

FY22 Year-End Review Long Beach Airport

November 17, 2022



long beach airport

Presentation to the
Airport Advisory Commission

Presentation Overview

- Financial Highlights
- FY22 Preliminary Financial Report (unaudited)
- Revenue Results from Airlines, Concessionaires, Car Rentals, etc.
- Operating Results and Cost Per Enplanement Metric
- Status of Capital Projects



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Financial Highlights

- FY22 total passenger activity was 3.14 million, doubling the activity of FY2021
- Received over \$13M in relief funds
- FAA's Airport Terminal Program awarded LGB \$10M
- Issued 2022 Bonds, generated \$30M to fund Phase II
- Completed construction of Ticketing and CBIS Facility



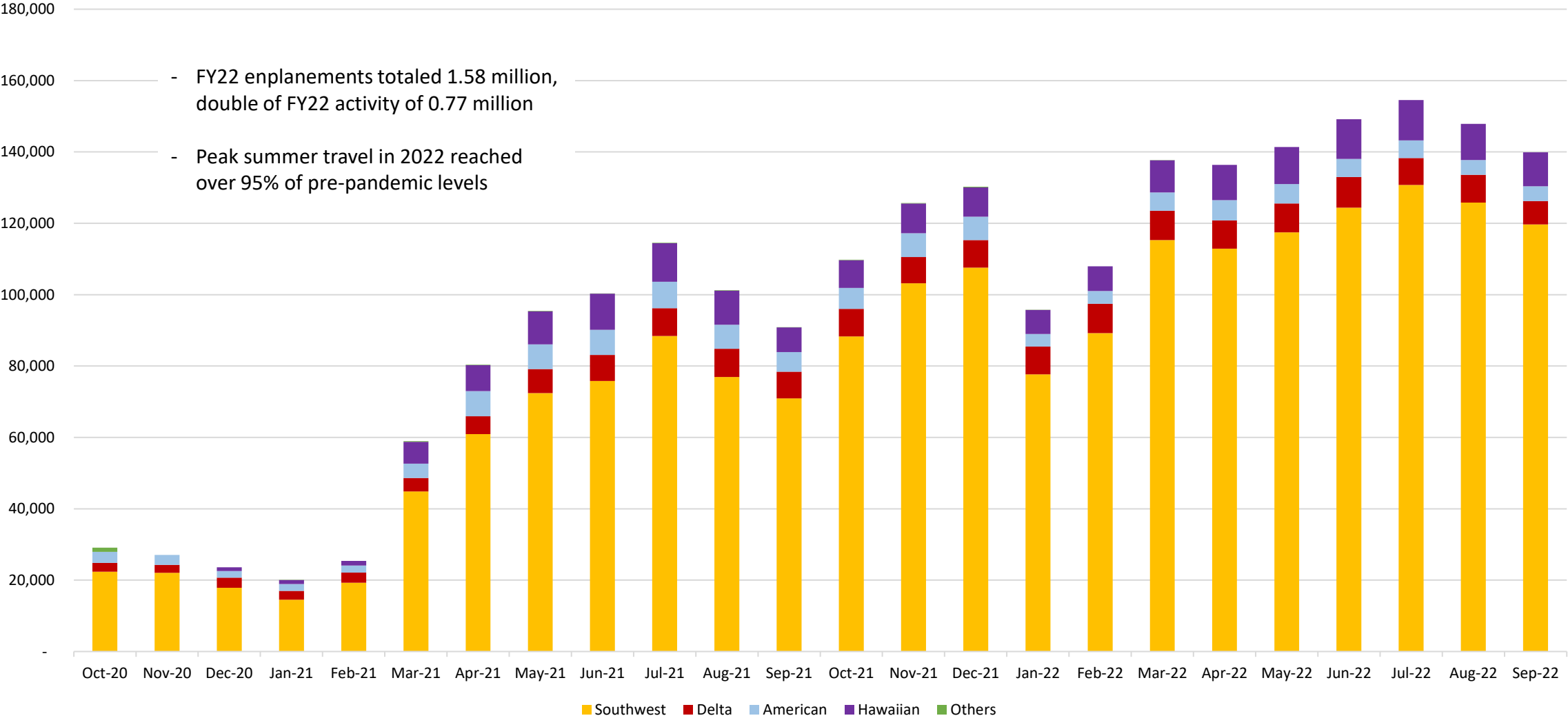
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Preliminary FY22 Year-End Budget Performance Results

	FY2021 Year-End Actual	FY2022 Year-End Actual	% Change	FY2022 Budget	FY2022 Year-End Actual	% of Budget
<u>Passenger Enplanements</u>	767,207	1,576,552	105%	1,350,000	1,576,552	117%
<u>Operating Revenues</u>						
Airlines Revenues	\$ 10,856,046	\$ 19,132,611	76%	\$ 14,496,900	\$ 19,132,611	132%
Parking Operations	\$ 4,189,027	\$ 8,739,221	109%	\$ 7,488,801	\$ 8,739,221	117%
Concession Sales	\$ 1,265,367	\$ 2,987,368	136%	\$ 2,328,000	\$ 2,987,368	128%
Rental Car	\$ 2,556,906	\$ 3,889,625	52%	\$ 2,599,000	\$ 3,889,625	150%
Ground Transportation	\$ 509,525	\$ 1,178,921	131%	\$ 1,983,000	\$ 1,178,921	59%
Aviation Land Rents	\$ 5,009,041	\$ 5,237,666	5%	\$ 4,700,000	\$ 5,237,666	111%
Fuel Flowage Fees	\$ 182,100	\$ 211,012	16%	\$ 210,000	\$ 211,012	100%
Non-Aviation Land Rents	\$ 4,073,873	\$ 5,024,788	23%	\$ 4,790,856	\$ 5,024,788	105%
Other Revenues	\$ 616,576	\$ 656,101	6%	\$ 689,058	\$ 656,101	95%
Total Operating Revenues	\$ 29,258,460	\$ 47,057,314	61%	\$ 39,285,615	\$ 47,057,314	120%
<u>Operating Expenditures</u>						
Salaries & Benefits	\$ 10,653,317	\$ 11,956,536	12%	\$ 13,744,767	\$ 11,956,536	87%
Services and Supplies	\$ 7,089,413	\$ 7,942,578	12%	\$ 9,098,570	\$ 7,942,578	87%
City Services	\$ 16,249,559	\$ 17,979,901	11%	\$ 17,608,952	\$ 17,979,901	102%
Total Operating Expenditures	\$ 33,992,289	\$ 37,879,016	11%	\$ 40,452,289	\$ 37,879,016	94%
<u>Net Operating Results</u>	\$ (4,733,829)	\$ 9,178,298		\$ (1,166,673)	\$ 9,178,298	
<u>Relief Fund Drawdowns</u>	\$ 10,478,652	\$ 13,630,087		\$ 8,000,000	\$ 13,630,087	

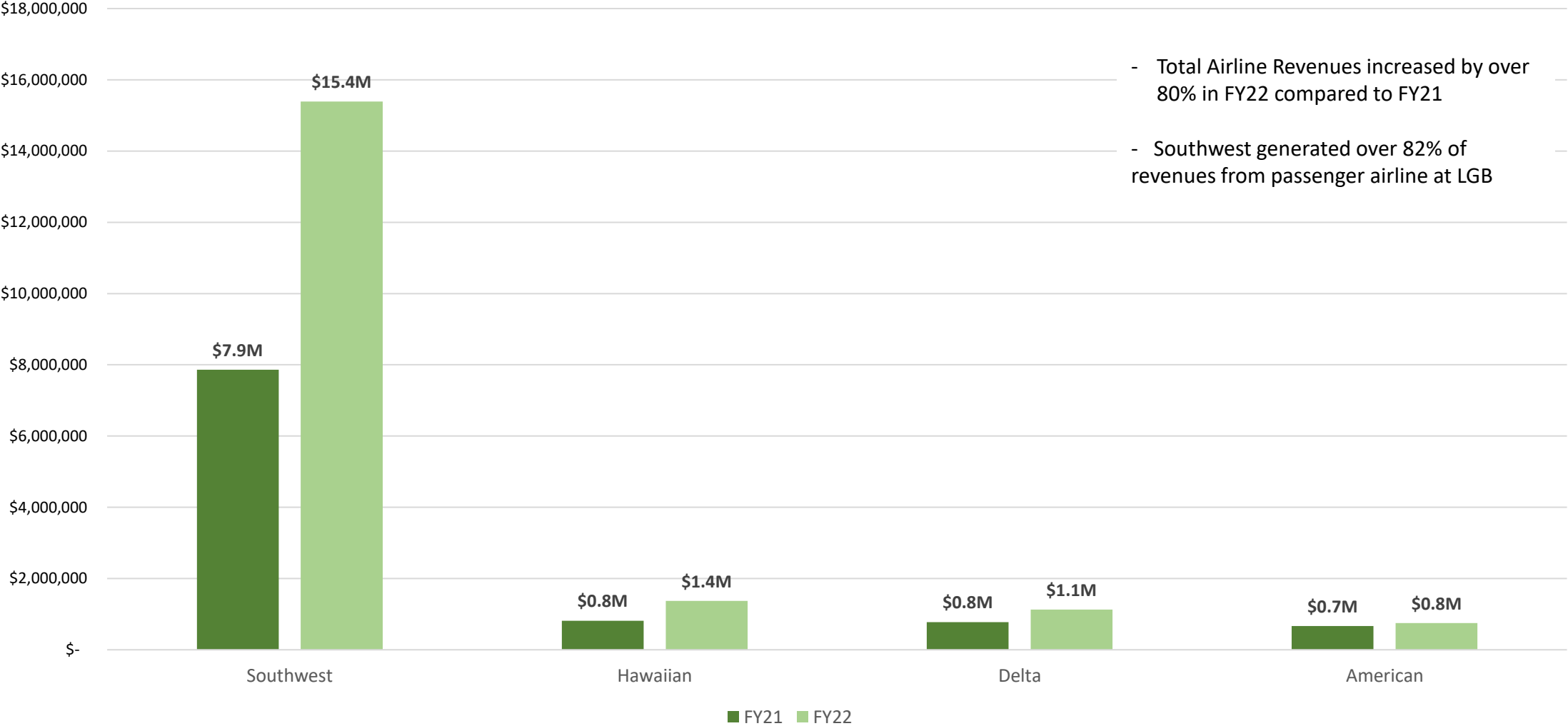
Note: Source - City of Long Beach Financial System. Figures reported are not final and uses data available as of 11/9/2022.
The report and data are unaudited. Fiscal year 2022 closing has not been completed as of the time of this report.

LGB Monthly Enplanements (EPAX)



Notes: - Source - LGB Monthly Airline Landing Reports
- Others include unscheduled operators, charter flights, etc.

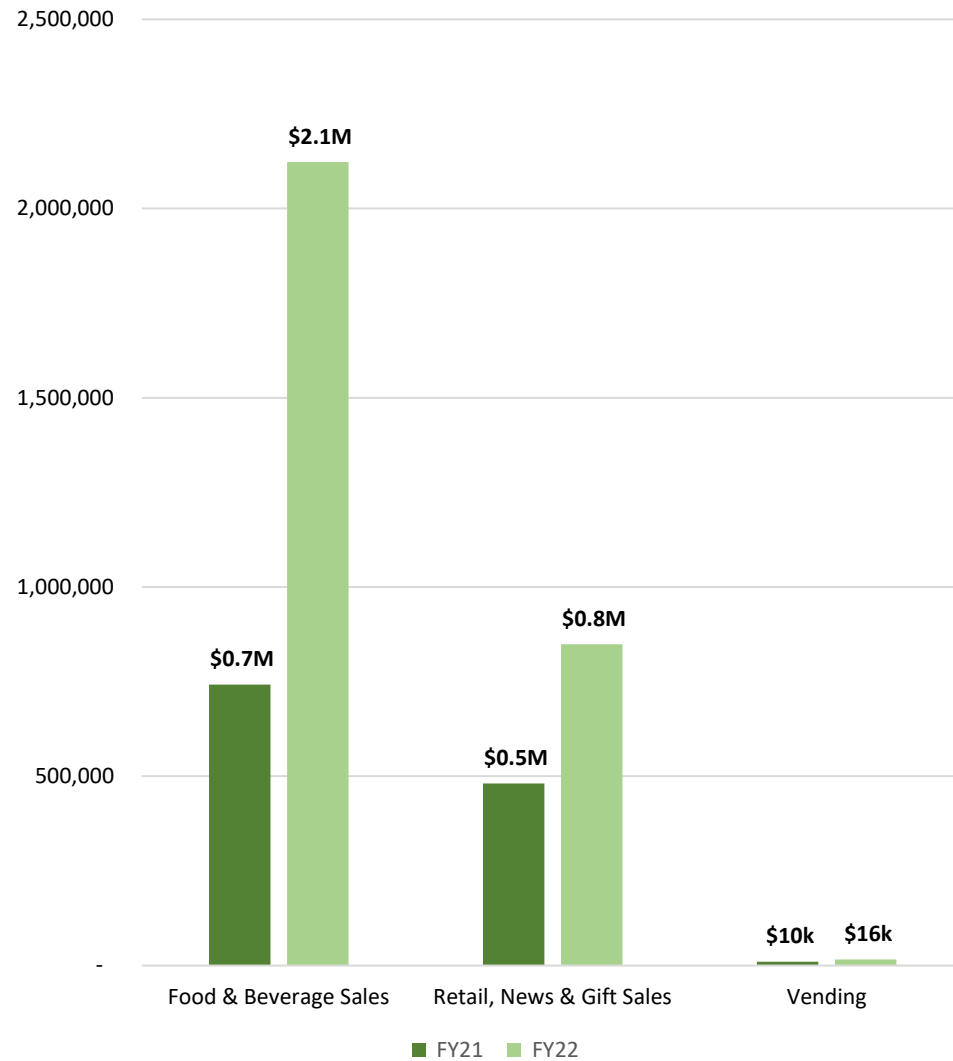
LGB Revenues From Passenger Airlines



Notes:

- Source - LGB Monthly Airline Landing Reports
- Airline revenues include Landing Fees, Gate Use Fees, Ramp Parking, Common Use Fees and Terminal Rents

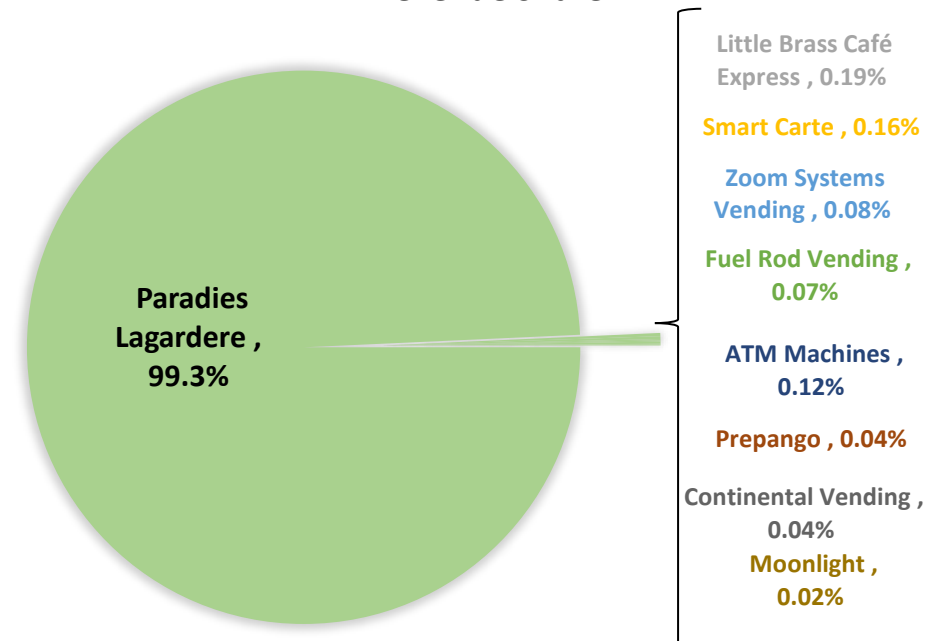
LGB Revenues from Concessions Sales



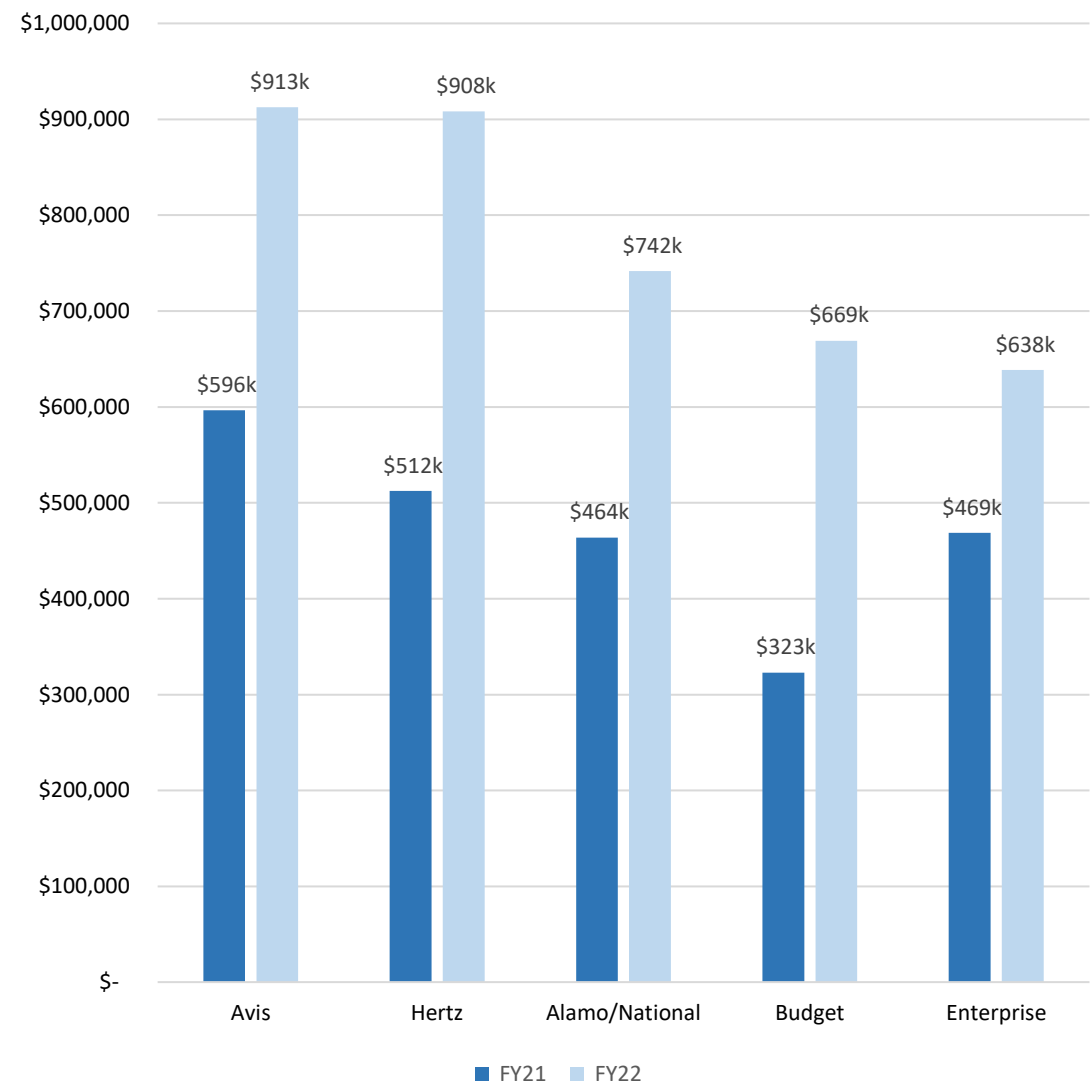
Notes: - Source - LGB Monthly Concession Sales Reports

- Concession sales significantly increased in FY22, more than double the sales of FY21
- Over 70% of concession revenues come from the sale of food and beverages.

Concessionaires Revenue Share



LGB Car Rental Revenues



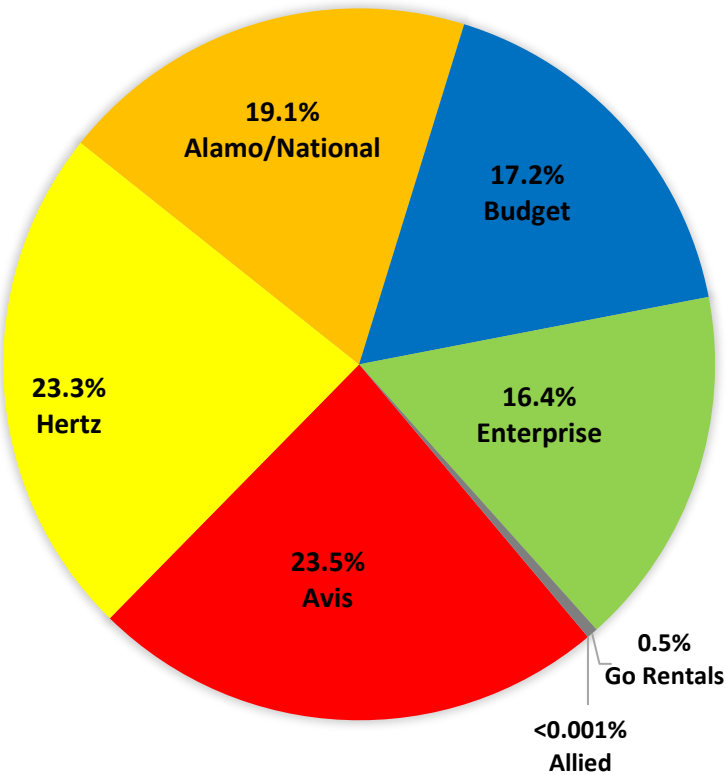
Notes:

- Source - LGB Monthly Car Rental Activity Reports
- Go Rentals, Allied and a portion of Hertz revenues are from off-site car rental operations

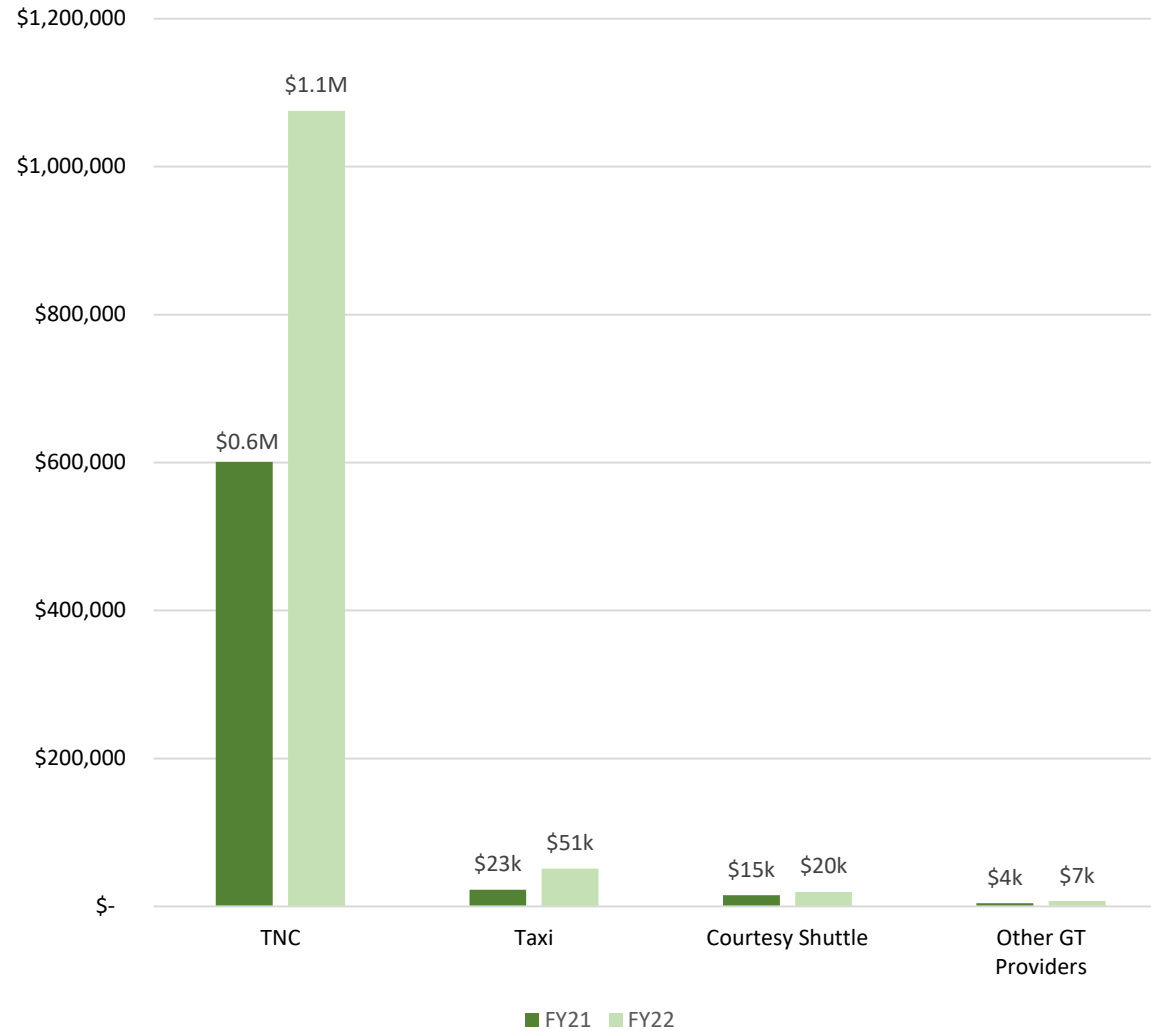
- FY22 rental car sales significantly increased by 64% from FY20 as passenger traffic recovers and demand for rental cars increases.

-Avis leads in market share at LGB in FY22 followed closely by Hertz and then Alamo/National, Budget and Enterprise.

Car Rental Market Share



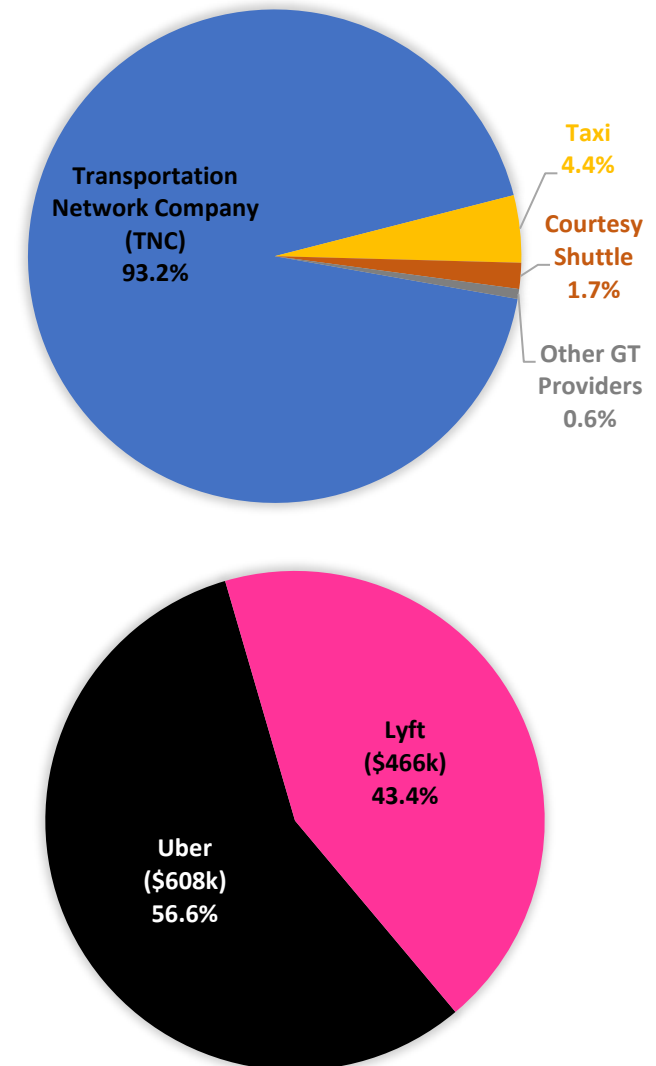
LGB Ground Transportation (GT) Revenues



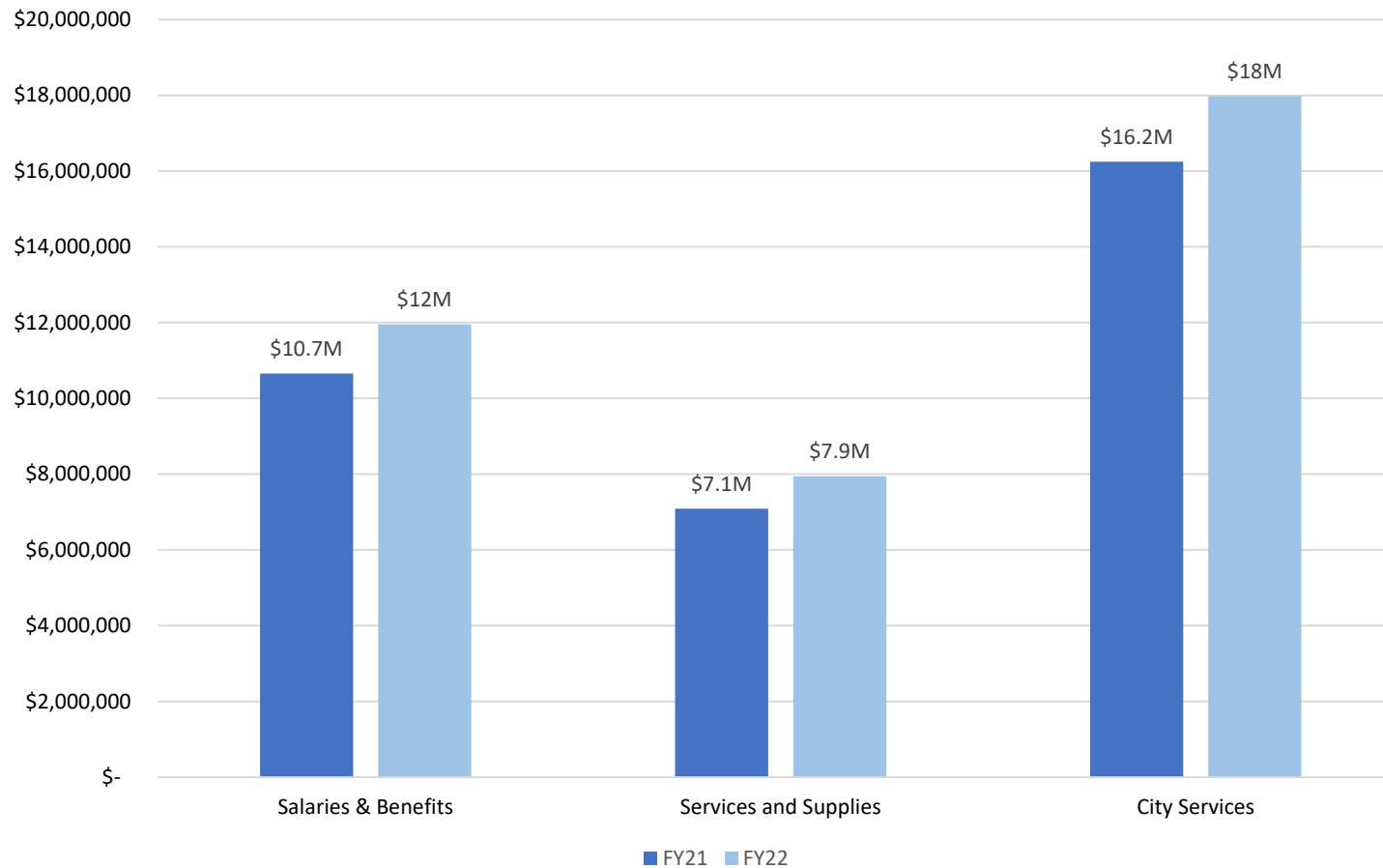
Notes:

- Source - LGB Monthly Ground Transportation Activity Reports
- Transportation Network Companies (TNC) include Uber and Lyft for FY22

LGB GT Market Share



LGB Expenditures

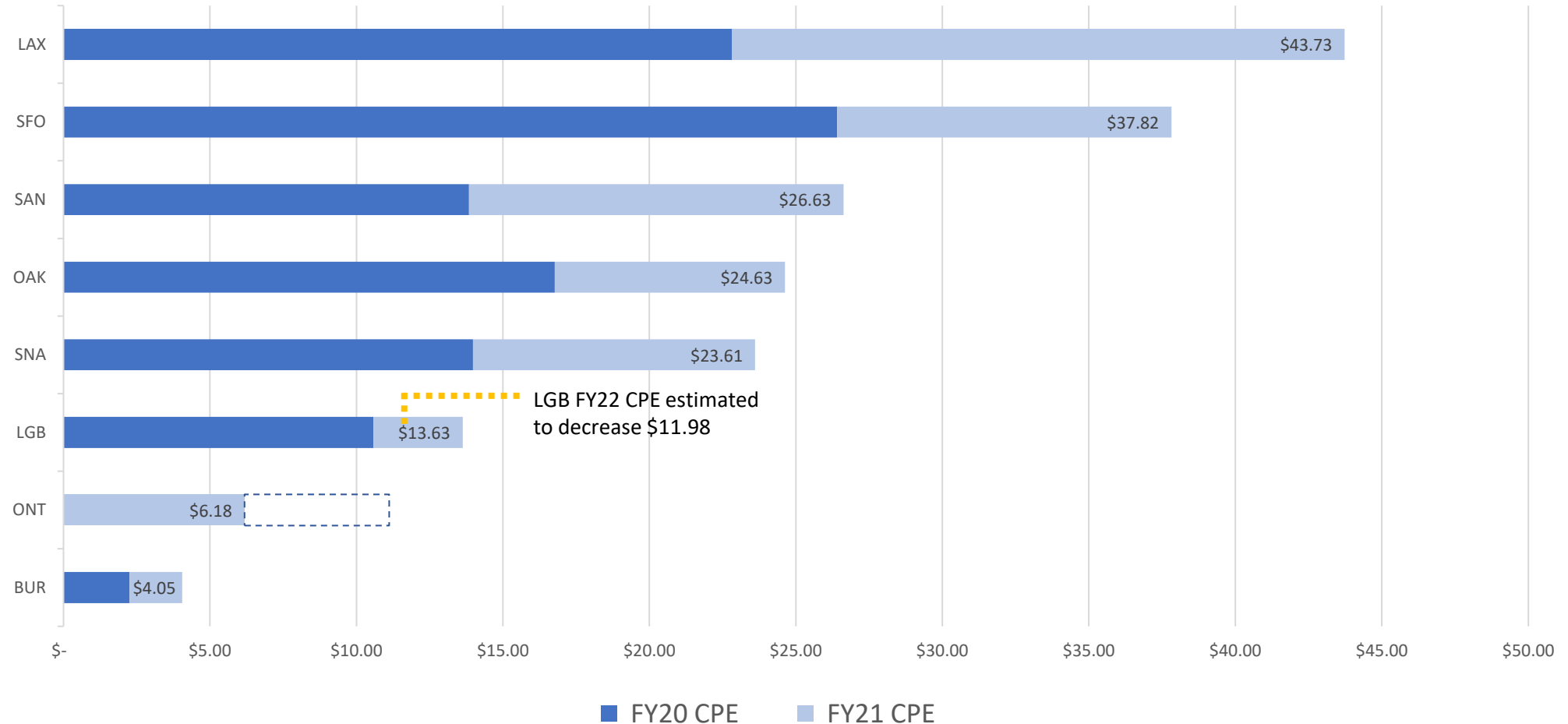


- Operating expenses increased by 11% in FY22 compared to FY21
- Furloughs during the first half of FY21 provided cost savings in addition to a soft hiring freeze, deferred maintenance and reduced inventory replenishment.
- FY22 operating cost increased as a result of opening and operating new ticketing and bag screening facilities, increased passenger activity and price inflation among other factors
- Consumer Price Index (CPI), a measure of inflation, peaked at 8.6% in FY22 for the region

Notes:

- Source - City of Long Beach Financial System
- Figures reported are not final and uses data available as of 11/9/2022

FY21 Cost Per Enplanement (CPE) Metric At Select California Airports



Notes:

- Source - FAA CATS Database
- Ontario Airport (ONT) saw CPE decrease from \$11.12 in FY20 to \$6.18 in FY21
- Burbank Airport (BUR) has significantly higher parking revenues that offset cost of operations in addition to lower operating cost.
- LGB increased airline fee rates by 10% on October 1, 2020 and another 10% on June 1, 2021.
- LGB increased the common use fee to \$3.85 on October 1, 2021

Airport Capital Improvement Projects (CIP)

- Airline Ticketing and Bag Screening Facilities opened May 2022
- Remaining Phase II projects underway
- Terminal Roadway Improvements in bidding phase
- Parking Structure Solar Project is under construction
- Taxiway L is under construction
- Runway 12-30 Electrical Project is under construction
- Taxilane K & U is in the design phase



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Summary

- Strong financial recovery in FY22 compared to FY21
- Relief funds made a significant impact to preserving financial position and supported financial recovery
- FAA funding enabled airfield projects to progress as scheduled
- Financial outlook remains positive