



**South Carolina
Aeronautics Commission**

Budget Request FY2024-2025

South Carolina Aeronautics Commission Budget Request FY2024-2025

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Key Officials

COMMISSION MEMBERS



Chairman, At-Large

Delphin A. Gantt, Jr.

Phone (803) 479-7199 Email: chairman@aeronautics.sc.gov



District 1

Anne Esposito

Phone (843) 597-2236 Email: district1@aeronautics.sc.gov
District Airports: ARW, DYB, HXD, JZI, LRO, MKS



District 2

VACANT

District Airports: 1DS, 6J0, AIK, BNL, CAE, S17



District 3

Skeets Cooper

Phone (864) 230-5799 Email: district3@aeronautics.sc.gov
District Airports: 6J4, 6J6, AND, CEU, EOE, GRD, LQK, LUX, S19



District 4

Lara Kaufmann

Phone (864) 270-6660 Email: district4@aeronautics.sc.gov
District Airports: 33A, GMU, GSP, GYH, SPA



District 5

Charles D. "Doug" Barnes

Phone (803) 287-5900 Email: district5@aeronautics.sc.gov
District Airports: 35A, 52J, CDN, DCM, FDW, LKR, SMS, T73, UZA



District 6

Marco Cavazzoni

Phone (843) 822-3637 Email: district6@aeronautics.sc.gov
District Airports: 3J0, 3J1, 51J, 5J5, 6J2, 99N, AQX, CHS, CKI, CUB, MNI, OGB, RBW



District 7

Chris Bethea

Phone (843) 283-8484 Email: district7@aeronautics.sc.gov
District Airports: 2Q0, 58J, 5J9, 6J7, 9W9, BBP, CQW, CRE, DLC, FLO, GGE, HVS, HYW, MAO, MYR, PHH, PYG, S79, UDG



Director

Gary Siegfried

Phone (803) 896-6262 Email: gsiegfried@aeronautics.sc.gov

Agency Attendees

Gary Siegfried

Interim Executive Director

Melody Mikell

Finance Director

Kimmy Harris

Administrative Assistant

Agency Overview

MISSION STATEMENT

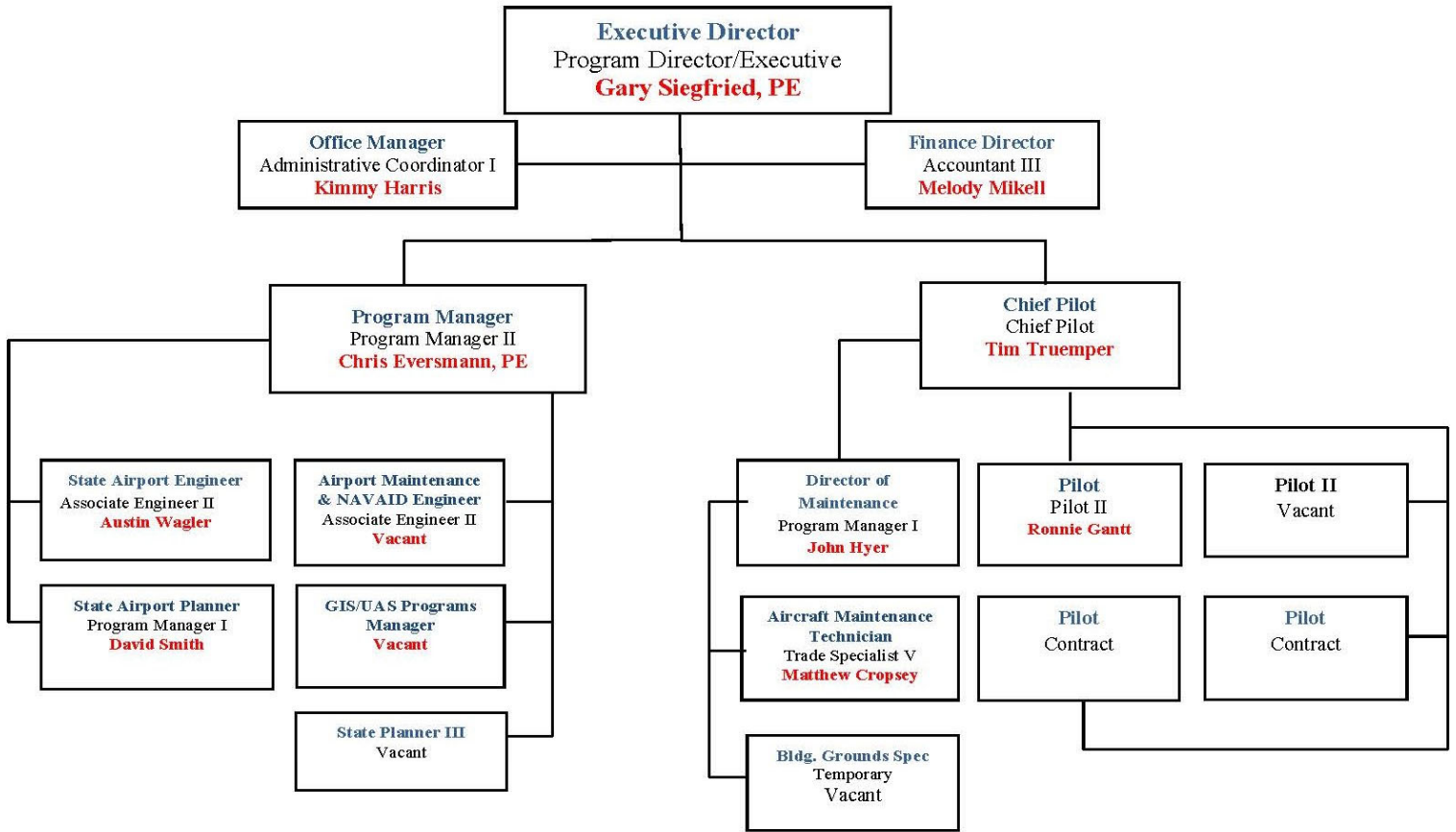
Fostering air and economic development by overseeing the safety and development of the state's public use airports, by providing safe and reliable air transportation for state government and business prospects; and by providing aviation education opportunities.

ROLE

- Oversight of the safety and development of public use airports
 - Accomplished by following Title 55 requirements
- Provision of safe, reliable air transportation
 - Accomplished through the hiring of qualified staff, provision of recurrent training, and by sound operational management
- Provision of aviation education opportunities
 - Accomplished through partnerships with educators, institutions, non-profits, and community outreach events.

ORGANIZATION and FTE BREAKDOWN

SOUTH CAROLINA AERONAUTICS COMMISSION ORGANIZATIONAL CHART



Employee

Kimmy Harris
Melody Mikell
Tim Truemper
Chris Eversmann
David Smith
Austin Wagler
John Hyer
Ronnie Gantt
Matthew Cropsey

Reports To

Gary Siegfried
Gary Siegfried
Gary Siegfried
Gary Siegfried
Chris Eversmann
Chris Eversmann
Tim Truemper
Tim Truemper
John Hyer

14 FTE's Currently Authorized
(11.8 General Funds; 2.2 Other Funds)

10 Filled, 4 Vacant, 4 Contract/Temporary

Anticipate filling State Planner position in summer 2024

Performance Update

Annual Accountability Report Summary FY2022-2023

- Aeronautics approved and financially participated in forty-two new State Aviation Fund grants totaling \$9,089,549 at South Carolina airports.
 - Of these forty-two state grants, fourteen had accompanying federal funding that resulted in an additional \$19,261,059 project funding.
 - In addition, airport maintenance projects were funded at 75 percent from SCAC and 25 percent from the respective airport owners.
 - All grant recipients have met or are on track to meet their projected planning budgets.
- Aeronautics distributed \$37M special legislative allocation from FY 2022 for five commercial service airports (FLO is holding for future runway reconstruction).
 - Charleston AFB/International – Remain Overnight Parking Apron Ph 1
 - Hilton Head Island Terminal Construction Ph 1
 - Columbia Metropolitan Airport – Antenna Array Relocation, Enterprise Parkway Relocation, Entrance Road Rehabilitation, Customs and Border Protection Facility
 - Greenville-Spartanburg International Airport – Terminal Roadway Improvement Project
 - Myrtle Beach International Airport – Terminal Expansion
 - The \$38M in legislative allocation was leveraged against \$42M in FAA grants and \$90M in local funding (total project costs of approx. \$170M)
- Aeronautics is in the process of distributing the \$20M special legislative allocation from FY 2024 for six commercial service airports.
- Aeronautics published and distributed the 2023 Aeronautical Chart and Airport Directory.

Performance Update

Annual Accountability Report Summary FY2022-2023

- Aeronautics continues to inspect public use airports to ensure they maintain state and federal standards.
- Aeronautics continues to provide cost effective, safe air transportation.
- Aeronautics continues to serve on the SC-EMD Air Operations Branch and assists with post hurricane emergency response activities.
- Aeronautics continues to support aviation education by promoting and financially participating in education grants for STEM based aviation education training and flight simulation training. This educational outreach has provided opportunities to thousands of students in SC, and makes students aware of the career paths that are available to them in aviation/aerospace here in SC. During FY 2022-2023, SCAC participated in five grants (100% funding) to support this mission totaling \$568,723. Interest in this program remains strong with FY 2024 already having \$340,375 committed to new educational outreach grants.

Financial Update: State Aviation Fund (SAF)

Title 55 – Aeronautics

SECTION 55-5-280

(A)(1) All monies received from licensing of airports, landing fields, or funds appropriated for aviation grants, the tax on aviation fuel, and fees for other licenses issued under this chapter must be paid into the State Treasury and credited to the fund known as the "State Aviation Fund".

(2) The fund also may receive gifts, grants, and federal funds and shall include earnings from investments of monies from the fund.

(3) A fund balance at the close of the fiscal year shall not lapse but must be carried forward to the next fiscal year.

(4) The revenue credited to the State Aviation Fund pursuant to this subsection must be used solely as provided in subsection (C).

(B) In any fiscal year in which the tax levied by the State pursuant to Section 12-37-2410, et seq., exceeds two and one-half million dollars, the revenues in excess of two and one-half million dollars must be directed to the State Aviation Fund; however, any revenue in excess of five million dollars must be credited in equal amounts to the general fund and the State Aviation Fund.

(C) The State Aviation Fund must be used solely for:

(1) maintenance and repairs of the division's aircraft; or

(2) maintenance, rehabilitation, and capital improvements to public use airports, which may include use as matching funds for FAA Airport Improvement Grants, provided that those airports receiving grants meet the requirements set forth by the division.

(3) The State Aviation Fund must not be used for operating expenses of the division.

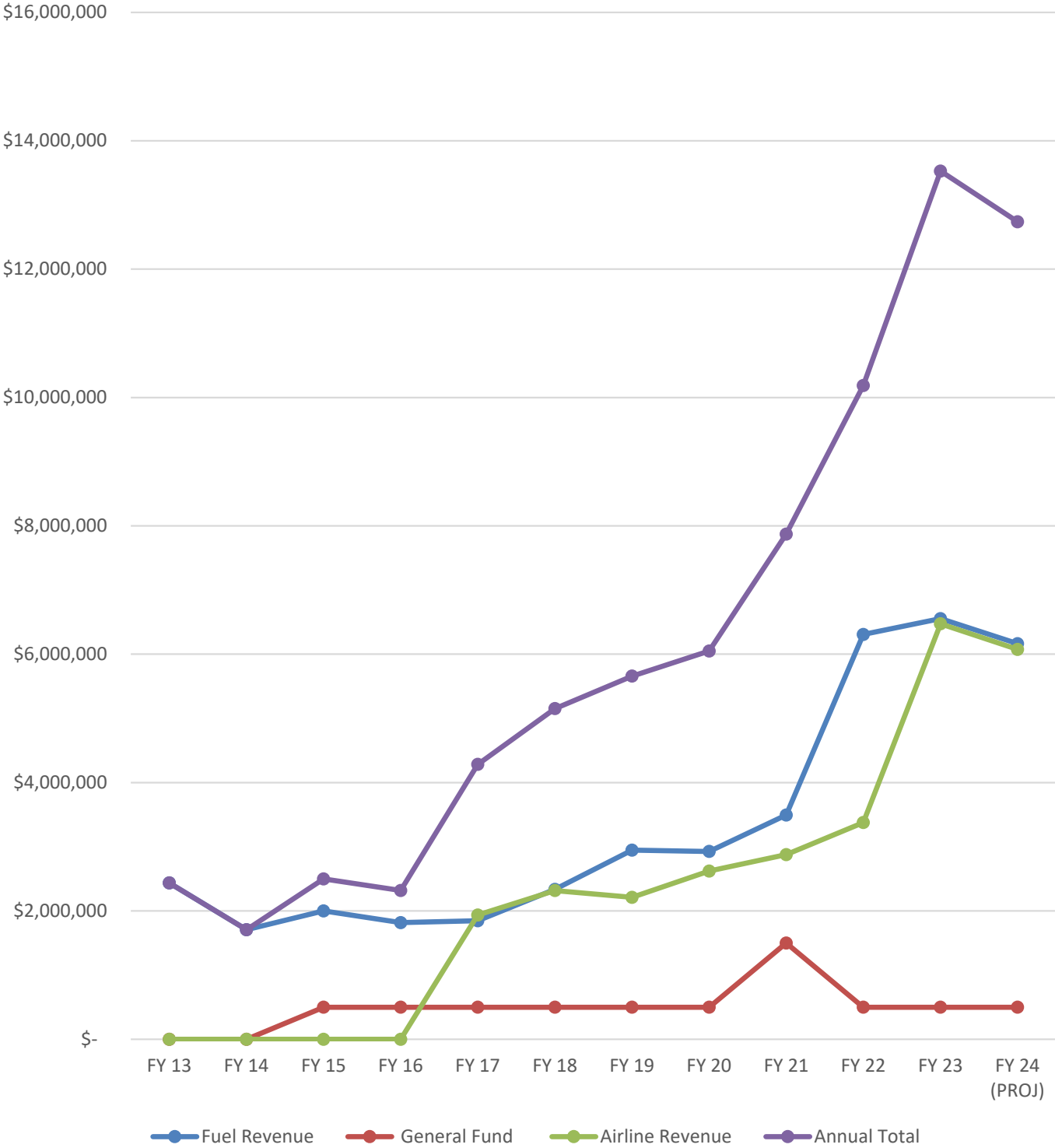
(D) The division may promulgate regulations governing the eligibility requirements and procedures for disbursements from the State Aviation Fund.

HISTORY: 1962 Code § 2-75; 1952 Code § 2-75; 1942 Code § 7112-20; 1935 (39) 447; 1937 (40) 595; 1938 (40) 1835; 1993 Act No. 181, § 1289, eff July 1, 1993; 2005 Act No. 11, § 1.F, eff upon approval (became law without the Governor's signature on January 13, 2005); 2012 Act No. 270, § 3, eff June 18, 2012; 2016 Act No. 239 (H.4577), § 1, eff June 5, 2016.

Financial Update: SAF (cont.)

Fund Revenue with FY 2024 Projections

State Aviation Fund Revenue 2013 - 2024



Financial Update

State Aviation Fund Budget Projections

	FY 2024 Committed YTD	FY 2025 Projected
Expected New Grant Commitments	\$3,700,000	\$4,000,000
State Sponsored Federal Match	\$100,141	\$100,000
Commercial Airport Funding Program	\$1,000,000	\$1,500,000
State Aviation Maintenance Project	\$2,700,000	\$2,700,000
State Aviation Administration Projects	\$1,195,000	\$1,200,000
State Aviation Support Services	\$450,000	\$450,000
Secondary Runway Rehabilitation Project	\$6,500,000	\$6,000,000
Total Commitments	\$15,645,141	\$15,950,000

Budget Request Summary

FY2024-2025

- Priority 1 – Capital Investing for Statewide Airport System – Commercial Service Airports (Non-recurring)
 - \$161,000,000 non-recurring funding for use by the commercial service airports in SC for capital development.
 - The six commercial airports are economic drivers in their regions. The latest SC Airport Economic Impact Report (2018) showed that the commercial airports provide \$15.3B in combined economic impacts and \$617.6M in combined sales and income taxes.
 - These funds would help the commercial airports with their ongoing substantial capital improvement needs such as:
 - Charleston International Airport
 - » Priority: Remain Overnight Parking Apron - \$27,000,000
 - » Additional Projects
 - Multi-Modal Facility - \$198,000,000
 - East Concourse and Ticketing Expansion \$218,900,000
 - Columbia Metropolitan Airport
 - » Parking Garage Roof, Solar Panels, Electric Vehicle Charging - \$8,000,000
 - » Checkpoint Modernization Project – Exit Portal, Passenger Lounge, Auxiliary Space Furniture - \$1,350,000
 - Greenville Spartanburg International Airport
 - » General Aviation Expansion Site Prep - \$9,650,000
 - Hilton Head Island Airport
 - » Terminal Program \$30,000,000
 - Myrtle Beach International Airport
 - » Terminal Program - \$85,000,000

Budget Request Summary

FY2024-2025

- Priority 2 – Capital Investing for Statewide Airport System – General Aviation Airports (Non-recurring)
 - \$24,000,000 to fund economic development and airport safety projects at six general aviation airports.
 - Although the general aviation airports do not have the economic impact that the commercial airports do, their contribution is still significant, totaling approximately \$1.0B total economic impact and \$39.3M in combined sales and income taxes in 2018. They also give South Carolina pilots access to the national airspace system, contribute to local business development and provide services, such as medical transportation flights, aircraft maintenance, and itinerant traveler fueling.
 - Georgetown County Airport
 - » Sherpa Project - \$900,000
 - » InPwr, Inc. Relocation - \$150,000
 - Chester Catawba Regional Airport
 - » Runway 5/23 Rehabilitation - \$4,000,000
 - Anderson Regional Airport
 - » Runway 17/35 Rehabilitation - \$5,000,000*
 - Lowcountry Airport
 - » Runway 35 Partial Parallel Twy - \$1,680,000
 - Summerville Airport
 - » Fuel Farm Project - \$1,000,000
 - » Taxilane and Apron Expansion Project - \$4,000,000
 - Beaufort Executive Airport
 - » Wetlands Mitigation for Runway 7/25 Safety Area Improvements - \$6,000,000

* Based upon estimated project cost and existing runway condition

Budget Request Summary

FY2024-2025

- Priority 3 – Increase in General Funds for Operations (Recurring)

- \$400,000 is being requested to aid South Carolina Aeronautics for Operations.

The Agency has operated for the last eight years without an increase in operating appropriated General Funds other than across the board pay and fringe increases. During the last eight years, and especially post pandemic, we have seen significant inflation and associated increases in cost of utilities, materials, supplies and labor. Aeronautics has been operating short staffed since the pandemic, so we have been able to offset the increase in costs, but as we start to staff back up, funding is going to become more of a challenge.

Existing employees need to get salary increases to mirror the higher band widths and stay competitive in the job market. It is critical to be able to retain knowledgeable employees for the agency.

We have also seen a substantial increase in the cost of aviation fuel and aircraft parts, which causes the cost of flight operations to increase. We have increased the per hour flight cost that we charge for revenue trips (other state agencies and state universities) to help offset these increases, but General Funds are used to cover aircraft operations for the Governor and members of the General Assembly.

And finally, the Aeronautics facility was constructed in 1982. We have requested and gotten assistance for major repairs, but we can expect to see other improvements needed as the facility continues to age. As part of this budget request, we are also requesting funds to complete a facility needs assessment which will help us better anticipate future maintenance (see Priority 5).

Budget Request Summary

FY2024-2025

- Priority 4 – Aircraft Refueling Truck (Non-recurring)
 - \$300,000 is being requested to purchase a new aircraft refueling truck.

The existing SC Aeronautics fuel truck was manufactured in 1990 and is out of service. The truck has been repaired numerous times over the past but according to service technicians, repair is not feasible any longer. The refueler truck allows Aeronautics to save money by purchasing aviation fuel in bulk and transport it from underground storage tanks to the state aircraft operated by Aeronautics and SLED for fueling.

Aeronautics is currently leasing a refueling truck at a cost of \$2,033 per month. At this lease rate the payback period is about 12 years. With the type of use that our refueler gets, Aeronautics' Chief Mechanic estimates the lifespan of a new refueler to be 25 years.

Budget Request Summary

FY2024-2025

- Priority 5 – Facility Needs Assessment (Non-recurring)
 - \$60,000 is being requested to perform a facility wide systems assessment to determine short- and long-term maintenance needs.

The existing SC Aeronautics facility is approximately 40 years old and we can expect that ongoing and future maintenance will be needed.

In the past, the Agency has gotten funding for major maintenance items such as windows replacement, exterior paint and roof replacement, but mechanical systems (electrical, plumbing, boiler, air conditioning) have not been upgraded.

The facility needs assessment will investigate the current condition of mechanical systems and make recommendation on future maintenance and/or replacement needs.

Aeronautics Proviso Request Summary

FY2024-2025

- **No new proviso's anticipated for FY 2024-2025**



South Carolina Aeronautics Commission

For additional questions...

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<https://scaeronautics.sc.gov/>