

# Kentucky Aviation System Plan and Economic Impact Study Update

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# Agenda

01

Kentucky AEIS  
Overview and  
State of the  
Industry

02

IMPLAN Modeling

03

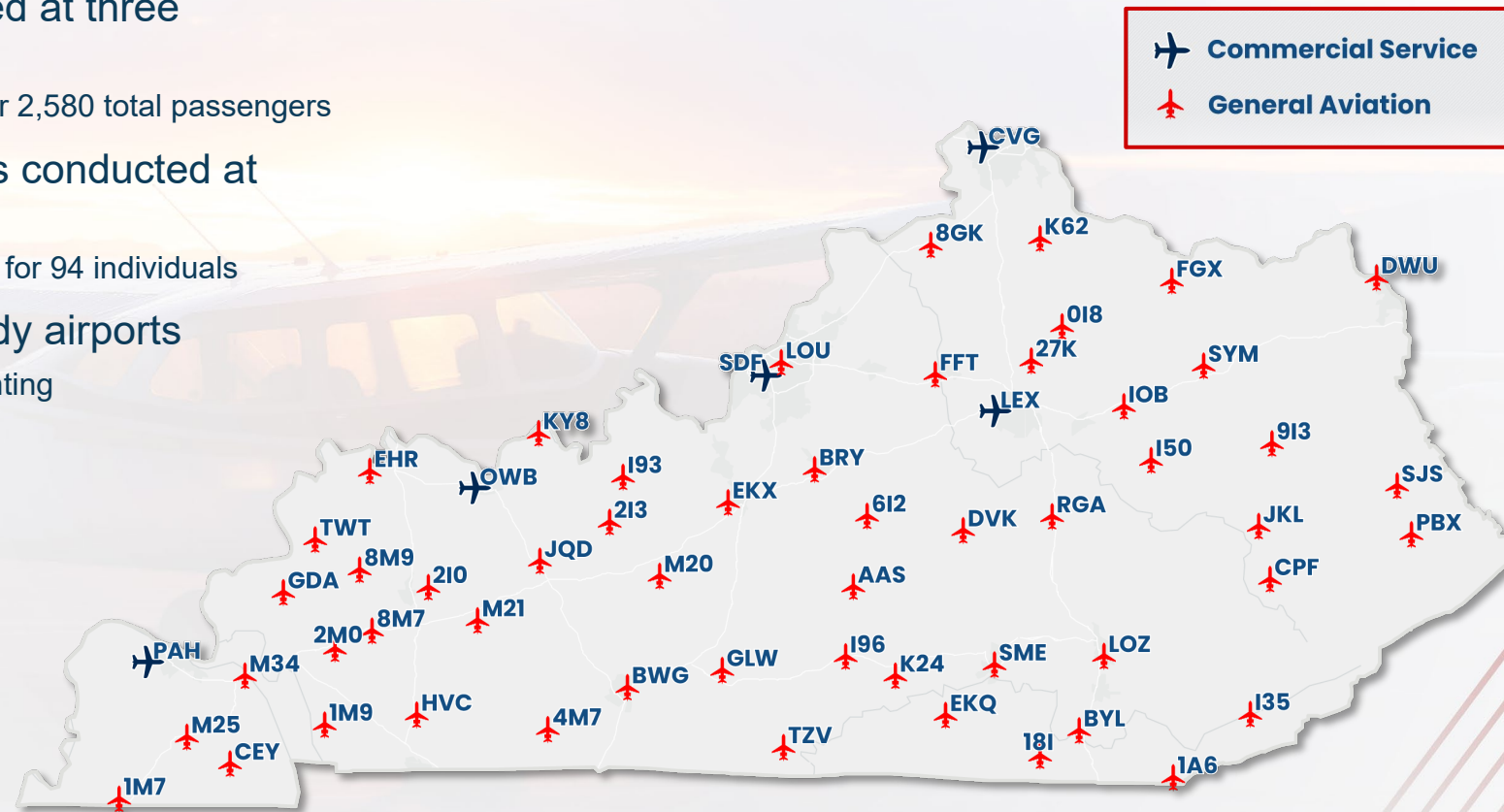
Statewide Findings

04

Questions?

# Kentucky AEIS Overview

- Site visits wrapped up in September
- Out of state passenger surveying completed at three commercial service airports
  - A total of 1,282 responses collected accounting for 2,580 total passengers
- Passive pilot and passenger surveying was conducted at the remaining airports
  - A total of 80 responses were collected accounting for 94 individuals
- Tenant surveying was completed at all study airports
  - A total of 487 individuals tenants surveyed accounting for 14,223 total employees



# Purpose of the Economic Impact Study

- Understand the overall role of aviation in enhancing and supporting Kentucky's economy
- Analyze airport activity to determine real - dollar economic impacts
- Convey the importance of Kentucky's airports to users, communities, and businesses within the state



# Project Process



# Data Collection – Who Participated?



Airport  
Administration



Airport  
Tenants



Commercial  
Service  
Visitors



General  
Aviation  
Visitors

# State of the Industry



**2.7 million**  
Out - of - State  
Commercial  
Visitors



**582,629**  
General Aviation (GA)  
Aircraft Operations



**54,667**  
Employees Working Directly  
for the Airport or  
On - Airport  
Business Tenants

# Other Industry Changes



COVID  
Recovery



Increased Labor  
Costs



Workforce  
Shortages

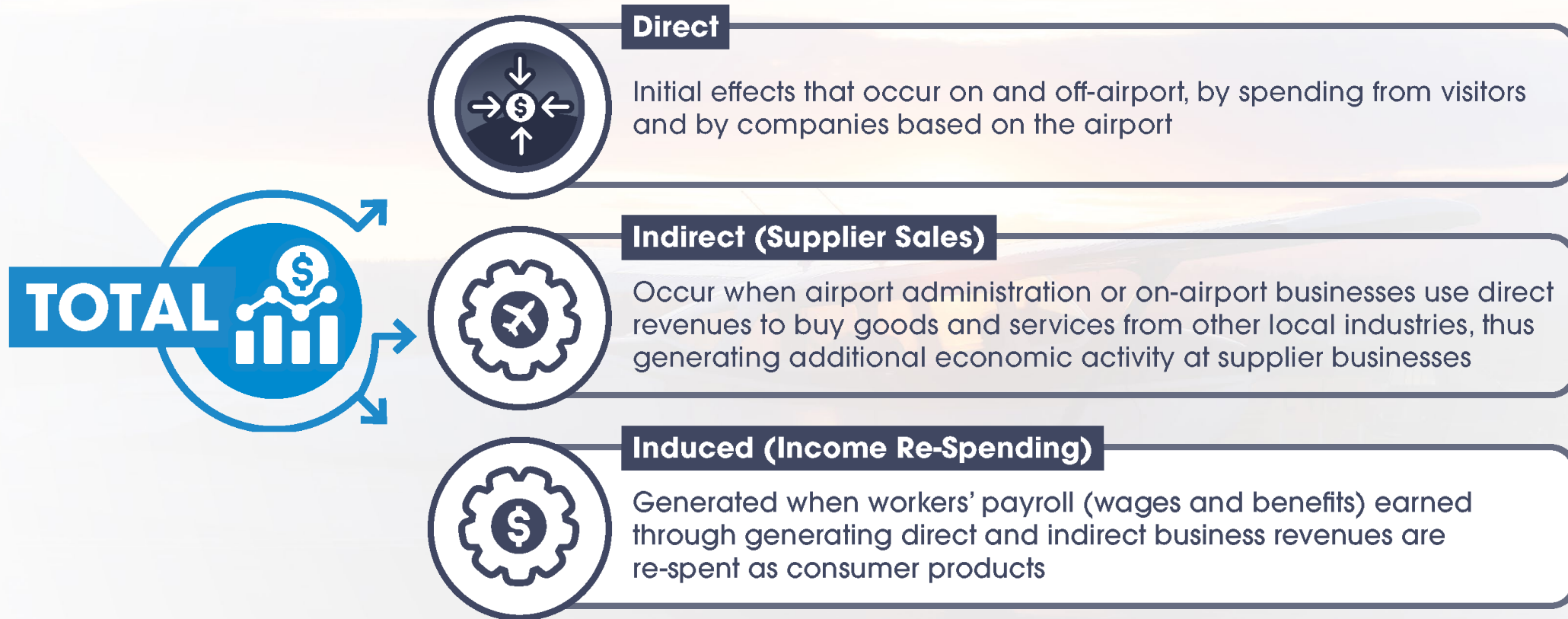


Increased construction  
material costs



Record  
Inflation

# Economic Impact Terms



# Economic Impact Measures



## **JOBS**

The total number of people working because of the airport or company, including both full-time and part-time positions



## **PAYROLL**

All the money and benefits employees receive for their work, including salaries, health benefits, and taxes paid on their behalf



## **VALUE ADDED**

The value an airport adds to Kentucky's economy. It's calculated by taking what the industry produces and subtracting the cost of its necessary materials such as fuel, maintenance, or utilities



## **TOTAL ECONOMIC IMPACT (OUTPUT)**

The overall value of the airport's activity, including all spending ripples. It is equivalent to GSP plus the cost of everything it buys—like fuel, maintenance, and utilities—from other businesses



# IMPLAN Modeling



# IMPLAN



Economic Modeling Software



FAA- Approved



Input - Output Model



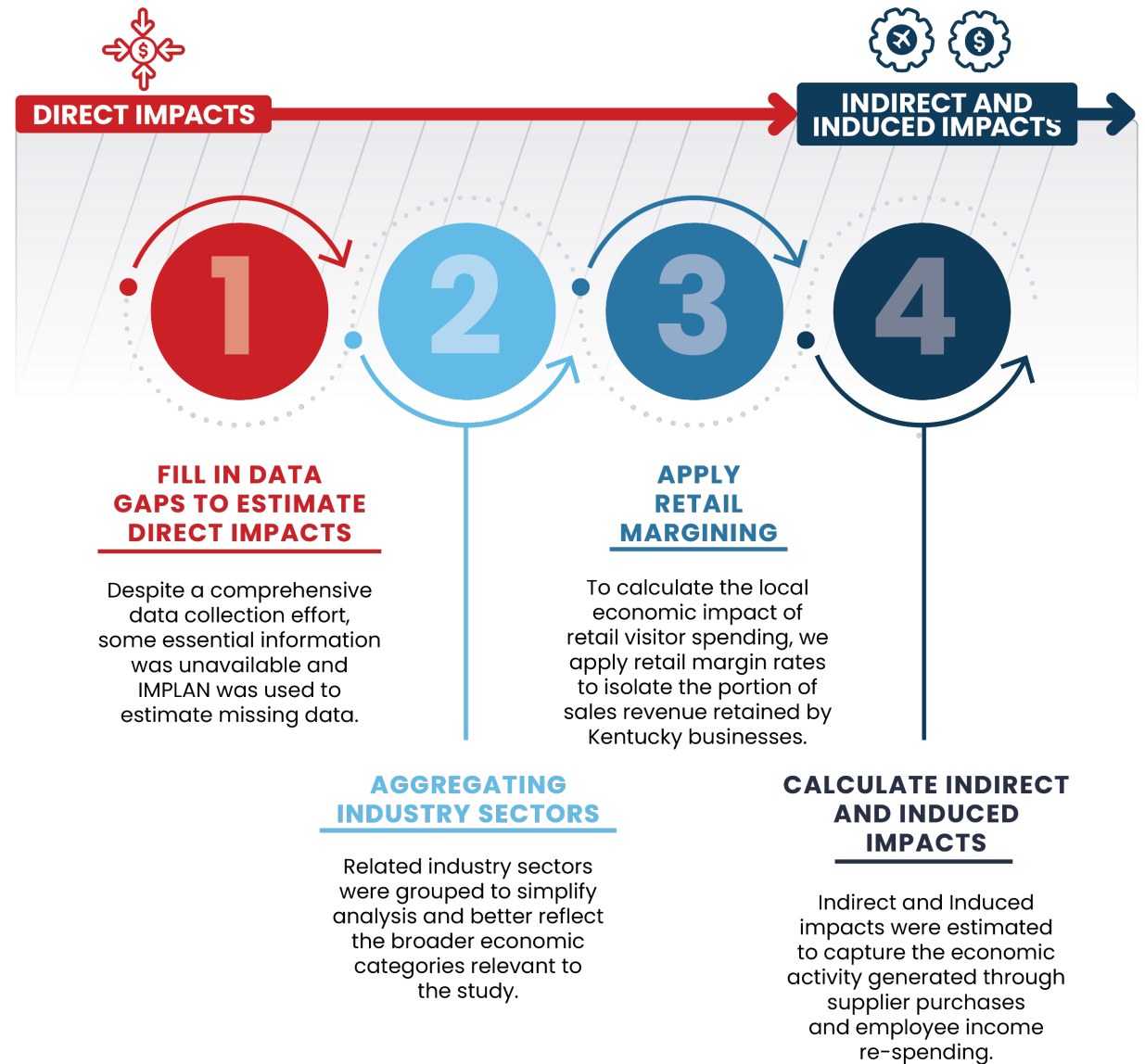
Based on Employee Headcount



Generates Direct, Multiplier, and Total Impacts



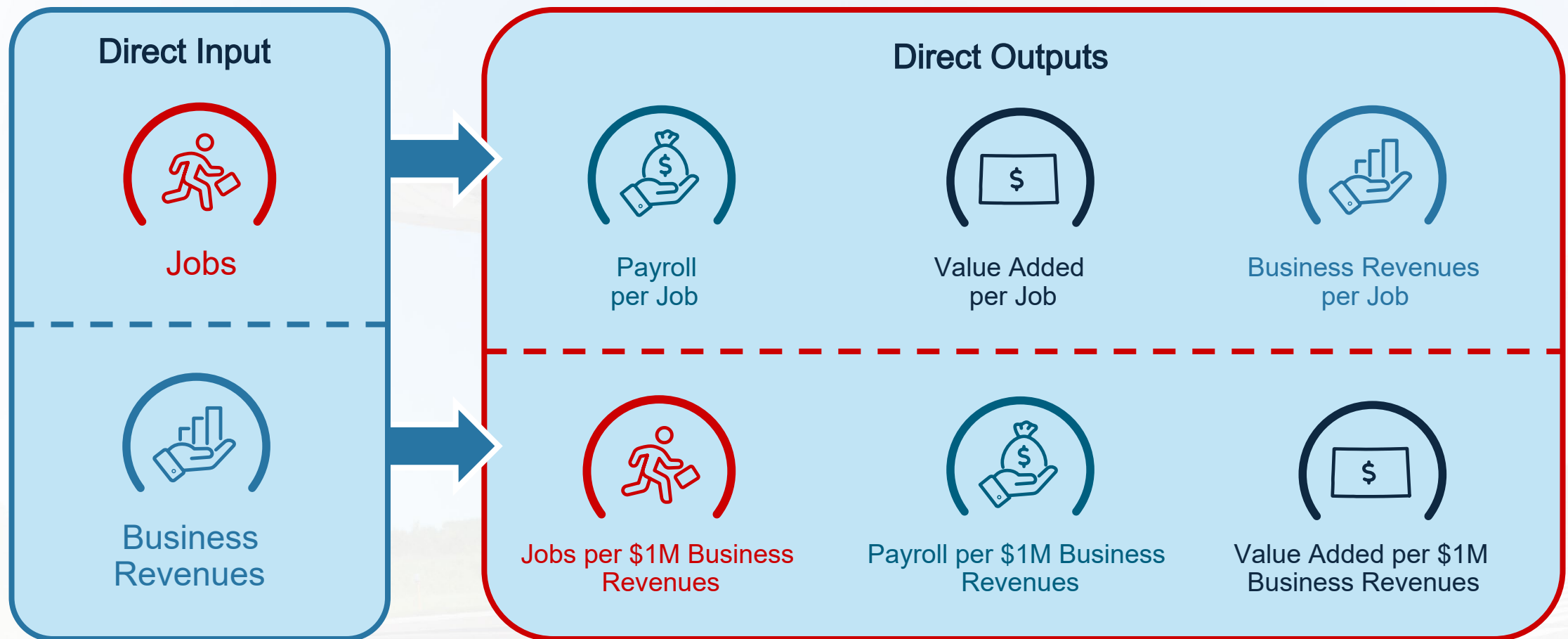
# Use of IMPLAN



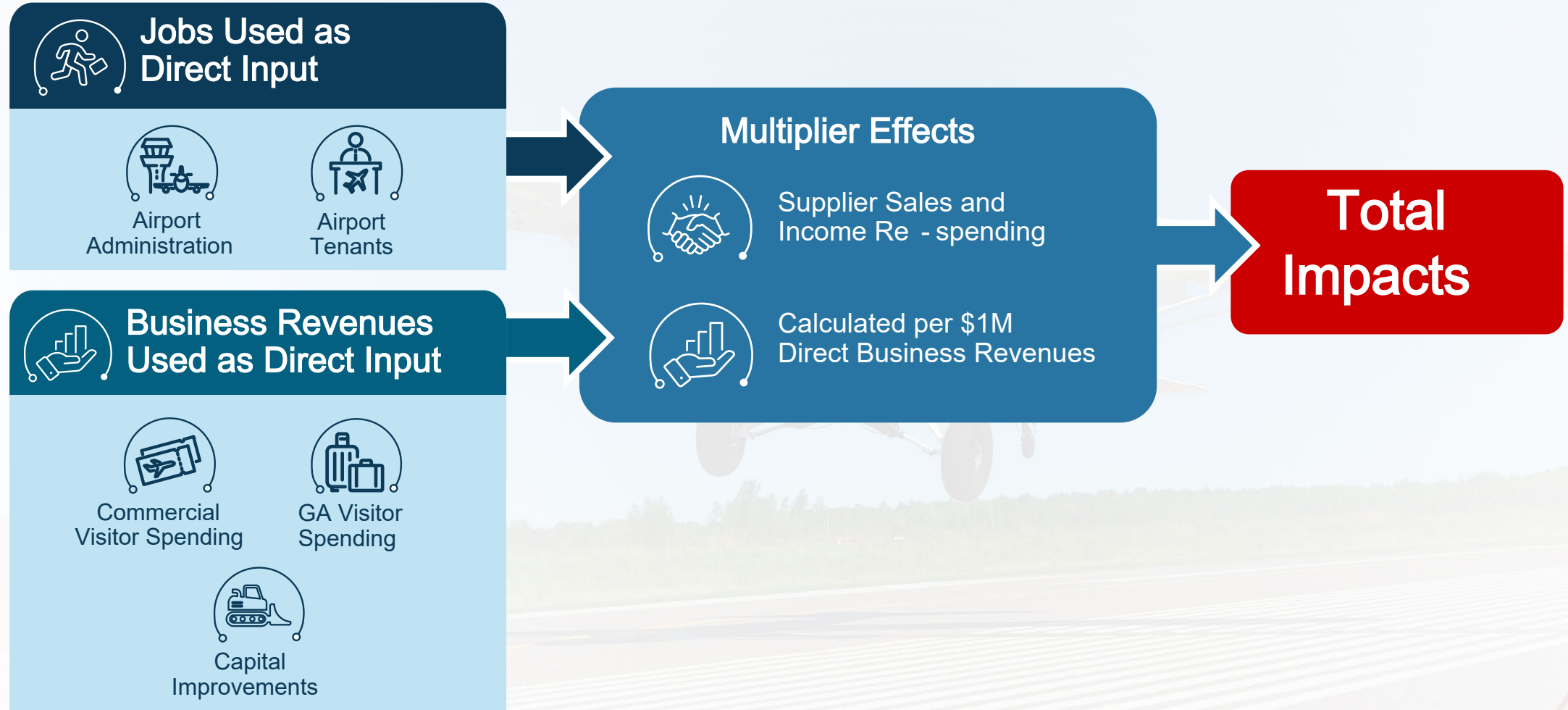
# Direct Data Source



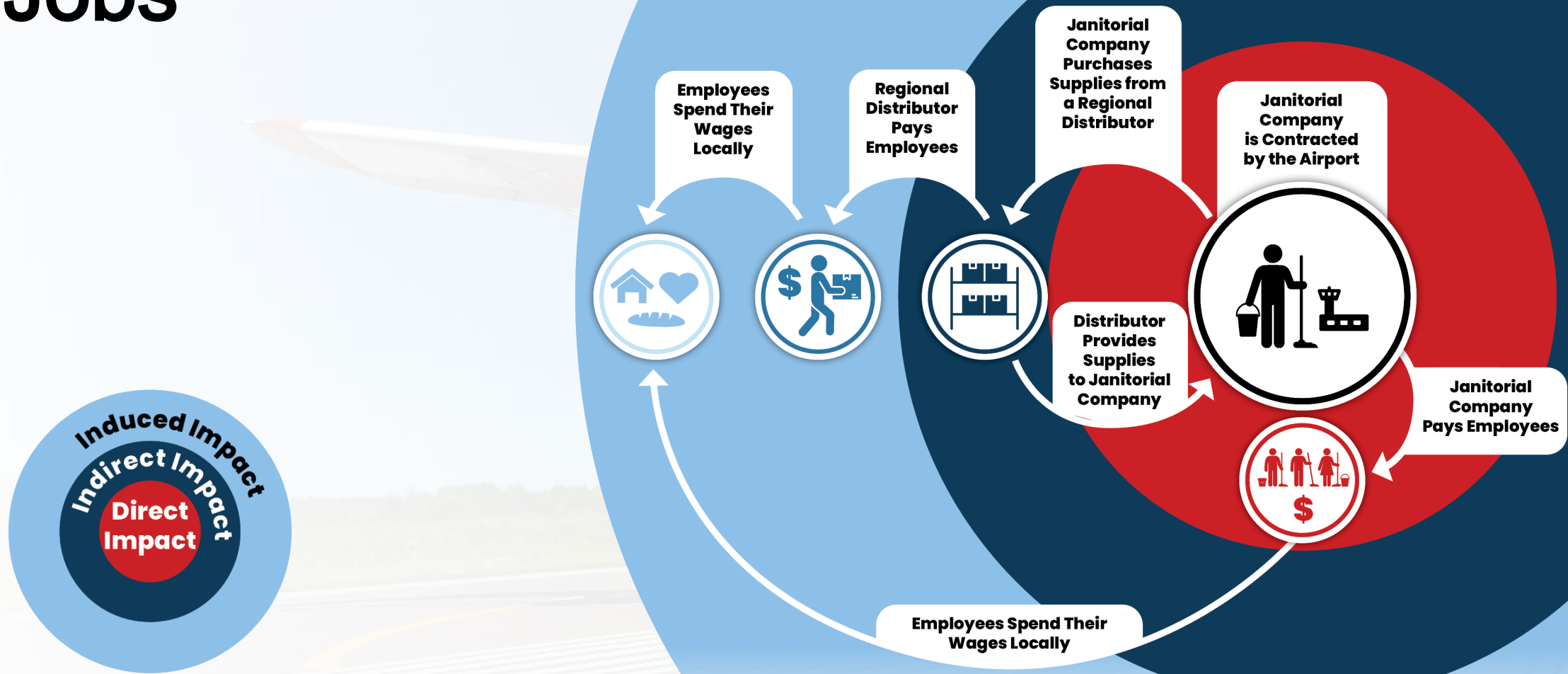
# IMPLAN Inputs and Outputs



# IMPLAN Modeling Process



# Example: Jobs





# Statewide Findings





**\$26.5  
Billion**

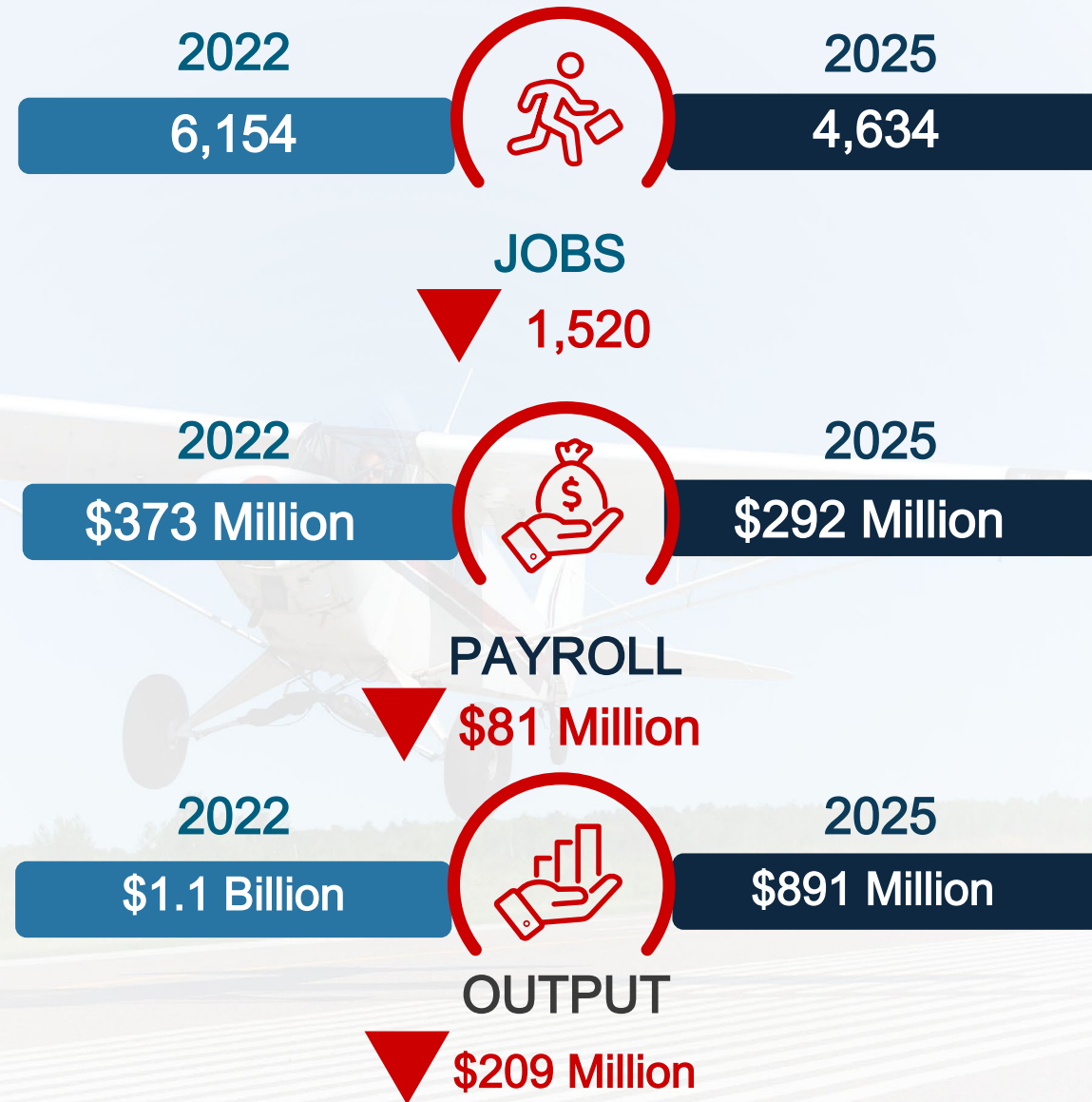
**In Total Economic  
Impact for Kentucky  
Airports**

# Total Statewide Aviation Impacts



\*Value Added is a separate type of impact that measures the value of goods and services beyond the value of the inputs. If a company sells a product for \$100 and the materials used to create that product cost \$30, the value added is \$70.

# General Aviation Impacts



# BWVG

## Bowling Green

(Kentucky Regional)

161



JOBS

\$11.9 Million



VALUE  
ADDED

\$7.3 Million



PAYROLL

\$21.3 Million



BUSINESS REVENUES

193

Breckenridge  
County  
(Kentucky Basic)

16



JOBS

\$1.3 Million



VALUE  
ADDED

\$686,000



PAYROLL

\$2.3 Million



BUSINESS REVENUES

196

Columbia  
Adair  
County

(Kentucky  
Unclassified)

5



JOBS

\$412,000



VALUE  
ADDED

\$243,000



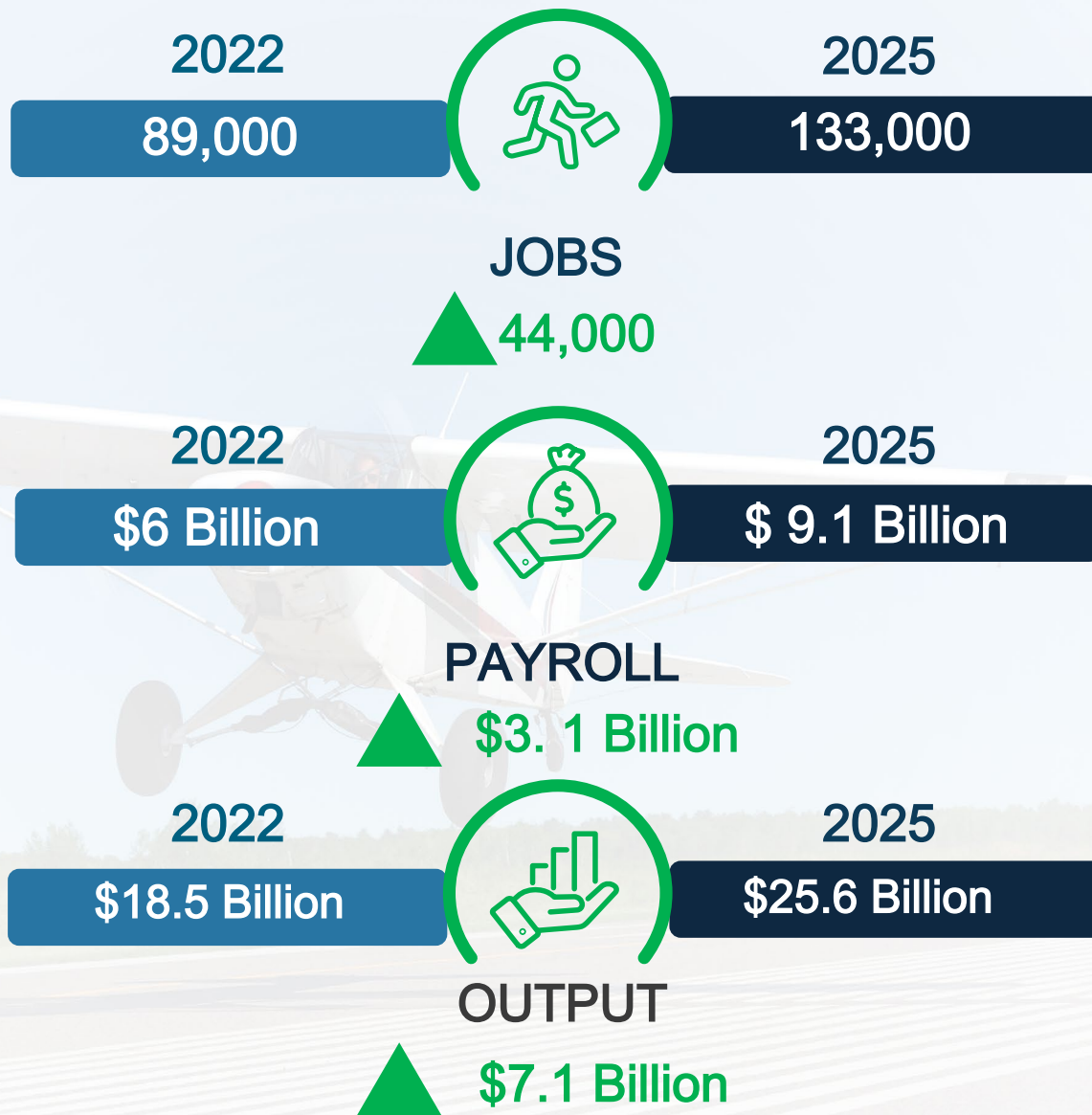
PAYROLL

\$842,000

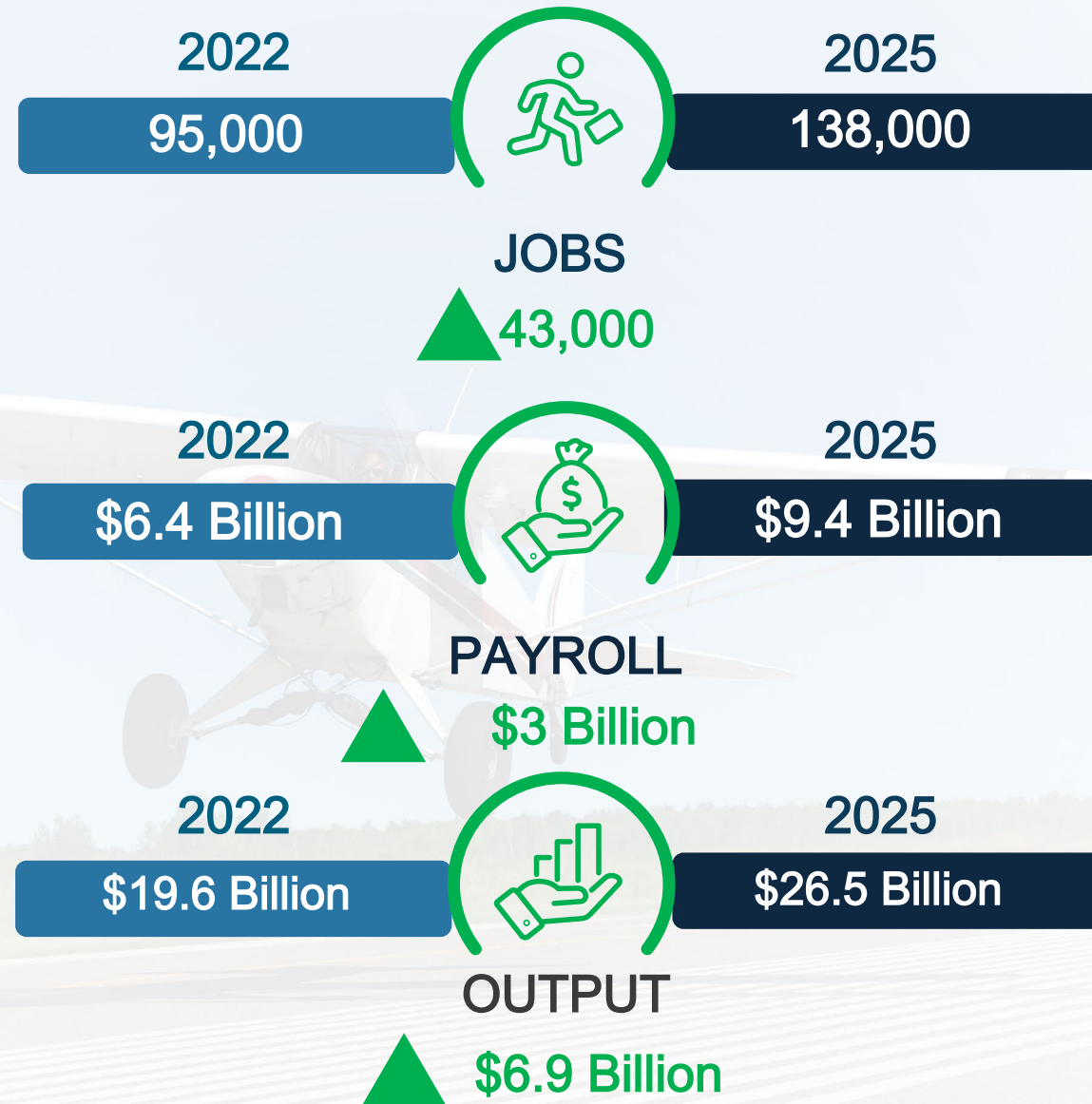


BUSINESS REVENUES

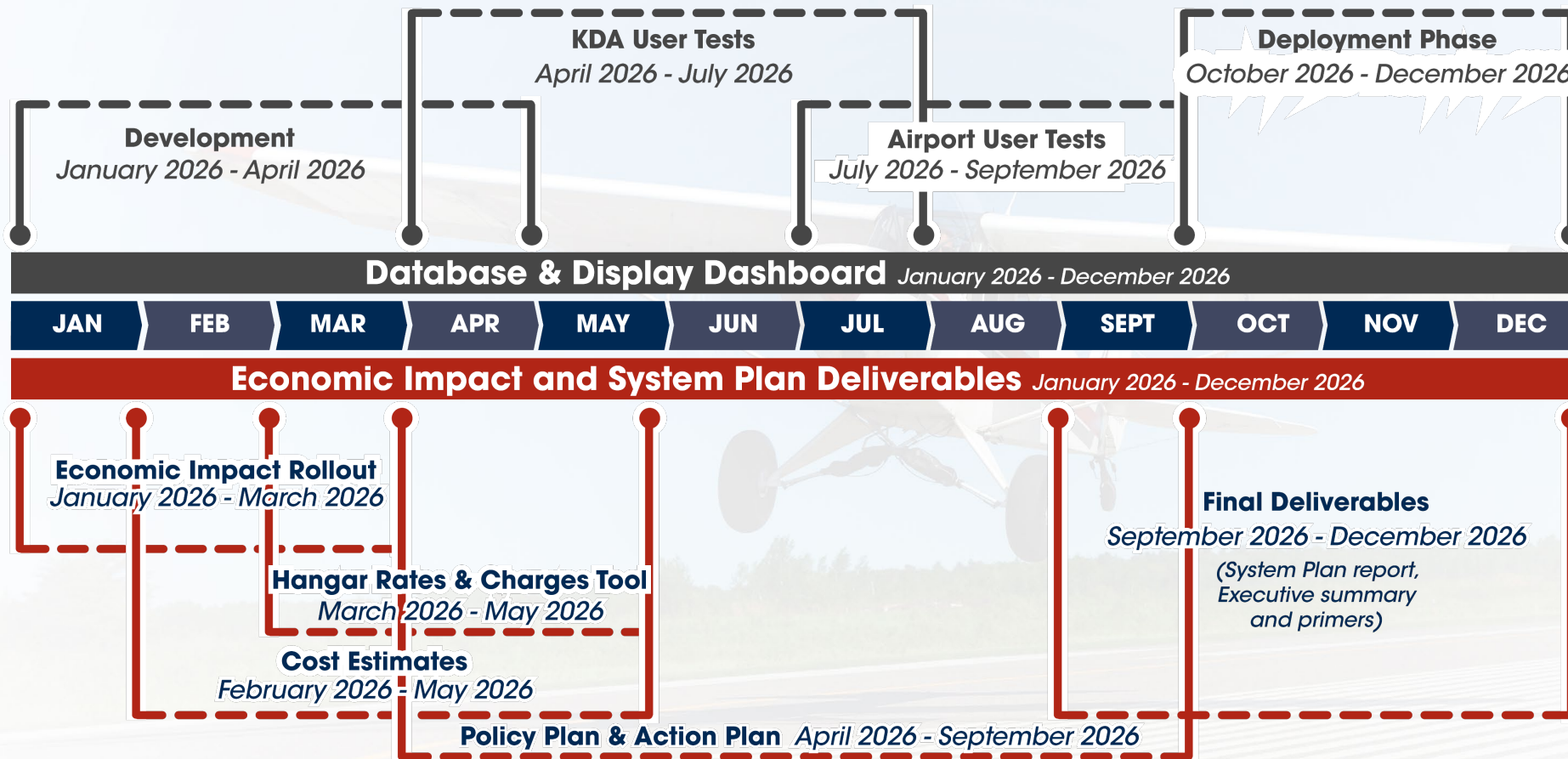
# Commercial Service Impacts



# Total Economic Impact Changes from 2022 KTC Study



# Deliverables Timeline





# Questions?

