



Tompkins County

Ithaca Tompkins Regional Airport

2015 Budget

Overview

- Big Picture
- 2015 Recommended Budget Recap
- Focus on the OTR
 - Options
 - Exit Strategy
- Review 2015 Major Projects and Acquisitions
- Strategy Going Forward

The Big Picture

Challenges

- Business down 25% in last 3 years
- Market Instability
 - Airline Mergers and Consolidation
 - Poor service reliability
 - Hubs
 - Consolidation
 - Gauge Change
- Customer Loyalty
 - Deregulation in the information age

Full-Time Equivalents

2012	2013	2014	2015 Target	2015 Rec	# Change	% Change
14.50	14.00	15.00	15.00	15.00	0.00	0.00%

Recommended Budget

	2014 Modified	2015 Recommended	\$ Change	% Change
Expenditures	\$2,982,092	\$2,799,127	(\$182,965)	-6.14%
Revenues	\$2,982,092	\$2,799,127	(\$182,965)	-6.14%
Net Local	\$0	\$0	\$0	0.00%

Over-Target Requests Supported by the Tentative Budget*

Page #	OTR #	Priority	Req. OTR	Req. Source	Rec. OTR	Rec. Source	Purpose
4-5	01	1	\$125,992	Multi-year	\$125,992	Multi-year	Stabilize airport finances by waiving administrative overhead charge paid to County (tied to OTR#55*)
4-5	01	1	-\$125,992	Multi-year	-\$125,992	Multi-year	

*Initiated by County Administrator.

Options Going Forward

- Reduction in Rates & Charges
- Investment in Business Turnaround

Reduction in Rates and Charges

- Negotiation with Airlines
 - Met with Delta Airlines in September
 - Meeting with United Airlines next week
 - Conference calls with American Airlines

“Revenue more important than charges”

Business Recovery Investment

- Market Analysis
 - Air Service Consultant
 - Air Service Data
- Advertising & Promotion
 - Website Redesign/Social Media Integration
- Increased Airport Reliability

Exit Strategy

- 25% Increase in Business will result in significantly increased revenues
- 75/25 split between airline and airport.
- A \$600,000 impact will result in reduction in airline fees of \$450,000 and increased Airport Revenue of \$150,000

Upcoming Major Projects

- Terminal Expansion
- Runway Overlay
- Terminal Apron Expansion *
- Snow Equipment *
- ARFF Truck

* Projects approved and grants received.

Major Projects & Acquisitions not included in 2015 Budget

- HVAC Equipment Replacement
- Cooling Tower Repair
- HVAC Controls Upgrade
- CFR Roof Replacement

We have applied for a State Grant for the above projects and should know the answer by the end of October.

Strategy Going Forward

- Unstable Market
 - Organizational Agility
- Consultation
 - Legislature
 - Air Services Board
- Collaborative Decision Making

Questions

???