



FY 2025-2026 Proposed Budget

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Airport Director

Citywide Forecast

- Tax Revenue Pressure
 - Slowing property valuation growth
 - Slowing sales tax growth
 - Reduced growth-related revenue
- Economic uncertainty
 - Inflation
 - Tariff uncertainty
 - Reduced federal participation
- Budgetary Focus
 - Core services
 - Cost savings
 - Debt reduction

Mid-Year Strategies

- Managed Vacancies
- Reduced discretionary operational spending (3%)
- Zero-based budgeting
- Evaluation capital expenditures

Airport Forecast

- Impact of Fee Changes
 - Hangar rent
 - Fuel flowage fees
 - Permit fees
- Impact of New Development
 - Land lease revenue increase
- Slowing growth
 - Hangar/tie down
 - Fuel sales
 - Natural gas royalties

Budget Focus

- Revenue > Expenditures
- Realistic projections
- Cost recovery
- Limit discretionary spending
- Prepare for recession conditions

Proposed FY 2025-2026 Strategic Initiatives

Complete
Financial Analysis
Implementation

Complete Master
Plan Update


Begin Taxilane
Reconstruction
Design


APWA
Accreditation


Update
Regulatory
Documents


RFI for Strategic
Business Plan


Proposed Airport Budget


 Personal Services: \$856,713 Includes salaries, wages, overtime, health insurance, etc.


 Materials & Supplies: \$9,700 Includes office supplies, uniforms, small tools, chemicals, etc.

 Maintenance & Repair: \$33,550 Includes machinery & equipment repairs, building & equipment repairs, outside contracted services, etc.

 Insurance: \$47,669 Includes airport liability insurance.

 Operations: \$258,418 Includes licenses, dues & publications, employee training, utilities, etc.

 Transfers: \$569,661 Includes transfers to capital projects, general fund, materials, fleet, tech services, facilities, etc.

 Debt Service Transfer: \$745,650 Includes debt service transfers.

Proposed Airport Budget

Key Points

- No staffing changes
- No COLA, merit increases
- Reduced discretionary spending
- Reduced outside contract services
- Reduced consultant fees
- One fleet purchase (mower)

Proposed Capital Improvement Program

| 2026-2030 | | | | | | |
|---|----------------|----------------|--|------------------------------|---------------------------------|---|
| FY | Project Number | Funding Source | Project Description | Total Estimated Project Cost | Estimated Federal Funds (TxDOT) | IIJA Funds Estimated Local Funds (3-letter identifier) |
| 2026-2030 | | | | | | |
| 2026 | 1 | IIJA | Taxilane/Taxiway Design (IIJA 2022/2023) | \$950,000 | | \$855,000 \$95,000 |
| 2026 | 2 | IIJA | Security Enhancements: Fencing, Gates, Cameras, and badge Readers. | \$200,000 | | \$200,000 |
| 2026 | 3 | IIJA | Taxilane Reconstruction (IIJA 2023/2024/2025) | \$1,000,000 | | \$900,000 \$100,000 |
| 2026 | 4 | City | Fleet Vehicle Replacements: Zero-Turn Mower | \$40,000 | | \$40,000 |
| 2027 | 5 | City | Fleet Vehicles: Zero-Turn Mower | \$40,000 | | \$40,000 |
| 2027 | 6 | IIJA | Taxilane Reconstruction (IIJA 2025/2026) | \$2,275,000 | | \$2,047,500 \$227,500 |
| 2029 | 7 | TxDOT | Taxiway Alpha Design/Reconstruction | \$12,000,000 | \$10,800,000 | \$1,200,000 |
| 2030 | 8 | TxDOT | Taxiway Bravo Design/Reconstruction | \$8,000,000 | \$7,200,000 | \$800,000 |
| SHORT-TERM (0-5 Years) 2026-2030 TOTALS | | | | \$24,505,000 | \$18,000,000 | \$3,802,500 \$2,702,500 |

IIJA Fund Summary

- Funding Currently allocated to the Airport
 - FY 2022: \$763,000 (Allocated to the current Master Plan and Pavement Analysis)
 - FY 2023: \$844,000 (Unallocated)
 - FY 2024: \$851,000 (Unallocated)
 - FY 2025: \$687,000 (Unallocated)
 - FY 2026: TBD (Unallocated)
- Focus Areas for Project Funding
 - Non-Movement Area pavement design and construction
 - Any large unplanned pavement needs/emergencies
 - All necessary projects that may not compete for traditional AIP funding.
- Next Steps
 - Complete the Pavement Analysis with the remaining FY22 funds
 - Create a project priority list
 - Design pavement projects that can feasibly be constructed within two years of design

Proposed Proforma

- Increase in budgeted revenues of approximately \$500,000
 - Primarily driven by land lease increases
 - Operational revenues budgeted based on trending
 - Gas well royalties projected to reduce by 10% per year
 - Loop 288 ROW payment projected in FY 2026-2027
- Decrease in budgeted expenditures of approximately \$80,000
 - Savings through reductions in expenditures not tied to core services
 - Deferral of fleet purchases
- Key Points
 - Projected surplus of 64,055
 - Year over year projected surplus throughout forecast

| | FY 2023-24 Actual | FY 2024-25 Budget | FY 2024-25 Estimate | FY 2025-26 Proposed | FY 2026-27 Projected | FY 2027-28 Projected | FY 2028-29 Projected | FY 2029-30 Projected |
|--------------------------------|----------------------|----------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Beginning Fund Balance | \$ 3,284,052 | \$ 3,098,380 | \$ 3,215,342 | \$ 3,194,840 | \$ 3,194,840 | \$ 4,228,366 | \$ 4,399,758 | \$ 4,557,209 |
| Land Leases | 870,328 | 800,331 | 1,082,581 | 1,335,139 | 1,355,166 | 1,375,494 | 1,396,126 | 1,417,068 |
| Hangar Leases | 157,065 | 170,400 | 171,375 | 199,800 | 199,800 | 199,800 | 199,800 | 199,800 |
| Fuel Flowage Fees | 288,979 | 260,000 | 234,974 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| FBO Hangar/Tiedown Commissions | 328,238 | 275,000 | 300,986 | 300,000 | 309,000 | 318,270 | 327,818 | 337,653 |
| Miscellaneous Revenues | 10,390 | 2,000 | 89,018 | 40,250 | 41,458 | 42,701 | 43,982 | 45,302 |
| Agriculture Leases | 2,331 | 2,331 | 1,748 | 2,331 | 2,331 | 2,331 | 2,331 | 2,331 |
| Gas Well Royalties & Leases | 239,355 | 350,000 | 215,003 | 200,000 | 180,000 | 162,000 | 145,800 | 131,220 |
| Other Revenue | 345,696 | 196,509 | 319,486 | 207,896 | 1,152,939 | 295,986 | 307,983 | 319,005 |
| Transfers From General Fund | - | - | - | - | - | - | - | - |
| Total Revenues | \$ 2,242,381 | \$ 2,056,571 | \$ 2,415,171 | \$ 2,585,416 | \$ 3,540,693 | \$ 2,696,581 | \$ 2,723,840 | \$ 2,752,378 |
| Use of Reserves | \$ 127,377 | \$ 545,655 | \$ 20,502 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Resources | \$ 2,369,758 | \$ 2,602,226 | \$ 2,435,673 | \$ 2,585,416 | \$ 3,540,693 | \$ 2,696,581 | \$ 2,723,840 | \$ 2,752,378 |
| Personnel Services | 848,082 | 851,660 | 864,134 | 856,713 | 878,131 | 900,084 | 922,586 | 945,651 |
| Materials & Supplies | 12,770 | 23,720 | 16,685 | 9,700 | 9,894 | 10,092 | 10,294 | 10,500 |
| Maintenance & Repair | 8,868 | 60,100 | 15,120 | 33,550 | 34,221 | 34,905 | 35,604 | 36,316 |
| Insurance | 44,579 | 49,984 | 49,984 | 47,669 | 49,099 | 50,572 | 52,089 | 53,652 |
| Operations | 127,998 | 263,899 | 86,887 | 258,418 | 266,171 | 274,156 | 282,380 | 290,852 |
| Cost of Service - General Fund | 276,423 | 284,716 | 284,716 | 301,325 | 310,365 | 319,676 | 329,266 | 339,144 |
| Cost of Service - Other | 233,188 | 316,492 | 316,492 | 268,336 | 276,386 | 284,678 | 293,218 | 302,015 |
| Transfer to Capital Projects | - | - | - | 64,055 | - | - | - | - |
| Debt Service | 806,779 | 751,655 | 751,655 | 745,650 | 682,900 | 651,025 | 640,950 | 641,100 |
| Subtotal Operating | 2,358,685 | 2,602,226 | 2,385,673 | 2,585,416 | 2,507,166 | 2,525,187 | 2,566,387 | 2,619,228 |
| Gas Well Capital | - | - | - | - | - | - | - | - |
| Gas Well - Other | 11,070 | - | 50,000 | - | - | - | - | - |
| Total Expenditures | \$ 2,369,758 | \$ 2,602,226 | \$ 2,435,673 | \$ 2,585,416 | \$ 2,507,168 | \$ 2,525,189 | \$ 2,566,389 | \$ 2,619,230 |
| Ending Fund Balance | \$ 3,156,675 | \$ 2,552,725 | \$ 3,194,840 | \$ 3,194,840 | \$ 4,228,366 | \$ 4,399,758 | \$ 4,557,209 | \$ 4,690,357 |

Change in Fund Balance

\$ (127,377)

\$ (545,655)

\$ (20,502)

\$ -

\$ 1,033,525

\$ 171,392

\$ 157,451

\$ 133,148

AA25-030; August 13, 2025

| | | | | | | | | |
|--|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance as % of Total Expenditures | 133.21% | 98.10% | 131.17% | 123.57% | 168.65% | 174.23% | 177.57% | 179.07% |
|--|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|

Questions?

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