

FUND STATEMENT

FUND:

MUNICIPAL AIRPORTS FUND

The Municipal Airports Fund, as one of the City's Enterprise Funds, must support itself from the revenues it generates. The Aviation Department, which manages the Municipal Airports Fund, relies on the Fund to finance the promotion, development, maintenance, and protection of all City aviation facilities, services and other assets. With effective departmental stewardship of the Fund, the Fort Worth airports system makes a significant contribution to the City.

The Aviation Department is responsible for maintaining, managing, operating, developing and promoting two of the three airports in the City's airport system: Fort Worth Meacham International Airport and Fort Worth Spinks Airport. Although the City owns Fort Worth Alliance Airport, the airport is under private management. The contracted firm is responsible for Alliance's daily operations. All City of Fort Worth airports are designated as General Aviation Reliever airports providing relief for Dallas/Fort Worth International Airport (DFW) and Dallas Love Field (DAL). Collectively, the three airports support more than 230,000 flight operations per year which is 32% of the combined operations at DFW and DAL.

The Municipal Airports Fund is sustained by several revenue sources, including, but not limited to: aircraft landing fees, fuel flowage fees, terminal building and hangar lease agreements, lease fees for both improved and unimproved land at the airports and a profit-sharing arrangement at Alliance Airport. Fund expenditures include personnel costs for Aviation Department staff, operating supplies, and capital equipment.

FORT WORTH



**MUNICIPAL AIRPORTS FUND BUDGET SUMMARY
FY2014**

REVENUES:

Land (Improved)	\$1,402,605
Fuel Flowage Fees	960,329
Landing Fees	949,284
Hangar Revenue	901,532
Terminal Building Revenue	246,003
G.S.I.A. Possession Fee	150,000
Miscellaneous L/H Income	75,000
FAA Lease Revenue	62,700
Aircraft Parking	45,000
Other Building Revenue	19,100
Miscellaneous Income	12,000
Interest on Investment	<u>10,000</u>

TOTAL REVENUE \$4,833,553

Use/(Source) of Fund Balance \$0

TOTAL SOURCE OF FUNDS \$4,833,553

EXPENDITURES:

Personnel Services	\$1,651,088
Supplies	189,785
Contractual Services	<u>2,852,680</u>

TOTAL RECURRING EXPENSES \$4,693,553

DEBT SERVICE AND CAPITAL OUTLAY:

Capital Outlays	\$140,000
Debt Service	<u>0</u>

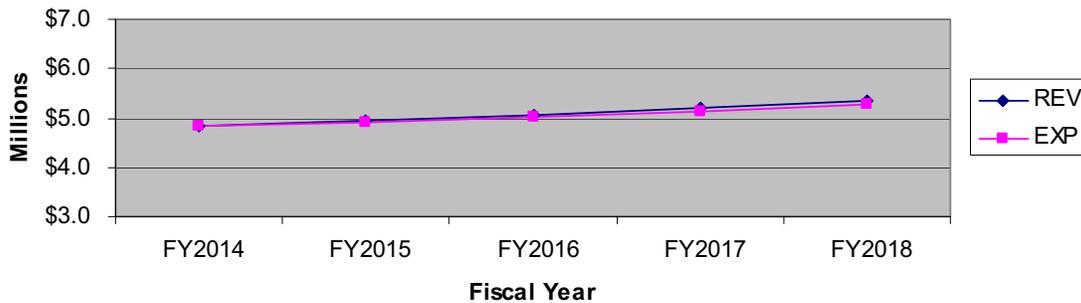
TOTAL DEBT SERVICE AND CAPITAL OUTLAY \$140,000

TOTAL EXPENDITURES \$4,833,553

**MUNICIPAL AIRPORTS FUND FIVE YEAR FORECAST
FISCAL YEAR 2014 THROUGH 2018**

	FY2014 Adopted	FY2015 Projected	FY2016 Projected	FY2017 Projected	FY2018 Projected
Beginning Cash Balance**	\$824,644	\$824,644	\$840,634	\$877,545	\$935,658
Revenues*					
Interest	\$10,000	\$10,250	\$10,558	\$10,874	\$11,200
Fuel Flowage	\$960,329	\$984,337	\$1,013,867	\$1,044,283	\$1,075,612
ACFT Landing Fees	\$949,284	\$973,016	\$1,002,207	\$1,032,273	\$1,063,241
Land Revenue	\$1,402,605	\$1,437,670	\$1,480,800	\$1,525,224	\$1,570,981
Hangar Revenue	\$901,532	\$924,070	\$951,792	\$980,346	\$1,009,757
Other Revenue	<u>\$609,803</u>	<u>\$609,803</u>	<u>\$609,803</u>	<u>\$609,803</u>	<u>\$609,803</u>
Total Revenue	\$4,833,553	\$4,939,147	\$5,069,027	\$5,202,804	\$5,340,594
Total Resources	\$5,658,197	\$5,763,791	\$5,909,661	\$6,080,348	\$6,276,251
Expenditures					
Personnel Services	\$1,651,088	\$1,664,630	\$1,680,034	\$1,696,246	\$1,713,315
Supplies	\$189,785	\$194,530	\$200,366	\$206,376	\$212,568
Contractual	\$2,852,680	\$2,923,997	\$3,011,717	\$3,102,068	\$3,195,130
Capital	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000
Debt Service	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$4,833,553	\$4,923,157	\$5,032,116	\$5,144,691	\$5,261,013
Projected Variance	\$0	\$15,990	\$36,911	\$58,113	\$79,581
Projected Cash Balance	\$824,644	\$840,634	\$877,545	\$935,658	\$1,015,238
Reserve Requirement (20%)	\$938,711	\$956,631	\$978,423	\$1,000,938	\$1,024,203
Excess/(Deficit)	(\$114,067)	(\$115,997)	(\$100,879)	(\$65,281)	(\$8,965)

**MUNICIPAL AIRPORTS FUND
PROJECTED REVENUES AND EXPENDITURES**

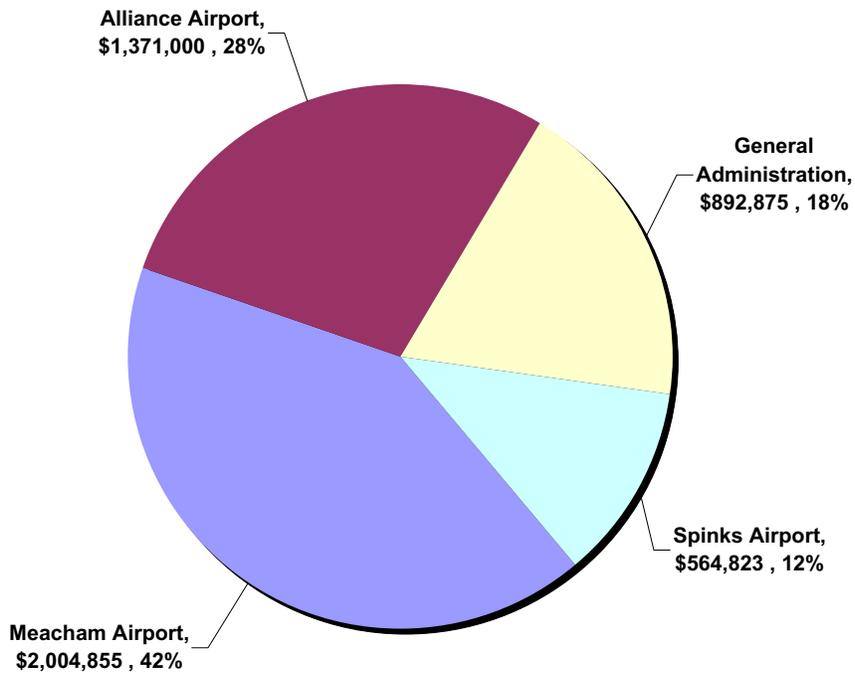


*This model does **not** reflect any rate increases for the next five years.

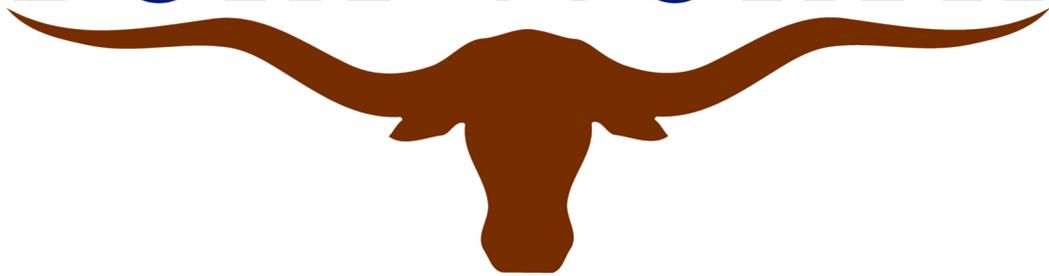
**FY2013 year end fund balance doesn't reflect a transfer of \$1,071,641 from the Airport Gas Lease Project Fund approved by M&C G-17984 to offset the cost of payment of ERP Phase II expenses from the Municipal Airports Fund.

**COMPARISON OF MUNICIPAL AIRPORT FUND
EXPENDITURES**

	ACTUAL FY2011	ACTUAL FY2012	BUDGET FY2013	REVISED BUDGET FY2013	ADOPTED FY2014
Meacham Airport	\$1,734,974	\$1,730,919	\$1,884,501	\$2,551,926	\$2,004,855
Alliance Airport	1,797,357	1,272,474	1,461,000	1,461,000	1,371,000
General Administration	12,826,697	2,455,489	954,540	1,870,765	892,875
Spinks Airport	514,741	586,751	614,072	636,821	564,823
Non-Departmental	<u>7,750,192</u>	<u>191</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$24,623,961	\$6,045,824	\$4,914,113	\$6,520,512	\$4,833,553

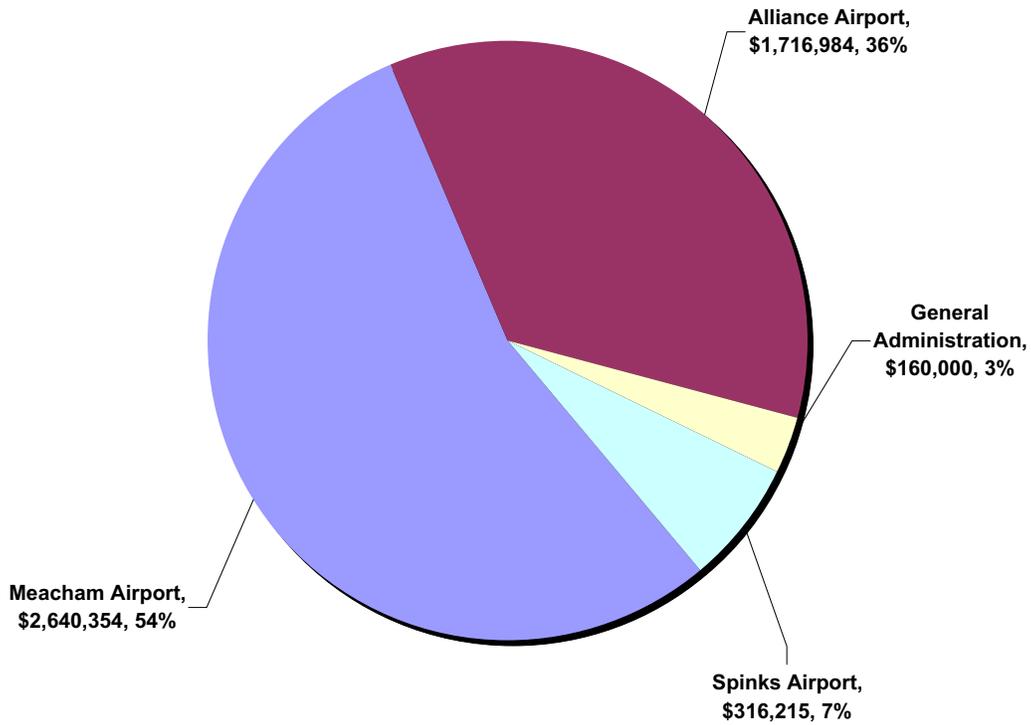


FORT WORTH

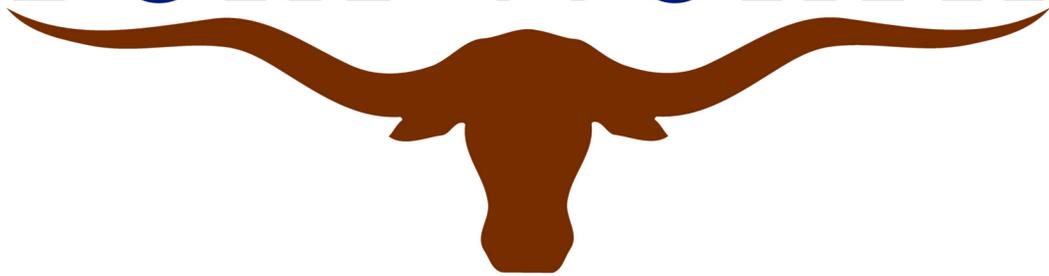


COMPARISON OF MUNICIPAL AIRPORTS FUND REVENUES

	ACTUAL FY2011	ACTUAL FY2012	BUDGET FY2013	REVISED BUDGET FY2013	ADOPTED FY2014
Meacham Airport	\$2,499,728	\$2,683,147	\$2,708,129	\$3,258,118	\$2,640,354
Alliance Airport	2,067,974	1,848,930	1,716,984	1,716,984	1,716,984
General Administration	4,347,984	1,288,453	220,000	220,000	160,000
Spinks Airport	<u>275,625</u>	<u>274,943</u>	<u>269,000</u>	<u>269,000</u>	<u>316,215</u>
TOTAL	\$9,191,311	\$6,095,473	\$4,914,113	\$5,464,102	\$4,833,553



FORT WORTH



FUND BUDGET SUMMARY

DEPARTMENT:

AVIATION

FUND/CENTER

PE40/0551000:0551301

SUMMARY OF FUND RESPONSIBILITIES:

The Aviation Department oversees a system of airports, which includes Fort Worth Alliance, Fort Worth Meacham International Airport and Fort Worth Spinks Airport. These airports operate in coordination with Dallas/Fort Worth International Airport to meet the general aviation needs of the area. The Department is responsible for planning, operating, and promoting these facilities. Aviation Administration is responsible for aviation planning, grant administration, capital projects, and staff support functions for all airports. Airport managers work with airport tenants, manage projects and oversee and maintain airport infrastructure in compliance with Federal Aviation Administration (FAA) standards.

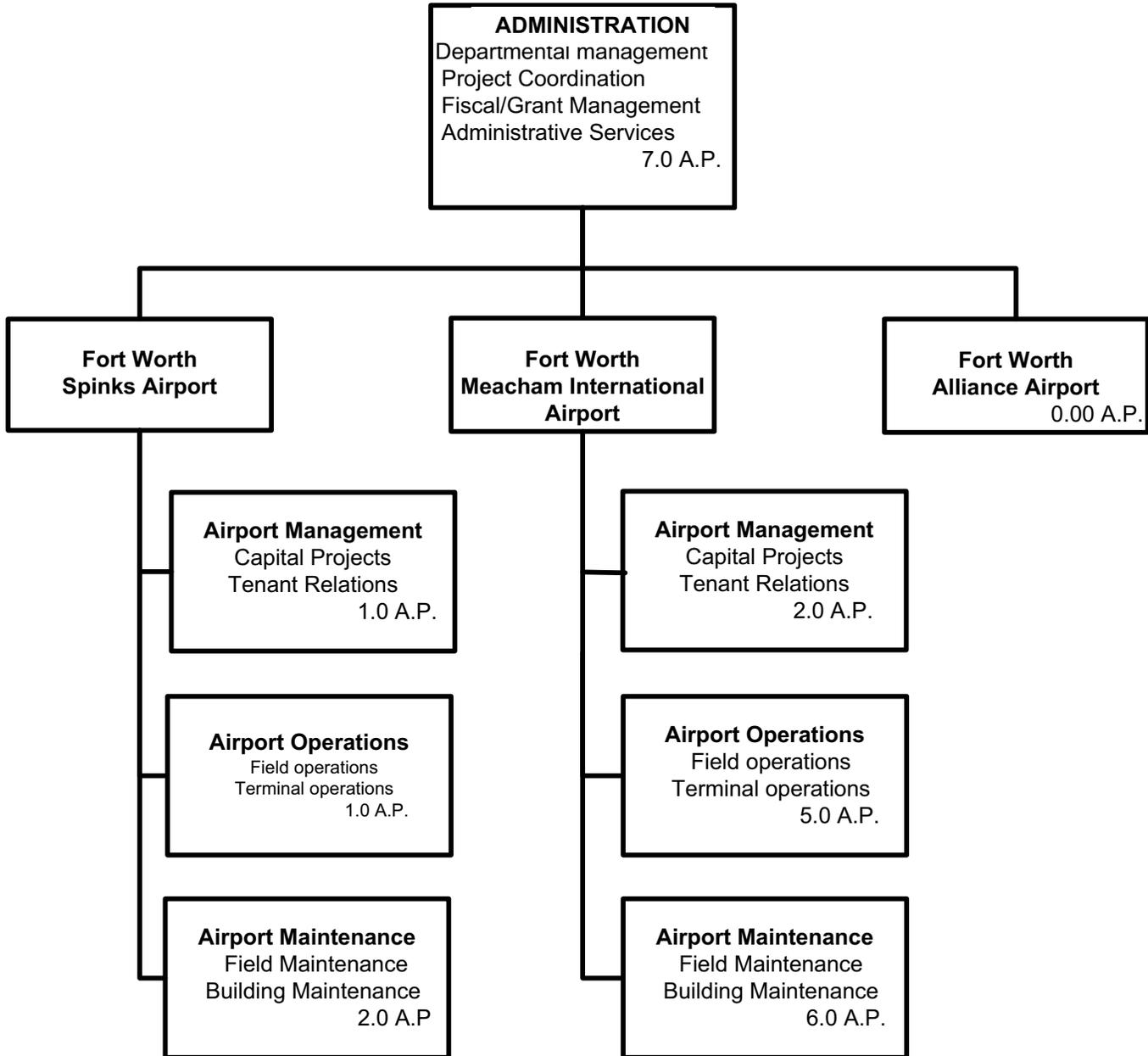
Fort Worth Alliance Airport was completed by the City in 1989, and is one component of a master-planned, mixed-use community known as Alliance Texas developed by Hillwood. The Alliance Texas development serves as an inland logistics port with air, rail and trucking operations. The Alliance Airport infrastructure and grounds are maintained by Alliance Air Services through a management agreement with the City. The Aviation Administration staff supports the grants and capital projects at Alliance. Alliance has two runways, precision instrument approaches and a 24-hour FAA control tower. Several companies provide aviation services at Alliance.

Fort Worth Meacham International Airport began serving the community in 1925. Meacham has three runways, precision instrument approaches and a 24-hour FAA control tower. A large variety of companies that provide aviation services choose Meacham as a base of operations. The Aviation Department maintains the infrastructure, grounds and some buildings at Meacham, most notably the terminal building.

Fort Worth Spinks Airport became a part of the City system in 1988 when the Oak Grove Airport was acquired from a private operator and expanded. Spinks has two runways, a precision instrument approach, and an FAA contract control tower. A variety of companies that provide aviation services choose Spinks as a base of operations. The Aviation Department maintains the infrastructure, grounds, tower and some buildings at Spinks.

Allocations	Actual FY2012	Adopted FY2013	Proposed Budget FY2014	Adopted Budget FY2014
Personnel Services	\$ 1,607,117	\$ 1,675,117	\$ 1,651,088	\$ 1,651,088
Supplies	147,651	190,397	189,785	189,785
Contractual	4,270,158	2,993,099	2,852,680	2,852,680
Capital Outlay	20,898	55,500	140,000	140,000
Debt Service	0	0	0	0
Total Expenditures	\$ 6,045,824	\$ 4,914,113	\$ 4,833,553	\$ 4,833,553
Authorized Positions	24.00	24.00	24.00	24.00

Municipal Airports Fund – 24.0 A.P.



SIGNIFICANT BUDGET CHANGES

DEPARTMENT:	FUND/CENTER		
AVIATION	PE40/0551000:0551301		
CHANGES FROM FY2013 ADOPTED TO FY2014 ADOPTED			
FY2013 ADOPTED:	\$4,914,113	A.P.	24.00
FY2014 ADOPTED:	\$4,833,553	A.P.	24.00
<p>A) The adopted budget increases by \$130,000 for a one time purchase of construction and maintenance equipment in FY2014.</p> <p>B) The adopted budget decreases by (\$90,532) as a result of the elimination of planned transfer for commercial, claims and litigation insurance costs to the Risk Management Fund organization-wide for FY2014. Risk Management Fund transfers are anticipated to resume in FY2015.</p> <p>C) The adopted budget decreases by (\$64,158) for facility repair and maintenance supplies. The reduction is the result of the new contract with Alliance Air Services to manage the air traffic control tower and cover these costs.</p> <p>D) The adopted budget decreases by (\$45,500) for vehicle based on approved FY2014 vehicle replacement plan.</p> <p>E) The adopted budget increases by \$40,974 for the retiree group health based on an 2.7% increase in the City's contribution to group health.</p> <p>F) The adopted dopted budget decreases by (\$30,084) for salaries of regular employees through position adjustments in response to turnover as calculated by the salary and benefits forecast system.</p> <p>G) The adopted budget decreases by (\$25,000) for consultants and professional service. This was a one time funding in FY2013 to provide marketing assistance to gain more exposure for Meacham and Spinks Airports as a business recruitment initiative.</p> <p>H) The adopted budget decrease by (\$25,000) for the cost of employees assigned from other departments for maintenance and improvement projects performed on airport properties. The decrease is based on projected costs in FY2014.</p>			

FORT WORTH



DEPARTMENTAL OBJECTIVES AND MEASURES

DEPARTMENT:

AVIATION

DEPARTMENT PURPOSE

The Fort Worth Aviation Department is responsible for three of the eleven reliever airports in the DFW Metroplex. These airports, Alliance, Meacham and Spinks, meet the aviation needs of the Fort Worth area with facilities provided by the Aviation Department and services provided by a variety of companies. The facilities are managed by City staff at Meacham and Spinks and are managed by Alliance Air Services at Alliance Airport.

Capital improvements are funded at all three airports through federal and state grants with a ten percent match from Aviation Department funds. These projects include maintenance of existing and construction of new infrastructure.

FY2014 DEPARTMENTAL OBJECTIVES

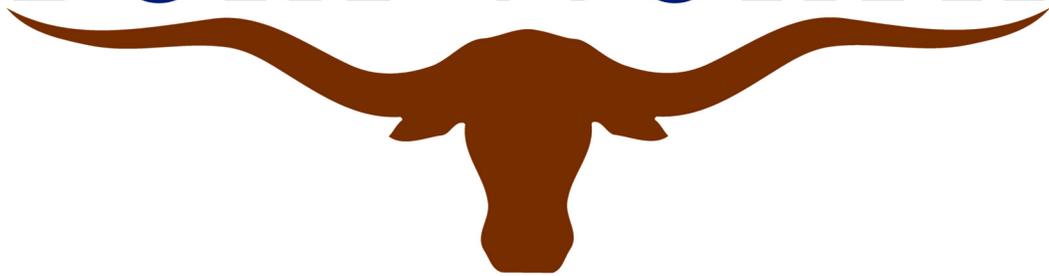
To market and increase public awareness of the City of Fort Worth's Airport System.

To improve the conditions of airport facilities and infrastructure in order to attract additional based and transient customers.

To accommodate the long-term needs of the aviation community by making land available for aviation facilities.

DEPARTMENTAL MEASURES	ACTUAL 2012	ESTIMATED 2013	PROJECTED 2014
No. of Aircraft operations-Spinks	60,300	59,800	60,000
No. of Aircraft Operations-Meacham	84,600	88,300	90,000
No. of Aircraft Operations-Alliance	103,700	109,400	110,000
Operations as % of DFW Relievers	32%	32%	32%
Fuel Flowage (Gallons in Thousands)	7,718	7,800	7,800
Number of Based Aircraft	560	573	590
Number of Special Events Hosted	1	3	5

FORT WORTH



DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT AVIATION		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE40	MUNICIPAL AIRPORTS FUND	Actual Expenditures FY2012	Adopted Budget FY2013	Proposed Budget FY2014	Adopted Budget FY2014	Adopted Budget FY2012	Adopted Budget FY2013	Proposed Budget FY2014	Adopted Budget FY2014
Center	Center Description								
	<u>GENERAL ADMINISTRATION</u>								
0551000	GENERAL ADMINISTRATION	\$ 2,037,553	\$ 865,492	\$ 887,346	\$ 887,346	7.00	5.00	7.00	7.00
0551002	NON-DEPARTMENTAL	417,936	89,048	5,529	5,529	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 2,455,489</u>	<u>\$ 954,540</u>	<u>\$ 892,875</u>	<u>\$ 892,875</u>	<u>7.00</u>	<u>5.00</u>	<u>7.00</u>	<u>7.00</u>
	<u>MEACHAM AIRPORT</u>								
0551101	MEACHAM OPERATIONS	\$ 1,730,919	\$ 1,884,501	\$ 2,004,855	\$ 2,004,855	14.00	14.00	13.00	13.00
	Sub-Total	<u>\$ 1,730,919</u>	<u>\$ 1,884,501</u>	<u>\$ 2,004,855</u>	<u>\$ 2,004,855</u>	<u>14.00</u>	<u>14.00</u>	<u>13.00</u>	<u>13.00</u>
	<u>SPINKS AIRPORT</u>								
0551201	SPINKS OPERATIONS	\$ 586,751	\$ 614,072	\$ 564,823	\$ 564,823	3.00	5.00	4.00	4.00
	Sub-Total	<u>\$ 586,751</u>	<u>\$ 614,072</u>	<u>\$ 564,823</u>	<u>\$ 564,823</u>	<u>3.00</u>	<u>5.00</u>	<u>4.00</u>	<u>4.00</u>
	<u>ALLIANCE AIRPORT</u>								
0551301	ALLIANCE OPERATIONS	\$ 1,272,474	\$ 1,461,000	\$ 1,371,000	\$ 1,371,000	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 1,272,474</u>	<u>\$ 1,461,000</u>	<u>\$ 1,371,000</u>	<u>\$ 1,371,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>NON-DEPARTMENTAL</u>								
0554000	NON-DEPARTMENTAL	\$ 191	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00

DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT AVIATION		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE40 MUNICIPAL AIRPORTS FUND		Actual Expenditures FY2012	Adopted Budget FY2013	Proposed Budget FY2014	Adopted Budget FY2014	Adopted Budget FY2012	Adopted Budget FY2013	Proposed Budget FY2014	Adopted Budget FY2014
Center	Center Description								
	Sub-Total	\$ 191	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00
	TOTAL	\$ 6,045,824	\$ 4,914,113	\$ 4,833,553	\$ 4,833,553	24.00	24.00	24.00	24.00