



**South Carolina
Aeronautics Commission**

Budget Request FY2023-2024

South Carolina Aeronautics Commission Budget Request FY2023-2024

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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
District Airports: ARW, DYB, HXD, JZI, LRO, MKS



District 2

David Anderson
Phone (803) 622-8408 Email: district2@aeronautics.sc.gov
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: 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

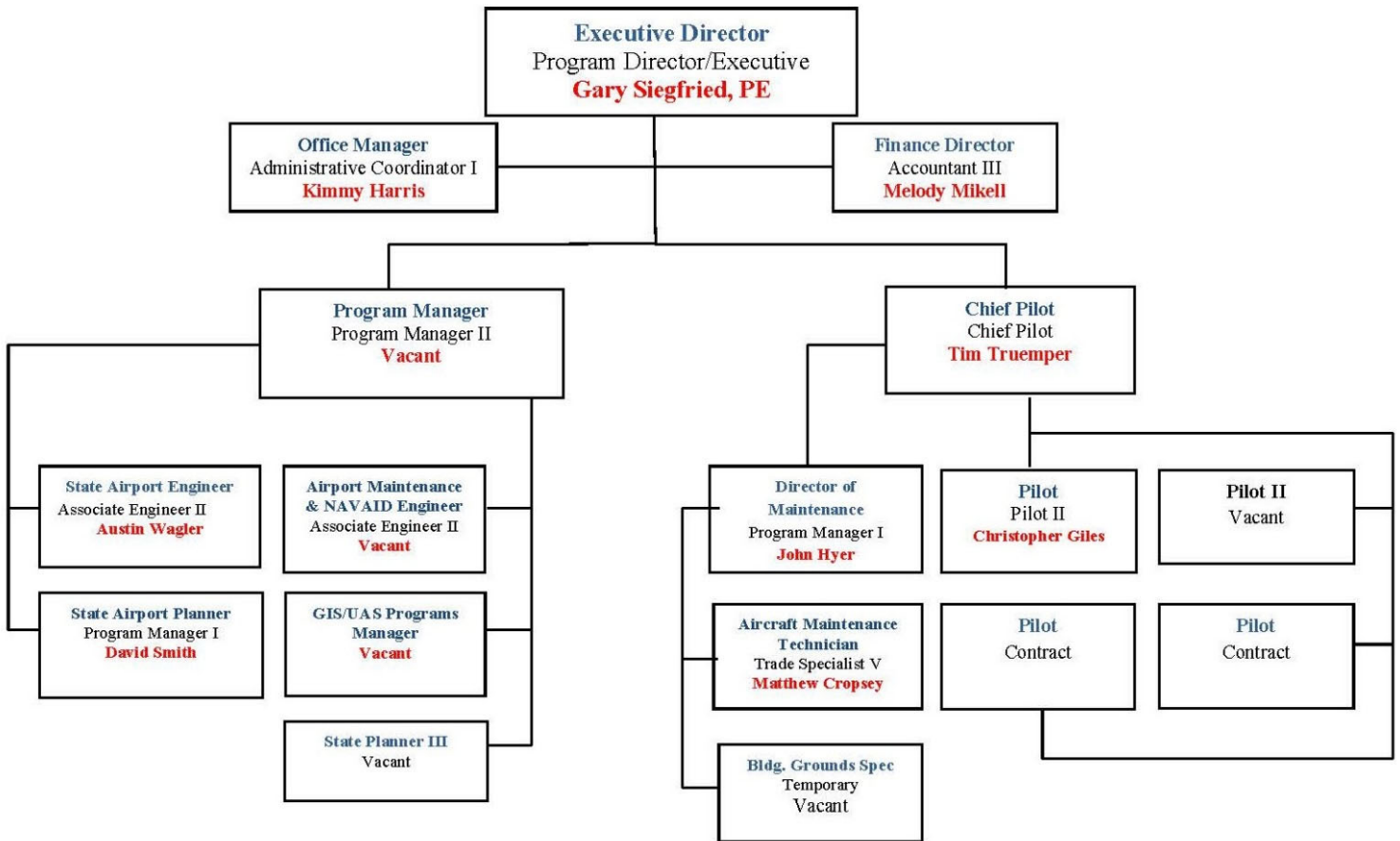
MISSION STATEMENT

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 and soon the promulgation of regulations
- 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



Employee

Kimmy Harris
 Melody Mikell (10028260)
 Tim Truemper (10102751)
 David Smith (10069420)
 Austin Wagler (10137061)
 John Hyer (10083899)
 Christopher Giles (10138579)
 Matthew Cropsey (10078146)

Reports To

Gary Siegfried (10098375)
 Gary Siegfried
 Gary Siegfried
 Gary Siegfried
 Gary Siegfried
 Gary Siegfried
 Tim Truemper (10102751)
 Tim Truemper
 John Hyer (10083899)

14 FTE's Currently Authorized
 (9.8 General Funds; 4.2 Other Funds)

9 Filled, 5 Vacant, 4 Contract/Temporary

Requesting to move 2 FTE's from Other Funds to General Funds

Anticipate filling Program Manager and State Planner positions
 in spring/summer 2023

Performance Update

Annual Accountability Report Summary FY2021-2022

- Aeronautics has approved and financially participated in twenty-six new state funded grants totaling \$3,654,423 at general aviation airport.
 - Of these twenty-six (26) state grants, eight (8) had accompanying federal funding that resulted in an additional \$7,165,400 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 is in process of distributing the \$40M special legislative allocation from FY 2022 for the six (6) commercial service airports.
 - The commercial airports submitted \$210.6M in total project requests for the \$40M available state funding.
 - If the airports are able to complete all the projects submitted, they will leverage the \$40M of state funding along with \$51.5M federal and \$122M local funds.
- Aeronautics published and distributed the 2022 Aeronautical Chart and Airport Directory.

Performance Update

Annual Accountability Report Summary FY2021-2022

- 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 2021-2022, SCAC participated in six grants (100% funding) to support this mission totaling \$245,929. Interest in this program continues to increase with FY 2023 already having \$568,723 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.

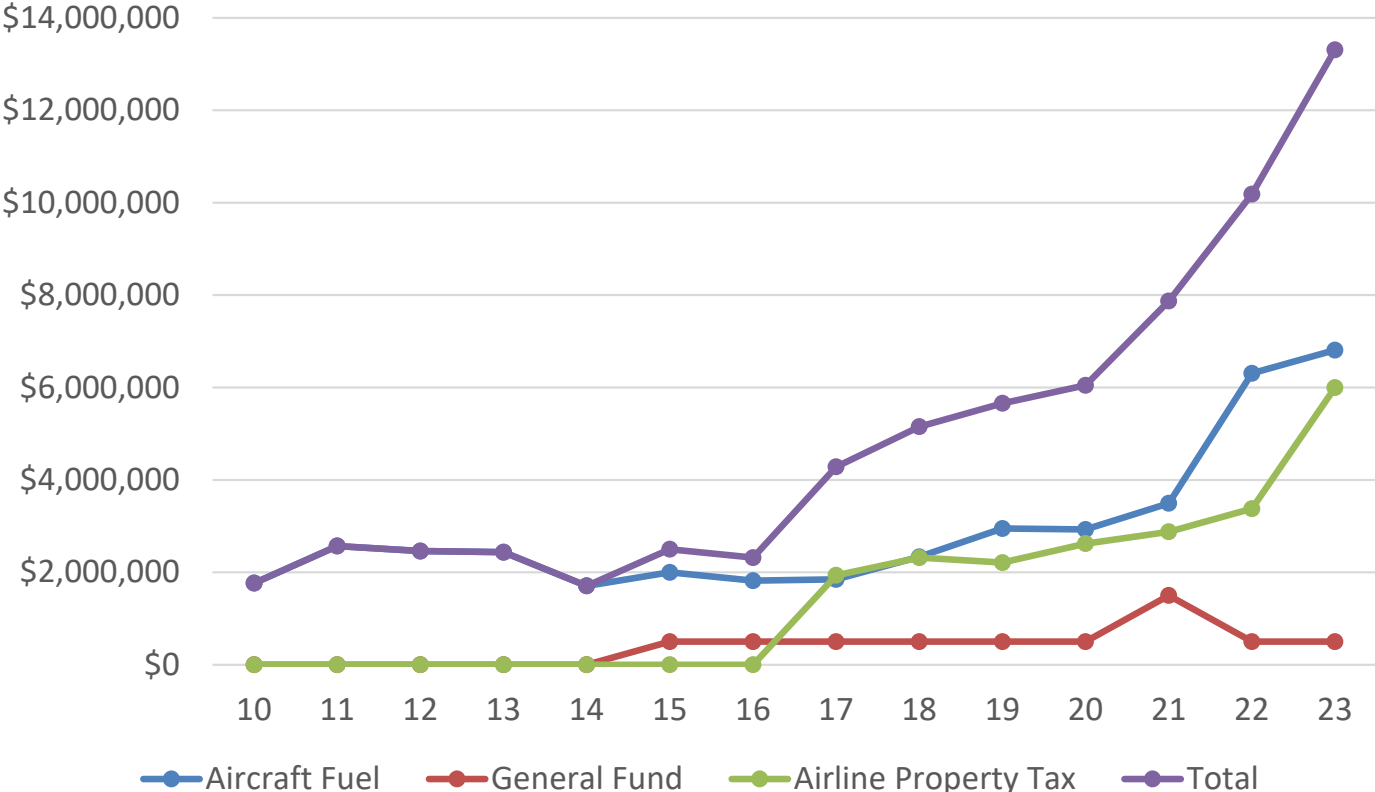
(3) The State Aviation Fund must not be used for operating expenses of the division.

(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 2023 Projections



Financial Update

State Aviation Fund Budget Projections

	FY 2023 Committed YTD	FY 2024 Projected
Expected New Grant Commitments	\$7,781,311	\$4,000,000
Expected New Terminal Funding Request	\$500,000	\$0
State Sponsored Federal Match	\$100,000	\$100,000
Commercial Airport Funding Program	\$1,500,000	\$1,500,000
State Aviation Maintenance Project	\$2,000,000	\$2,000,000
State Aviation Administration Projects	\$1,190,000	\$1,200,000
State Aviation Support Services	\$350,000	\$350,000
Secondary Runway Rehabilitation Project		\$6,000,000
Total Commitments	\$13,421,311	\$14,070,000

Budget Request Summary

FY2023-2024

- **Priority 1 – Capital Request (Non-recurring)**
 - \$300,000 for windows replacement and exterior paint of the Aeronautics facility.

- **Priority 2 – Additional Authorization to Spend (Recurring)**
 - This request seeks authorization to spend up to an additional \$7.25M in Other Funds on top of current \$7.25M to take advantage of new revenue and increases in current revenue.

- **Priority 3 – Capital Investing for Statewide Airport System (Non-recurring)**
 - \$50,000,000 non-recurring funding for use by the six (6) 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:
 - Myrtle Beach International - Taxiway reconstruction and terminal expansion
 - Charleston International - Multimodal facility and ticket lobby expansion
 - Greenville-Spartanburg International - Parking garage and consolidated rental car facility
 - Columbia Metropolitan - Cargo apron and taxiway reconstruction
 - Hilton Head Island - Terminal expansion, taxiway rehabilitation, and runway strengthening
 - Florence Regional - Runway reconstruction
 - \$50,000,000 for secondary runway funding
 - 18 general aviation airports in SC have secondary runways that receive no assistance from the FAA. These runways offer safety to pilots using the runways and redundancy to the airports, allowing them to stay open during periods of maintenance.
 - 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.

Budget Request Summary

FY2023-2024

- Priority 4 – Aeronautics Division Staffing Realignment (Recurring)
 - \$200,000 is being requested to move two positions, one pilot and one mechanic, from Other Funds to General Funds (all other Division FTE's are currently paid from General Funds).
 - Currently, these two FTE positions are paid from revenue derived from operating revenue (tenant rent and aircraft use). This operating revenue also funds maintenance of the State-owned aircraft. The Division is still recovering from low aircraft utilization that occurred during the pandemic, making funding of these positions difficult. These two positions are critical for the ongoing Flight Department operations.

- Priority 5 – Aircraft Replacement (Non-recurring)
 - The Division is requesting \$10,000,000 to replace existing aircraft which include one (1) Beechcraft King Air 90 and one (1) Beechcraft King Air 350. One aircraft is approaching 40 years old, and the other is 33 years old, and if the Division is to continue providing this service, replacement is appropriate either this year or in the near future.
 - Along with the request to purchase the new aircraft, the Division is also requesting authorization to sell the existing aircraft. Proceeds from the sale of the King Air 350 would be used as additional capital to be included with this appropriation for new aircraft and proceeds from the King Air 90 would go into sale of assets, which would allow for the establishment of a maintenance fund for the future.

Aeronautics Proviso Request Summary

FY2023-2024

- **No new proviso's anticipated for FY 2023-2024**



South Carolina Aeronautics Commission

For additional questions...

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