

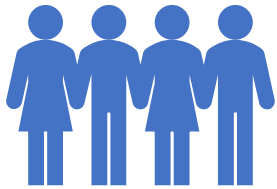
# FSVA UPDATE & FY24 BUDGET REQUEST

FOR SUN VALLEY AIR  
SERVICE BOARD

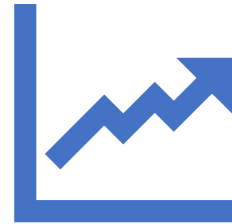
September 20, 2023



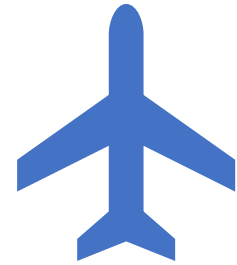
# GOOD AIR SERVICE is IMPORTANT



LOCALS



BUSINESS



TOURISM

# FSVA SUN AIR PROGRAM – KEY ACCOMPLISHMENTS

## 2014 - 2023

### NEW FLIGHTS – NEW AIRCRAFT

6 NONSTOP ROUTES

New United flights  
DEN, SFO, ORD, LAX

Regional jets  
*All SUN airlines now use RJs*



### EXPANDED FLIGHTS – YEAR-ROUND & SEASONAL

DEN & SEA: now  
year round

SLC: 2-3x daily  
year round

LAX, SFO: now  
winter/summer/fall

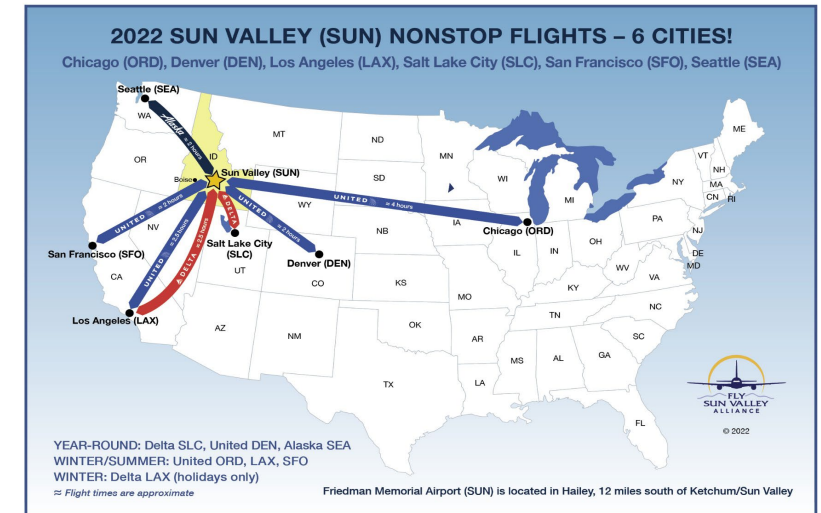
ORD: now winter &  
summer



### MORE SEATS – IMPROVED FLIGHT RELIABILITY

More seats and passengers

Improved winter flight reliability – now 97%





# 2023/24 CHALLENGES & STRATEGIC GOALS

## CURRENT CHALLENGES

### Airline industry: higher costs, pilot shortage

- ❖ More competition for routes, maintaining air service is challenging
- ❖ Regional jet service still not up to pre-pandemic levels – pilot shortages

### Travel Patterns: more international, less business

- ❖ More demand for international travel impacting domestic markets
- ❖ Business travel demand still below pre-pandemic levels

## FSVA STRATEGIC GOALS

- **Maintain core nonstop flight routes**
- **Increase flight frequency, esp winter-fall-spring**  
Improve year-round convenience for local residents & visitors
- **Increase awareness** of SUN air service options to local residents



# 2023-24 SUN AIR SERVICE GOALS - SUMMARY

## YEAR-ROUND SERVICE

- SLC: 2-3x daily
- DEN: 1-2x daily
- SEA: 1-2x daily winter/summer; 2x weekly spring/fall

## WINTER

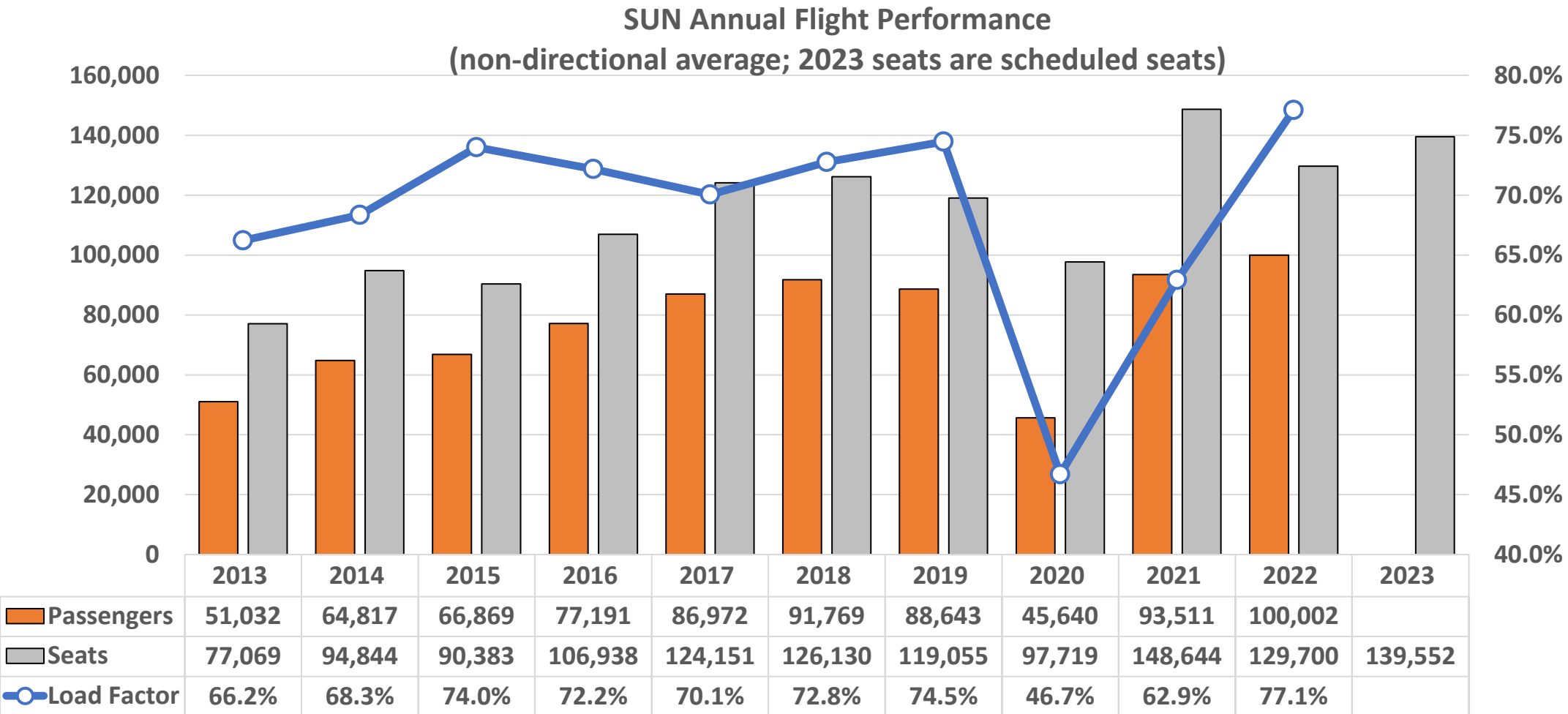
- Increase ORD to daily
- Increase DEN to 2x daily
- Increase SLC to 3x daily, as feasible
- Increase SFO, LAX 1x daily, 2x daily weekends

## SUMMER/FALL

- Maintain summer daily flights on all nonstop routes
- Increase ORD frequency to daily in summer
- Increase LAX, SFO, SEA frequency in fall



# SUN ANNUAL FLIGHT PERFORMANCE

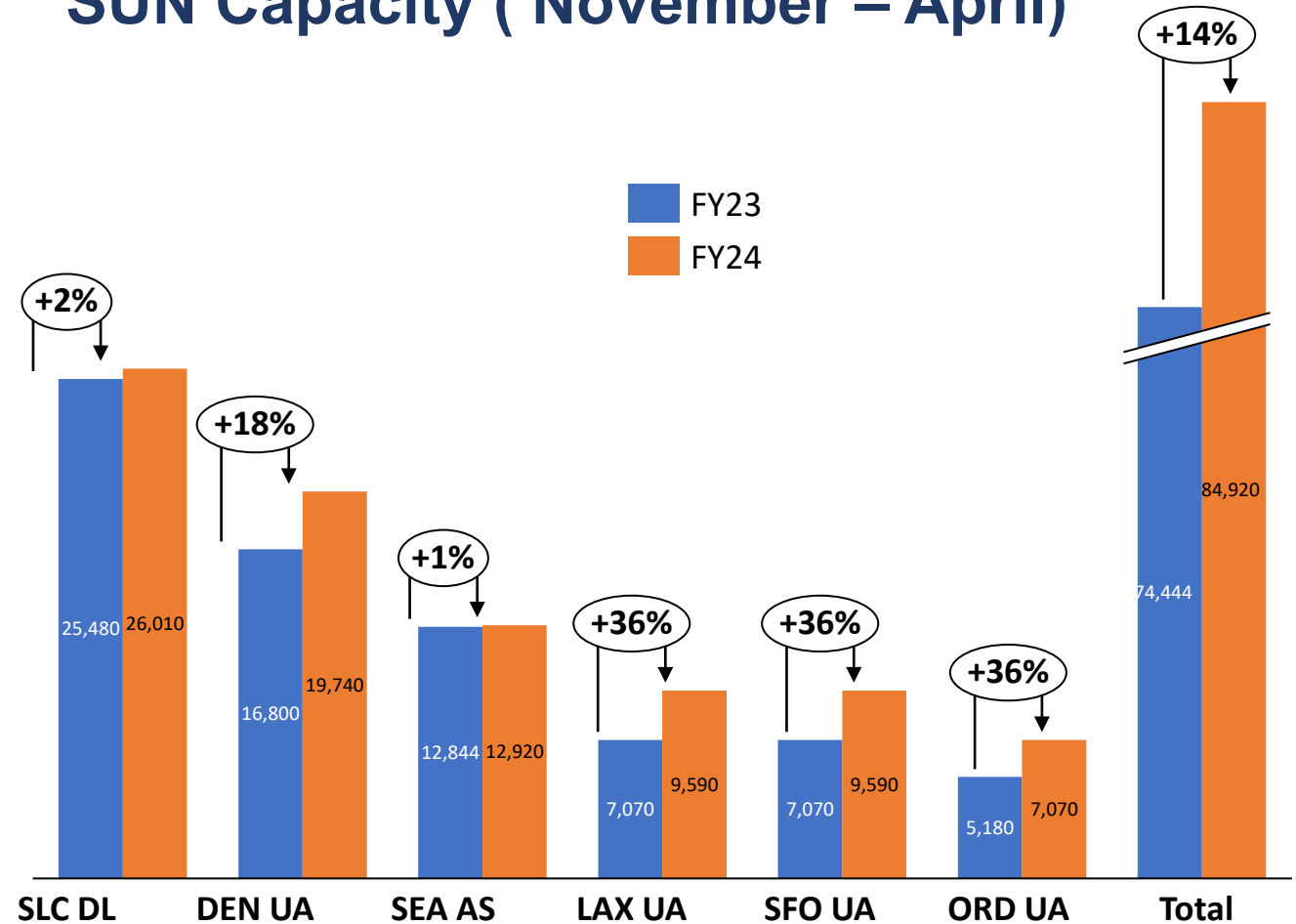


# SUN WINTER 2023/24 – # SEATS BY ROUTE

## SUN Capacity ( November – April)

### Key flight frequency changes:

- ✓ **DEN:** 2 flights daily Dec 14 – March 30
- ✓ **SEA:** 2+ additional flights/week Jan 8 – March 13
- ✓ **ORD:** 1 flight daily Dec 14 – March 30
- ✓ **LAX:** 1 flight daily Dec 14 – March 30, 2x daily weekends
- ✓ **SFO:** 1 flight daily Dec 14 – March 30, 2x daily weekends



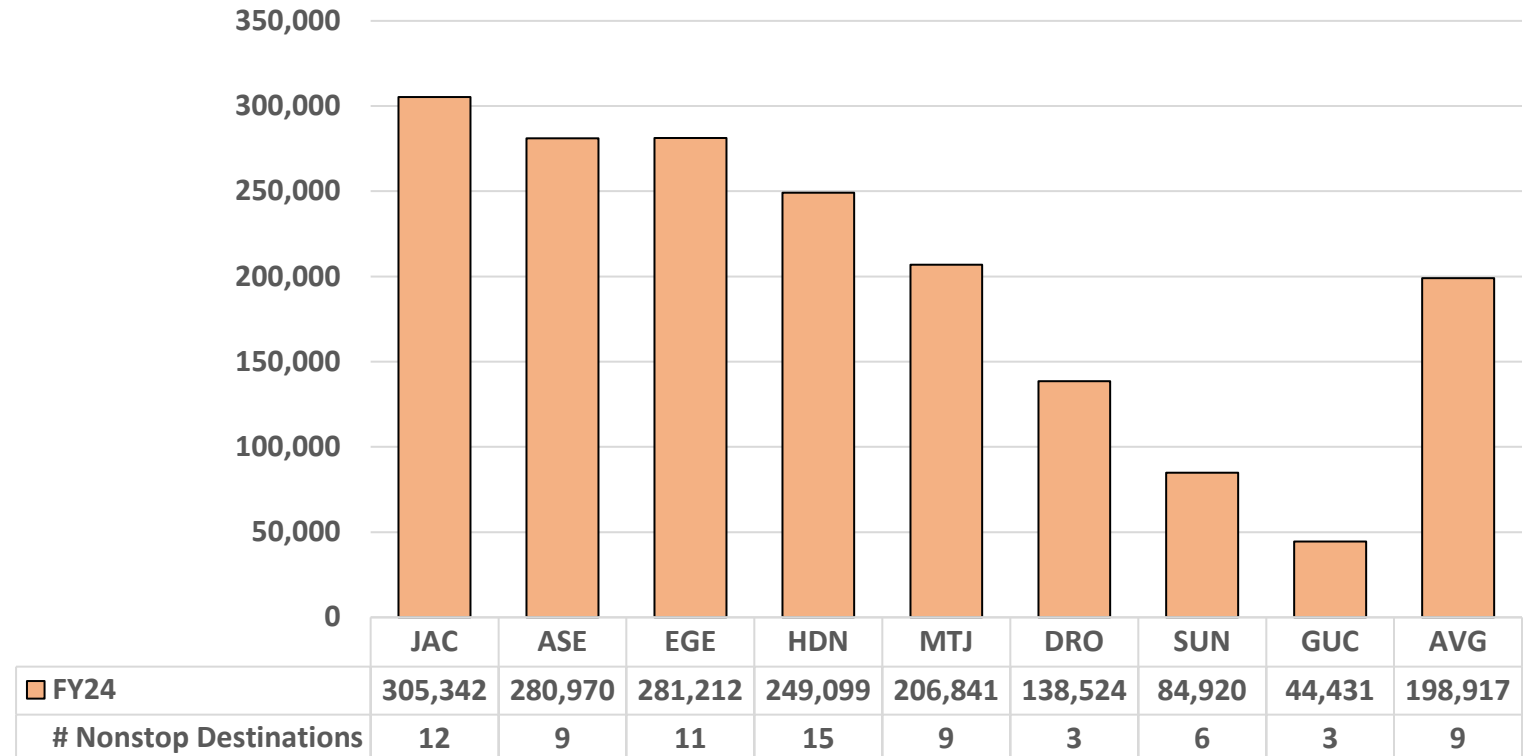
# THE COMPETITION – OTHER RESORT AIR SERVICE

**We have made great progress, but stiff competition remains**

*(changes in capacity from last winter season)*

- JAC: Jackson Hole 3%
- ASE: Aspen 4%
- EGE: Vail 17%
- HDN: Steamboat Springs 12%
- MTJ: Montrose/Telluride -5%
- DRO: Durango/Purgatory 5%
- SUN: Sun Valley 14%
- GUC: Gunnison/Crested Butte 2%

**Mountain Resort Comparisons – Air Seat Capacity**  
(November-April as of September 16, 2023)

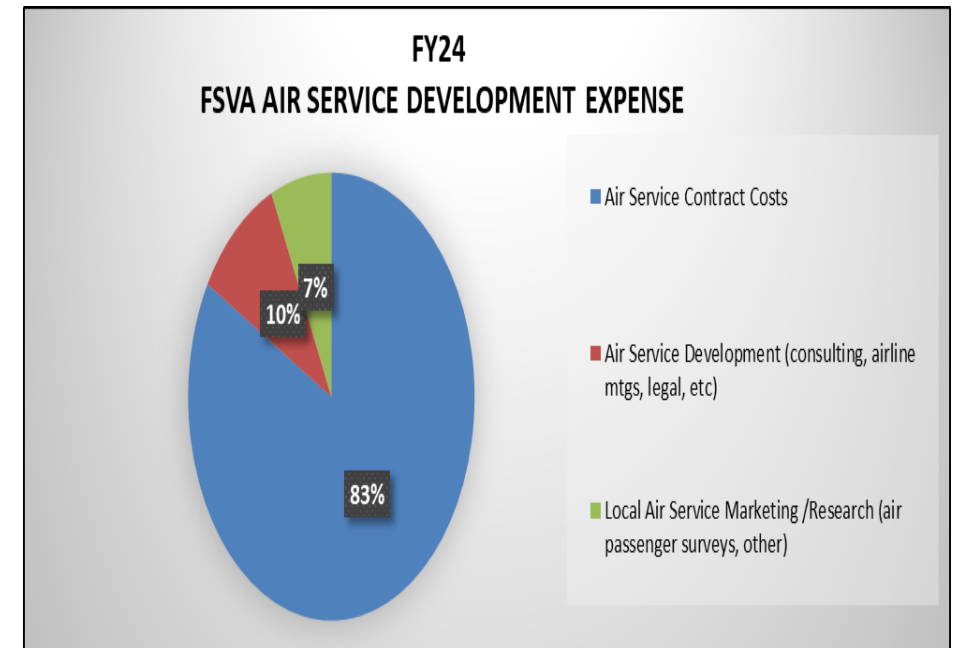




# FY 24 BUDGET REQUEST - FSVA

<b>SVASB FY24 Budget - Contracts for Service:</b>	<b>\$2,001,506</b>
FSVA Contract	\$ 800,602
VSV Contract	\$1,200,904

FSVA .5% LOT SVASB CONTRACT BUDGET (FY24)	
<b>FSVA INCOME</b>	<b>1% LOT Budget</b>
.5% LOT Revenues/SVASB Contract for Services*	\$ 800,602
Interest on LOT reserves	\$ 80,000
<b>TOTAL INCOME</b>	<b>\$ 880,602</b>
<i>*Contract for Services with Sun Valley Air Service Board</i>	
<b>FSVA AIR SERVICE DEVELOPMENT EXPENSE</b>	
Air Service MRG Contract Costs <i>(net FSVA projected cost)</i>	\$ 727,100
Air Service Development <i>(consulting, airline mtgs, legal, etc)</i>	\$ 85,000
Local Air Service Marketing /Research <i>(air passenger surveys, other)</i>	\$ 60,000
<b>TOTAL EXPENSE</b>	<b>\$ 872,100</b>
Contingency	\$ 8,502
<b>LOT RESERVE SUMMARY</b>	
<b>FY22 FSVA LOT Reserves</b>	<b>\$ 2,923,444</b>
<i>Reserves needed:</i>	
<i>To cover LOC as required by airline contracts (a portion of current reserves are restricted)</i>	
<i>To cover higher than budgeted Air Service Contract costs due to uncertain economic environment/industry costs (budgeted MRG costs are significantly less than total MRG Cap liability)</i>	
<i>To support potential new/expanded service in future years</i>	



# AIR SERVICE IS AN IMPORTANT INVESTMENT FOR OUR COMMUNITY – OUR QUALITY OF LIFE – OUR ECONOMY

## FLY SUN VALLEY ALLIANCE STRATEGIC AIR SERVICE PARTNERS



Plus.....

**The Wood River Valley Community  
Over 100 Local Businesses**

# THANK YOU - QUESTIONS?

