Salina Airport Authority
Board of Directors
Regular Meeting
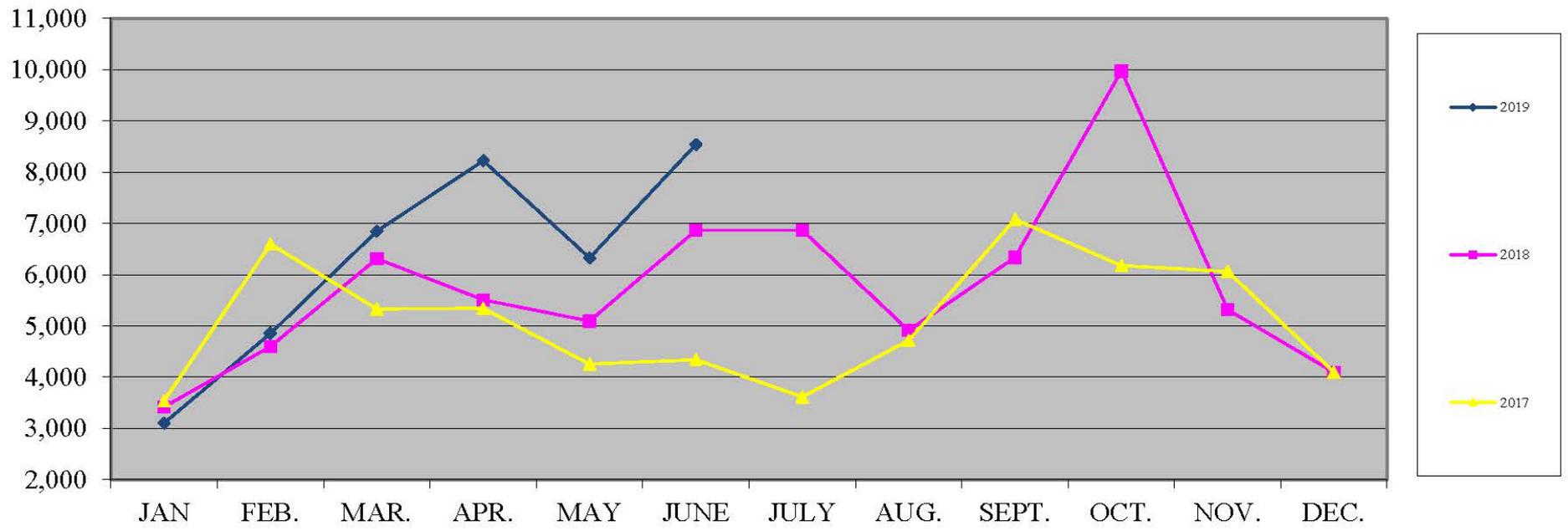
July 17, 2019

SALINA Airport
Authority

Review of Airport Activity & Financial Reports

Tim Rogers, A.A.E.

Shelli Swanson, C.M.

Air Traffic

Legend: 2019, 2018, 2017

Fuel Flowage

	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG.	SEPT.	OCT	NOV.	DEC.

Legend: 2019, 2018, 2017
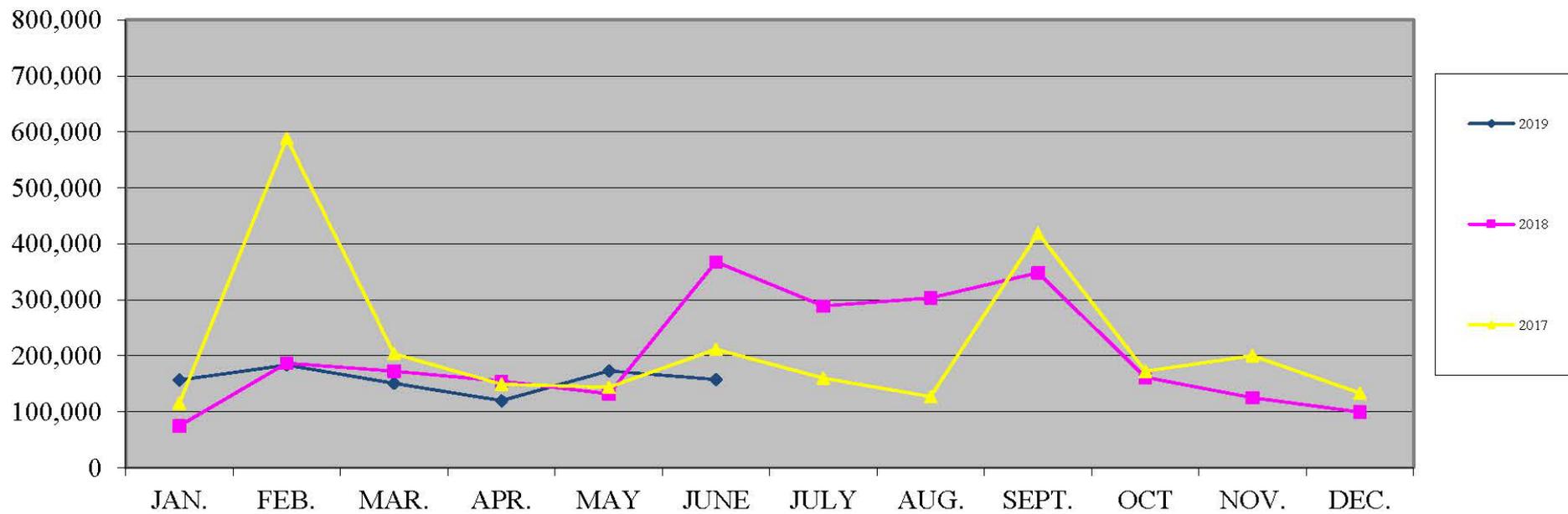
Enplanements
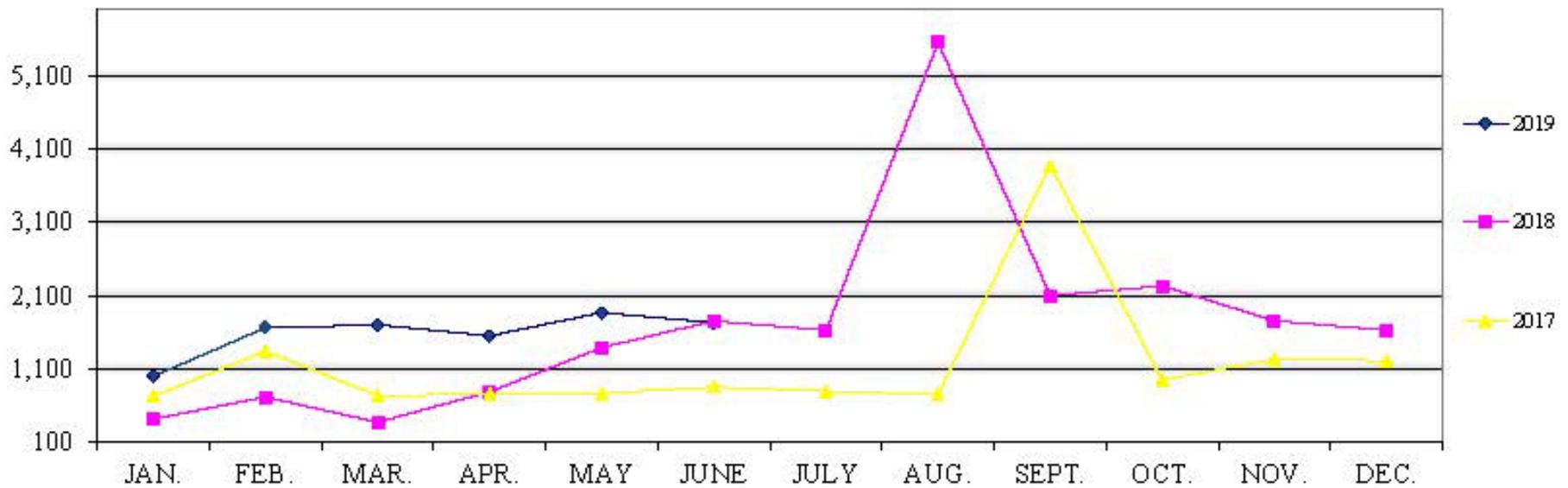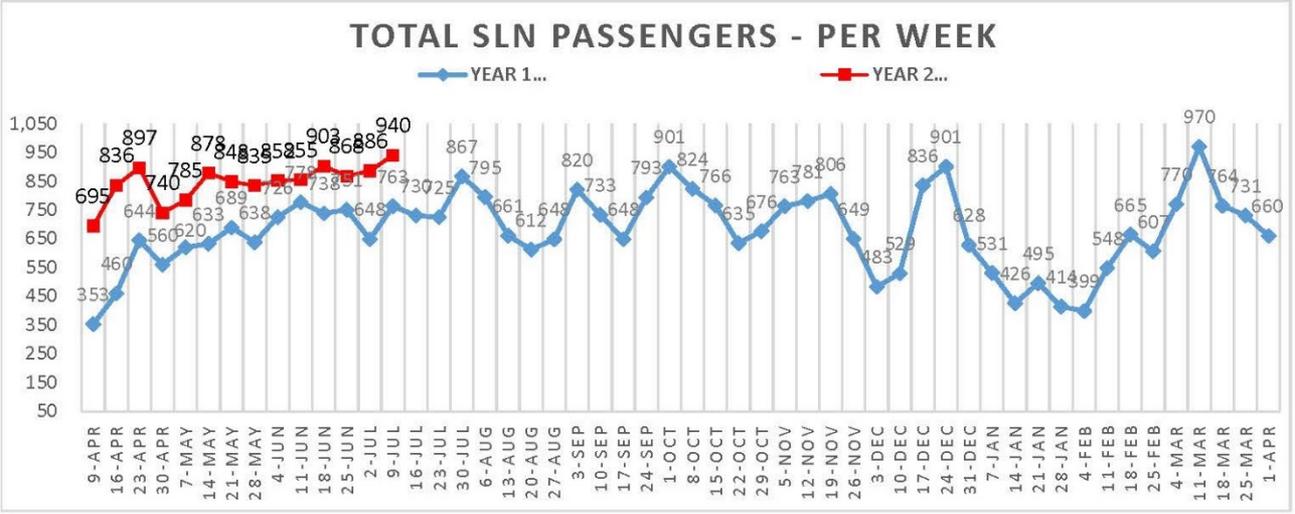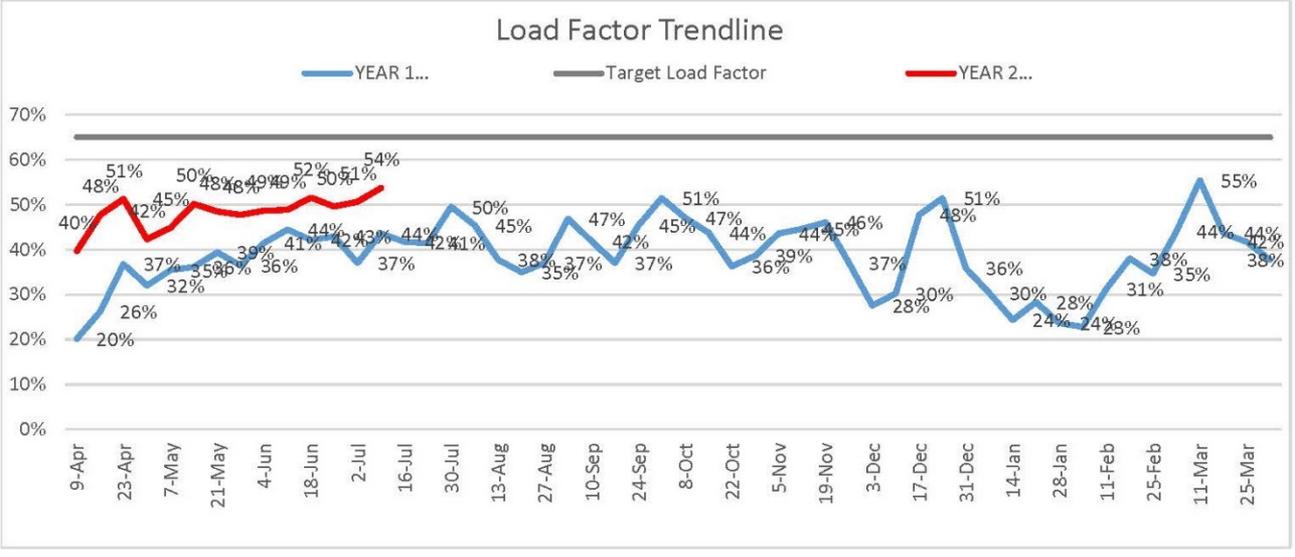
Weekly Enplanements and Load Factor

2018 - 2020 SkyWest Airlines

Weekly Enplane and Deplane (Monday thru Sunday)
Note: SKW EAS service at SLN started on April 9, 2018

TOTAL SLN PASSENGERS - PER WEEK

* Passenger numbers reported are unaudited by SKW and subject to change

Load Factor Trendline

Financial Reports

Salina Airport Authority
Profit & Loss Budget Performance
June 2019

12:01 PM
07/12/2019
Accrual Basis

	Jun 19	Jan - Jun 19	YTD Budget	$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
Total Airfield revenue	56,519	428,334	425,654	2,680	101%	851,307
Total Building and land rent	107,103	642,556	709,831	-67,275	91%	1,419,660
Total Other revenue	6,478	56,773	112,500	-55,727	50%	225,000
Total Income	170,100	1,127,663	1,247,985	-120,322	90%	2,495,967
Gross Profit	170,100	1,127,663	1,247,985	-120,322	90%	2,495,967
Expense						
Total Administrative expenses	89,949	731,831	807,864	-76,033	91%	1,615,722
Total Maintenance expenses	72,154	462,864	421,500	41,364	110%	843,000
Total Expense	162,103	1,194,695	1,229,364	-34,669	97%	2,458,722
Net Ordinary Income	7,997	-67,032	18,621	-85,653	-360%	37,245
Net Income	**-43,951**	**202,809**	**-82,195**	**285,004**	**-247%**	**-164,388**

Financial Reports

Salina Airport Authority
Capital Additions Budget vs. Actual
As of June 30, 2019

12:05 PM
07/12/2019
Accrual Basis

	Jun 30, 19	Jun 30, 19	Budget	$ Over Budget	% of Budget
ASSETS					
Total Airfeld	18,600	24,335	903,522	-879,187	3%
Total Buildings & Improvements	5,165	47,054	20,000	27,054	235%
Total Equipment	29,339	46,169	7,500	38,669	616%
Total Land	21,499	79,233	50,000	29,233	158%
Total Fixed assets at cost	74,603	196,791	981,022	-784,231	20%

Review of the Initial Results of the 2019 Salina Regional Airport Passenger Demand and Leakage Study

Tim Rogers, A.A.E.

SLN Terminal Expansion Study

ArkStar is providing support for the **SLN Terminal Expansion** project in tandem with engineering firm Coffman Associates. History and enplanement projections were produced through 2050. The full report will be released in August.

SLN exceeded the FAA's forecast for 2018 by 30% without a full year of new service. In fact, the current FAA projections for 2045 were exceeded in 2018. The study was divided into four sections:

Section I - - Peer Market and Situational Analysis

This section establishes broad ranges of potential activity based on socioeconomic factors in Salina and similar communities. Five independent analyses establish a range of future airport enplanements as a framework for enplanement projections:

1. **Peer communities** with similar populations, competitive dynamics and military presence. Over **100 airports** in the United States were **surveyed** in detail. The **20** that were the most similar were then **selected** for further study. Of these 20, **thirteen** are part of the **Essential Air Service program,** such as SLN.

   These peer airports were grouped by enplanement growth rate over the last 15 years. SLN was categorized accordingly establishing a ratio of enplanement growth to population using Census Bureau estimates. This allowed us to make enplanement projections through the planning horizon.

Table 1-A: Population-Based Peers to Salina (US Census - 2018 Estimates)		
County	Airport	2018 Population
Hall County, Nebraska	GRI	61,607
Walla Walla County, Washington	ALW	60,932
Lowndes County, Mississippi	GTR	58,550
Rutland County, Vermont	RUT	58,672
Eddy County, New Mexico	CNM	57,900
La Plata County, Colorado	DRO	56,310
Eagle County, Colorado	EGE	54,990
Campbell County, Virginia	LYH	54,979
Hancock County, Maine	BHB	54,811
Colbert County, Alabama	MSL	54,762
Saline County, Kansas	**SLN**	**54,400**
Elko County, Nevada	EKO	52,460
Pulaski County, Missouri	TBN	52,014
Venango County, Pennsylvania	FKL	51,266
Franklin County, New York	SLK	50,299
Whitman County, Washington	PUW	49,796
Buffalo County, Nebraska	EAR	49,615
Curry County, New Mexico	CVN	49,437
Dale County, Alabama	DHN	48,956
Beltrami County, Minnesota	BJI	46,847
Campbell County, Wyoming	GCC	46,140

Indicates in the Essential Air Service Program

2. The second study in this section outlined **Salina's Gross Domestic Product** estimates per Wichita State University's Center for Economic Development and Business Research through the planning horizon. A **Boeing** Corporation future **traffic coefficient tied to GDP growth** that Boeing uses to gauge future demand for aircraft was applied, to project enplanements.

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Salina Regional Airport
Terminal Expansion Study Update
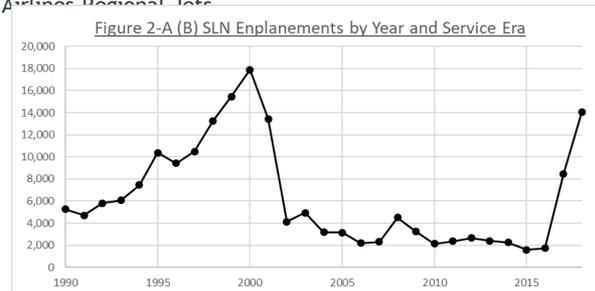
(Continued from Section I)

3. Mlitary Base communities. A peer grouping of military bases approximately an hour and a half to two hours from commercial airport was studied for 2003-2018. Commercial passenger growth averaged 2% per annum in the 15-year period studied.

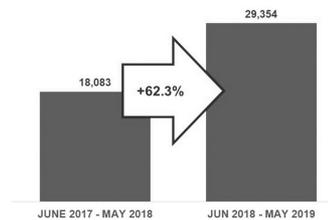**4. General Aviation.** Activity versus peer airports was charted.

5. Charter Activity versus peer airports was charted. As the Catchment Area grows, Charters should grow with it.

Section II - - Historical Air Service and Utilization of Flights
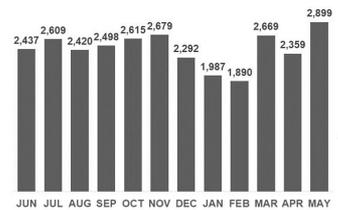Recaps Salina's historical service in detail and resulting traffic patterns, as well as charter activity at the airport. Historical operations, completion factor, enplanements, equipment type and resulting load factor trends are outlined and compared against a full year's activity on the United Airlines Regional Jets.

Figure 2-A (B) SLN Enplanements by Year and Service Era

Total SLN Roundtrip Enplanements:
June 2018 – May 2019 vs June 2017 – May 2018

18,083 → +62.3% → 29,354

JUNE 2017 - MAY 2018 | JUN 2018 - MAY 2019

Total SLN Roundtrip Enplanements by Month:
June 2018 – May 2019

JUN 2,437 | JUL 2,609 | AUG 2,420 | SEP 2,498 | OCT 2,615 | NOV 2,679 | DEC 2,292 | JAN 1,987 | FEB 1,890 | MAR 2,669 | APR 2,359 | MAY 2,899

Source: SkyWest

ArkStar

Salina Regional Airport
Terminal Expansion Study Update

(continued from Section II)

Section III - - Demand and Leakage Study

A new Demand and Leakage study is provided with an emphasis on where the airport draws its passengers, given the higher level of service. A 'Heat Map' showing 2018 usage was broken down into Driving Distance zones and the catchment area redefined. Detailed comparisons will be made to the 2017 Demand and Leakage Study, charting progress.
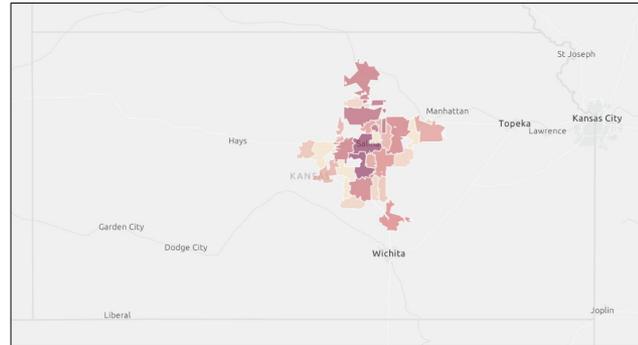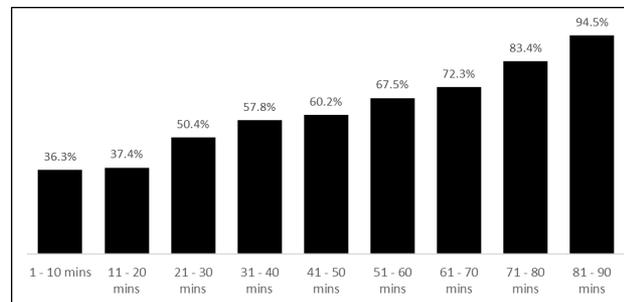

Fig 3-B: Heat Map of Passengers Using Salina Regional Airport (2018)

50% of traffic originates within a 24-minute drive time from the airport with 2/3 of the traffic within 60 minutes.

Fig 3-C: Cumulative Percentage of SLN Traffic by Driving Distance from Airport

ArkStar

Salina Regional Airport
Terminal Expansion Study Update

(continued from Section III)

Regional Jets have allowed the SLN Catchment area to grow from 37 to 47 counties with close to 900,000 tickets issued annually in the Catchment Area. Run Rate Capture as of YE 2018 is 4.1% up from 3.4%. Was 1.8% in 2006 when a previous study was done.

As American has added seats out of MHK (March +23%) and ICT continues to grow (March +8%), overall regional traffic has been stimulated considerably. This shows that further opportunity exists to expand service, especially to new geographies.

Section IV - - Future Enplanement Forecasts

The findings of the three preceding sections are combined to forecast of enplanement activity, and a comparison to the FAA's Terminal Area Forecast. A geometric mean of the growth rate of the 1. Population Based Peer Group analysis; 2. GDP growth with Boeing traffic coefficient and the 3. Military Base Market Analysis is arrived at with preliminary Base Results of 23,159 revenue customers boarding at SLN in 2015 with a high range of 24,997.
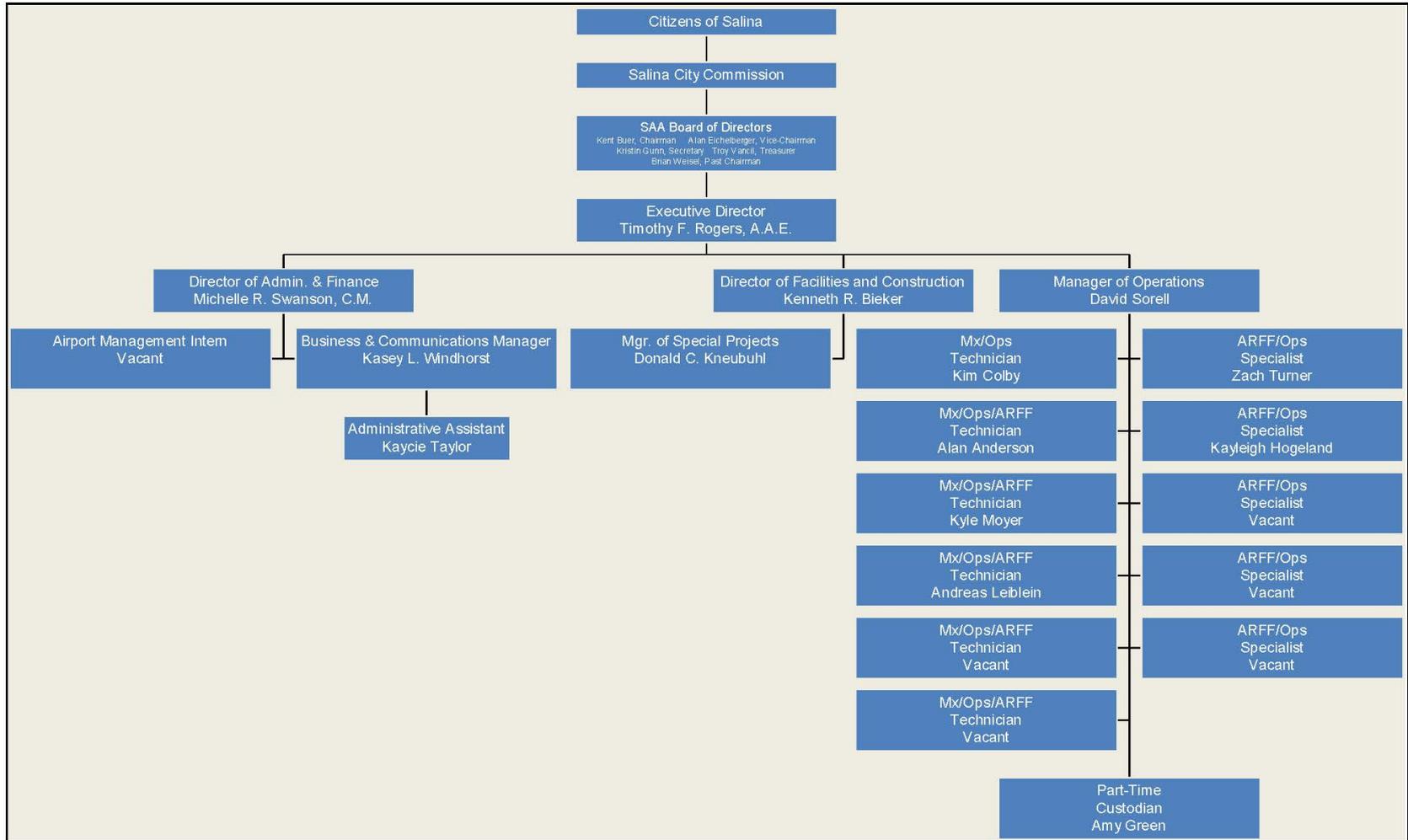
Table 4-C: Commercial and Charter Enplanement Forecasts
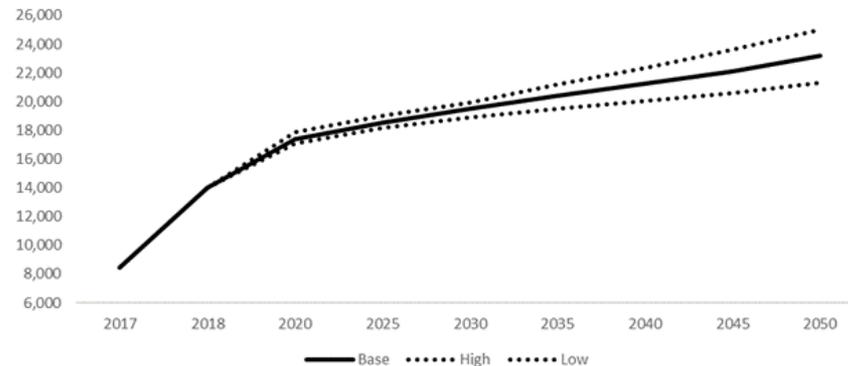
The study will conclude by showing the original peer group and how many have already received FAA Terminal Expansions or upgrades.

ArkStar

Staff Reports

SALINA Airport **Authority**

Citizens of Salina

Salina City Commission

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Kristin Gunn, Secretary   Troy Vancil, Treasurer
Brian Weisel, Past Chairman

Executive Director
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Manager of Operations
David Sorell

Airport Management Intern
Vacant

Business & Communications Manager
Kasey L. Windhorst

Mgr. of Special Projects
Donald C. Kneubuhl

Mx/Ops
Technician
Kim Colby

ARFF/Ops
Specialist
Zach Turner

Administrative Assistant
Kaycie Taylor

Mx/Ops/ARFF
Technician
Alan Anderson

ARFF/Ops
Specialist
Kayleigh Hogeland

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Technician
Kyle Moyer

ARFF/Ops
Specialist
Vacant

Mx/Ops/ARFF
Technician
Andreas Leiblein

ARFF/Ops
Specialist
Vacant

Mx/Ops/ARFF
Technician
Vacant

ARFF/Ops
Specialist
Vacant

Mx/Ops/ARFF
Technician
Vacant

Part-Time
Custodian
Amy Green

Adjournment

Location Maps

Tim Rogers, A.A.E.

KSLN Tenant and Airfield Diagram