

McKinney National Airport

FY 2018 Annual Update

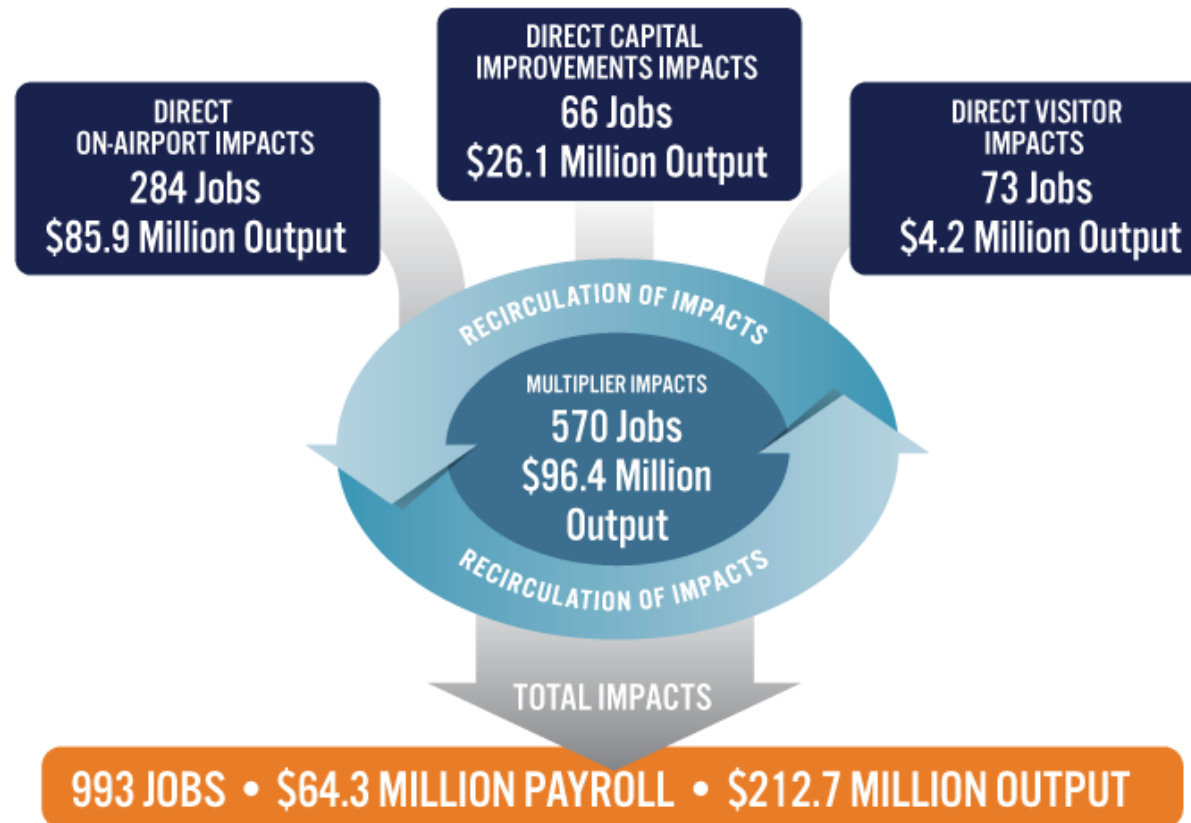


Agenda

- Economic Impact
- Financial Performance
- Operational Performance Metrics
- Industry Recognition
- Lease Activity
- Aeronautical Development
- A Look Ahead

Economic Impact

ECONOMIC IMPACT OF McKINNEY NATIONAL AIRPORT (TKI)

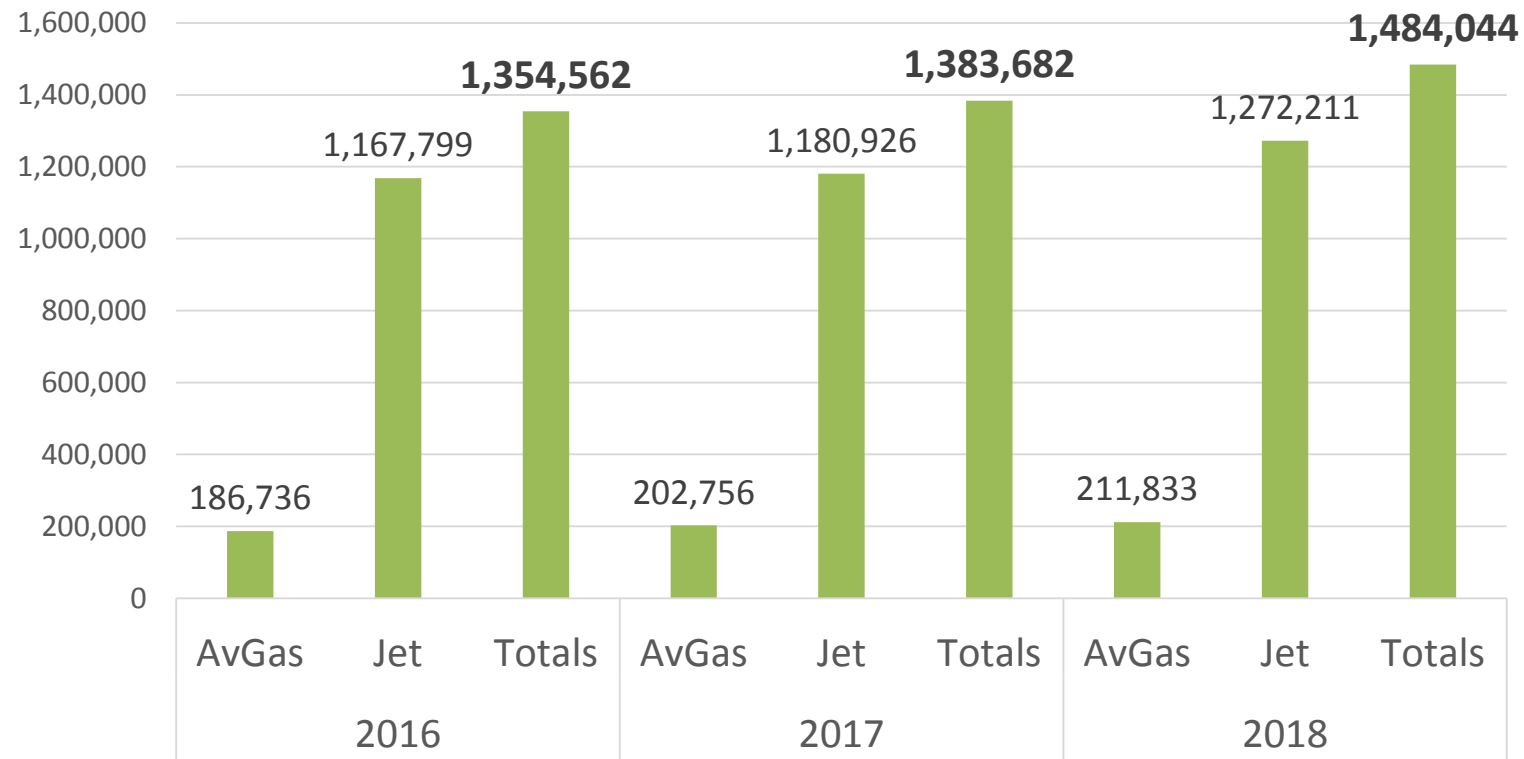


Financial Performance

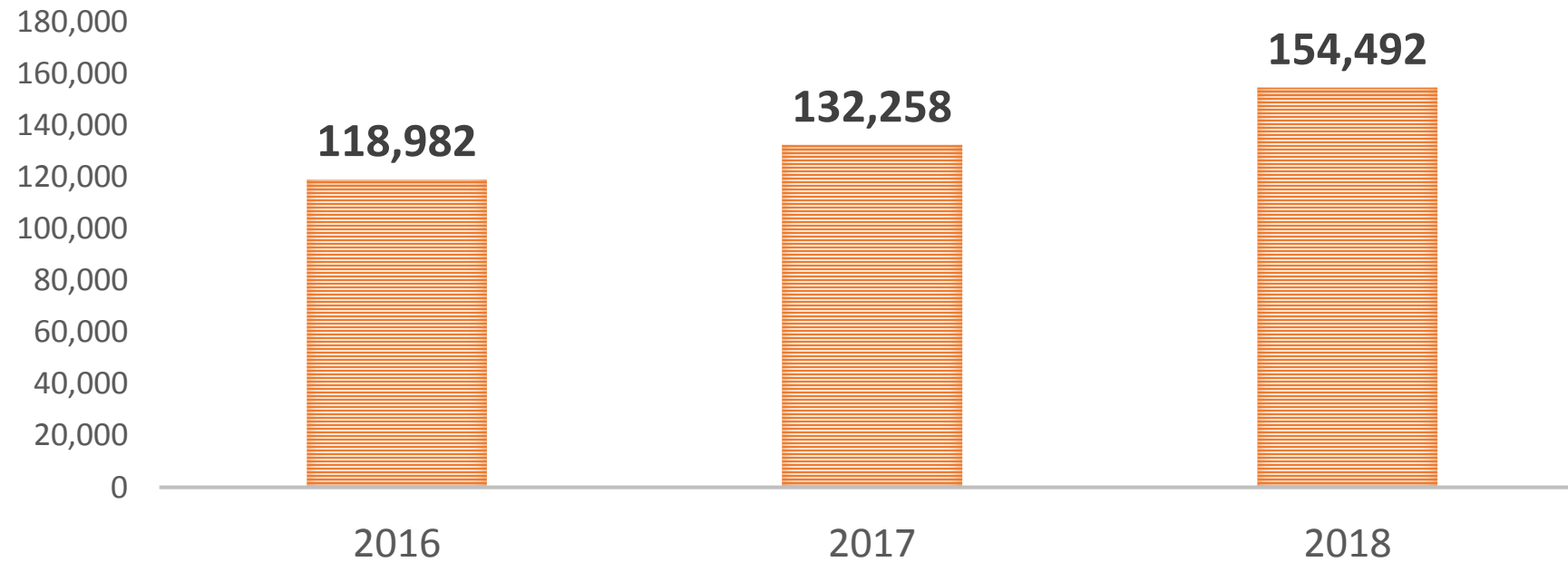
Financial Activity of FBO & MNA - FY2016 - FY2018			
	FY16 Actual	FY17 Actual	FY18 Actual*
FBO Revenue Activity			
FBO Fee Revenue	\$ 4,186,860	\$ 4,791,372	\$ 5,929,432
Lease Revenue	1,985,578	2,126,141	2,174,393
FBO Expenditure Activity			
Fixed Base Operations	4,030,005	4,714,800	5,125,305
Net FBO Income	2,142,433	2,202,713	2,978,520
MNA Revenue Activity			
Non-FBO Revenue	238,221	236,276	211,536
General Fund Transfer	613,513	613,513	413,000
State Grant	54,753	49,752	-
Misc. Revenue	42,241	19,792	45,325
MNA Expenditure Activity			
Airfield Operations	700,643	632,029	648,513
Airport Administration	470,608	520,745	548,734
Net MNA Income	(222,523)	(233,441)	(527,386)
Debt, Cap X, & Risk Payment	1,370,966	1,382,442	1,653,456
Non-Departmental and misc.	-	92,350	112,835
Ending Net Position - MNA & FBO Total	\$ 548,944	\$ 494,480	\$ 684,843



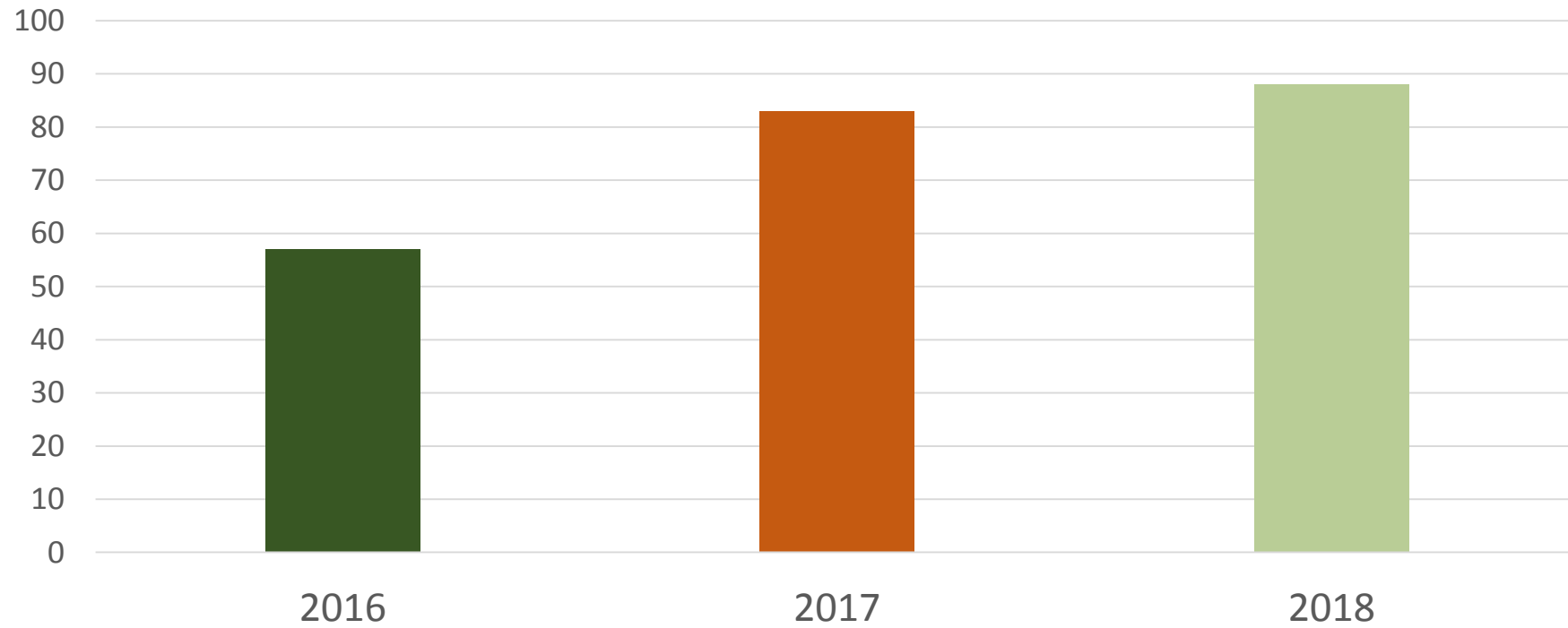
Performance – Fuel Sales



Performance – Aircraft Operations



Performance - Customs Activity



Mexico Marketing Initiative

- Potential customer base in Mexico's market
- Establish McKinney Airport as the top choice for Mexican C-level executives traveling to Dallas
- Initiate an outreach effort focused initially on the city of Monterrey, Mexico
- Develop a comprehensive marketing plan specifically for the Mexican market
 - Marketing through digital platforms
 - Utilize geofencing to target major corporations at specific events/forums
 - Spanish creative copy and art design tailored to the Mexican market
- 6 month program
- Measure results
 - Aircraft arrivals with Mexico registration



Ad Velorem 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

Industry Awards



Top 50 U.S. FBOs

1 McKinney Air Center KTKI



2018

- **3rd Consecutive Year as #1 FBO**
- **5 Overall Wins**
- **#2 ATC Tower 2018**
- **#2 Customs Facility 2018**



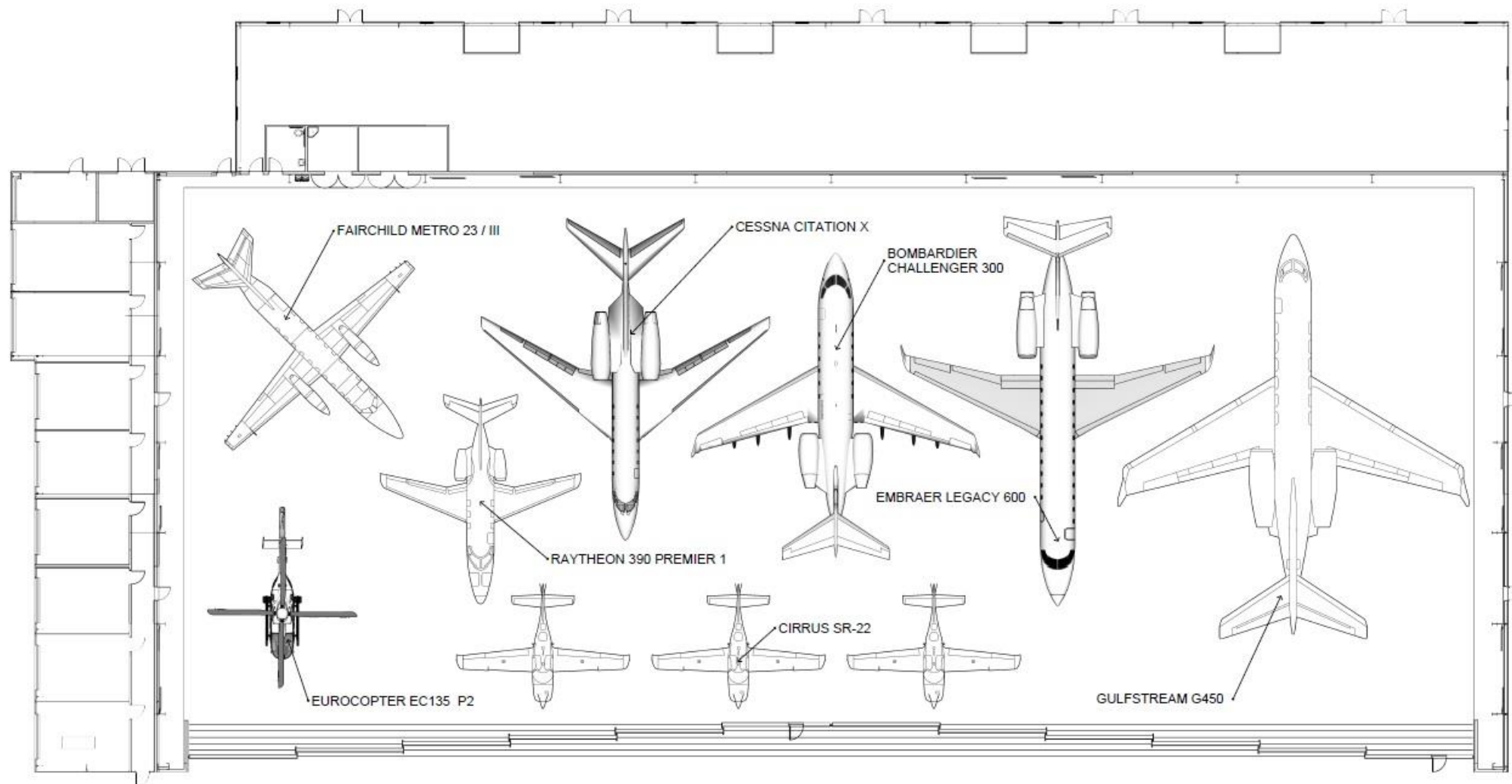
Aeronautical Development

- Completed construction 10,000 sf corporate hangar
- Began construction of 40,000 sf transient hangar
 - Target completion 2/28/19
- Began construction of new FBO terminal building
 - Target completion 8/1/19
- Renovation/expansion of AirFlite corporate hangar facility
 - Temp certificate of occupancy June 2018

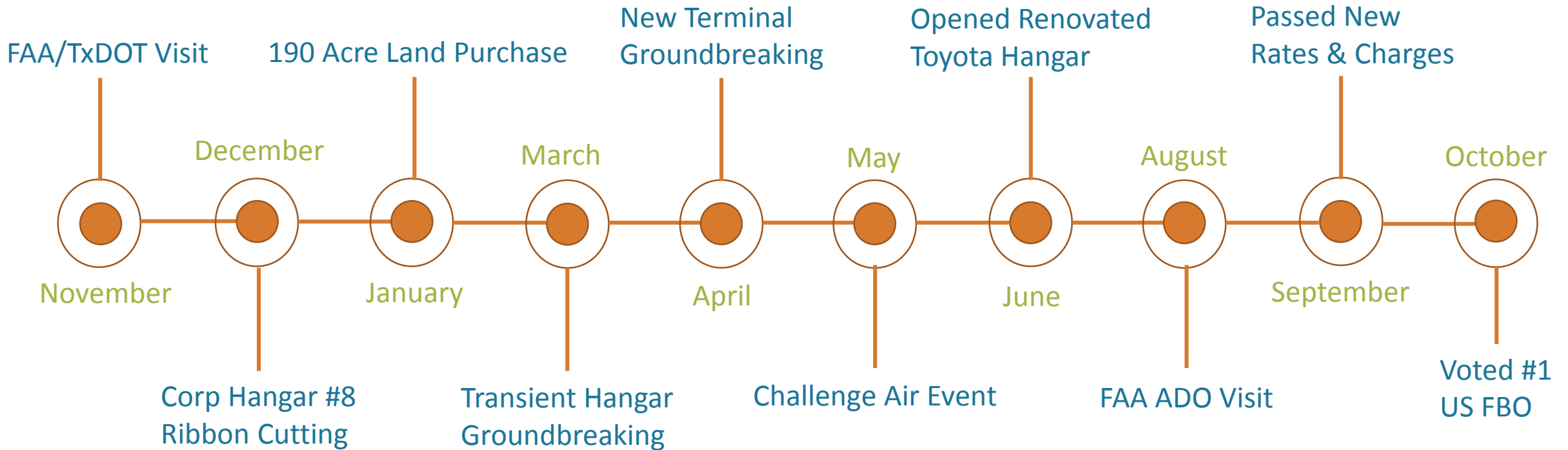
Aeronautical Development



Aeronautical Development



Aeronautical Development – FY 18 Timeline



Lease Activity

- Globe Life lease 10,000 sf hangar plus office space
- ATP lease expansion
- Air Flamingo – based Challenger 604
- CareFlite lease renewal
- Adventure Pilot relocated to TKI
- Select Avionics lease renewal
- SSGM – based Falcon 50
- BBPS – based Gulfstream G-150

A Look Ahead – FY19 (4 active prospects)

- 15 corporate hangars (4,000 sf each)
 - \$6.5 million investment
 - 3 acre ground lease
- 10,000 sf corporate hangar w/office space
 - \$1.5 million investment
 - Private aircraft operator (Challenger 604)
 - 1-acre ground lease
- MRO facility for an aircraft manufacturer
 - 3-acre ground lease
 - \$7 million investment – hangars & admin. building
- Major Airport User – finalist list
 - 20-25 acres over 2 phases
 - \$60+ million investment



Thank you for you support of
McKinney National Airport!