

MCKINNEY NATIONAL AIRPORT



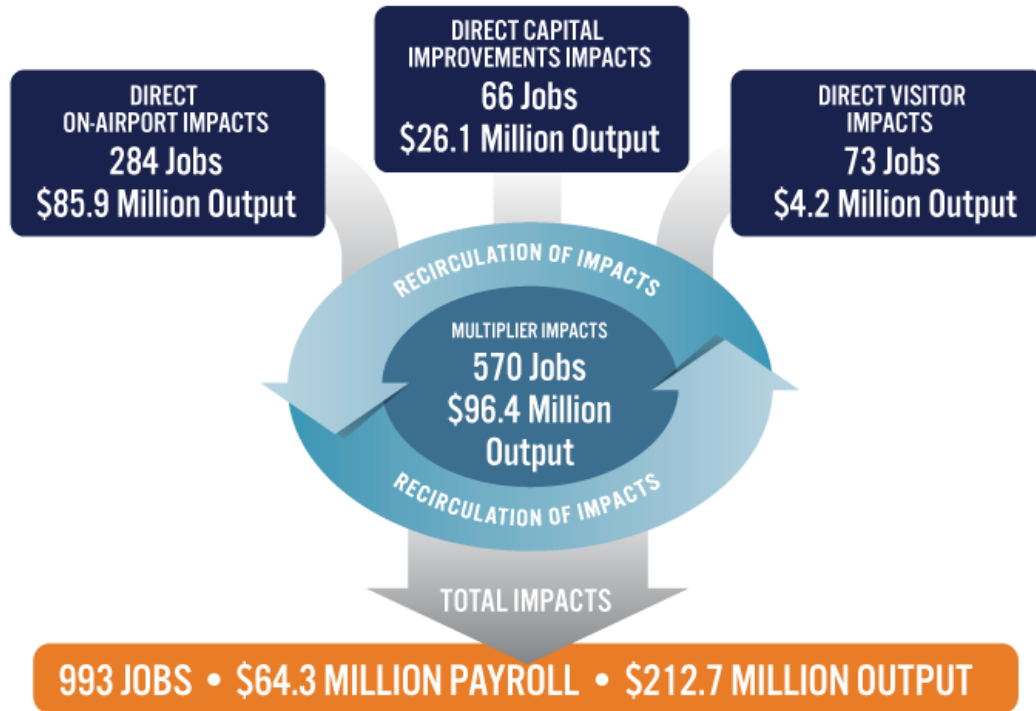
AGENDA

- ECONOMIC IMPACT
- FINANCIAL PERFORMANCE
- OPERATIONAL PERFORMANCE METRICS
- STAFF DEVELOPMENT
- AIRPORT OPERATIONS & MAINTENANCE
- LEASE ACTIVITY
- AERONAUTICAL DEVELOPMENT
- STAKEHOLDER ENGAGEMENT
- 2019 TIMELINE
- A LOOK AHEAD



ECONOMIC IMPACT

ECONOMIC IMPACT OF McKINNEY NATIONAL AIRPORT (TKI)



Source: TxDot Texas Aviation Economic Impact Study

WHAT'S CHANGED SINCE 2017?

NEW CONSTRUCTION (COMPLETED PROJECTS)

• CORPORATE HANGAR 8	\$ 1,500,000
• AIRFLITE HANGAR	\$ 6,300,000
• CORPORATE HANGAR 9	\$ 9,100,000
TOTAL	\$16,900,000

ON-AIRPORT FT JOBS ADDED

• MEDICAL TRANSPORT	34
• CIRRUS	25
• LACORE AVIATION	10
• ADVENTURE PILOT	8
• ATP	5
• TKI	5
TOTAL	87 NEW JOBS!

FINANCIAL PERFORMANCE

McKinney National Airport Financial Activity FY17 – FY20				
	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Budget
FBO Revenue Activity				
FBO Fee Revenue	4,791,372	5,929,432	6,813,727	6,609,000
Lease Revenue	2,126,141	2,174,393	2,591,191	3,144,100
FBO Expenditure Activity				
FBO Operations	4,756,009	5,263,463	6,158,757	6,745,980
Net FBO Income	\$ 2,161,505	\$ 2,840,362	\$ 3,246,161	\$ 3,007,120
TKI Revenue Activity				
Non-FBO Revenue	236,276	211,536	234,843	232,250
General Fund Transfer	613,513	413,000	213,000	-
State Grant	49,752	32,291	50,000	50,000
Misc. Revenue	19,792	45,325	77,819	75,500
TKI Expenditure Activity				
Airport Administration & Operations	1,162,496	1,229,928	1,544,013	1,485,614
Net TKI Income	\$ (243,163)	\$ (527,776)	\$ (968,352)	\$ (1,127,864)
Operating Budget Subtotal	\$ 1,918,342	\$ 2,312,586	\$ 2,277,809	\$ 1,879,256
Non-Departmental Expenditure Activity				
Transfer to Airport Construction Fund	1,382,442	1,653,456	2,132,538	1,384,386
Debt & Risk Payment	87,275	87,275	154,197	154,197
Non-Departmental Subtotal	\$ (1,469,717)	\$ (1,740,731)	\$ (2,286,735)	\$ (1,538,583)
Ending Net Position - TKI & FBO Total	\$ 448,625	\$ 571,855	\$ (8,926)	\$ 340,673

FINAL YEAR FOR GENERAL FUND TRANSFER TO AIRPORT

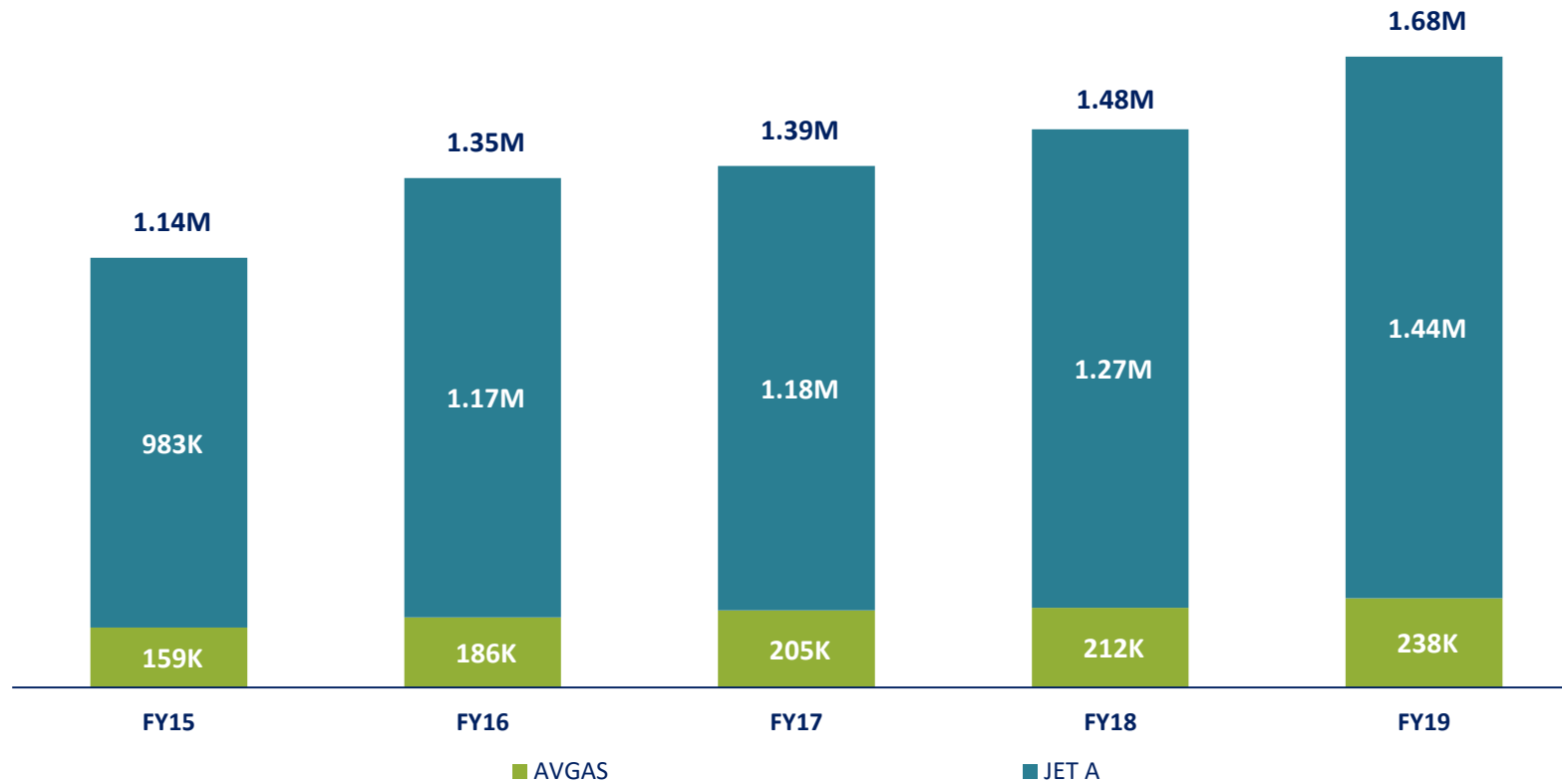
FY19 TRANSFER TO AIRPORT CONSTRUCTION FUND INCLUDES \$750K FOR ENVIRONMENTAL ASSESSMENT & PREFERRED ALTERNATIVE DETERMINATION IN SUPPORT OF RUNWAY 18/36 EXTENSION PROJECT

AD VALOREM TAX REVENUE

Annual Entity Tax Revenue from Airport						
Tax Year	Fiscal Year	City	MISD	County	College	TOTAL
2015	2016	\$396,687	\$1,136,308	\$153,095	\$55,768	\$1,741,859
2016	2017	\$409,201	\$1,156,905	\$148,823	\$58,004	\$1,772,933
2017	2018	\$537,476	\$1,611,835	\$191,277	\$79,408	\$2,419,996
2018	2019	\$501,874	\$1,519,470	\$172,766	\$77,619	\$2,271,729

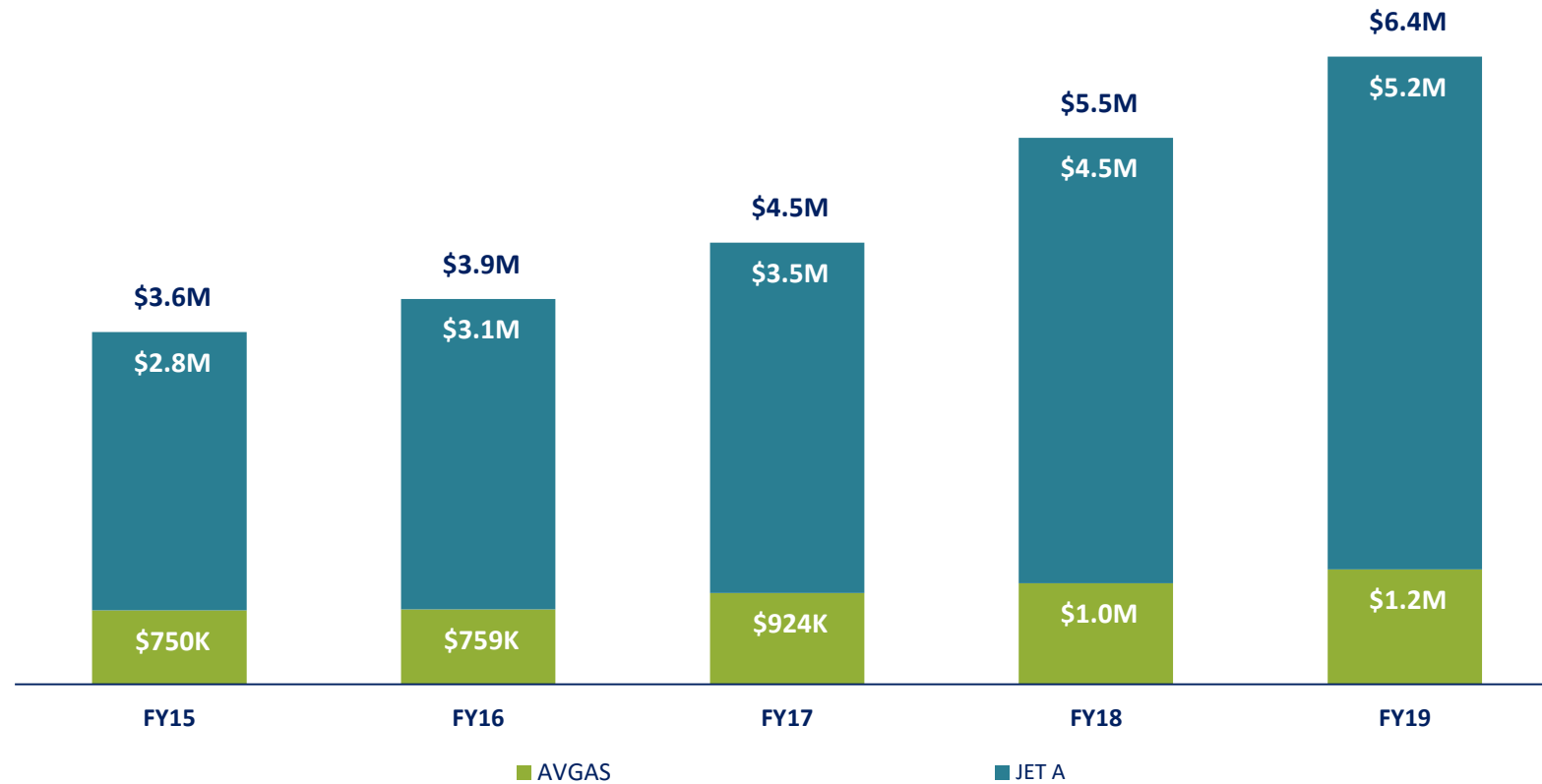
PERFORMANCE – FUEL SALES BY GALLON

A 13% INCREASE COMPARED TO FY18



PERFORMANCE – FUEL REVENUE

A 15% INCREASE COMPARED TO FY18

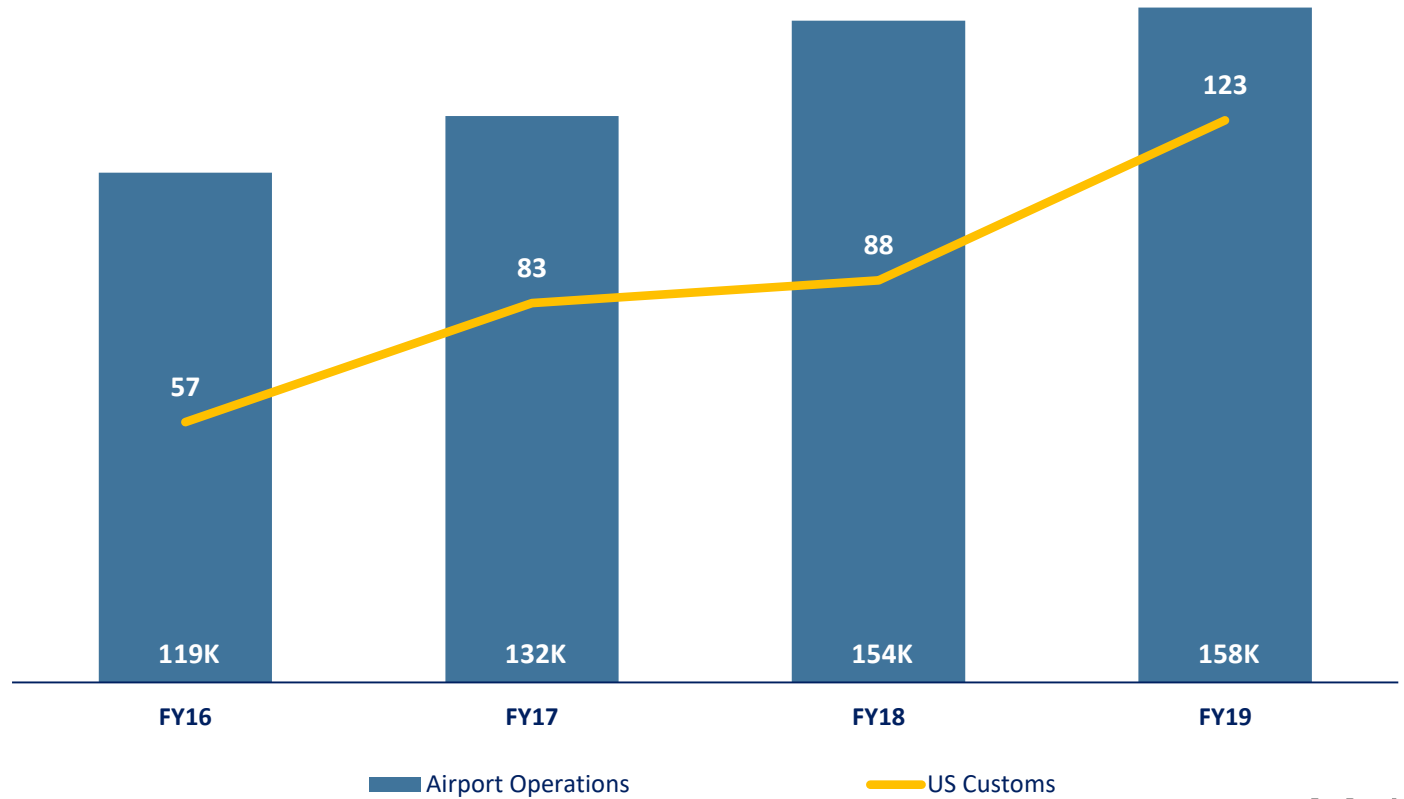


PERFORMANCE – AIRPORT OPERATIONS & US CUSTOMS



- 7TH BUSIEST AIRPORT IN TEXAS
- 9TH BUSIEST FTC IN THE NATION
- 82ND BUSIEST AIRPORT IN THE NATION

US CUSTOMS – A 40% INCREASE COMPARED TO FY18



STAFF DEVELOPMENT 2019

- HPO 3-DAY TRAINING SEMINAR – JEFF PATTERSON, C.M., AIRPORT OPERATIONS MANAGER
- LEADERSHIP MCKINNEY COURSE – ANDREW GRIFFIN, A.C.E., FBO GENERAL MANAGER
- ORGANIZATIONAL DEVELOPMENT, WOMEN IN LEADERSHIP – KESTA REDDING, AIRPORT CUSTOMER SERVICE SUPERVISOR
- EMERGING LEADERS – TYLER FRAZIER, AIRPORT OPERATIONS & MAINTENANCE SPECIALIST
- INNOVATION ACADEMY
 - Benjamin Squire, Airport Operations Analyst
 - Cody Richter, Airport Operations & Maintenance Crew Leader
- AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES (AAAE) TRAINING EXCELLENCE AWARD
 - McKinney National Airport
 - Jeff Patterson, C.M., Airport Operations Manager
 - Benjamin Squire, Airport Operations Analyst
 - Cody Richter, Airport Operations & Maintenance Crew Leader
 - Tyler Frazier, Airport Operations & Maintenance Specialist
 - Pedro Miranda, Airport Operations & Maintenance Specialist
 - Ryan Vinson, Airport Flight Line Specialist
- ANNUAL REQUIRED TRAINING ADDED IN 2019
 - Human Trafficking, Active Shooter, ADA



AIRPORT OPERATIONS & MAINTENANCE

- 950 ACRES – TOTAL AIRPORT PROPERTY
- 474K SQ. YARDS – TOTAL AIRFIELD PAVEMENT (RUNWAY, TAXIWAYS, ETC.)
- 85 – TOTAL AIRFIELD SIGNS
- 534 – TOTAL AIRFIELD LIGHTS
- 21 – INCIDENT RESPONSES IN 2019
- 6.3 – MILES OF PERIMETER FENCE
- 9 AUTOMATIC & 16 MANUAL – TOTAL VEHICLE GATES



LEASE ACTIVITY

- TEXAS INSTRUMENTS – 5 YEAR LEASE RENEWAL WITH 5 YEAR EXTENSION OPTION
- AIRFLITE – RENT INCREASE TO ACCOUNT FOR COMPLETED HANGAR RENOVATIONS
- LACORE AVIATION – BASED ADDITIONAL JET AIRCRAFT AND LEASED ADDITIONAL OFFICE SPACE
- PHI/HCA – ADDED 2ND HELICOPTER AND OFFICE SPACE FOR EMERGENCY MEDICAL TRANSPORT
- PARADISE JET – BASED LEGACY 600 IN NEW HANGAR
- PRO-HEALTH – BASED LEAR 45 IN NEW HANGAR
- ALBERS GROUP – OFFICE EXPANSION
- STATURE AVIATION – BASED 2 CIRRUS SR-22S
- HANGAR SPACE AT 100% OCCUPANCY
- OFFICE SPACE AT 100% OCCUPANCY
 - 20,000 SF of office space leased in 2019



NEW FBO/TERMINAL STATUS

- CONSTRUCTION CURRENTLY PAUSED
 - City is working with Owner and Bank to restructure financing
- AIRPORT PAYS NO RENT UNTIL PROJECT IS COMPLETE
- ESTIMATE ADDITIONAL 5-6 MONTHS TO COMPLETE ONCE CONSTRUCTION RESUMES
- DELAYED COMPLETION IS NOT ADVERSELY IMPACTING OUR CUSTOMERS
- ADDITIONAL VEHICLE PARKING SPACES ARE COMPLETE

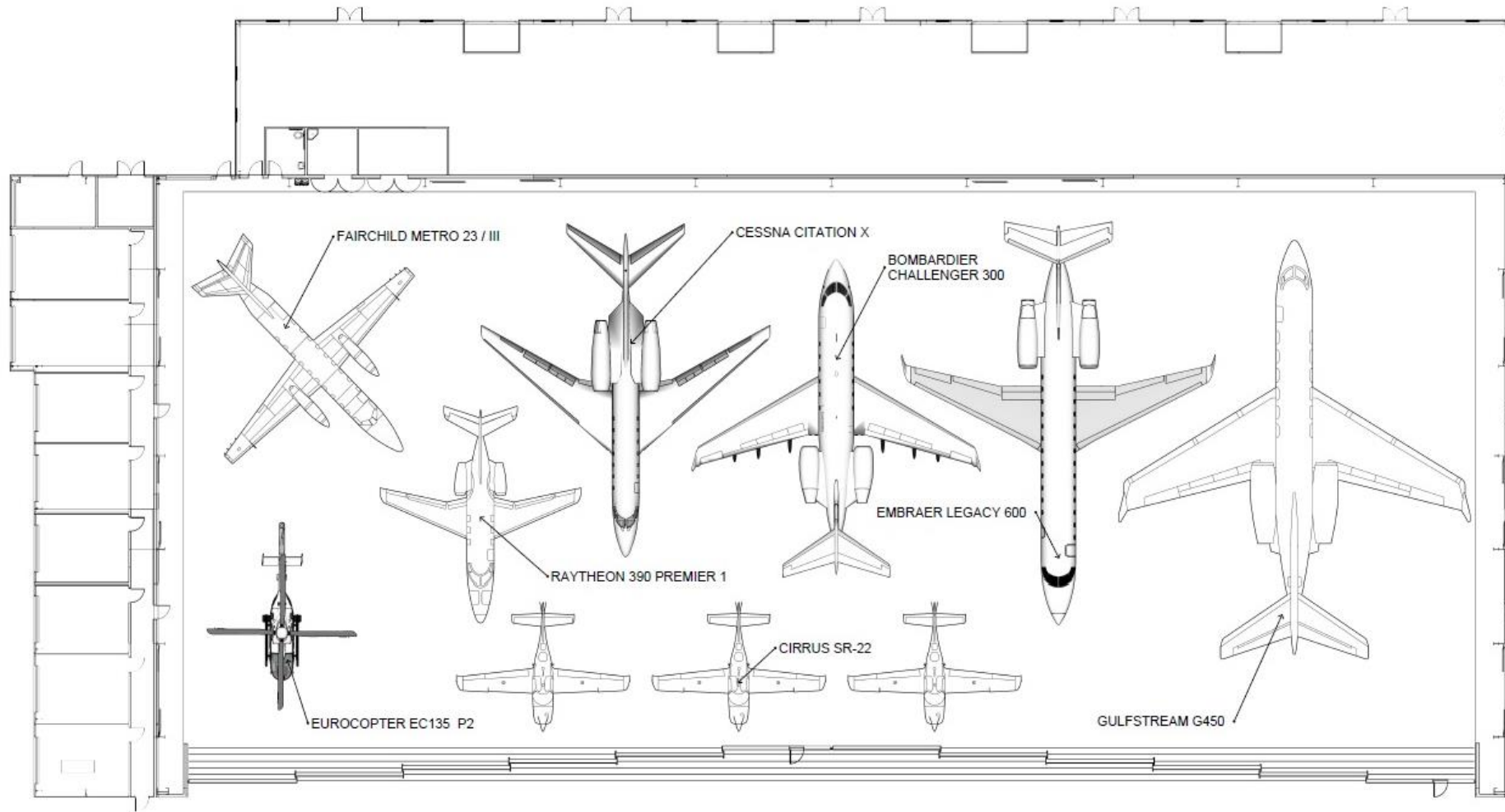


AERONAUTICAL DEVELOPMENT

- EXECUTED LEASE FOR BUILDOUT OF 2,600 SF OFFICE SPACE FOR EMERGENCY TRANSPORT CREW QUARTERS
- EXECUTED \$400,000 GRANT WITH TXDOT FOR AIRFIELD DRAINAGE IMPROVEMENTS
- EXECUTED GROUND LEASE FOR CCHOA NORTH HANGAR DEVELOPMENT
- CIRRUS TEMPORARY MAINTENANCE REPAIR OVERHAUL (MRO) FACILITY
- COMPLETED CONSTRUCTION OF 40,000 SF TRANSIENT HANGAR
- SECURED \$15 MILLION GRANT FOR RUNWAY EXTENSION



TRANSIENT HANGAR STORAGE EXAMPLE



TRANSIENT HANGAR STORAGE IN ACTION



TRANSIENT HANGAR REVENUE | MAY 2019 – JAN 2020



By Service		Total
Access Cards		\$ 80
AVGAS		\$ 6,602
Car Garage		\$ 3,340
Catering		\$ 4,989
Customs Fees		\$ 8,700
Hangar Lease		\$ 146,818
Hangar Lease (Transient)		\$ 72,107
International Trash		\$ 1,350
JET A		\$ 726,270
Lavatory Service		\$ 4,960
Line Service Fees		\$ 5,671
Miscellaneous Service Fees		\$ 50
Office Rent		\$ 990
Overnight Parking		\$ 640
Towing		\$ 310
Grand Total		\$ 982,878

By Customer Type		Total
Based		\$ 738,723
Transient		\$ 244,155
Grand Total		\$ 982,878

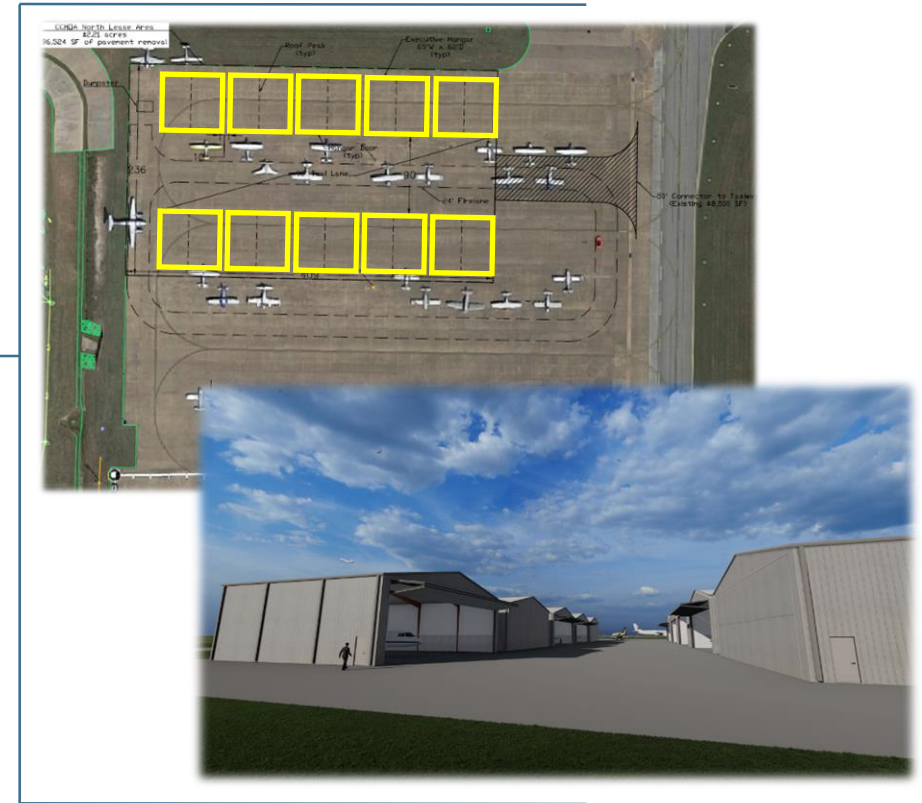
Fuel	Gallons	Gross	Net
AVGAS	1,280	\$ 6,602	\$ 2,201
JET A	171,663	\$ 726,270	\$ 254,197
Grand Total	172,942	732,873	256,398

Corp 9 Income adjusted for Fuel Cost	\$ 506,403
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UPCOMING AIRPORT DEVELOPMENT

- CCHOA NORTH

- MNA Development to build a new Private Executive Hangar Development
 - Total of ten (10) executive hangars | Each hangar to be 65' X 62' (4,032 SF)
 - This project will create an economic impact of **more than \$6,600,000** to the community



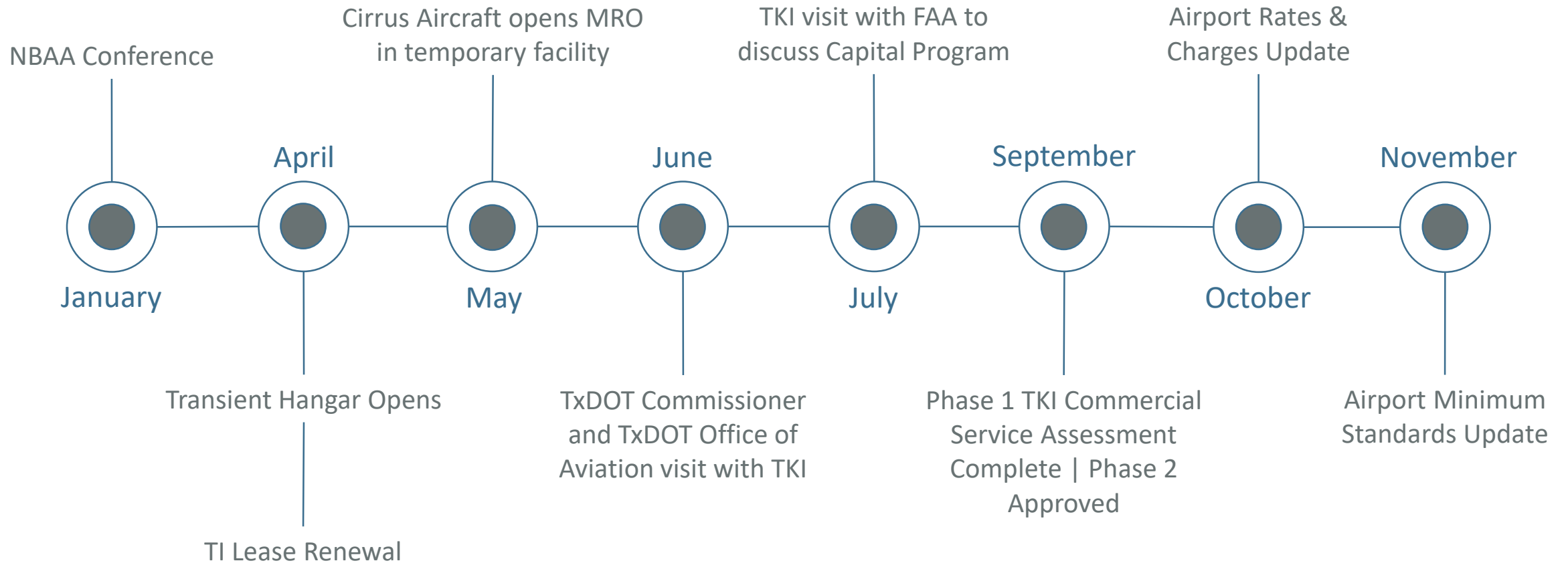
- CIRRUS MRO

- Cirrus Aircraft to build a new Aircraft Maintenance and Repair Facility
 - Estimated **\$8,000,000 in capital improvements** (hangars, ramp, & administrative building)
 - Additional ten (10) FTE positions (for a total of 35 FTE positions on airport)

STAKEHOLDER ENGAGEMENT

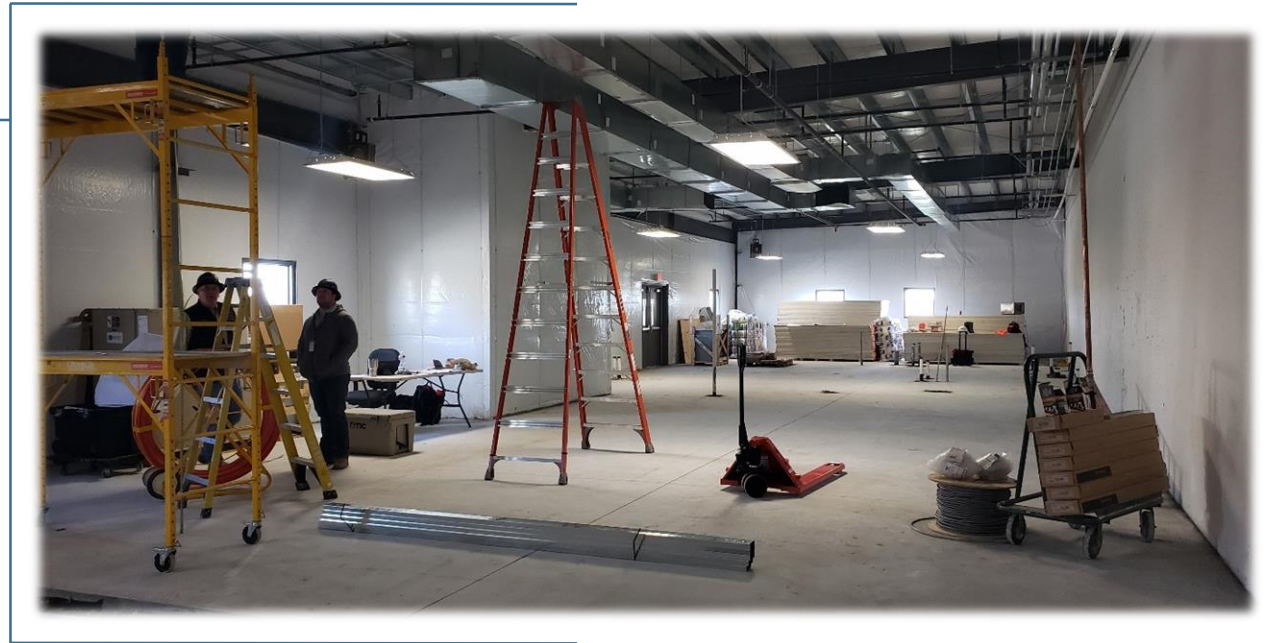
- TXDOT COMMISSIONER AUSTIN, SENATOR PAXTON, REPRESENTATIVE SANFORD VISITED MCKINNEY NATIONAL AIRPORT, ALONG WITH STAFF FROM TXDOT OFFICE OF AVIATION
 - Follow-up visit from Senator Paxton's staff to discuss status of airport runway extension project and other capital project initiatives
- AIRPORT AND CITY STAFF VISIT FAA REGIONAL AIRPORTS DISTRICT OFFICE TO PRESENT AND DISCUSS MCKINNEY NATIONAL AIRPORT'S CAPITAL PROGRAM
- AIRPORT AND CITY STAFF AND MAYOR FULLER VISIT FAA OFFICE OF PLANNING AND PROGRAMMING IN WASHINGTON, D.C. TO DISCUSS MCKINNEY NATIONAL AIRPORT'S CAPITAL PROGRAM AND FUNDING NEEDS IN THE 1-5 YEAR RANGE
- MEETINGS WITH U.S. CUSTOMS OFFICIALS TO DISCUSS SITE PLAN AND BUILDING PLAN FOR FUTURE CUSTOMS FACILITY
- VARIOUS VISITS WITH TXDOT OFFICE OF AVIATION REGARDING PENDING AND ACTIVE GRANTS

AERONAUTICAL DEVELOPMENT – 2019 TIMELINE



A LOOK AHEAD – 2020 (PLANNED DEVELOPMENT ACTIVITY)

- RFP CORPORATE HANGAR 3
 - Turbine Aircraft MRO Facility (business incubator)
- BUILDOUT OF CORPORATE HANGAR 9 OFFICE SPACE
 - Existing lease with medical air transport company
 - Buildout of 2,600 SF crew quarters
 - Buildout of remaining 6,900 SF of spec. office space
- RUNWAY 18/36 – 1,500' EXTENSION
 - Preferred alternative determination
 - Environmental assessment
 - Design
- CIRRUS AIRCRAFT
 - Finalize ground lease
 - Commence construction on permanent facilities
- APPRAISAL OF GROUND RENT AND HANGAR LEASE RATES
- ADD 30,000 GALLON JET A FUEL STORAGE TANK



THANK YOU FOR SUPPORTING MCKINNEY NATIONAL AIRPORT!

