572,219
Office of Finance	496,610	103,002							103,002	103,002
	\$ 49,490,010	\$ 53,852,500	\$ 18,465,849	\$ 4,793,029	\$ 7,831,239	\$ 3,884,348	\$ 12,112,352	\$ 2,836,288	\$ 3,929,395	\$ 53,852,500
City Atty	6,544,800	7,176,100							7,176,100	7,176,100
Total - LAX	\$ 56,034,810	\$ 61,028,600							11,105,495	61,028,600
VNY- CFR	\$ 3,908,300	\$ 4,620,400								
Total Special City Svcs-LAWA	<b>\$ 59,943,110</b>	<b>\$ 65,649,000</b>								
Variance	\$ 5,705,890	9.5%								

FY 2017 Special City Services Budget is \$5.7m higher due to \$6.3m gross increase [\$2.4m Fire Services (CFR Allocation), \$0.7m City Attorney (100% ADM), \$2.0m Police Svcs (Matrix), \$0.7m VNY CFR (100% VNY), \$0.3m Mayor & Office of Intl. Trade (100% ADM), \$0.2m Council Office], reduced by (\$0.6m) gross decrease [(\$0.4m) Office of Finance/Treasurer (100% ADM) and (\$0.2m) CAO's Office (100% ADM)].

Notes:

1. Fire Svcs were allocated based on historical FY2013 flightline/non-flightline responses.

Airfield	Apron	Aviation	Commercial	Terminal	Access	ADMN	Total
61.4%	0.0%	9.5%	4.3%	24.8%	0.0%	0.0%	100.0%

2. LA Police services were allocated based on Airport Police cost charged using Matrix allocation.

Airfield	Apron	Aviation	Commercial	Terminal	Access	ADMN	Total
13.6%	20.7%	20.7%	11.1%	20.7%	12.4%	1.0%	100.0%

**Table 1**  
**PUBLIC / NON-EXCLUSIVE AIRCRAFT PARKING FEE**

Public / Non Exclusive Aircraft Parking Requirement	FY 2017				
	\$ 1,522,519				
Public Parking Rates (hours parked)	FY 2017	FY 2016	Increase (Decrease)		
			Amount	%	
MGLW < 500k lbs					
≤3 hrs	No Charge	No Charge			
3 hrs ≥ x ≤ 6 hrs	\$ 100.00	\$ 170.00	\$ (70.00)	-41.2%	
6 hrs ≥ x ≤ 12 hrs	\$ 120.00	\$ 200.00	\$ (80.00)	-40.0%	
Daily Rate (> 12 hrs)	\$ 180.00	\$ 300.00	\$ (120.00)	-40.0%	
MGLW ≥ 500k lbs					
≤3 hrs	No Charge	No Charge			
3 hrs ≥ x ≤ 6 hrs	\$ 120.00	\$ 195.00	\$ (75.00)	-38.5%	
6 hrs ≥ x ≤ 12 hrs	\$ 130.00	\$ 225.00	\$ (95.00)	-42.2%	
Daily Rate (> 12 hrs)	\$ 190.00	\$ 325.00	\$ (135.00)	-41.5%	