## Aviation Fund
### Revenue, Expenditures and Other Sources/Uses Statement June 30, 2017

<table>
<thead>
<tr>
<th>Revenue &amp; Other Sources</th>
<th>2017 Original Budget</th>
<th>2017 YTD Original Budget</th>
<th>2017 Actuals</th>
<th>Budget % Variance</th>
<th>Variance</th>
<th>Variance $</th>
<th>2016 YTD Actuals</th>
<th>2017 Actuals</th>
<th>2016-17 $ Chg.</th>
<th>2016-17 % Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue &amp; Other Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airline Revenue</td>
<td>8.9</td>
<td>4.4</td>
<td>4.3</td>
<td>-0.1</td>
<td>-3.4%</td>
<td>4.1</td>
<td>4.1</td>
<td>0.2</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Parking</td>
<td>10.8</td>
<td>5.4</td>
<td>5.4</td>
<td>0.0</td>
<td>0.0%</td>
<td>5.9</td>
<td>5.4</td>
<td>(0.5)</td>
<td>-8.3%</td>
<td></td>
</tr>
<tr>
<td>Rental Car Concession</td>
<td>3.1</td>
<td>1.6</td>
<td>1.6</td>
<td>0.1</td>
<td>4.1%</td>
<td>1.7</td>
<td>1.6</td>
<td>(0.1)</td>
<td>-4.8%</td>
<td></td>
</tr>
<tr>
<td>Concessions</td>
<td>1.4</td>
<td>0.7</td>
<td>0.9</td>
<td>0.1</td>
<td>21.0%</td>
<td>0.7</td>
<td>0.9</td>
<td>0.1</td>
<td>20.2%</td>
<td></td>
</tr>
<tr>
<td>Other Non-Airline Revenue</td>
<td>4.9</td>
<td>2.4</td>
<td>2.3</td>
<td>-0.1</td>
<td>-4.2%</td>
<td>2.0</td>
<td>2.2</td>
<td>(0.2)</td>
<td>-10.0%</td>
<td>-28.0%</td>
</tr>
<tr>
<td>Interest and Other Revenue</td>
<td>2.2</td>
<td>1.6</td>
<td>1.5</td>
<td>0.1</td>
<td>-6.8%</td>
<td>0.2</td>
<td>1.5</td>
<td>1.3</td>
<td>30.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Non-Airline Revenue</strong></td>
<td>22.5</td>
<td>11.3</td>
<td>11.5</td>
<td>(0.2)</td>
<td>-1.1%</td>
<td>11.3</td>
<td>11.5</td>
<td>0.2</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>PFC and CFC Transfer</td>
<td>4.5</td>
<td>4.3</td>
<td>4.3</td>
<td>0.0</td>
<td>0.0%</td>
<td>4.3</td>
<td>3.3</td>
<td>1.0</td>
<td>334.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>35.9</td>
<td>20.4</td>
<td>20.2</td>
<td>(0.3)</td>
<td>-1.4%</td>
<td>16.5</td>
<td>20.2</td>
<td>3.7</td>
<td>22.5%</td>
<td></td>
</tr>
<tr>
<td>Use of Fund Balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.3</td>
<td></td>
<td>(2.3)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>35.9</td>
<td>20.4</td>
<td>20.2</td>
<td>(0.3)</td>
<td>-1.4%</td>
<td>18.8</td>
<td>20.2</td>
<td>1.4</td>
<td>7.4%</td>
<td></td>
</tr>
<tr>
<td><strong>Expenditures &amp; Other Uses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>13.7</td>
<td>7.0</td>
<td>6.7</td>
<td>(0.3)</td>
<td>-4.2%</td>
<td>6.6</td>
<td>6.7</td>
<td>0.1</td>
<td>1.6%</td>
<td></td>
</tr>
<tr>
<td>Contracts, Materials &amp; Other Use</td>
<td>13.5</td>
<td>6.7</td>
<td>6.2</td>
<td>(0.5)</td>
<td>-7.2%</td>
<td>6.7</td>
<td>6.2</td>
<td>(0.5)</td>
<td>-8.5%</td>
<td></td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
<td>-</td>
<td>0.0%</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
<td>157.7%</td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
<td>0.0</td>
<td>0.0%</td>
<td>1.7</td>
<td>1.7</td>
<td>(0.0)</td>
<td>-47.5%</td>
<td></td>
</tr>
<tr>
<td>Debt Service - Principal</td>
<td>3.4</td>
<td>1.5</td>
<td>1.3</td>
<td>-</td>
<td>0.0%</td>
<td>1.6</td>
<td>1.5</td>
<td>0.1</td>
<td>80.0%</td>
<td></td>
</tr>
<tr>
<td>Debt Service - Interest</td>
<td>3.4</td>
<td>1.5</td>
<td>1.3</td>
<td>0.0</td>
<td>0.0%</td>
<td>1.5</td>
<td>1.5</td>
<td>(0.0)</td>
<td>-36.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td>35.9</td>
<td>18.4</td>
<td>17.6</td>
<td>(0.8)</td>
<td>-4.5%</td>
<td>18.0</td>
<td>17.6</td>
<td>(0.4)</td>
<td>-2.2%</td>
<td></td>
</tr>
<tr>
<td>Excess/(Shortfall) of Sources over Uses</td>
<td>(0.0)</td>
<td>2.0</td>
<td>2.6</td>
<td>-</td>
<td>-</td>
<td>2.2</td>
<td>2.6</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes:
1. Amounts may not sum due to rounding.
2. 2017 Budget includes adopted budget only and does not include prior year’s encumbrances.
3. Actuals include exp. against current year appropriation and against prior year’s appropriation that carried forward.
Aviation Fund Highlights

1. Total revenue is $20.2 million which is 7.4%, or $1.4 million, higher than last year. This is due to the entire PFC and CFC transfer for debt service being made in the first half of the year (due to the bond covenants). Revenue is 1.4%, or $276,800, below the 2017 first half projected revenue.

2. Airline revenue is $4.3 million which is 3.4%, or $148,800, below projection. This is due to the 2016 Airline Settlement payment of $153,100 made in the second quarter. Airline revenue is $184,700 higher than 2016.

3. Enplanements totalled 491,195 in the first half of 2017, or 3.4% lower than 2016.

4. Concession revenue is $861,000 which is 21.0%, or $149,600, above projection in the first half. The main favorable variances are $58,300 in TNC revenues and $50,500 in Advertising. Concession revenue is 20.2% higher than 2016 revenue for the first half.

5. Total non-airline revenue is $11.5 million, which is 1.1%, or $128,000, below projection for the first quarter. The Department generated $5.4 million in parking revenue which is $16,300 above projection.

6. Personnel costs were $6.7 million, which is 4.5% or $316,700 under budget for the period. The favorable variances were in overtime in the amount of $94,200 (including fringe benefits), in health insurance of $101,000, and $110,900 in wages (including wage based fringes). Personnel costs are $104,000 higher than 2016 due in part to an unequal number of pays. When a similar number of pays are compared, personnel costs have decreased 1.6% due to a high level of vacancies.

7. Contracts, Materials and Other Uses totaled $6.2 million, which is 7.7% or $515,200 below budget for the period. These favorable variances occur mainly in utilities of $187,600, supplies and materials of $128,100, maintenance agreements of $105,900, and fuel of $24,700. First half 2017 expenditures are $571,900 less than 2016 due to a one time payment made in 2016 for a legal settlement.

8. Capital equipment purchases of $79,000 where made in the first half. Total capital expenditures for 2017 are budgeted at $216,300, which is 54.7% less than the 2016 budget. All Capital Expenditures are planned to be completed by the end of the third quarter.

9. Expenditures exceed Revenue and Other Sources by $2.6 million. This is $555,100 ahead of budget for the first half.
Aviation Fund Mid-Year Status Update

1. The Department is on track to have a balanced budget at year end.
2. Non-airline revenue performed well in the first half of 2017. Revenue will be monitored and adjusted for in the second half, if necessary.
3. Expenditures have a positive variance to the budget for the first half, which will continue for the remainder of the year.
4. Airline enplanements will decrease in the 3rd and 4th quarters.
5. American Airlines will continue to increase capacity at Dayton.
6. The Terminal Renovation Program will start in the 4th Quarter.
Terminal Project

Terminal Project – Rental Car Facility
Terminal Project – Rental Car Facility

Terminal Project Milestones

City Review and Approve Specifications September 22, 2017
Bid Documents Package 1 Canopy September 29, 2017
Bid Documents Package 2 Restrooms October 4, 2017
Staff Review Guaranteed Maximum Price (GMP) & Contract October 20, 2017
City Commission Approve GMP & Construction Contract Phase I November 29, 2017
Contractor Award Sub-Contracts December 24, 2017
Start Construction January 4, 2018
American Operates Approximately 40% of Dayton’s Capacity; Delta Operates Approximately 27% of the Capacity

Dayton Seats per Day Each Way by Carrier and Month
January 2017 Through June 2017

American
Delta
United
Allegiant
Southwest

Seats per Day Each Way
Jan
Feb
Mar
Apr
May
Jun

Total Capacity Will Be Virtually Unchanged from January through June 2017 Versus January through June 2016

Dayton Total Seats per Day Each Way by Month
January 2016 – June 2016 and January 2017 – June 2017

2017 Total
2016 Total

Seats per Day Each Way
Jan
Feb
Mar
Apr
May
Jun
American’s Capacity in Dayton Will Increase 16.5% in December 2017 Versus December 2016; All American Markets Will Have More Capacity

American Scheduled Seats per Day Each Way in Markets Served from Dayton

December 2017 Versus December 2016

- Dallas/Ft. Worth: 383 (Dec 2017) vs. 338 (Dec 2016) (+13.2%)
- Charlotte: 340 (Dec 2017) vs. 320 (Dec 2016) (+6.3%)
- Chicago: 221 (Dec 2017) vs. 276 (Dec 2016) (-25.9%)
- Washington: 231 (Dec 2017) vs. 195 (Dec 2016) (+18.3%)
- Philadelphia: 226 (Dec 2017) vs. 202 (Dec 2016) (+11.6%)
- New York: 90 (Dec 2017) vs. 90 (Dec 2016) (+0.0%)

American will operate 1,615 seats per day each way in December 2017 versus 1,386 seats per day each way in December 2016.

Thank You