

## BUSINESS

# GSP traffic up, fees down

**Southwest drives budget growth, including \$28 million in projects**

**By Jenny Munro**

STAFF WRITER  
jmunro@greenvillenews.com

Passenger traffic is growing at Greenville-Spartanburg International Airport following the arrival of Southwest Airlines in March and is helping to drive the 2011-2012 budget, as well as a decrease in some airline fees.

Dave Edwards, president and chief executive officer of GSP, said passengers leaving from GSP were up about 48.4 percent according to preliminary figures. He said he expects

to see this type of growth throughout Southwest's initial year of service.

"Enplanements drive everything else that happens financially at the airport," said Jack Murrin, the airport's CFO and vice president of administration and finance. He projected 950,000 people will board planes at GSP in 2012, a record. This year, the airport expects to board about 745,000 passengers.

Commissioners approved the fiscal 2012 budget Tuesday.

Edwards said increased

traffic hasn't changed the budget process greatly because GSP is relatively conservative in revenue and expense projections.

Revenue is projected at \$21.2 million, up from \$19.5 million in the current fiscal year. Expenses are expected to climb to \$11.4 million from \$10.3 million this fiscal year. The net operating income before depreciation is expected to be \$9.8 million in fiscal 2011-2012, up from \$9.18 million this year.

However, some expenses appear to have increased dramatically as the airport reorganizes its structure and shifts costs, Edwards said. It is aug-

menting its IT department, creating an operations department and enhancing a properties and development department.

Also, GSP plans to reduce its landing fee per thousand pounds to \$1.82 from \$1.91, Edwards said, and its space rental rate per square foot to \$45.51 from \$45.60 per year. The apron parking position fee will increase slightly to \$14,268 from \$14,041 while the per-year boarding bridge fee will increase to \$11,325 from \$10,575. The apron parking fee is rising based on the consumer price index while the boarding bridge fee now includes utility costs be-

cause the bridges include pre-conditioned air, eliminating the airlines' need for on-apron generators.

The airlines' GSP cost per enplanement — what airlines pay for every passenger boarding their planes — will average \$5.54 per person in fiscal 2012, down from \$7.34 for the fiscal year that ends June 30.

Also included in the 2012 budget is \$28 million in capital expenditures, primarily for the first phase of the terminal expansion and renovation, said Murrin. It also includes about \$800,000 for a proposed expansion of the commission offices and \$5 million for land acquisition.