



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Denton Enterprise Airport

ACM: Frank Dixon

DATE: August 13, 2025

SUBJECT

Receive a report and hold a discussion regarding an update on the proposed FY 2025-2026 Airport Budget and Strategic Initiatives.

BACKGROUND

The proposed FY 2025-2026 budget for Denton Enterprise Airport reflects a strategic approach to managing the airport's finances amidst various economic challenges. The presentation outlines both citywide and airport-specific forecasts, emphasizing the need for careful financial planning and resource allocation.

Citywide, the forecast highlights several pressures on tax revenue, including slowing property valuation growth and sales tax growth. Economic uncertainty, inflation, and reduced federal participation further complicate the financial landscape. In response, the budget focuses on core services, cost savings, and debt reduction. Mid-year strategies such as managed vacancies, reduced discretionary spending, zero-based budgeting, and evaluation of capital expenditures are being implemented to address these challenges.

For the airport specifically, the forecast considers the impact of fee changes, such as hangar rent, fuel flowage fees, and permit fees. New developments are expected to increase land lease revenue, although growth in hangar/tie down, fuel sales, and natural gas royalties is slowing. The budget aims to ensure that revenue exceeds expenditures, with realistic projections and a focus on cost recovery. Discretionary spending is limited, and preparations are being made for potential recession conditions.

The proposed budget allocates funds across several key areas, including personal services, materials and supplies, maintenance and repair, insurance, operations, transfers, and debt service. Notably, there are no staffing changes or cost-of-living adjustments (COLA) or merit increases. Discretionary spending, outside contract services, and consultant fees have been reduced, with only one fleet purchase planned (a mower). Importantly, the proposed budget projects a net surplus to the fund balance – a goal of the department and significant financial accomplishment.

Strategic initiatives for FY 2025-2026 include completing the financial analysis implementation, updating the master plan, beginning the design for taxilane reconstruction, achieving APWA accreditation, updating regulatory documents, and issuing an RFI for a strategic business plan.

STAFF RECOMMENDATION

n/a

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Ryan Adams, C.M.
Airport Director