

FISCAL YEAR 2016  
**BUDGET**

DEPARTMENT OF AIRPORTS



The City of Oklahoma City owns  
three airports:  
Will Rogers World Airport  
Wiley Post Airport  
Clarence E. Page Airport

The airports are leased to the  
Oklahoma City Airport Trust which  
operates and manages the facilities.



# Sources of Funds

## Airport Charges

- Building Rents \$ 5,695,000
- Landing Fees 7,518,000
- Parking 10,830,000
- Concessions 7,487,000
- Fuel Sales 1,645,000
- Other Airport Charges 17,493,000

Total Airport Charges

\$50,668,000

# Sources of Funds

CONTINUED

## Other Revenue

- Oil and Gas \$ 2,231,000
- Interest 183,000
- Passenger Facility Charges 7,208,000
- Customer Facility Charges 4,890,000
- Federal and State Participation 12,856,000

Total Other Revenue

\$27,368,000

Carryover

23,931,000

Revenue Bond Proceeds

8,572,000

Total Sources of Funds

**\$110,539,000**

## Uses of Funds

### Operating Expenditures

- Other Services & Fees \$ 11,823,000
- Commodities 831,000
- Debt Requirements 12,655,000
- Transfer to Airports Cash Fund 17,367,000

Total Operating Expenditures \$42,676,000

Reserves 2,658,000

Capital Outlay 65,205,000

Total Uses of Funds **\$110,539,000**



## Summary Ongoing/New Projects

- Will Rogers World Airport \$ 37,742,000
  - Wiley Post Airport 7,151,000
  - Clarence E. Page Airport 175,000
  - Mike Monroney Aeronautical Center 20,137,000
- Total \$65,205,000**

AIP TSA	PFC	CFC	Tenant Maintenance Funds	OCAT	TOTAL
12,856,000	3,272,000	5,800,000	20,137,000	23,140,000	65,205,000

# Airports Issue #1

The unstable nature of certain revenue sources, passenger growth, facility demands, long-term property leases that lag current market rates and continued increases in the cost of providing services.

## Concerns:

- Decrease in the quality of services
- Deferred maintenance
- Lack of funding



# Airports Issue #1

## Our Strategy:

Increase and stabilize airport revenue in order to finance operations and capital needs.

## Results:

- All new and renewed leases will be at market rate and/or include cost recovery rates sufficient to fund airport provided infrastructure
- Maintain food, beverage, and retail concession revenue growth of at least 2% per year
- Maintain parking revenue growth per transaction of at least 2% per year



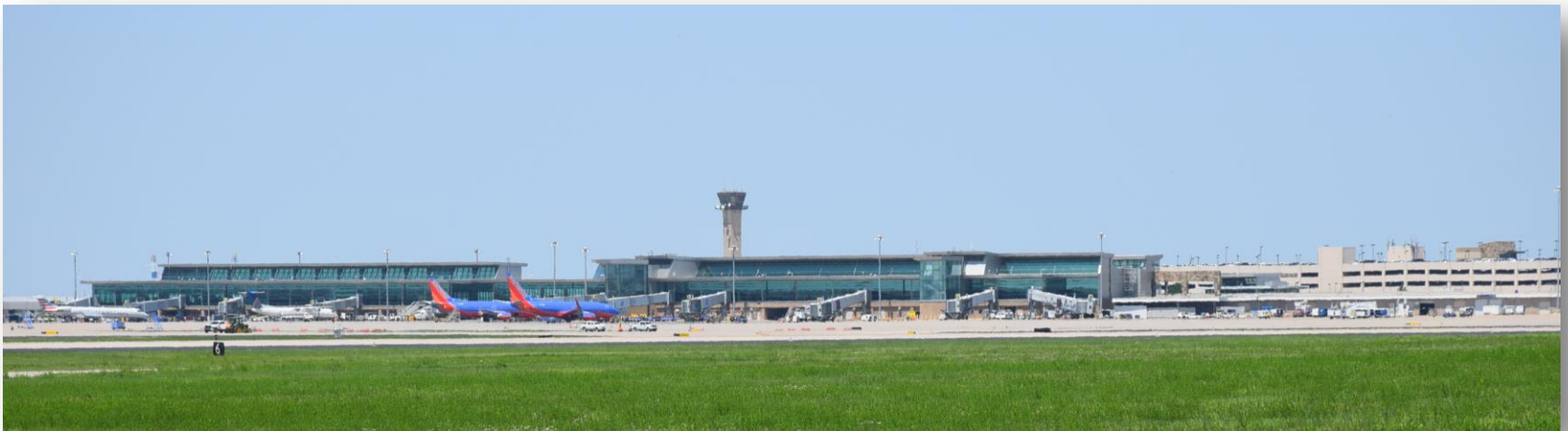


## Airports Issue #2

The fluctuation in the aviation industry, passenger boardings, aviation business activity, and the increasing number of safety, security, and environmental requirements.

### Concerns:

- Impact on staffing, workload and performance
- Funding requirements for future capital improvements
- Long-term airport planning
- Customer satisfaction



## Airports Issue #2

### **Our Strategy:**

Improve the airport environment for the traveling public and tenants through long-term planning and infrastructure improvements.

### **Results:**

- The terminal expansion plan will be complete
- Implement the signage and wayfinding plan

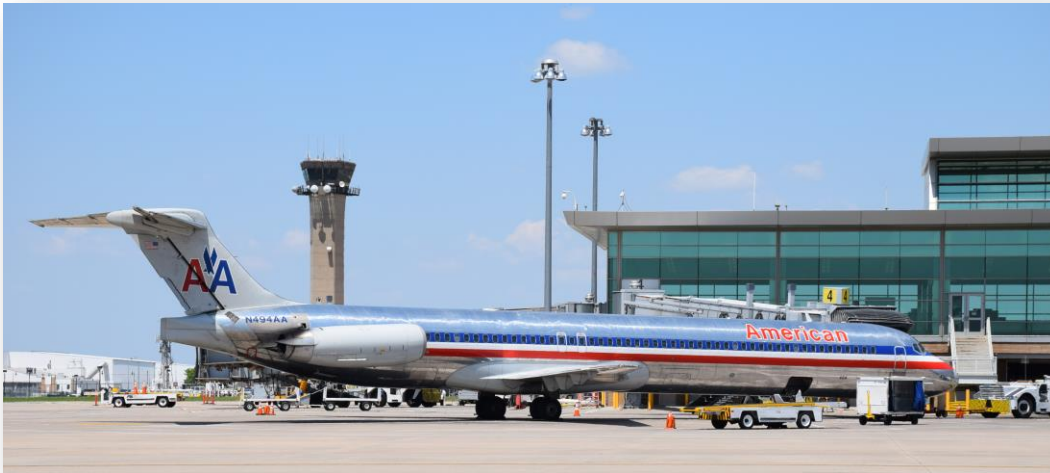


## Airports Issue #3

The growth in Oklahoma City's population and business activity has resulted in an increased demand for air service.

### Concerns:

- Missed revenues
- Missed economic development, tourism, convention business opportunities
- Customer expectations



## Airports Issue #3

### Our Strategy:

Continue to attract air service to  
Oklahoma City.



### Results:

- Limit growth in the airport cost to the airlines per boarding passenger to no more than 5% per year
- Accomplish a minimum of three marketing presentations to airlines per year
- Achieve a 2% or greater increase in boarding passenger each year

## Airports Issue #4

The amount of land available for development, the increasing maintenance demands from vacant facilities, and the cost of maintaining existing infrastructure.



### Concerns:

- Will prevent the Airport Trust from generating sustainable revenue sources to fund operations and capital expenditures
- The Trust incurs additional costs to maintain vacant facilities
- Prevents the City from receiving the benefits of economic development opportunities.

## Airports Issue #4

**Our Strategy:** Continue the land use development plan, ensure vacant facilities are lease-ready and continue to maintain and improve existing infrastructure.

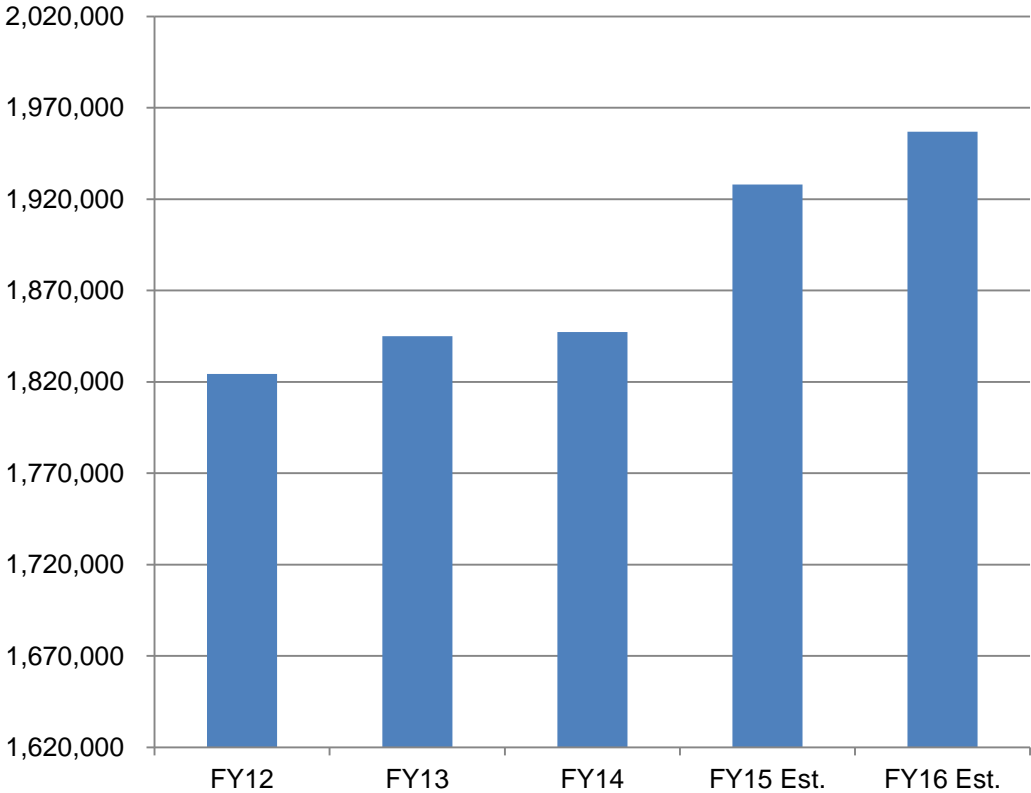


### Results:

- Portland Avenue will be relocated
- Public parking spaces will increase by 5% or 400 spaces
- Annually, 5% per year of leasable airport space will be leased
- Airport parking study will be complete



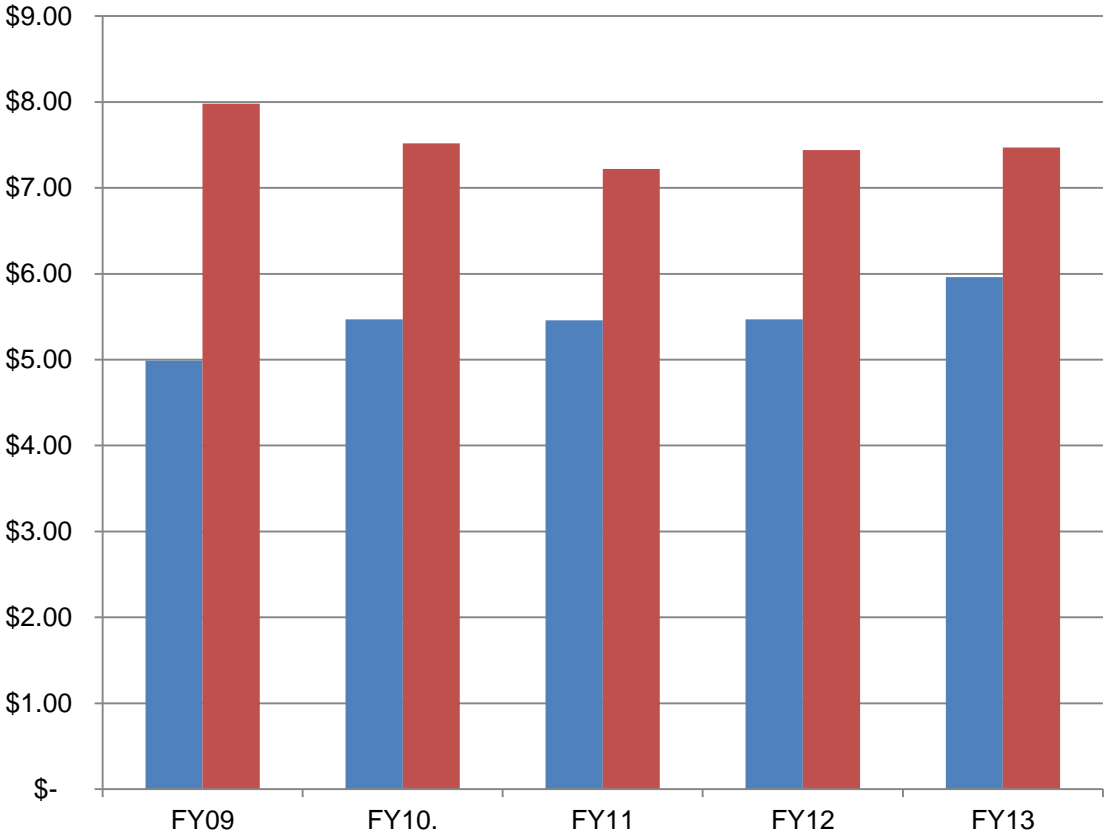
### Boarding Passengers



Enplanements for calendar year 2014 set an all-time record – 1,915,594



### Cost Per Enplaned Passenger



Source: ACI-NA FY13 Airports Financial Benchmarking Survey

- WRWA
- Small Hub Median

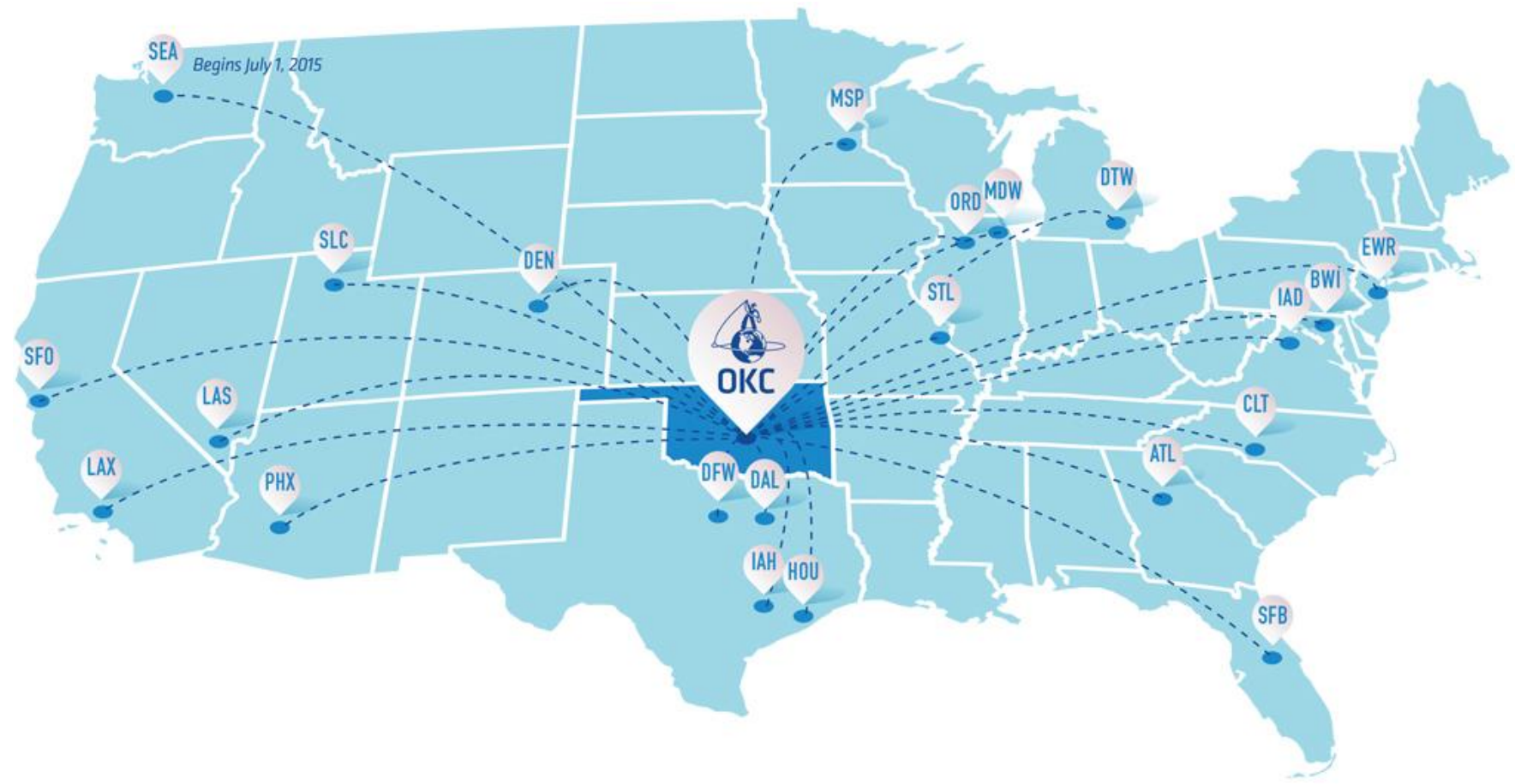


- Air Service Development continues to be an airport priority
- Alaska Airlines announced that it will begin service nonstop service to Seattle July 1, 2015
- Efforts continue to secure nonstop flights to Ronald Reagan Washington National and New York LaGuardia





### WRWA Serves 22 Nonstop Destinations\*



\* Includes new Alaska Airlines service beginning July 1, 2015

**Programs:**

- Airfield Operations
- Runways and Taxiways
- Safety, Security, and Inspections

**Key Measures:**

- The % of airport certification work-orders completed within 3 business days of identifying deficiency
  - FY14-15 Target 90%
  - FY14-15 Actual 100%
  - FY15-16 Target 90%
- The % of days with zero security incidents
  - FY14-15 Target 97%
  - FY14-15 Actual 90%
  - FY15-16 Target 97%





### Programs:

- Operations

### Key Measures:

- The % of itinerant takeoffs and landings at Wiley Post Airport (New Measure)
  - FY15-16 Target 70%
- The % of days the airport has a runway closed
  - FY14-15 Target 8%
  - FY14-15 Actual 57%
  - FY15-16 Target 8%



### Programs:

- Building Maintenance
- Equipment Maintenance
- Fuel
- Grounds

### Key Measures:

- The % of airport operating hours where major mechanical systems are functioning
  - FY14-15 Target 95%
  - FY14-15 Actual 96%
  - FY15-16 Target 95%
- The % of vehicles & equipment available for use
  - FY14-15 Target 97%
  - FY14-15 Actual 100%
  - FY15-16 Target 97%



### Programs:

- Architectural & Engineering/Planning
- Construction
- Facility & Lease Administration

### Key Measures:

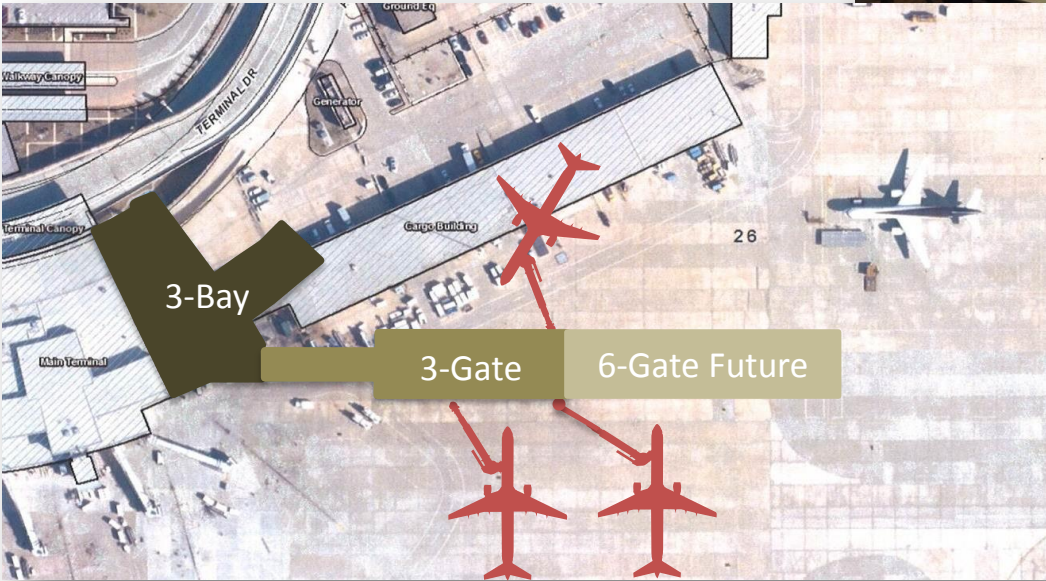
- The % of total project construction cost as a result of change orders & amendments
  - FY14-15 Target 5%
  - FY14-15 Actual 3%
  - FY15-16 Target 5%



Realignment of Portland Avenue  
\$6,150,000



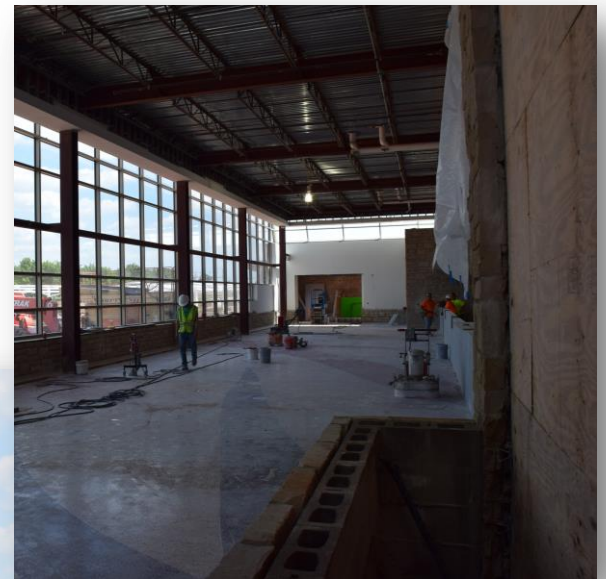
# Terminal Expansion Design \$3,960,000







## Consolidated Rental Car Facility \$5,300,000





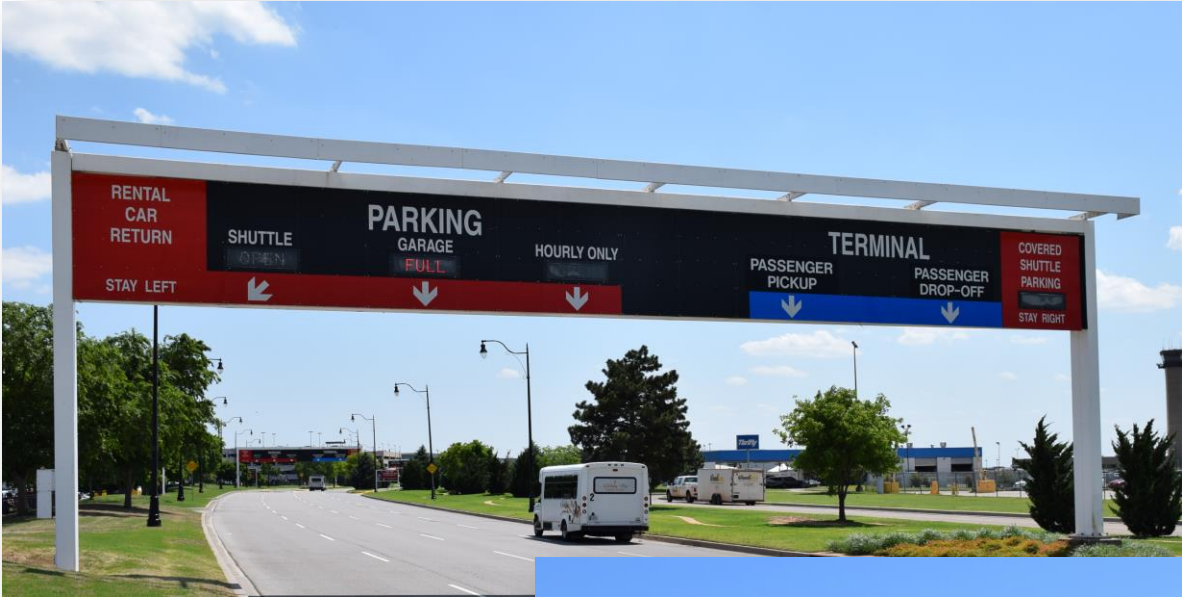
Checked Baggage  
Inspection System  
\$1,300,000





## Replace Asphalt Portions of Taxiways C & G with Concrete \$2,393,000





Signage Upgrade/  
Replacement  
\$200,000





## Terminal Generator \$1,653,000



## Proposed Cash Fund Budget FY 15-16

Line of Business	Proposed Budget	Proposed Positions
Administration	\$5,075,289	21
Commercial Aviation	\$5,085,612	23
General Aviation	\$ 758,454	9
Maintenance	\$4,414,007	46
Property Mgmt. & Development	<u>\$2,033,135</u>	<u>21</u>
Total	\$17,366,497	120



## Airports Cash Fund Budget Changes

• New Positions	\$185,000
• Increase Insurance, Benefits & Salaries	361,000
• Decrease City Provided Services	<u>(89,000)</u>
<b>Total</b>	<b>\$ 457,000</b>

## New Positions

- Senior Project Manager
- Federal Program Manager
- Master Mechanic - Replace Mechanic Helper
- System Support Specialist III – Replace System Support Specialist I





QUESTIONS?