



SECTION 7 FINANCIAL PLAN

7.1 INTRODUCTION

This section presents the financial implementation analysis for Nampa Municipal Airport and will examine various facets of the financial operating condition of the Airport. In addition, this chapter examines the Airport’s historic operating revenues and expenses, and provides projections for future financial results. The projections of Airport revenues and expenses focus on the three planning periods of this Master Plan’s Capital Improvement Program (CIP): Phase I (Short Term, 2010-2015), Phase II (Intermediate Term, 2016-2020), and Phase III (Long Term, 2021-2030). These planning periods are used to identify the ability of the Airport to contribute to the local share of anticipated project costs, as required. It should be noted that Nampa Municipal’s Master Plan CIP is used as a guideline, and that capital projects should be undertaken when demand warrants and funding becomes available.

The overall approach for the development of the financial implementation analysis included the following elements:

- Gathered and reviewed key airport documents related to historical financial results, capital improvement plans, operating budgets, regulatory requirements, and airport policies
- Interviewed key airport management personnel to gain an understanding of the existing operating and financial environment, as well as the overall financial management philosophy

- Reviewed the Master Plan CIP, cost estimates, and development schedule anticipated for the planning period in order to project the overall financial requirements for the program
- Determined and analyzed the sources and timing of capital funding available to meet the financial requirements for funding the CIP
- Analyzed historical and budgeted operating expenses, developed operations and maintenance expense assumptions, and projected future operating costs for the planning period
- Analyzed historical and budgeted operating revenues, developed operating revenue assumptions, and projected future operating revenues for the planning period
- Completed results of the analysis and evaluation in a Financial Plan Summary that provides conclusions regarding the financial practicality of the CIP

7.2 CAPITAL FUNDING SOURCES

The development of the Nampa Municipal Airport’s Master Plan CIP is anticipated to be funded from several sources. These sources include federal grants, state grants, net operating revenues/cash reserves, and other unidentified funding sources, including private funding. Each of these sources of funds is described in the following sections.



7.2.1 Federal Aviation Administration (FAA) Funding

To promote the development of airports to meet the nation's needs, the Federal Government embarked on a Grants-In-Aid Program to units of state and local government after the end of World War II. Following multiple earlier versions of federal funding programs, the Airport Improvement Program (AIP) was established through the Airport and Airway Improvement Act of 1982. The initial AIP provided funding legislation through fiscal year 1992, but since then, it has been authorized and appropriated on a yearly or even quarterly basis. Funding for the AIP is generated through taxes on airline tickets, freight way bills, international departure fees, general aviation fuel, and jet fuel.

AIP grants include entitlement grants, which are allocated among airports by a formula that is driven by passenger enplanements, and by discretionary grants that are awarded in accordance with specific guidelines. Generally, primary airports receive entitlements based on the number of enplaning passengers and landed cargo weights, while non-primary airports, which include general aviation airports, likewise receive some entitlements and may also be eligible for federal state apportionment funding. The total amount of state apportionment funding is based on an area/population formula for the state, while the amount of non-primary entitlements is computed from the needs list for the particular airport in the published National Plan of Integrated Airport Systems (NPIAS). Federal Airport Improvement Funds must be spent on FAA-eligible projects as defined in FAA Order 5100.38C "Airport Improvement Program (AIP)

Handbook." The handbook and the latest authorization, *Vision 100 - Century of Aviation Reauthorization Act*, state that:

- An airport must be included in the current version of the NPIAS;
- Non-primary entitlement funds of \$150,000 per year can be accumulated for up to four years;
- The federal portion of AIP grants increases to 95% for all general aviation airports; and
- If an airport has no airside improvement needs, entitlement funds can be used for certain landside projects.

General aviation and commercial service airports also compete for federal discretionary funds. These funds are awarded based on priority ratings given to each potential project by the FAA. The prioritization process makes certain that the most important and beneficial projects (as viewed by the FAA) are the first to be completed, given the availability of adequate discretionary funds. Federal funding is limited to development that is justified to meet aviation demand according to FAA guidelines. Each NPIAS airport development project is subject to eligibility and justification requirements as part of the normal AIP funding process.

As of the writing of this document, the AIP program is due for reauthorization and will likely see changes. The future of the AIP program may include changes to federal share amounts, non-primary entitlements, set-asides, and/or passenger facility charges (PFCs).



However, under the Vision 100 reauthorization legislation and based on its inclusion in the NPIAS, the Nampa Municipal Airport is currently eligible to receive entitlements of \$150,000 per year (the minimum) from 2010 through 2030. Additional funding could be realized through state apportionment funding and AIP discretionary funding, based on the aforementioned project eligibility ranking methodology. For the Nampa Municipal Airport CIP, this financial plan assumes total AIP grant awards (entitlement/discretionary) and State Apportionment awards of \$8.6 million for the Phase I period, \$5.6 million during Phase II, and \$18.8 million for Phase III. Of those awards, state apportionment or AIP discretionary grants account for \$7.7 million in Phase I, \$4.9 million in Phase II, and \$17.7 million in Phase III.

7.2.2 Idaho Transportation Department (ITD) – Division of Aeronautics Grants

ITD Division of Aeronautics administers several programs for funding airport planning, construction and maintenance projects. The following is a description of each funding program:

- Idaho Airport Aid Program (IAAP) – This program assists sponsors in the preservation and acquisition of existing landing facilities in danger of being lost, aircraft landing projects, aircraft landing development, aircraft operations safety, federal funding match, and other projects which protect prior public investment. Funding comes solely from a 7 cent per gallon tax on aviation gasoline and a 6 cent per gallon tax on jet fuel sold in the state. State funds are issued on a cost

sharing grant basis as defined by federal eligibility and population. For AIP-eligible projects, state grant awards for 50% of an airport’s local match requirement is allowed. For non-eligible AIP projects, the amount of state participation is dependent on the community’s size. For a community the size of the City of Nampa, the state grant award for a non-eligible AIP project could be as high as 50% of the state eligible project.

- Maintenance & Safety Supplies Program – This is a discretionary allocation program that provides funding at no charge or at a reduced fee for maintenance and safety related supplies such as runway or taxiway light bulbs, windsocks, tie down chain sets, etc.
- Small Projects Program – This program provides grant funding assistance of less than \$2,000 for unscheduled or emergency improvements.

For the Nampa Municipal Airport CIP, the financial plan assumes ITD matching grant awards for AIP-eligible projects totaling \$225,780 for Phase I, \$147,343 for Phase II, and \$494,600 for Phase III.

7.2.3 Net Operating Revenues/Cash Reserves

Currently, the Airport has limited cash reserves (through the Airport Fund) and annual net operating revenues (including the annual city contribution directed to the Airport Fund) to provide some funding for the development of capital projects not eligible for federal funding. The Financial Analysis assumes a restricted



application of these sources to capital projects, to ensure that positive year-end cash balances are maintained.

7.2.4 Other Capital Funding

The traditional funding sources described in previous paragraphs are often insufficient to finance the full range of projects programmed for development during a CIP. A lack of traditional funding is projected for the first two of the three planning periods that results from the inclusion of non-eligible AIP projects. Consequently, other non-traditional funding sources will be needed to implement project costs of about \$1.1 million in Phase I, and \$2.4 million in Phase II. The sources of these other funding needs have not been identified and represents a total capital shortfall of \$3.5 million through the 20-year planning period. If these funding sources cannot be ultimately identified and obtained in the time frames needed, the associated projects will have to be delayed until such time as appropriate funding can be identified. This source has been referenced in the plan as “Unknown Capital Funding Source.”

Note that non-traditional funding sources for an airport typically include the following sources:

- General Fund Revenues
- Bond Issues
- Private Funding

Of these, general fund revenues and general obligation bonds are by far the most common funding sources. Revenue bonds supported by airport generated revenues are seldom used because most general aviation airports do not generate enough money to pay operating

expenses and the debt service of capital funding requirements.

General Fund Revenues

Capital development expenditures from general fund revenues have been somewhat difficult to obtain in recent years. One reason for this difficulty is the seemingly universal shortfall in local general fund revenues. Budgetary problems have created an environment where local funding is uncertain. The amount of general fund support for airport improvement projects varies by airport and is generally based upon the local tax base, priority of the development project, historical funding trends, and, of course, local attitudes concerning the importance of aviation.

Bond Funds

Airport authorities can issue bonds without approval from the city or county. However, they must use their own revenue to repay the bonds. Airport revenue is typically used to repay these bonds.

For an airport operated by a city, like Nampa, bond issues funding the local share of airport development projects must compete with bond issues for other types of community improvements such as schools, highways, and sewer systems. As with the general fund apportionment, bond issues supporting airport development depend greatly on the priority assigned to such projects by the local community.

Private Funds

Items such as storage and maintenance hangars, fuel systems, and pay parking lots are not typically eligible for federal or state grant funding at public airports because they generate income for the airport. Communities sometimes work



with FBOs or other local businesses to fund these types of improvements.

With respect to Nampa Municipal Airport, each of these options would need to be weighed independently to determine the appropriateness of their potential application for eligible projects.

7.3 FINANCIAL ANALYSIS AND IMPLEMENTATION PLAN

This section, along with the tables presented at the end of the section, provides the analysis and results of evaluating the financial reasonableness of implementing the Master Plan Capital Improvement Program during the planning period (2010 through 2030).

7.3.1 Estimated Project Costs and Development Schedule

A listing of capital improvement projects has been assembled based on the preferred development alternative for the Nampa Municipal Airport established in Section 5.5 of this Master Plan. This project list has been coordinated with the Airport Layout Plan (ALP) drawing set and the CIP, both of which should be continuously updated by airport management, as required. Generally, the CIP itself has three primary purposes:

1. Identify improvement projects that will be required at an airport over a specific period of time;
2. Estimate the order of implementation of the projects included in the plan; and
3. Estimate the total costs and funding sources of the projects.



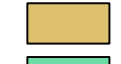


It is important to note that as the CIP progresses from project planning in the current year to

projects planned in future years, the plan becomes less detailed and more flexible. Additionally, the CIP is typically modified on an annual basis as new projects are identified, projects change, and financial environments evolve.

For Nampa Municipal Airport, each proposed capital improvement project over the 20-year planning horizon has been assigned to one of three specific planning periods: Phase I, short term (2010-2015); Phase II, intermediate term (2016-2020); and Phase III, long term (2021-2030). Project assignments for new construction and acquisition projects are depicted in **Exhibit 7.1**. Project assignments for maintenance projects are shown in **Exhibit 7.2**. **Table 7.1** shows the CIP projects and their estimated costs (all in 2010 dollars) for each phase of the 20-year planning horizon. **Tables 7.2 through 7.4** break down each of the proposed improvements listed above into their appropriate planning periods. These tables also include estimates of the funding source eligibility for each project. Note that the estimates contained in these tables were derived from analyzing similar projects, but should be re-evaluated at the time of project initiation.

CIP Project List	
ID	Project
General Aviation Area	
1A	Construct Taxiway Extensions C1-C3
1B	Construct Taxiway Extensions C4-C6
1C	Hangar Access Road/Parking Area C1-C3
1D	Hangar Access Road/Parking Area C4-C6
2	East Hangar Ramp - South Expansion
3	East Area Taxiway Construction (20 Acre Parcel)
4	East Area Apron Construction (20 Acre Parcel)
5	Construct South Terminal Apron
6	New Terminal Area Parking Lot Construction
7	East Area Parking Lot Construction (20 Acre Parcel)
Surface Transportation Facilities	
10	Widen Road - 500' Municipal Drive (+20' width)
11	Happy Valley Road Vertical Clearance
Miscellaneous	
14	Install Apron Signage & Electrical Improvements (Not Shown)
21	RPZ Land Acquisition - Runway 29
22	RPZ Land Acquisition - Runway 11
23	South Expansion Land Acquisition - Phase 1 (BRL Land)
24	South Expansion Land Acquisition - Phase 2
25	Future GA Hangar Area - Land Acquisition
26	Future GA Northeast Area - Land Acquisition

LEGEND

-  Project Boundary
-  Project Item Identifier
-  Phase I Project (2010 - 2015)
-  Phase II Project (2016 - 2020)
-  Phase III Project (2021 - 2030)



Scale: 1" = 500'



**PHASING SCHEMATIC - NEW PROJECTS AND ACQUISITIONS
CAPITAL IMPROVEMENT PROGRAM**






EXHIBIT

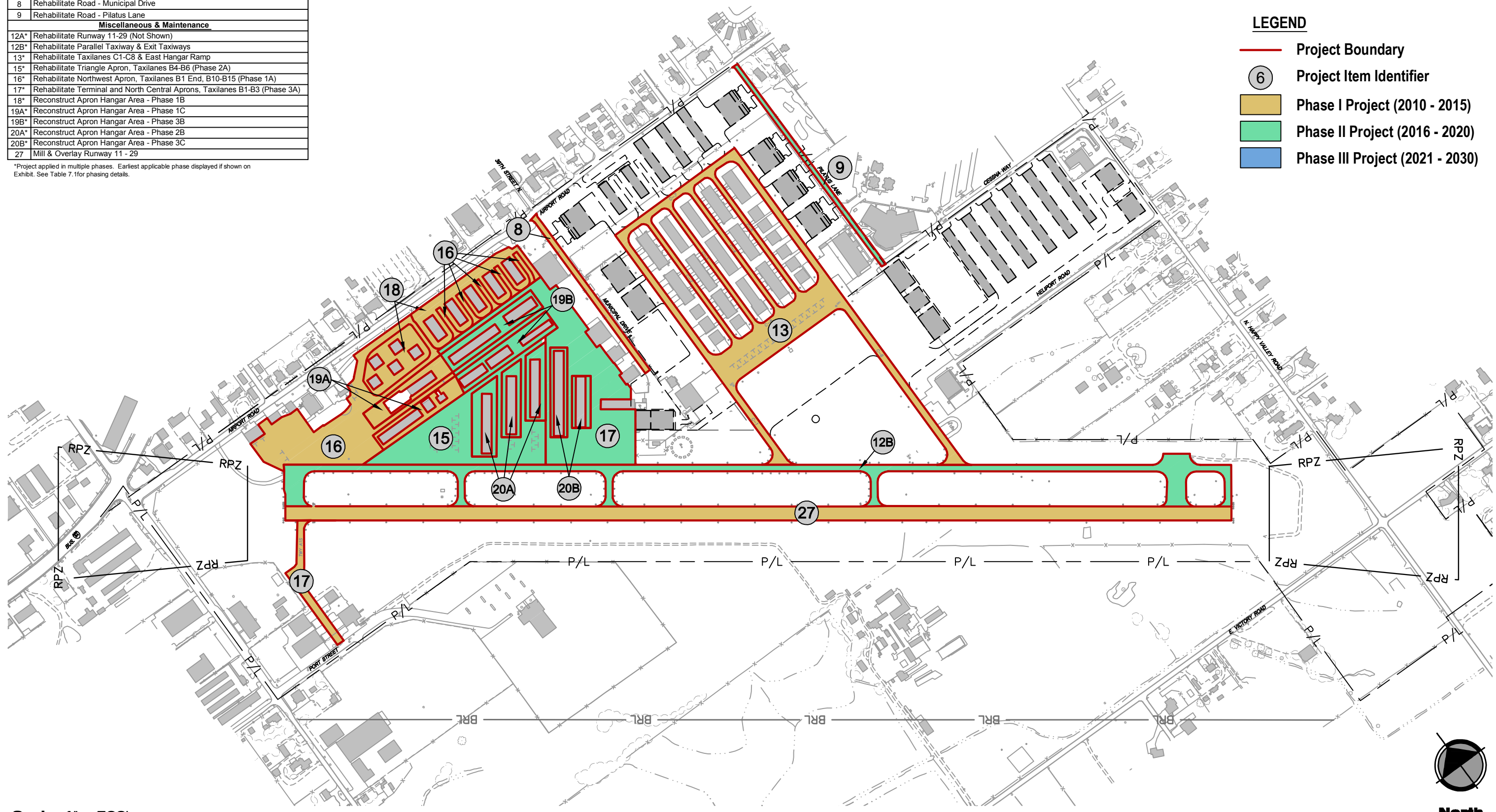
7.1

CIP Project List	
ID	Project
Surface Transportation Facilities	
8	Rehabilitate Road - Municipal Drive
9	Rehabilitate Road - Pilatus Lane
Miscellaneous & Maintenance	
12A*	Rehabilitate Runway 11-29 (Not Shown)
12B*	Rehabilitate Parallel Taxiway & Exit Taxiways
13*	Rehabilitate Taxiways C1-C8 & East Hangar Ramp
15*	Rehabilitate Triangle Apron, Taxiways B4-B6 (Phase 2A)
16*	Rehabilitate Northwest Apron, Taxiways B1 End, B10-B15 (Phase 1A)
17*	Rehabilitate Terminal and North Central Aprons, Taxiways B1-B3 (Phase 3A)
18*	Reconstruct Apron Hangar Area - Phase 1B
19A*	Reconstruct Apron Hangar Area - Phase 1C
19B*	Reconstruct Apron Hangar Area - Phase 3B
20A*	Reconstruct Apron Hangar Area - Phase 2B
20B*	Reconstruct Apron Hangar Area - Phase 3C
27	Mill & Overlay Runway 11 - 29

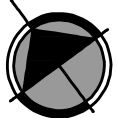
*Project applied in multiple phases. Earliest applicable phase displayed if shown on Exhibit. See Table 7.1for phasing details.

LEGEND

-  Project Boundary
-  Project Item Identifier
-  Phase I Project (2010 - 2015)
-  Phase II Project (2016 - 2020)
-  Phase III Project (2021 - 2030)



Scale: 1" = 500'



North





**Table 7.1
Proposed Capital Improvement Program Summary**

Item No.	Project	Phase I (2010-2015) Total	Phase II (2016-2020) Total	Phase III (2021-2030) Total	Program Total
<u>GENERAL AVIATION AREA</u>					
1A	Construct Taxilane Extensions C1-C3	\$536,600	\$0	\$0	\$536,600
1B	Construct Taxilane Extensions C4-C6	\$491,000	\$0	\$0	\$491,000
1C	Hangar Access Road/Parking Area C1-C3	\$87,600	\$0	\$0	\$87,600
1D	Hangar Access Road/Parking Area C4-C6	\$87,600	\$0	\$0	\$87,600
2	East Hangar Ramp - South Expansion	\$0	\$1,649,600	\$137,400	\$1,787,000
3	East Area Taxilane Construction (20 Acre Parcel)	\$0	\$1,255,600	\$116,400	\$1,372,000
4	East Area Apron Construction (20 Acre Parcel)	\$0	\$894,900	\$75,000	\$969,900
5	Construct South Terminal Apron	\$1,173,700	\$0	\$0	\$1,173,700
6	New Terminal Area Parking Lot Construction	\$0	\$625,700	\$0	\$625,700
7	East Area Parking Lot Construction (20 Acre Parcel)	\$0	\$679,300	\$0	\$679,300
	<i>SUBTOTAL</i>	\$2,376,500	\$5,105,100	\$328,800	\$7,810,400
<u>SURFACE TRANSPORTATION FACILITIES</u>					
8	Rehabilitate Road - Municipal Drive	\$325,000	\$0	\$0	\$325,000
9	Rehabilitate Road - Pilatus Lane	\$0	\$21,600	\$0	\$21,600
10	Widen Road – 500' Municipal Drive (+20' width)	\$183,900	\$0	\$0	\$183,900
11	Happy Valley Road Vertical Clearance	\$0	\$441,400	\$0	\$441,400
	<i>SUBTOTAL</i>	\$508,900	\$463,000	\$0	\$971,900
<u>MISCELLANEOUS & MAINTENANCE</u>					
12A	Rehabilitate Runway 11-29	\$0	\$220,700	\$220,700	\$441,400
12B	Rehabilitate Parallel Taxiway & Exit Taxiways	\$0	\$152,100	\$152,100	\$304,200
13	Rehabilitate Taxilanes C1-C8 & East Hangar Ramp	\$168,200	\$0	\$218,200	\$386,400

Source: Kimley-Horn and Associates, Inc., Nampa Municipal Airport, 2010.



Table 7.1
Proposed Capital Improvement Program Summary (continued)

Item No.	Project	Phase I (2010-2015) Total	Phase II (2016-2020) Total	Phase III (2021-2030) Total	Program Total
14	Install Apron Signage & Electrical Improvements	\$382,200	\$0	\$0	\$382,200
15	Rehabilitate Triangle Apron, Taxilanes B4-B6 (Phase 2A)	\$0	\$875,200	\$87,200	\$962,400
16	Rehabilitate Northwest Apron, Taxilanes B1 End, B10-B15 (Phase 1A)	\$985,600	\$0	\$93,300	\$1,078,900
17	Rehabilitate Terminal and North Central Aprons, T/L B1-B3 (Phase 3A)	\$0	\$106,200	\$106,200	\$212,400
18	Reconstruct Apron Hangar Area - Phase 1B	\$952,600	\$0	\$75,800	\$1,028,400
19A	Reconstruct Apron Hangar Area - Phase 1C	\$369,300	\$0	\$25,200	\$394,500
19B	Reconstruct Apron Hangar Area - Phase 3B	\$0	\$551,600	\$37,700	\$589,300
20A	Reconstruct Apron Hangar Area - Phase 2B	\$0	\$492,400	\$33,100	\$525,500
20B	Reconstruct Apron Hangar Area - Phase 3C	\$0	\$197,200	\$13,200	\$210,400
21	RPZ Land Acquisition - Runway 29	\$0	\$298,000	\$0	\$298,000
22	RPZ Land Acquisition - Runway 11	\$1,546,000	\$0	\$0	\$1,546,000
23	South Expansion Land Acquisition - Phase 1 (BRL Land)	\$1,367,000	\$0	\$0	\$1,367,000
24	South Expansion Land Acquisition - Phase 2	\$0	\$0	\$14,144,000	\$14,144,000
25	Future GA Hangar Area - Land Acquisition	\$0	\$0	\$2,270,000	\$2,270,000
26	Future GA NE Area - Land Acquisition	\$0	\$0	\$1,930,000	\$1,930,000
27	Mill & Overlay Runway 11-29	\$2,055,900	\$0	\$0	\$2,055,900
	<i>SUBTOTAL</i>	\$7,826,800	\$2,893,400	\$19,406,700	\$30,126,900
		\$10,712,200	\$8,461,500	\$19,735,500	\$38,909,200

Source: Kimley-Horn and Associates, Inc., Nampa Municipal Airport, 2010.

Note: All estimates in 2010 dollars. It should be recognized that the accuracy of these cost estimates, although prepared in good faith and with reasonable care, are based on available information at this point in the study. The level of detail and accuracy is limited, due to the preliminary nature of the cost estimating process and the many construction cost factors which are not within the Consultant's control.



Phase I (shown in **Table 7.2**) contains approximately \$10.7 million in capital projects including the south terminal apron construction, northeast area taxilane construction, and reconstruction of the northwest ramp and hangar areas. It is estimated that the sponsor (local) share of Phase I capital costs will be approximately \$1.9 million and the state share will be \$225,780 with the balance (approximately \$8.6 million) being eligible for funding from the FAA.

Phase II contains approximately \$8.5 million in total capital projects, as shown in **Table 7.3**. These projects include taxilane construction on the east 20 acre parcel, runway protection zone (RPZ) land acquisition for Runway 11 and Runway 29, and south expansion land acquisition. The sponsor (local) share of the proposed development plan in Phase II is approximately \$2.7 million while the state share is estimated at \$147,343 with the remaining \$5.6 million being eligible for funding from the FAA.

Table 7.2
Proposed Capital Improvement Program
Phase I (Short Term, 2010-2015)

Item No.	Project	Estimated Capital Costs	FAA Eligible	State Share	Local Share
1A	Construct Taxilane Extensions C1-C3	\$536,600	\$509,770	\$13,415	\$13,415
1B	Construct Taxilane Extensions C4-C6	\$491,000	\$466,450	\$12,275	\$12,275
1C	Hangar Access Road/Parking Area C1-C3	\$87,600	\$0	\$0	\$87,600
1D	Hangar Access Road/Parking Area C4-C6	\$87,600	\$0	\$0	\$87,600
5	Construct South Terminal Apron	\$1,173,700	\$1,115,015	\$29,343	\$29,343
8	Rehabilitate Road - Municipal Drive	\$325,000	\$308,750	\$8,125	\$8,125
10	Widen Road - 500' Municipal Drive (+20' width)	\$183,900	\$0	\$0	\$183,900
13	Rehabilitate Taxilanes C1-C8 & East Hangar Ramp	\$168,200	\$159,790	\$4,205	\$4,205
14	Install Apron Signage & Electrical Improvements	\$382,200	\$363,090	\$9,555	\$9,555
16	Rehabilitate Northwest Apron, Taxilanes B1 End, B10-B15 (Phase 1A)	\$985,600	\$936,320	\$24,640	\$24,640
18	Reconstruct Apron Hangar Area - Phase 1B	\$952,600	\$0	\$0	\$952,600
19A	Reconstruct Apron Hangar Area - Phase 1C	\$369,300	\$0	\$0	\$369,300
22	RPZ Land Acquisition - Runway 11	\$1,546,000	\$1,468,700	\$38,650	\$38,650
23	South Expansion Land Acquisition - Phase 1 (BRL Land)	\$1,367,000	\$1,298,650	\$34,175	\$34,175
27	Mill & Overlay Runway 11-29	\$2,055,900	\$1,953,105	\$51,398	\$51,398
PHASE I TOTAL		\$10,712,200	\$8,579,640	\$225,780	\$1,906,780

Source: Kimley-Horn and Associates, Inc., Nampa Municipal Airport, 2010.



Table 7.3
Proposed Capital Improvement Program
Phase II (Intermediate Term, 2016-2020)

Item No.	Project	Estimated Capital Costs	FAA Eligible	State Share	Local Share
2	East Hangar Ramp - South Expansion	\$1,649,600	\$1,567,120	\$41,240	\$41,240
3	East Area Taxilane Construction (20 Acre Parcel)	\$1,255,600	\$1,192,820	\$31,390	\$31,390
4	East Area Apron Construction (20 Acre Parcel)	\$894,900	\$850,155	\$22,373	\$22,373
6	New Terminal Area Parking Lot Construction	\$625,700	\$0	\$0	\$625,700
7	East Area Parking Lot Construction (20 Acre Parcel)	\$679,300	\$0	\$0	\$679,300
9	Rehabilitate Road - Pilatus Lane	\$21,600	\$0	\$0	\$21,600
11	Happy Valley Road Vertical Clearance	\$441,400	\$419,330	\$11,035	\$11,035
12A	Rehabilitate Runway 11-29	\$220,700	\$209,665	\$5,518	\$5,518
12B	Rehabilitate Parallel Taxiway & Exit Taxiways	\$152,100	\$144,495	\$3,803	\$3,803
15	Rehabilitate Triangle Apron, Taxilanes B4-B6 (Phase 2A)	\$875,200	\$831,440	\$21,880	\$21,880
17	Rehabilitate Terminal and North Central Aprons, T/L B1-B3 (Phase 3A)	\$106,200	\$100,890	\$2,655	\$2,655
19B	Reconstruct Apron Hangar Area - Phase 3B	\$551,600	\$0	\$0	\$551,600
20A	Reconstruct Apron Hangar Area - Phase 2B	\$492,400	\$0	\$0	\$492,400
20B	Reconstruct Apron Hangar Area - Phase 3C	\$197,200	\$0	\$0	\$197,200
21	RPZ Land Acquisition - Runway 29	\$298,000	\$283,100	\$7,450	\$7,450
PHASE II TOTAL		\$8,461,500	\$5,599,015	\$147,343	\$2,715,143

Source: Kimley-Horn and Associates, Inc., Nampa Municipal Airport, 2010.

Table 7.4 lists the Phase III development that includes significant airfield improvements including land acquisition for the south expansion, general aviation east area, and general aviation northeast area. Phase III capital costs are currently estimated at \$19.7 million, of which \$18.6 million could be eligible for funding from the FAA, \$488,800 could be provided by the state, and \$673,800 would be required of the Airport.

When combined, the 20-year CIP for Nampa Municipal Airport represents nearly \$39 million in development projects, of which approximately 84% is eligible for federal participation, with the remaining funding requirements being met through a combination of state grants and airport funding sources.



Table 7.4
Proposed Capital Improvement Program
Phase III (Long Term, 2021-2030)

Item No.	Project	Estimated Capital Costs	FAA Eligible	State Share	Local Share
2	East Hangar Ramp - South Expansion	\$137,400	\$130,530	\$3,435	\$3,435
3	East Area Taxilane Construction (20 Acre Parcel)	\$116,400	\$110,580	\$2,910	\$2,910
4	East Area Apron Construction (20 Acre Parcel)	\$75,000	\$71,250	\$1,875	\$1,875
12A	Rehabilitate Runway 11-29	\$220,700	\$209,665	\$5,518	\$5,518
12B	Rehabilitate Parallel Taxiway & Exit Taxiways	\$152,100	\$144,495	\$3,803	\$3,803
13	Rehabilitate Taxilanes C1-C8 & East Hangar Ramp	\$218,200	\$207,290	\$5,455	\$5,455
15	Rehabilitate Triangle Apron, Taxilanes B4-B6 (Phase 2A)	\$87,200	\$82,840	\$2,180	\$2,180
16	Rehabilitate Northwest Apron, Taxilanes B1 End, B10-B15 (Phase 1A)	\$93,300	\$88,635	\$2,333	\$2,333
17	Rehabilitate Terminal and North Central Aprons, T/L B1-B3 (Phase 3A)	\$106,200	\$100,890	\$2,655	\$2,655
18	Reconstruct Apron Hangar Area - Phase 1B	\$75,800	\$0	\$0	\$75,800
19A	Reconstruct Apron Hangar Area - Phase 1C	\$25,200	\$0	\$0	\$25,200
19B	Reconstruct Apron Hangar Area - Phase 3B	\$37,700	\$0	\$0	\$37,700
20A	Reconstruct Apron Hangar Area - Phase 2B	\$33,100	\$0	\$0	\$33,100
20B	Reconstruct Apron Hangar Area - Phase 3C	\$13,200	\$0	\$0	\$13,200
24	South Expansion Land Acquisition - Phase 2	\$14,144,000	\$13,436,800	\$353,600	\$353,600
25	Future GA Hangar Area - Land Acquisition	\$2,270,000	\$2,156,500	\$56,750	\$56,750
26	Future GA NE Area - Land Acquisition	\$1,930,000	\$1,833,500	\$48,250	\$48,250
PHASE III TOTAL		\$19,735,500	\$18,572,975	\$488,763	\$673,763

Source: Kimley-Horn and Associates, Inc., Nampa Municipal Airport, 2010.

It should also be noted that the Airport will occasionally conduct projects that are not included in the CIP. While these are typically smaller projects that are shorter term in nature making them difficult to identify and project, they have been identified in subsequent tables as “Non-CIP Capital Expenditures (airport

projects).” Specific to this analysis, non-CIP project costs were only identified for FY 2010 and FY2011 to be \$17,119 and \$30,000 respectively.



7.3.2 Airport Operating Revenues and Expenses

Airport revenues are typically generated through user fees charged by a given airport for the facilities and services that it provides. These user fees are typically established by that airport based on the market conditions within its area and can vary dramatically from airport-to-airport. For Nampa Municipal Airport, the airport operating revenues are realized from the following primary sources:

- Fixed Base Operations (including Special Aviation Service Operators)
- Land Leases
- Facilities Rental
- Miscellaneous Revenues
- Interest Income
- City Contributions (Note that contributions are in the form of property tax revenues, delinquent property tax revenues, and circuit breaker revenues, and are designated for use first for non-airport operations and management expenses, and then second for use for airport operations and maintenance.)

Landside facility development and levels of aviation activity are typically the primary factors affecting airport operating revenues. Note that as additional airport development occurs, the number of based aircraft and itinerant aircraft operations will normally increase and new/updated leases will be enacted, typically resulting in airport operating revenues increasing in a corresponding fashion.

Airport operating revenues are offset by airport operating expenses, typically referred to as

Operation and Maintenance (O&M) costs. Airport operating expenses are comprised of the day-to-day costs incurred by operating the airport itself. They do not include non-cash and capital costs associated with depreciation, debt service, and infrastructure development. Primary components of O&M costs at Nampa Municipal Airport include the following:

- Personnel Services – Includes full-time salaries, overtime pay, accrued personal leave, payroll taxes, health insurance, pension and retirement benefits, unemployment insurance and workers' compensation expense.
- Fixed Costs – Includes building rentals, insurance (building, vehicle, liability, etc.), phones (cell/land), utilities (power, natural gas, trash, etc.), irrigation assessments, etc.
- Administrative Costs – Includes office supplies, postage, printing, computer software, personnel equipment, operations supplies, advertising, marketing, training, small equipment, dues, etc.
- Operations Expenses – Includes repair/maintenance of buildings (hangars, terminal), ground maintenance (asphalt, pests, snow, weeds, lawns), vehicles (repair, maintenance, fuel), repair/maintenance of equipment (fuel island, beacon, windsock, AWOS, taxiway/runway lights), security (fences, gates, cameras), etc.
- Contractual Services – Includes large maintenance projects, background checks, lot surveys, consultant services, merchant fees, etc.



The historic operating revenues and expenses for Nampa Municipal Airport over the last three fiscal years are presented in **Table 7.5**.

7.3.3 Projected Operating Revenues and Expenses

The continued growth of Nampa Municipal Airport, in terms of activity, tenants, new leases and facility development, will impact the airport’s operating revenues and expenses over the

planning period. Actual future financial outcomes will be determined by a variety of factors, many of which are impossible to identify at the current time. However, the projections developed in this evaluation depict future airport operating revenues and expenses based on recent financial results, budgeted revenues and expenses for 2010, and activity and tenant growth trends identified in previous sections.

Table 7.5
Airport Operating Revenues and Expenses

	FY2007	FY2008	FY2009
<u>OPERATING REVENUES</u>			
City Contributions (property taxes, delinquent taxes, circuit breaker)	\$138,547	\$101,658	\$104,247
Fixed Base Operations	\$21,392	\$24,017	\$69,362
Land Lease	\$86,885	\$106,539	\$64,892
Facilities Rental	\$199,033	\$198,149	\$148,841
Misc. Revenue	\$565	\$3,069	\$4,450
Interest Income	\$0	\$8,565	\$3,863
<i>Total Annual Operating Revenues</i>	\$446,422	\$441,997	\$395,655
<u>OPERATING & MAINTENANCE EXPENSES</u>			
Personnel Services	\$148,677	\$175,906	\$181,590
Fixed Costs	\$50,854	\$63,837	\$53,829
Administrative Costs	\$13,198	\$16,663	\$17,070
Operations Expenses	\$57,083	\$83,008	\$31,845
Contractual Services	\$14,869	\$13,949	\$17,007
<i>Total Annual Operating & Maintenance Expenses</i>	\$284,681	\$353,363	\$301,341
<u>Net Operating Income</u>	\$161,741	\$88,634	\$94,314

Source: Nampa Municipal Airport



Projections of future airport operating revenues and expenses at Nampa Municipal Airport for the periods 2010 through 2030 are presented in **Table 7.6**. The following information for operating revenues was established through close consideration of historical trends, as well as proposed airport development initiatives and how they might impact those future revenues. In most cases, revenue projections resulted from normal growth factors refined to more closely reflect the circumstances of Nampa Municipal Airport. Specifically, while most revenues were projected to increase at standard rates (3% annually that will slightly increase beyond FY2015), city contributions were projected to increase at 1.5%.

On the operating expenses side, increases in salaries and wages, as well as overall operational activities are based on accepted inflationary growth rates (primarily a 3% annual growth), with slightly higher growth factors for fuel costs in order to account for some volatility in the supply market, as well as for the overall personnel costs.

Additionally, there are several other considerations worth noting:

- Nampa Municipal Airport is currently restructuring many of its financial mechanisms, making 2010 a transition year in terms of financial tracking and accounting. As such, some inconsistencies in each category from FY2008 through FY2010 may be seen.
- It is the Airport's standard policy that expenses not exceed revenues. Any excesses in expenses will be reduced to meet revenues. Note that if revenues are short of covering expenses, "contractual

services" expense category will be adjusted to balance the budget since this category typically has the greatest inherent budgetary flexibility. This category would then be followed by "administrative costs."

- For purposes of this analysis, expenses related to personnel services, fixed costs, administrative costs, and operations expenses were assumed to be the most rigid. Contractual services were assumed to have the greatest inherent flexibility.
- Nampa Municipal Airport has an Airport Fund established that is designated for use for both capital projects and airport operations and maintenance. If projects are needed and funds are short, the Airport Commission can request that the Airport Fund be utilized to cover those expenses. As of FY2010, the Airport reports a current balance in the Airport Fund of \$607,282.
- As of FY2011, City of Nampa contributions to the Airport (in the form of property taxes, delinquent taxes and circuit breaker taxes) can be used for both capital projects and airport operations and maintenance. The standard prioritization for application of these funds is to first fund non-airport operations and management expenses (i.e. any grant matching requirement for federal and/or state capital projects), and then second fund airport operations and maintenance. Note that the city contributions in **Table 7.6** only reflect that portion of the total contributions that are eligible for use in airport operations and maintenance.



Table 7.6
Projected Airport Operating Revenues and Expenses

	FY2010 (Budget)	FY2015	FY2020	FY 2025	FY 2030
<u>OPERATING REVENUES</u>					
City Contributions ¹ (available for Operations and Maintenance)	\$97,850	\$46,570	\$95,469	\$131,044	\$103,068
Fixed Base Operations	\$73,149	\$83,236	\$98,858	\$117,411	\$139,447
Land Lease	\$62,269	\$70,856	\$84,156	\$99,951	\$118,710
Facilities Rental	\$208,277	\$236,997	\$281,479	\$334,309	\$397,054
Misc. Revenue	\$7,517	\$8,554	\$9,916	\$11,495	\$13,326
Interest Income ²	\$0	\$0	\$0	\$0	\$0
<i>Total Annual Operating Revenues</i>	\$449,062	\$446,213	\$569,878	\$694,210	\$771,605
<u>OPERATING & MAINTENANCE EXPENSES</u>					
Personnel Services	\$191,590	\$220,365	\$268,108	\$326,193	\$396,864
Fixed Costs	\$49,955	\$56,464	\$65,458	\$75,884	\$87,971
Administrative Costs	\$27,211	\$20,978	\$24,319	\$28,192	\$32,682
Operations Expenses	\$110,187	\$84,136	\$102,364	\$124,542	\$151,525
Contractual Services ³	\$53,000	\$64,270	\$74,507	\$86,373	\$100,129
<i>Total Annual Operating & Maintenance Expenses</i>	\$431,943	\$446,213	\$534,756	\$641,184	\$769,171
<u>Net Operating Income</u>	\$17,119	\$0	\$35,122	\$53,026	\$2,434

Source: Nampa Municipal Airport and Wilbur Smith Associates.

¹ City contributions to the Nampa Municipal Airport are designated for use first for non-airport operations and management expenses (i.e. any grant matching requirement for federal and/or state capital projects), and then second for use for airport operations and maintenance. The city contributions shown in this table reflect only those contributions available for operations and maintenance and do not include that portion of the city contributions designated for matching grants.

² Interest income has historically only been sporadically realized by the Airport. In order to conservatively account for this uncertainty, it has still been included in the table to acknowledge the potential for income, but left with no projected value.

³ If airport operating revenues are inadequate to meet the airport's annual operations and maintenance requirements, Nampa Municipal Airport will first pursue reductions in the contractual services budget to balance airport revenues and expenses.



The projected operating revenues presented in **Table 7.6** are based on historical year-end financial results for FY2007-FY2009 and budgeted revenues for FY2010 and FY2011. Additionally, forecasted increases in airport based and itinerant aircraft activities, as well as airport tenant populations presented in previous chapters of this Master Plan, have been incorporated into these projections. Note that considerations have also been made regarding increasing tenant lease rates and the general growth in jet fuel services. As reflected in **Table 7.5** and **Table 7.6**, based on projected activity growth and assumptions regarding future tenant growth and development at the Nampa Municipal Airport, operating revenues are projected to increase from a budgeted \$395,655 in 2009 to \$771,605 by 2030. Additionally, operations and maintenance expenses are projected to increase from a budgeted \$301,341 in 2009 to \$769,171 by 2030. When combined, these projections reflect a balanced airport operations and maintenance budget throughout the planning period.

7.4 FINANCIAL PLAN SUMMARY

The primary goal is for the Airport to evolve into a facility that will best serve the air transportation needs of the region while simultaneously developing into a self-sustaining economic generator for the City of Nampa. This Master Plan Update can best be described as being the road map to helping the Airport achieve these goals. But it should be recognized that planning is a continuous process that does not end with the completion of the Master Plan in that the fundamental basic issues that have driven this Master Plan will remain valid for many years. Therefore, the ability to continuously monitor the existing and forecast status of airport activity will

be a key ingredient in maintaining the applicability and relevance of this study.

In order to realize those goals through the successful implementation of airport development projects, sound and measured decisions by the City of Nampa must be made. Two of the most important factors in influencing the decision to move forward with a specific improvement are airport activity and funding timing. Both factors must be considered in the implementation of this Master Plan in that while airport activity levels provide the “what” and the “why” in the establishment of airport improvements, the timing of funding provides the “how.” Through the course of this Master Plan effort, the “what” and the “why” have been discussed in detail in previous sections. This section has addressed the “how” by providing an overview of the practical financial realities required to implement this overall airport development program. However, although every effort has been made in this chapter to conservatively estimate when facility development may be required, aviation demand and the availability of financial resources for capital projects will ultimately dictate when facility improvements need to be implemented, accelerated or delayed.

For Nampa Municipal Airport, the Financial Plan Summary presented below in **Table 7.9** includes projection totals for operating revenues, operating expenses, capital expenditures, capital funding, and cash flow that result from the projections presented above.

Previous sections of this analysis provided a practical approach for scheduling capital expenditures to match the availability of capital financing. Based on the assumptions identified



within the previous sections and subject to the availability of FAA funding (through state apportionment and AIP discretionary awards), and the identification of currently unidentified Unknown Capital Funding Sources described in the analysis, implementation of the Master Plan CIP is financially possible. However, the most significant concern of implementing this CIP is the identification of those Unknown Capital Funding Sources, without which, several non-federally funded eligible projects would have to be shifted to later phases until such time as that funding is identified.

Beyond the obvious concern over those unidentified funding sources, the “reasonableness” of funding the capital program can be best characterized by the level of identified funding (not Unknown Capital Funding Source) indicated in each phase of the program. In Phase I, 84% of the funding sources are identified, in Phase II, 70% of the funding has been identified, and in Phase III, 99.7% has been identified.

Key assumptions supporting the financial plan relate to the availability and timeliness of the funding sources that have been indicated. Continuation of the AIP entitlement program at authorized funding levels is essential. Receiving state apportionment or AIP discretionary grants of approximately \$7.7 million during Phase I, \$4.9 million during Phase II, and \$17.1 million during Phase III as indicated are critical to the financial feasibility of implementing these projects. Without this level of discretionary funding, these projects are not practically feasible and would have to be delayed or cancelled unless another source of funds could be acquired.

Tables 7.7 through 7.9 present the detailed financial analysis for implementation of the Nampa Municipal Airport CIP.



Table 7.7
Actual, Budgeted and Projected Operating Revenues

Revenues	Actual 2007	Actual 2008	Actual 2009	Budgeted 2010	Budgeted 2011	Phase I (2010-2015)					Phase II Projected 2016-2020	Phase III Projected 2021-2030
						Projected						
						2012	2013	2014	2015	Total		
Annual Operating Revenues												
<i>City Contributions</i> (property, delinquent, circuit breaker)												
<i>Total City Contributions</i>	\$138,547	\$101,658	\$104,247	\$97,850	\$100,786	\$102,298	\$103,832	\$105,389	\$106,970	\$617,125	\$598,832	\$1,416,412
City Contributions (Non-O&M use)					\$24,398	\$16,630	\$12,275	\$53,983	\$60,400	\$167,686	\$147,343	\$282,363
City Contributions (O&M use)	\$138,547	\$101,658	\$104,247	\$97,850	\$76,388	\$85,668	\$91,557	\$51,406	\$46,570	\$449,439	\$451,489	\$1,134,049
<i>Airport Revenues</i>												
Fixed Based Operations	\$21,392	\$24,017	\$69,362	\$73,149	\$73,954	\$76,173	\$78,458	\$80,812	\$83,236	\$465,782	\$461,971	\$1,200,320
Annual Growth Rate		12.3%	188.8%	5.5%	1.1%	3.0%	3.0%	3.0%	3.0%	2.6%	3.1%	3.3%
Land Lease	\$86,885	\$106,539	\$64,892	\$62,269	\$62,954	\$64,843	\$66,788	\$68,792	\$70,856	\$396,502	\$393,265	\$1,021,820
Annual Growth Rate		22.6%	-39.1%	-4.0%	1.1%	3.0%	3.0%	3.0%	3.0%	2.6%	3.1%	3.3%
Facilities Rental	\$199,033	\$198,149	\$148,841	\$208,277	\$210,568	\$216,885	\$223,392	\$230,094	\$236,997	\$1,326,213	\$1,315,371	\$3,417,718
Annual Growth Rate		-0.4%	-24.9%	39.9%	1.1%	3.0%	3.0%	3.0%	3.0%	2.6%	3.1%	3.3%
Misc. Revenue	\$565	\$3,069	\$4,450	\$7,517	\$7,600	\$7,828	\$8,063	\$8,305	\$8,554	\$47,867	\$46,776	\$117,082
Annual Growth Rate		443.2%	45.0%	68.9%	1.1%	3.0%	3.0%	3.0%	3.0%	2.6%	2.8%	2.9%
Interest Income	\$0	\$8,565	\$3,863	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Growth Rate			-66.6%							0.0%	0.0%	0.0%
Total Airport Revenues	\$307,875	\$340,339	\$291,408	\$351,212	\$355,076	\$365,729	\$376,701	\$388,003	\$399,643	\$2,236,364	\$2,217,383	\$5,756,940
Total Annual Operating Revenues	\$446,422	\$441,997	\$395,655	\$449,062	\$431,464	\$451,397	\$468,258	\$439,409	\$446,213	\$2,685,803	\$2,668,872	\$6,890,989
Annual Growth Rate		-1.0%	-10.7%	13.8%	-3.9%	4.6%	3.7%	-6.2%	1.5%	-0.1%	2.4%	2.7%

Source: Wilbur Smith Associates, 2010

¹ City contributions to the Nampa Municipal Airport are designated for use first for non-airport operations and management expenses (i.e. any grant matching requirement for federal and/or state capital projects), and then second for use for airport operations and maintenance.



Table 7.8
Actual, Budgeted and Projected Operations & Maintenance Expenses

Expenses	Actual 2007	Actual 2008	Actual 2009	Budgeted 2010	Phase I (2010-2015)					Phase II Projected 2016-2020	Phase III Projected 2021-2030	
					Budgeted 2011	Projected						Total
						2012	2013	2014	2015			
Operations & Maintenance Expenses												
Personnel Services	\$148,677	\$175,906	\$181,590	\$191,590	\$195,792	\$201,666	\$207,716	\$213,947	\$220,365	\$1,231,076	\$1,241,312	\$3,347,680
Annual Growth Rate		18.3%	3.2%	5.5%	2.2%	3.0%	3.0%	3.0%	3.0%	2.8%	3.4%	3.7%
Fixed Costs	\$50,854	\$63,837	\$53,829	\$49,955	\$50,167	\$51,672	\$53,222	\$54,819	\$56,464	\$316,299	\$308,770	\$772,921
Annual Growth Rate		25.5%	-15.7%	-7.2%	0.4%	3.0%	3.0%	3.0%	3.0%	2.5%	2.7%	2.9%
Administrative Costs	\$13,198	\$16,663	\$17,070	\$27,211	\$18,639	\$19,198	\$19,774	\$20,367	\$20,978	\$126,167	\$114,715	\$287,151
Annual Growth Rate		26.3%	2.4%	59.4%	-31.5%	3.0%	3.0%	3.0%	3.0%	-5.1%	-1.1%	0.9%
Operations Expenses ¹	\$57,083	\$83,008	\$31,845	\$110,187	\$74,753	\$76,996	\$79,306	\$81,685	\$84,136	\$507,063	\$473,934	\$1,278,160
Annual Growth Rate		45.4%	-61.6%	246.0%	-32.2%	3.0%	3.0%	3.0%	3.0%	-5.3%	-0.7%	1.6%
Contractual Services	\$14,869	\$13,949	\$17,007	\$53,000	\$62,113	\$63,976	\$65,895	\$67,872	\$64,270	\$377,126	\$351,456	\$879,752
Annual Growth Rate		-6.2%	21.9%	211.6%	17.2%	3.0%	3.0%	3.0%	3.0%	3.9%	3.5%	3.2%
Total Expenses/Expenditures	\$284,681	\$353,363	\$301,341	\$431,943	\$401,464	\$413,508	\$425,913	\$438,690	\$446,213	\$2,557,731	\$2,490,187	\$6,565,664
Annual Growth Rate		24.1%	-14.7%	43.3%	-7.1%	3.0%	3.0%	3.0%	1.7%	0.7%	2.2%	2.9%

Source: Wilbur Smith Associates, 2010

¹ If airport operating revenues are inadequate to meet the airport's annual operations and maintenance requirements, Nampa Municipal Airport will first pursue reductions in the contractual services budget to balance airport revenues and expenses.



Table 7.9
Financial Plan Summary - Budgeted and Projected Net Revenues, Capital Funding and Capital Expenditures

Operating and Capital Cash Flow	Phase I (2010-2015)						Phase II Projected 2016-2020	Phase III Projected 2021-2030	
	Budgeted	Budgeted	Projected						
	2010	2011	2012	2013	2014	2015			Total
Operating Cash Flow									
Revenues:									
Total Operating Revenues	\$351,212	\$355,076	\$365,729	\$376,701	\$388,003	\$399,643	\$1,885,152	\$2,217,383	\$5,756,940
City Contributions (O&M)	\$97,850	\$76,388	\$85,668	\$91,557	\$51,406	\$46,570	\$449,439	\$451,489	\$1,139,887
City Contributions (AIP Match)	\$0	\$24,398	\$16,630	\$12,275	\$53,983	\$60,400	\$167,686	\$147,343	\$276,525
Expenses:									
Total Operation and Maintenance Expenses	\$431,943	\$401,464	\$413,508	\$425,913	\$438,690	\$446,213	\$2,557,731	\$2,490,187	\$6,565,664
Net Operating Cash Flow Available for Capital Expenditures	\$17,119	\$54,398	\$54,519	\$54,620	\$54,702	\$60,400	\$295,758	\$326,028	\$607,688
Beginning Airport Fund Balance	\$607,282	\$488,587	\$461,588	\$315,577	\$270,322	\$49,142	\$607,282	\$49,142	\$60,028
<i>Total Airport Operating Funds Available For Capital Expenditures</i>	\$624,401	\$542,985	\$516,107	\$370,197	\$325,024	\$109,542	\$903,040	\$375,170	\$667,716
Capital Cash Flow									
Capital Funding Sources:									
AIP Entitlement Grants	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$900,000	\$750,000	\$1,500,000
State Apportionment/AIP Discretionary Grants	\$1,031,610	\$1,803,105	\$481,940	\$316,450	\$1,901,335	\$2,145,200	\$7,679,640	\$4,849,015	\$17,072,975
State Aeronautics Division	\$31,095	\$51,398	\$16,630	\$12,275	\$53,983	\$60,400	\$225,781	\$147,343	\$488,764
Unknown Capital Funding Source	\$0	\$0	\$0	\$0	\$1,100,000	\$0	\$1,100,000	\$2,400,000	\$50,000
Total Capital Funding Sources	\$1,212,705	\$2,004,503	\$648,570	\$478,725	\$3,205,318	\$2,355,600	\$9,905,421	\$8,146,358	\$19,111,739
<i>Total Funds Available for Capital Expenditures</i>	\$1,837,106	\$2,547,488	\$1,164,677	\$848,922	\$3,530,342	\$2,465,142	\$10,808,461	\$8,521,528	\$19,779,445
Non-CIP Capital Expenditures (airport projects)	\$17,119	\$30,000	\$0	\$0	\$0	\$0	\$47,119	\$0	\$0
AIP-Eligible Expenditures	\$1,243,800	\$2,055,900	\$665,200	\$491,000	\$2,159,300	\$2,416,000	\$9,031,200	\$5,893,700	\$19,550,500
Non-AIP-Eligible Expenditures	\$87,600	\$0	\$183,900	\$87,600	\$1,321,900	\$0	\$1,681,000	\$2,567,800	\$185,000
<i>Capital Improvement Program Expenditures</i>	\$1,331,400	\$2,055,900	\$849,100	\$578,600	\$3,481,200	\$2,416,000	\$10,712,200	\$8,461,500	\$19,735,500
Ending Airport Fund Balance	\$488,587	\$461,588	\$315,577	\$270,322	\$49,142	\$49,142	\$49,142	\$60,028	\$43,955

Source: Wilbur Smith Associates, 2010

¹ City contributions to the Nampa Municipal Airport are designated for use first for non-airport operations and management expenses (i.e. any grant matching requirement for federal and/or state capital projects), and then second for use for airport operations and maintenance.