

This report is a variation of the BFAC Preliminary Airport Debt Capacity Report published by the East Hampton Town's Budget and Finance Airport Committee (BFAC). All data was taken directly from the original Debt Capacity Report but removed helicopter and jet operations. This report DID NOT take into account seaplanes (restrictions also threatened by the Town). The only data changed in the report from the original are the fuel flow fees. In the original BFAC report the fuel flow fees were 15 cents per gallon. Since the report was produced the fuel flow fees have been raised to 30 cents per gallon resulting in an additional 15 cent profit per gallon for the Town of East Hampton. You can see from this updated report that by eliminating (banning) helicopters and jets it would result in huge losses of revenue for the town.

If the Town of East Hampton still decided to bond out (money that must be paid back eventually) the current capital improvement projects totaling \$8.5M by the end of 2018, the airport's \$1.7M reserve would be depleted by 2016 and by 2018 running in the red by over \$2.3M!!! If the town opted not to bond out for the capital improvement projects at the airport, the airport would run through its reserves by the end of 2015 and be running over a \$6.3M debt by 2018!!!

Please remember these numbers represent the BEST CASE scenario in the event the town decides to ban helicopters and jets. These figures are taken directly from the town's own BFAC, and DO NOT take into account the decline of other revenue like rent, advertising, vending machines that would surely follow such a drastic decline in traffic to the airport. This updated report also does not take into account the restricting of seaplanes (another big source of revenue for the town).

Please look close and feel free to compare these numbers with the original Town of East Hampton's BFAC here (page 5):

<http://www.savehto.org/files/91526756.pdf>

AIRPORT DEBT CAPACITY REPORT NO HELOS OR JETS

SCENARIO #1: RESTRICTION OF HELICOPTER AND JET TRAFFIC

| | | Projected | | | | |
|---|-------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Reduction of Helo and Jets: | 100% | 2014 | 2015 | 2016 | 2017 | 2018 |
| Operating Data | | | | | | |
| Transient Operations | | 16078 | 7667 | 6970 | 6338 | 5762 |
| Locally Originated Operations | | 4086 | 1917 | 1742 | 1584 | 1440 |
| Total Operations | | 20164 | 9584 | 8712 | 7922 | 7202 |
| Helicopters | | 5843 | 0 | 0 | 0 | 0 |
| Jets | | 3781 | 0 | 0 | 0 | 0 |
| Other Fixed Wing | | 10540 | 9584 | 8712 | 7922 | 7202 |
| Fuel Sales (gallons) | | 794837 | 37941 | 34495 | 31363 | 28515 |
| Helicopters | 31.5 | 184213 | 0 | 0 | 0 | 0 |
| Jets | 150.5 | 568893 | 0 | 0 | 0 | 0 |
| OFW | 4.0 | 41731 | 37941 | 34495 | 31363 | 28515 |
| Average Landing Fee | | \$ 162.24 | \$ 59.85 | \$ 62.84 | \$ 65.98 | \$ 69.28 |
| Helis | | \$ 210.00 | \$ - | \$ - | \$ - | \$ - |
| Jets | | \$ 306.00 | \$ - | \$ - | \$ - | \$ - |
| OFW | | \$ 57.00 | \$ 59.85 | \$ 62.84 | \$ 65.98 | \$ 69.28 |
| Revenues | | | | | | |
| | | 2014 | 2015 | 2016 | 2017 | 2018 |
| Landing Fees | | \$ 1,304,225.00 | \$ 573,602.40 | \$ 547,462.08 | \$ 522,693.56 | \$ 498,954.56 |
| Billing Services for Landing Fees | | \$ (169,549.00) | \$ (74,568.31) | \$ (71,170.07) | \$ (67,950.16) | \$ (64,864.09) |
| Rents (adjusted) | | \$ 650,000.00 | \$ 671,450.00 | \$ 693,608.00 | \$ 716,497.00 | \$ 740,141.00 |
| Fuel (net) | 0.30 | \$ 119,226.00 | \$ 11,382.30 | \$ 10,348.50 | \$ 9,408.90 | 8554.5 |
| Additional Net Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | 0 |
| Advertising | | \$ 50,000.00 | \$ 51,500.00 | \$ 53,045.00 | \$ 54,636.00 | \$ 56,275.00 |
| Vending Machines | | \$ 3,331.00 | \$ 3,441.00 | \$ 3,554.00 | \$ 3,672.00 | \$ 3,793.00 |
| Total Operation Revenues | | \$ 1,957,233.00 | \$ 1,341,561.09 | \$ 1,236,847.51 | \$ 1,238,957.30 | \$ 1,242,853.97 |
| Expenditures | | | | | | |
| Salaries | | \$ (219,441.00) | \$ (226,024.00) | \$ (232,805.00) | \$ (239,789.00) | \$ (246,983.00) |
| Employee Benefits | | \$ (157,255.00) | \$ (170,523.00) | \$ (184,911.00) | \$ (200,513.00) | \$ (217,431.00) |
| Robinson Aviation | | \$ (347,300.00) | \$ (357,719.00) | \$ (368,451.00) | \$ (379,504.00) | \$ (390,889.00) |
| Airscene + Plane Noise | | \$ (135,000.00) | \$ (139,050.00) | \$ (143,222.00) | \$ (147,518.00) | \$ (151,944.00) |
| General Insurance | | \$ (82,871.00) | \$ (85,357.00) | \$ (87,918.00) | \$ (90,555.00) | \$ (93,272.00) |
| Utilities | | \$ (48,400.00) | \$ (49,852.00) | \$ (51,348.00) | \$ (52,888.00) | \$ (54,475.00) |
| Snow Removal | | \$ (124,500.00) | \$ (77,250.00) | \$ (79,568.00) | \$ (81,955.00) | \$ (84,413.00) |
| Maintenance and Repairs | | \$ (89,400.00) | \$ (94,834.00) | \$ (103,334.00) | \$ (115,909.00) | \$ (118,561.00) |
| Total Operating Costs | | \$ (1,255,084.00) | \$ (1,200,609.00) | \$ (1,251,557.00) | \$ (1,308,631.00) | \$ (1,357,968.00) |
| EBITDA | | \$ 702,149.00 | \$ 140,952.09 | \$ (14,709.49) | \$ (69,673.70) | \$ (115,114.03) |
| Existing Debt Service | | \$ (131,660.00) | \$ (131,450.00) | \$ (78,718.00) | \$ (78,918.00) | \$ (78,918.00) |
| Additional Debt Service | | \$ (175,107.00) | \$ (494,223.00) | \$ (611,496.00) | \$ (661,756.00) | \$ (712,016.00) |
| Net Operating Cash Flow | | \$ 395,381.00 | \$ (484,720.91) | \$ (704,923.49) | \$ (810,347.70) | \$ (906,048.03) |
| Planning and Development Expenditures | | \$ (150,000.00) | \$ (100,000.00) | \$ (100,000.00) | \$ (100,000.00) | \$ (100,000.00) |
| Capital Expenditures | | \$ (4,500,000.00) | \$ (2,800,000.00) | \$ - | \$ (1,200,000.00) | \$ - |
| Debt Issued | | \$ 4,500,000.00 | \$ 2,800,000.00 | \$ - | \$ 1,200,000.00 | \$ - |
| Litigation | | \$ - | \$ - | | | |
| Xfer to Genl Admin. | | \$ (178,369.00) | \$ (183,720.00) | \$ (189,232.00) | \$ (194,909.00) | \$ (200,756.00) |
| Net Cash Flow to/(from) Reserves | | \$ 67,012.00 | \$ (768,440.91) | \$ (994,155.49) | \$ (1,105,256.70) | \$ (1,206,804.03) |
| Year End Reserves | | \$ 1,743,294.00 | \$ 974,853.09 | \$ (19,302.40) | \$ (1,124,559.11) | \$ (2,331,363.14) |

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| OFW | | \$ 57.00 | \$ 59.85 | \$ 62.84 | \$ 65.98 | \$ 69.28 |
| Revenues | | | | | | |
| Landing Fees | | \$ 1,304,225.00 | \$ 573,602.40 | \$ 547,462.08 | \$ 522,693.56 | \$ 498,954.56 |
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| Fuel (net) | 0.30 | \$ 119,226.00 | \$ 11,382.30 | \$ 10,348.50 | \$ 9,408.90 | 8554.5 |
| Additional Net Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | 0 |
| Advertising | | \$ 50,000.00 | \$ 51,500.00 | \$ 53,045.00 | \$ 54,636.00 | \$ 56,275.00 |
| Vending Machines | | \$ 3,331.00 | \$ 3,441.00 | \$ 3,554.00 | \$ 3,672.00 | \$ 3,793.00 |
| Total Operation Revenues | | \$ 1,957,233.00 | \$ 1,341,561.09 | \$ 1,236,847.51 | \$ 1,238,957.30 | \$ 1,242,853.97 |
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| Capital Expenditures | | \$ (4,500,000.00) | \$ (2,800,000.00) | \$ - | \$ (1,200,000.00) | \$ - |
| Debt Issued | | \$ 4,500,000.00 | \$ - | \$ - | \$ - | \$ - |
| Litigation | | \$ - | \$ - | | | |
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| Net Cash Flow to/(from) Reserves | | \$ 67,012.00 | \$ (3,568,440.91) | \$ (994,155.49) | \$ (2,305,256.70) | \$ (1,206,804.03) |
| Year End Reserves | | \$ 1,743,294.00 | \$ (1,825,146.91) | \$ (2,819,302.40) | \$ (5,124,559.11) | \$ (6,331,363.14) |