



DULUTH INTERNATIONAL AIRPORT

Closer to everywhere.

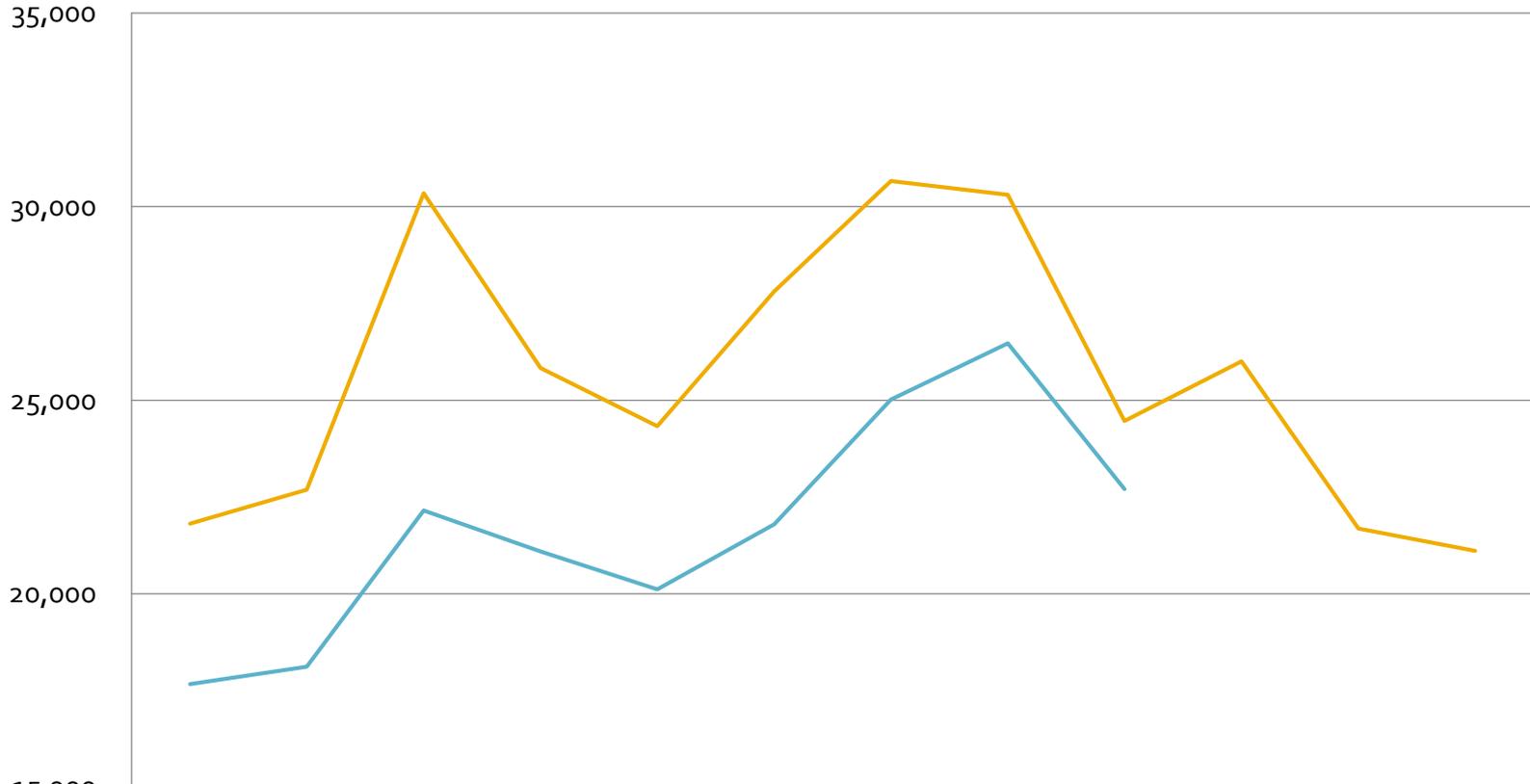
2017 Budget Proposal

DULUTH AIRPORT AUTHORITY



**Total Passengers
(Including Charters)**

A 18% less Passengers
Compared to 4 year
average thru Sept. 7.6%
less than 2015 thru Sept.

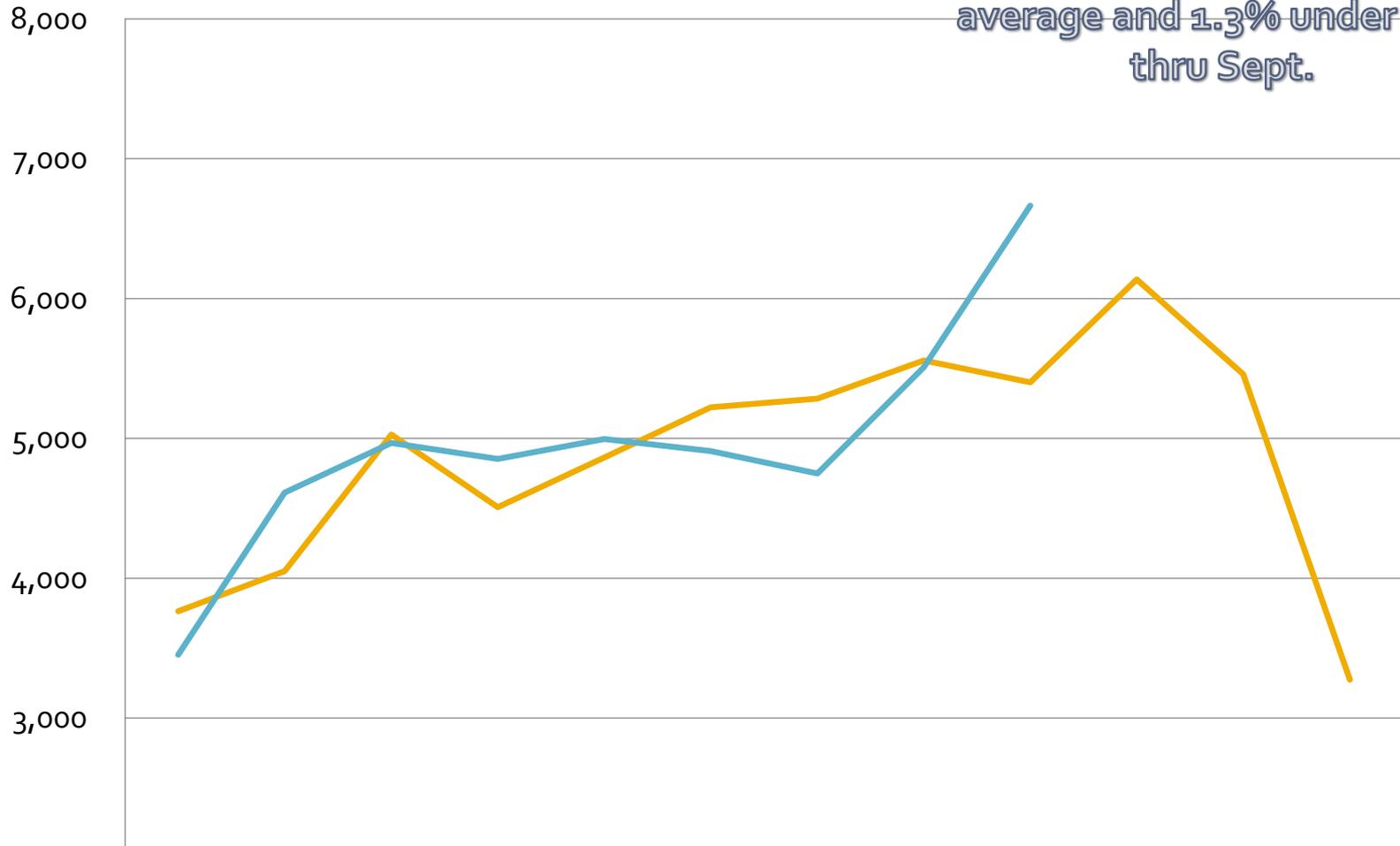


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012-2015	21,812	22,686	30,345	25,827	24,331	27,813	30,660	30,303	24,461	26,000	21,683	21,114
2016	17,671	18,120	22,148	21,098	20,113	21,799	25,018	26,471	22,701			

Total
307,033
195,139

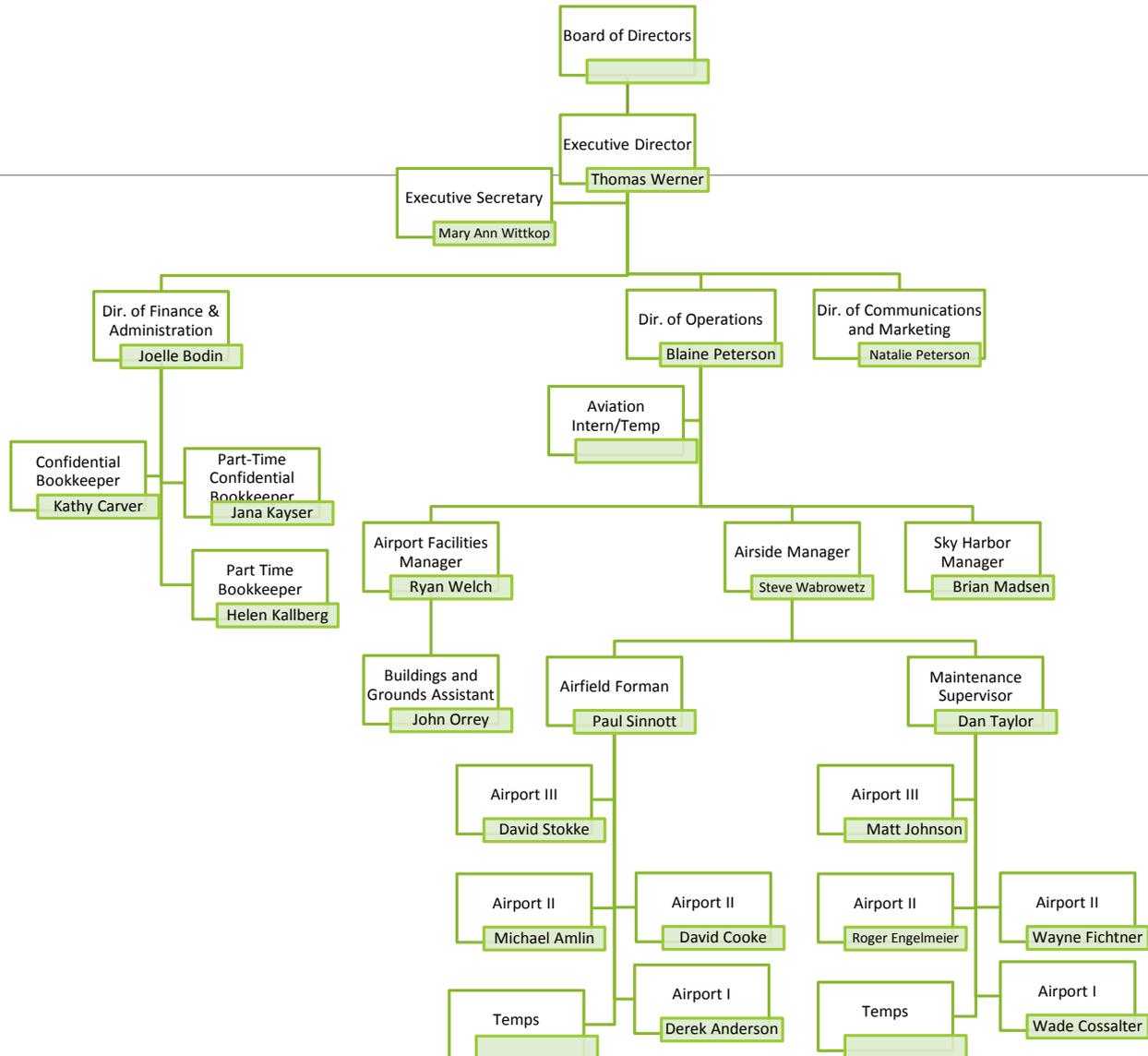
FAA Traffic Count

2.3% over the four year average and 1.3% under 2015 thru Sept.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2012-2015	3,763	4,052	5,028	4,509	4,863	5,222	5,284	5,558	5,400	6,138	5,460	3,275	58,551
2016	3,452	4,612	4,967	4,853	4,996	4,909	4,749	5,510	6,665				27,789

Department Organization Chart

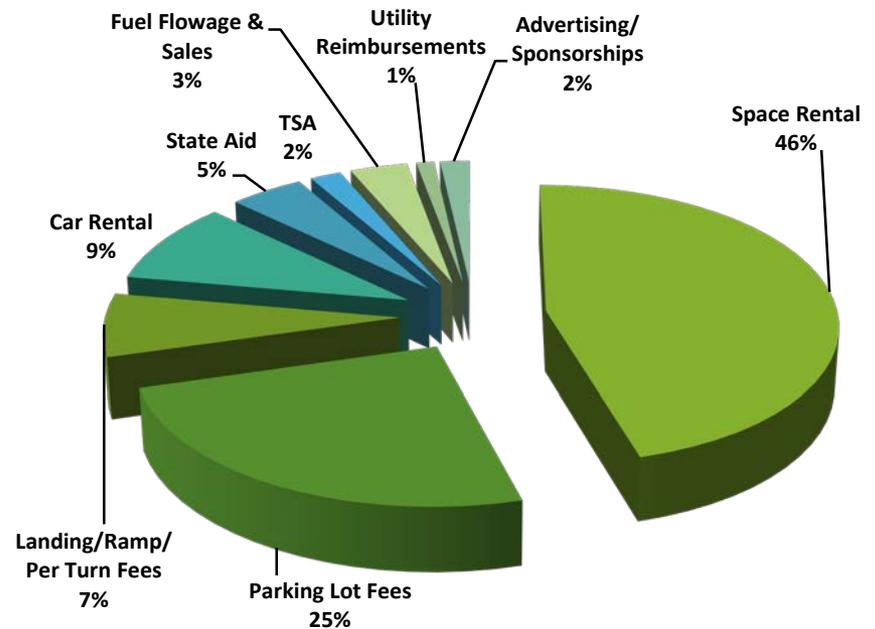


Staffing Comparison 2016 and 2017 Proposed

- One retiree Spring of 2017
 - DAA hired replacement in 2015 for adequate training

Estimated Revenues

Space Rental	\$ 2,166,275
Parking Lot Fees	\$ 1,179,399
Landing /Per Turn Fees	\$ 345,892
Car Rental Commissions	\$ 445,000
State Aid for Maintenance & Operations	\$ 216,708
TSA Fees - Law Enforcement	\$ 90,000
Fuel Flowage Fees & Fuel Sales	\$ 166,000
Utility Sales	\$ 51,650
Advertising/Anchor Agreements	\$ 84,800
Marketing Grant	\$ 61,517
Concession Fees	\$ 72,191
Other/Misc.	\$ 103,763

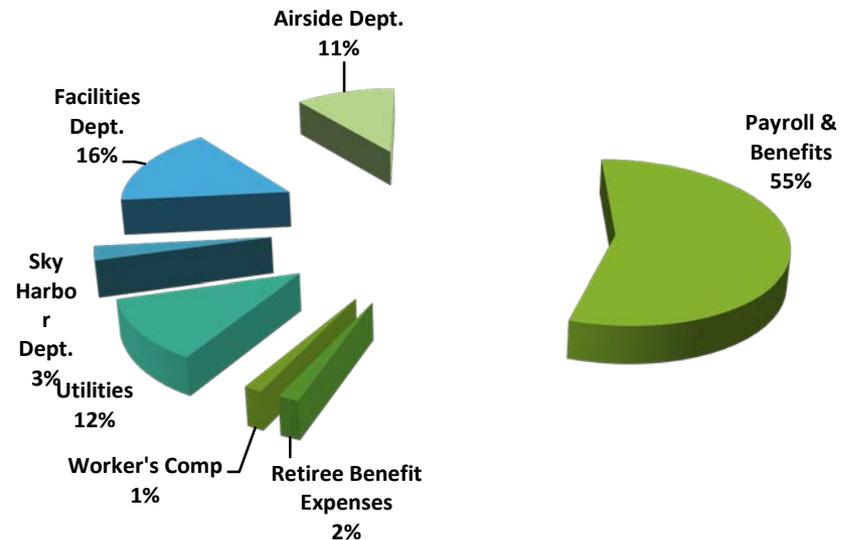


Total \$ 4,983,194

Proposed Expenses

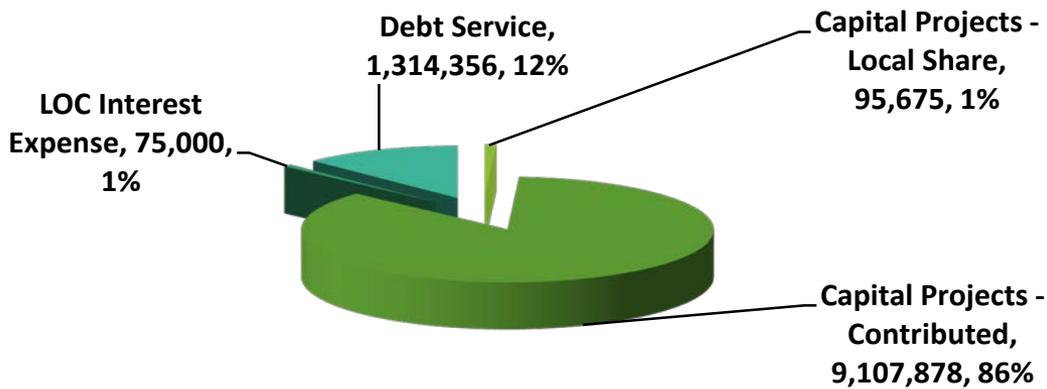
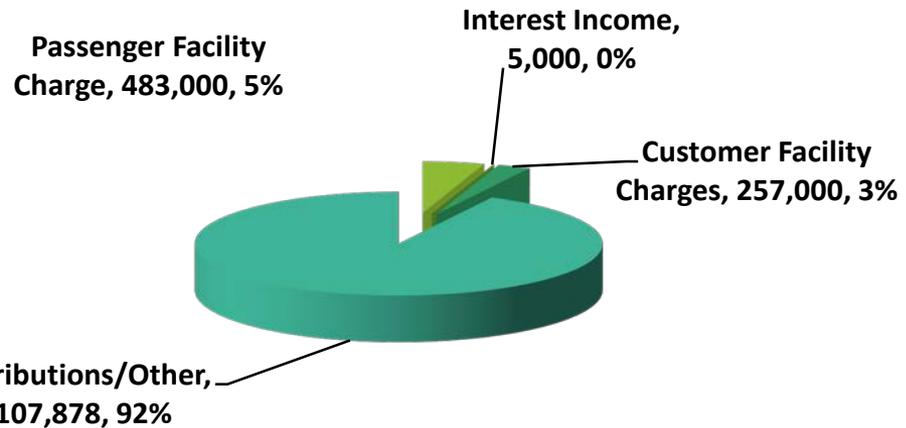
Estimated Revenues: 4.9M
 Debt Service: 1.3M
 PFC/CFC: 740k

Payroll - 22	\$	1,404,372
Employee Benefits	\$	479,854
Retiree Benefit Expenses	\$	57,962
Worker's Comp	\$	50,000
Utilities	\$	410,442
Sky Harbor Dept.	\$	94,871
Facilities Dept.	\$	540,200
Airside Dept.	\$	368,380
Marketing Dept.	\$	120,350
Administrative	\$	96,850
City Admin Fee	\$	50,000
Professional Services	\$	159,625
Contract Security	\$	190,000
Insurance	\$	68,000
	\$	4,090,906



Non Operating Rev/Exp

Revenue - \$9,852,878



Expense - \$10,592,909

Sky Harbor Airport

Financial Results (exclusive of depreciation and amortization)

- 2015 - \$140,250 Operating Revenues / \$130,000 Operating Expenses
- 2016 - \$116,600 Operating Revenues / \$109,990 Operating Expenses (through Sept.)

Runway Realignment/Construction

- 3 Phases of construction taking three or more years to complete
- Project commencement is expected the Fall of 2018 after the tourism season



2017 Initiatives and Changes

- ❑ Continued air service development activities
- ❑ Continuation of massive infrastructure improvements over next 10 years
- ❑ Continued focus on aviation cluster growth

QUESTIONS?

