

St. Petersburg-Clearwater International Airport

**FY08 Budget
Information Session
May 3, 2007**

Department Direction/Highlights

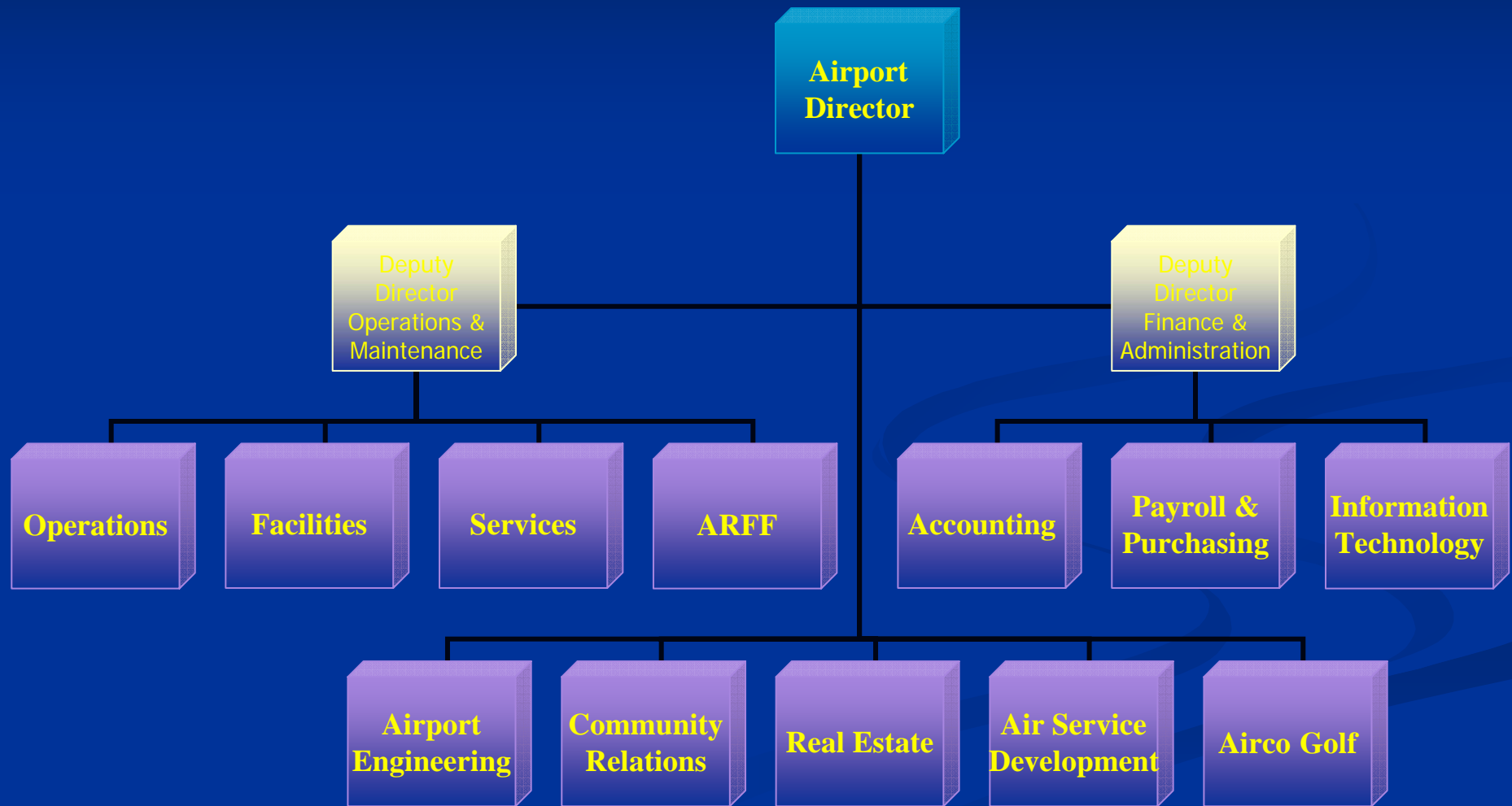
Departmental Direction

- As a regional gateway to Pinellas County, the St. Petersburg-Clearwater International Airport provides aviation transportation services for domestic & international passengers, the military, corporate, and general aviation.

Departmental Highlights

- New Airline Service
 - New service commenced on Allegiant, Sun Country, Sky Value, & Sunwing Airlines. This budget reflects 800,000 total passengers, or an increase of 400,000 total passengers over the FY 2007 budget.
- Increased Operating Revenues
 - Total Operating Revenues are projected to increase \$1.58 million.

Organization Chart



Objectives/Goals

■ Airline Service

- Continue the promotion of new and existing international and domestic passenger airline service.

■ General Aviation

- Continued expansion and development of corporate and general aviation.

■ Federal and State Grant Funding

- Ongoing efforts by the Airport to obtain funding assistance from Federal & State agencies.

■ Marketing of Airport Land

- Continue the development of the Airport's existing vacant land to generate new real estate revenue opportunities.

Objectives/Goals

■ Terminal Rehabilitation & Renovation

- Commence construction of Phase 1A based on “Pay-As-You-Go” financing.

■ Noise Abatement

- Enact new aircraft noise abatement procedures to help reduce noise exposure to surrounding communities and maintain open communications with the public.

■ Community Relations

- Continuation of timely communication with the local community, Airport tenants, and general public through our website, airport newsletters, emails, press releases, and community outreach.

Accomplishments

■ Airline Service

- New service by Allegiant Air, Sun Country, Sky Value, and Sunwing Airlines
- Increased Operating Revenue for the FY 2008 Budget by \$1.1 million
- Co-hosted & co-sponsored Airline Network Conference with Tampa Airport

■ General Aviation

- New lease with Sheltair, which will provide \$121,000 in new income.

■ Marketing of Airport Land

- New long-term land lease with PODS, which will provide an additional \$139,000 in annual income.

■ Federal and State Grant Funding

- Additional \$1.6 million in Lost Revenue grant from the State of Florida. \$6 million received over the last two years.
- Increased the Fund Balance from \$2.6 million to \$8.2 million in the last four years. (FY 2004 thru FY 2007)

Accomplishments

- Terminal Rehabilitation and Renovation
 - Finalized present and future Terminal design concepts. Completion of plans and specification for project advertising.
- Federal Aviation Administration
 - Increased Passenger Facility Charges from \$3.00 to \$4.50.
 - Zero findings on annual FAA certification inspection
- Noise/Community Relations
 - 48% decrease in Noise Complaints
 - Airport's website averages over 1,000 sessions per day
- Other
 - Successful renegotiation of new Five-year contract with the United States Coast Guard

Budget Overview

■ Operating Revenues

- Terminal income projected to increase \$1.1 million
- Airfield income projected to increase \$331k due to new USCG agreement, Cargo landing fees, and General Aviation fuel sales

■ Non-Operating Revenues

- Will no longer be receiving Florida Department of Transportation (FDOT) Lost Revenue Grants. Program ends June 30, 2007
- Increase in Interest Income of \$237k due to increased Fund Balance

■ Operating Expenses

- Nine vacant position remain frozen. Savings of \$366k
- Areas of increased operating expenses are Utilities, Cost Allocation Charges, Maintenance, and Contracted Services. Most are due to increased passenger service

■ Terminal Rehabilitation & Renovation

- \$9.5 million multi-year project. Financing based on "pay-as-you-go". Combination of FAA/FDOT Grants and Airport Reserves/PFC's

Budget Summary-Revenues

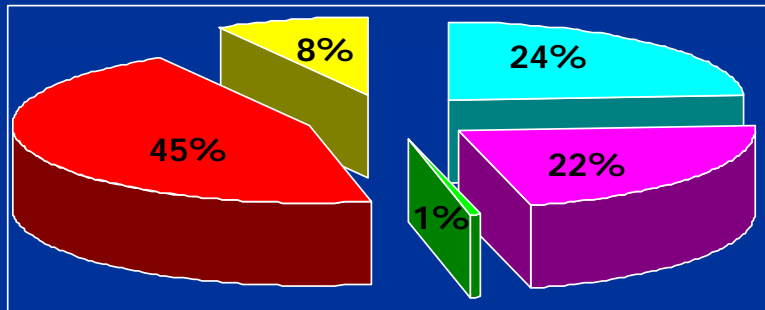
	FY07 Budget	FY08 Request	Variance	%
Operating Revenues	\$5,788,570	\$7,316,580	\$1,528,010	26.4%
Airco Golf	\$1,488,650	\$1,550,400	\$61,750	4.1%
Passenger Facility Charges	\$550,050	\$1,650,150	\$1,100,100	200.0%
Interest & Other	\$78,820	\$316,320	\$237,500	301.3%
Federal Grants-CIP & Operating	\$7,182,400	\$6,911,100	(\$271,300)	(3.8%)
State Grants-CIP & Lost Rev	\$1,975,950	\$465,030	(\$1,510,920)	(76.5%)
Fund Balance	<u>\$5,887,980</u>	<u>\$8,228,720</u>	<u>\$2,340,740</u>	<u>39.8%</u>
<i>Totals</i>	<i>\$22,952,420</i>	<i>\$26,438,300</i>	<i>\$3,485,880</i>	<i>15.2%</i>

Budget Summary-Expenses & Reserves

	FY07 Budget	FY08 Request	Variance	%
Personal Services	\$3,955,810	\$4,210,650	\$254,840	6.4%
Operating Expenses	\$3,754,000	\$4,393,980	\$639,980	17.0%
Capital Outlay	\$80,500	\$117,700	\$37,200	46.2%
Airco Golf	\$1,423,830	\$1,508,850	\$85,020	6.0%
Capital Projects	<u>\$9,614,660</u>	<u>\$8,416,000</u>	<u>(\$1,198,660)</u>	(12.5%)
<i>Total Operating Expenses & CIP</i>	<i>\$18,828,800</i>	<i>\$18,647,180</i>	<i>(\$181,620)</i>	<i>(1.0%)</i>
Reserves	<u>\$4,123,620</u>	<u>\$7,791,120</u>	<u>\$3,667,500</u>	88.9%
<i>Totals</i>	<i>\$22,952,420</i>	<i>\$26,438,300</i>	<i>\$3,485,880</i>	<i>15.2%</i>

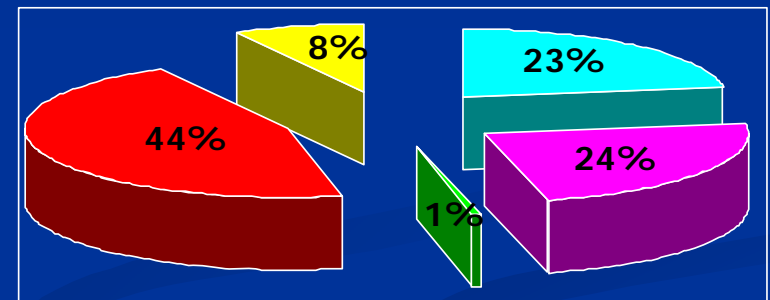
Budget Summary Chart

FY07 Request



Pers Svcs
Oper Exp
Cap Outlay
Const Proj
Airco

FY08 Request



Pers Svcs
Oper Exp
Cap Outlay
Const Proj
Airco

Summary of Programs

Strategic Focus Area: Transportation (Manage the Airport's Aviation Resources)

Program	Classification	FY08 Program Allocation	FTE's Filled/Authorized
Airport Rescue & Fire Fighting	Mandatory	\$1,132,395	14/14
Facilities	Mandatory	\$1,581,392	15/17
Operations	Mandatory	\$1,056,237	10/13
Airport Real Estate	Mandatory	\$233,880	2/2
Air Service Development	Non-Mandatory	\$493,010	1/1

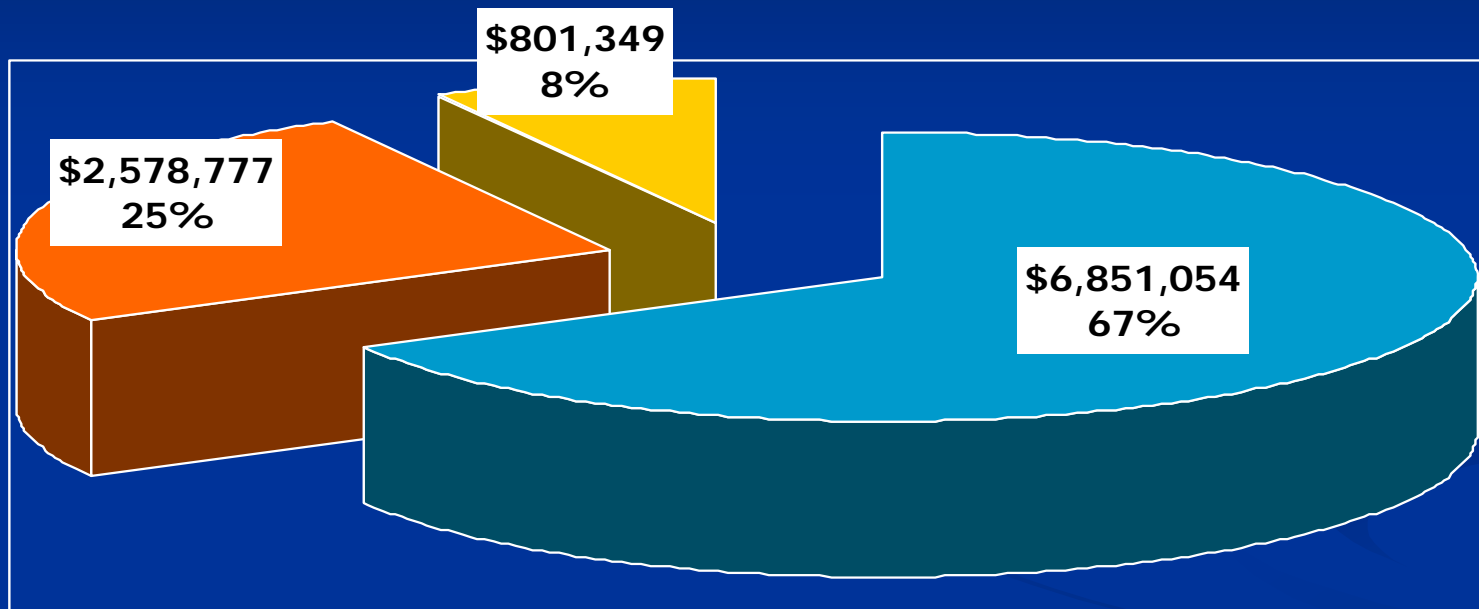
Summary of Programs

Strategic Focus Area: Transportation (Manage the Airport's Aviation Resources)

Program	Classification	FY08 Program Allocation	FTE's Filled/Authorized
Community Relations	Non-Mandatory	\$148,120	1/1
Custodial Services	Non-Mandatory	\$428,797	4/8
Airco Golf Course	Non-Mandatory	\$1,508,850	6/6
Airport Administration	Administrative/ Mandatory	\$801,349	7/7
		\$2,847,150	3/3
Totals		\$10,231,180	63/72

Program Assignment Chart

Strategic Focus Area: Transportation



■ Mandatory ■ Non-Mandatory ■ Administrative

New Program Changes

Program/ Service	Fiscal Impact	FTE's	Effect
NONE	N/A	N/A	N/A

Future Service Delivery Opportunities/Challenges

Opportunities

- Continued Development and Recruitment of Expanded and New Airline Passenger Service
- Growth of the Indirect Financial Value of enplaned (departing) passengers
 - Each enplaned passenger is worth approximately \$6.00 in new revenue
- Development of Airco Property
 - Potential annual rental income over \$1 million

Challenges

- Maintain low Operating Costs for the Airlines
 - Currently around \$2.00 per enplaned passenger
- Maintain high level of customer service as passenger airline service continues to grow
- Unfunded FAA & TSA Mandates

COMMENTS

AND

QUESTIONS