

MEMORANDUM

To: Arapahoe County Public Airport Authority - Board of Commissioners

From: Andrew Gillespie, Chief Financial Officer

Date: December 12, 2024

Subject: Proposed Annual Budget for the Fiscal Year 2025

Enclosed are the operating and capital budgets proposed for 2025, the 2024 estimates, and the actual results of operations for 2023.

1. Operating revenues are based on current contracts, agreements, and anticipated miscellaneous revenue sources. Revenues are projected to increase in 2025 by \$499,365 or 5%. This increase in revenue is primarily due to an increase in aviation fuel fees from raising the fuel flowage fee from \$.10/gal to \$.15/gal on jet fuel sales and from \$.07/gal to \$.10/gal on avgas fuel sales. Construction fees are expected to increase. Investment income is expected to decrease. No significant fluctuations are expected for land rent, commercial activity fees or customs fees.
2. Other funds anticipated in 2025 include Federal Aviation Administration (FAA) reimbursements of \$14,365,700 in Airport Improvement Program (AIP) grants. This represents 90% for typical FAA AIP projects, and 95% for the Major Repairs to the ATCT.

Funds are also anticipated from state grants for \$1,645,750. This represents a reimbursement of a portion of the grant match for the FAA AIP grant for the Part 150 Study. Additionally, state grants are expected for the Airfield Snow Blower, the Loader, and Maintenance Equipment Building Expansion.

The Authority plans to apply for another state grant from the Colorado Division of Aeronautics to assist in the unleaded avgas transition program.

3. Expenses (net of depreciation) reflect an increase of \$1,407,897 or 18% in 2025. The increase is primarily due to insurance, legal, noise, unleaded AvGas transition, R&M equipment, snow removal, emergency response and personnel service.
4. Grant-Funded capital expenditures of \$18,054,053 are expected in 2025 under the FAA Airport Improvement Program and state grant program. The grants are expected to finance the Part 150 study; New ATCT Siting and Design; Major Repairs ATCT; Taxiway C and D Rehabilitation; Planning & Environmental SUV - Zero Emission Vehicle; Sweeper - Zero Emission Vehicle; Electric Bus - Zero Emission Vehicle; Deicing Runoff Improvements; Airfield Snow Blower; Loader; and Maintenance Equipment Building Expansion.

Non-Grant capital expenditures for 2025 of \$9,089,050 are projected for Phase 2 of Aviation Community & Administrative Facility / Observation Area; Multi-Function Snow Removal Equipment; Airfield Seal Coat, Striping and Rubber Removal; Upgrade Streetside Signage; Ramp/Taxilane Rehab; Construction Administration and Design and Engineering for Major Tower Repairs; Peoria Street Sidewalk Extension; Ramp Circuit Upgrade; Utilities Upgrades; Security Gates and Cameras; Generator for SRE Building; Deicing Runoff Improvements Design; Computers and Servers; Airport Vehicles; ARFF Training Area Shelter; Vehicle Lift; Landscaping; Eagle Rock Road Upgrades; SRE Building Heater Upgrades; Fuel Storage; and other equipment.

5. This budget is prepared on the modified accrual basis.

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

STATEMENT OF REVENUE, EXPENSES AND AVAILABLE FUNDS

	2023 Actual	2024 Estimate	2025 Proposed
Audited Funds Available (Beginning)	\$ 27,572,683	\$ 22,642,358	\$ 16,343,181
Revenue	\$ 11,635,082	\$ 10,156,687	\$ 10,656,052
Grant Reimbursement	\$ 5,000,230	\$ 9,727,036	\$ 16,011,450
Grant Reimbursement - Unleaded AvGas	\$ -	\$ 75,000	\$ 225,000
Total Revenue and Funds Available	\$ 44,207,995	\$ 42,601,082	\$ 43,235,683
Expense (Net of Depreciation)	\$ 6,329,893	\$ 7,785,078	\$ 9,192,975
Airport Infrastructure Improvements Bank	\$ -	\$ -	\$ 1,000,000
Loan to Tenant	\$ 250,000	\$ -	\$ -
Loan Payoff	\$ -	\$ -	\$ 2,610,606
Grant-Funded Projects	\$ 5,535,493	\$ 11,025,520	\$ 18,054,053
Other Capital Expenditures	\$ 9,450,251	\$ 7,447,303	\$ 9,089,050
Total Expenditures	\$ 21,565,637	\$ 26,257,901	\$ 39,946,684
NET FUNDS AVAILABLE (Ending)	\$ 22,642,358	\$ 16,343,181	\$ 3,288,999

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

REVENUE			
	2023 Actual	2024 Estimate	2025 Proposed
Operating Revenue:			
Land Rent & Option Fees			
Air Methods	\$ 250,909	\$ 258,136	\$ 265,581
Signature North	\$ 171,981	\$ 171,981	\$ 171,981
APA Centennial Hangars	\$ 78,842	\$ 81,208	\$ 84,201
Arapahoe County Road & Bridge	\$ 351,946	\$ 357,416	\$ 357,416
Air Plaza / Parcel 50-5	\$ 94,272	\$ 97,100	\$ 100,014
Denver jetCenter	\$ 795,585	\$ 790,090	\$ 779,908
South Suburban	\$ 141,287	\$ 145,525	\$ 149,891
Hotel	\$ 25,519	\$ 114,835	\$ 114,835
Sunborne	\$ 227,604	\$ 227,604	\$ 227,604
Willowbrook Association	\$ 187,089	\$ 194,285	\$ 164,783
Joshnik	\$ 58,299	\$ 79,423	\$ 91,878
Other	\$ 427,100	\$ 389,522	\$ 415,801
Less: Interest non-regulated leases	\$ (232,095)	\$ (229,580)	\$ (303,398)
Total Land Rent & Option Fees	\$ 2,578,337	\$ 2,677,544	\$ 2,620,494
Building Rent			
Denver jetCenter	\$ 82,906	\$ 85,302	\$ 87,820
FAA Office	\$ 109,350	\$ 117,970	\$ 143,829
FAA Tower	\$ 149,400	\$ 65,730	\$ 65,730
Total Building Rent	\$ 341,657	\$ 269,002	\$ 297,379
Aviation Fees			
Aviation Fuel Fees from FBOs	\$ 1,483,713	\$ 1,400,000	\$ 2,100,000
Colorado Fuel Tax	\$ 1,758,123	\$ 1,500,000	\$ 1,500,000
Tie Down Fees	\$ 645,196	\$ 500,000	\$ 500,000
T-Hangar Management Fees	\$ 216,964	\$ 210,000	\$ 215,000
Other Fuel Tax Fees	\$ 152,686	\$ 115,000	\$ 115,000
Total Aviation Fees	\$ 4,256,682	\$ 3,725,000	\$ 4,430,000
Commercial Activity Fees			
Aircraft Fees	\$ 52,792	\$ 33,102	\$ 33,627
Activity Fees	\$ 17,000	\$ 17,875	\$ 18,500
Additional Compensation	\$ 292,565	\$ 262,000	\$ 262,000
Application Fees	\$ 800	\$ 900	\$ 1,200
Total Commercial Activity Fees	\$ 363,157	\$ 313,877	\$ 315,327
Other Sources of Revenue			
Car Rental Concession Fees	\$ 131,750	\$ 110,000	\$ 110,000
Security Gate Cards	\$ 16,760	\$ 17,000	\$ 18,000
Vending Machine Concession Fees	\$ 1,831	\$ 800	\$ 850
Directory Sign Fees	\$ 10,214	\$ 6,500	\$ 6,500
Restaurant Concession Fees	\$ 191,455	\$ 140,000	\$ 162,000
Construction Fees	\$ 1,545,280	\$ 690,000	\$ 990,000
Customs Fees	\$ 315,522	\$ 525,000	\$ 540,000
Other	\$ 306,657	\$ 399,539	\$ 292,592
Total Other Sources of Revenue	\$ 2,519,468	\$ 1,888,839	\$ 2,119,942
Total Operating Revenue	\$ 10,059,301	\$ 8,874,262	\$ 9,783,142

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

REVENUE

	2023 Actual	2024 Estimate	2025 Proposed
Other Revenue:			
Note Receivable Parcel 50 Ramp	\$ 6,980	\$ 6,794	\$ 7,213
Note Receivable Sierra Taxilane	\$ -	\$ 33,333	\$ 50,000
CACNR Revenue	\$ 10,000	\$ 10,000	\$ 10,000
 Interest			
Investment Income	\$ 1,323,287	\$ 1,000,000	\$ 500,000
Note Receivable Interest	\$ 3,325	\$ 2,718	\$ 2,299
Interest Other	\$ 94	\$ -	\$ -
Interest on Non-regulated Leases	\$ 232,095	\$ 229,580	\$ 303,398
Total Interest	\$ 1,558,801	\$ 1,232,298	\$ 805,697
 Total Other Revenue	 \$ 1,575,781	 \$ 1,282,425	 \$ 872,910
 TOTAL ALL REVENUE	 \$ 11,635,082	 \$ 10,156,687	 \$ 10,656,052

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

EXPENSE

	2023 Actual	2024 Estimate	2025 Proposed
Operating Expenses:			
Personnel Service			
Salaries	\$ 2,330,518	\$ 2,451,763	\$ 2,794,361
Temporary Personnel	\$ -	\$ -	\$ -
Employee's Insurance	\$ 284,376	\$ 326,995	\$ 366,234
Workers' Compensation Insurance	\$ 44,049	\$ 61,294	\$ 69,859
FICA Taxes	\$ 172,902	\$ 187,560	\$ 213,769
Pension-Authority's Share	\$ 144,578	\$ 154,461	\$ 195,606
Pension Plan Administration Fee	\$ 4,088	\$ 6,500	\$ 6,500
Deferred Comp Plan	\$ 60,000	\$ 70,000	\$ 100,000
Unemployment Compensation	\$ 901	\$ 757	\$ -
Recruiting Expense	\$ 3,300	\$ 2,800	\$ 8,000
Total Personnel Service	\$ 3,044,712	\$ 3,262,130	\$ 3,754,329
Supplies, Services, & Maintenance			
Office Supplies	\$ 23,866	\$ 37,592	\$ 43,500
Postage	\$ 2,929	\$ 3,075	\$ 3,750
Advertising	\$ 576	\$ 6,498	\$ 6,044
Public Relations/Business Development	\$ 86,575	\$ 100,000	\$ 130,000
Dues & Publications	\$ 41,895	\$ 50,000	\$ 58,478
Printing & Copying	\$ 2,413	\$ 3,000	\$ 5,000
Copier, FAX & Postage Machine Leases	\$ 5,009	\$ 6,017	\$ 6,697
Insurance	\$ 189,471	\$ 216,542	\$ 253,000
Financial	\$ 45,145	\$ 65,000	\$ 73,000
Legal	\$ 44,873	\$ 300,000	\$ 350,000
Transportation, Meetings, & Seminars	\$ 107,373	\$ 143,100	\$ 204,500
Engineering & Surveying	\$ 23,117	\$ 90,000	\$ 90,000
Noise	\$ 153,718	\$ 178,000	\$ 224,000
Gas & Electricity	\$ 135,518	\$ 171,000	\$ 173,500
Telephone & Internet	\$ 76,293	\$ 100,500	\$ 102,500
Water & Sewer	\$ 268,322	\$ 285,319	\$ 292,195
Operating/Maintenance Supplies	\$ 37,896	\$ 41,900	\$ 56,900
Gasoline & Oil	\$ 53,051	\$ 80,000	\$ 80,000
Small Tools & Minor Equipment	\$ 17,500	\$ 15,000	\$ 23,000
Customs Expense	\$ 325,971	\$ 530,000	\$ 530,000
R&M - Equipment	\$ 203,814	\$ 277,500	\$ 363,250
Snow Removal	\$ 99,113	\$ 200,000	\$ 250,000
R&M - Buildings & Improvements	\$ 200,802	\$ 352,313	\$ 362,500
Equipment Rental	\$ 4,446	\$ 9,400	\$ 12,400
Environmental & Sustainability	\$ 6,623	\$ 25,000	\$ 45,000
Emergency Response	\$ 24,467	\$ 30,565	\$ 172,000
Miscellaneous	\$ 5,500	\$ 13,400	\$ 20,500
Unleaded AvGas	\$ 162,035	\$ 265,000	\$ 515,000
Total Supplies, Services, Maintenance	\$ 2,348,313	\$ 3,595,720	\$ 4,446,714
Non-Cash Operating Expense			
Depreciation	\$ 4,840,369	\$ 6,400,000	\$ 8,700,000
Total Non-Cash Operating Expense	\$ 4,840,369	\$ 6,400,000	\$ 8,700,000
Total Operating Expenses	\$ 10,233,395	\$ 13,257,850	\$ 16,901,043

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

EXPENSE

	2023 Actual	2024 Estimate	2025 Proposed
Other Expenses			
Loan Payment	\$ 788,200	\$ 807,905	\$ 828,102
Studies requested by the Authority Board	\$ -	\$ 5,000	\$ 10,000
Board Education	\$ -	\$ -	\$ 10,000
Interest Expense	\$ 114,147	\$ 94,323	\$ 73,830
Interest Expense Subscriptions	\$ 724	\$ -	\$ -
Consulting	\$ -	\$ 5,000	\$ 15,000
Centennial Airport Foundation	\$ 10,000	\$ -	\$ -
Fundraising Event	\$ -	\$ -	\$ -
GA Security	\$ 323	\$ -	\$ -
Legislative Expense	\$ 10,000	\$ 5,000	\$ 30,000
CACNR Expense	\$ 13,474	\$ 10,000	\$ 25,000
Non-Cash Expense	\$ -	\$ -	\$ -
Total Other Expenses	\$ 936,868	\$ 927,228	\$ 991,932
Total Exp. Including Non-Cash Exp.	\$ 11,170,262	\$ 14,185,078	\$ 17,892,975
Less: Non-Cash Expense	\$ 4,840,369	\$ 6,400,000	\$ 8,700,000
TOTAL ALL EXPENSES	\$ 6,329,893	\$ 7,785,078	\$ 9,192,975

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

	2024 Estimate	2025 Proposed
Capital Expenditures		
Grant Projects		
2024 Projects (Per Schedule A)	\$ 11,025,520	
2025 Projects (Per Schedule B)		\$ 18,054,053
Total Grants	\$ 11,025,520	\$ 18,054,053
Less Grants Reimbursement	\$ 9,727,036	\$ 16,011,450
TOTAL	\$ 1,298,483	\$ 2,042,603
 Non-Grant Projects		
2024 Expenditures (Per Schedule C)	\$ 7,447,303	
2025 Expenditures (Per Schedule D)		\$ 9,089,050
TOTAL	\$ 7,447,303	\$ 9,089,050
 Total Capital Expenditures Net of Grant Reimbursement	 \$ 8,745,786	 \$ 11,131,653

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

Schedule A - Grants - 2024

AIP 56 and State Grant	
Rehab Runway 17R/35L, TWY B, North Run-up, & Construct Mid-field Run-up	\$ 543,044
AIP 57 & 60 (BIL) and State Grant	
Reconstruct Main Parking Lot and Airport Roadways	\$ 2,000,000
AIP 58 and State Grant	
Part 150 Study	\$ 737,222
AIP 59	
New ATCT Siting and Design	\$ 228,613
AIP 61	
Major Repairs ATCT	\$ 100,000
AIP 62 and State Grant	
Taxiway C and D Rehabilitation	\$ 6,318,891
State Grant	
Multi-Function Snow Removal Equipment	\$ 1,097,750
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TOTAL	\$ 11,025,520

Schedule B - Grants - 2025

AIP 58 and State Grant	
Part 150 Study	\$ 1,235,000
AIP 59	
New ATCT Siting and Design	\$ 100,000
AIP 61	
Major Repairs ATCT	\$ 8,321,053
AIP 62 and State Grant	
Taxiway C and D Rehabilitation	\$ 750,000
AIP 63	
Planning & Environmental SUV - Zero Emission Vehicle	\$ 103,000
AIP 64	
Sweeper - Zero Emission Vehicle	\$ 710,000
AIP 65	
Electric Bus - Zero Emission Vehicle	\$ 275,000
AIP 66	
Deicing Runoff Improvements	\$ 4,000,000
State Grant	
Airfield Snow Blower	\$ 900,000
State Grant	
Loader	\$ 360,000
State Grant	
Maintenance Equipment Building Expansion	\$ 1,300,000
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TOTAL	\$ 18,054,053

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

Schedule C - Non-Grant Projects - 2024

Upgrade Perimeter Fence Phase II	\$ 3,250,000
SRE Building Expansion	\$ 900,000
Upgrade Perimeter Fence Phase I	\$ 536,000
Design and Engineering for Major Repairs ATCT	\$ 450,000
Ramp/Taxilane Rehab	\$ 272,000
Upgrade Airfield Signage	\$ 270,000
Airfield Striping & Rubber Removal	\$ 261,000
Airfield Seal Coat	\$ 260,973
Security Gates and Cameras	\$ 160,000
Concrete Pad at ARFF Training Site	\$ 155,000
Peoria Circle Improvements	\$ 140,000
Skid Steer with Attachments	\$ 110,347
Computers and Servers	\$ 100,000
AIM Vehicle (Replacement)	\$ 90,000
Rehabilitate Taxiway C	\$ 83,000
Runway Closure Markers	\$ 72,550
Peoria Street Digital Monument	\$ 48,720
Upgrade Streetside Signage	\$ 40,000
Upgrade Runway 10/28 PAPI System	\$ 27,000
Utility Vehicle	\$ 25,755
Strategic Plan Update	\$ 25,000
Maintenance Vehicle (Replacement)	\$ 24,396
Forklift	\$ 22,500
Radios	\$ 16,799
Track Pads	\$ 15,825
Landscaping Trailer	\$ 13,161
Public Relations Strategic Plan	\$ 10,000
Liquid Deicing Equipment	\$ 10,000
Vehicle Radios	\$ 7,500
Pallet Racks	\$ 7,500
Rwy 17R/35L RWIS	\$ 6,550
Ultrasonic Wind Sensor	\$ 6,450
Bench Tester	\$ 6,396
Upgrade Vehicle Tracking System	\$ 5,500
Wildlife Mitigation Device	\$ 5,080
Furniture and Fixtures	\$ 5,000
Mailbox Replacement	\$ 2,700
Reconstruct Fire Station Pavement	\$ 1,855
Barometric Pressure Sensor	\$ 1,745
Radios	\$ 1,000
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	\$ 7,447,303
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ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2025 BUDGET

Schedule D - Non-Grant Projects - 2025

Phase 2 of Aviation Community & Administrative Facility / Observation Area	\$ 4,000,000
Multi-Function Snow Removal Equipment	\$ 1,097,750
Airfield Seal Coat, Striping and Rubber Removal	\$ 600,000
Upgrade Streetside Signage	\$ 460,000
Ramp/Taxilane Rehab	\$ 366,000
Construction Administration for Major Tower Repairs	\$ 350,000
Peoria Street Sidewalk Extension	\$ 250,000
Ramp Circuit Upgrade Phase I	\$ 210,000
Utilities Upgrades	\$ 200,000
Security Gates and Cameras	\$ 160,000
Generator for SRE Building	\$ 150,000
Deicing Runoff Improvements Design	\$ 150,000
Computers and Servers	\$ 120,000
Maintenance Vehicle (Replacement)	\$ 115,000
ARFF Training Area Shelter	\$ 100,000
Vehicle Lift	\$ 100,000
Operations Vehicle (Addition)	\$ 90,000
Landscaping	\$ 75,000
SRE Building Heater Upgrades	\$ 75,000
Design and Engineering for Major Repairs ATCT	\$ 70,000
Fuel Storage	\$ 50,000
Eagle Rock Road Upgrades	\$ 50,000
Upgrade Perimeter Fence Phase II	\$ 50,000
Radios	\$ 34,000
Upgrade Runway 10/28 PAPI System	\$ 33,000
Upgrade Airfield Signage	\$ 30,000
Thermal Imaging Cameras	\$ 25,000
Track Pads	\$ 25,000
Furniture and Fixtures	\$ 10,000
Drone	\$ 10,000
Camera	\$ 10,000
Fire Cabinets	\$ 9,000
Mailbox Replacement	\$ 7,800
Check Signer	\$ 2,500
Liquid Deicing Equipment	\$ 2,000
Office Equipment	\$ 2,000
	\$ 9,089,050
	\$ 9,089,050

RESOLUTION TO ADOPT BUDGET
No. 2024-09

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR CENTENNIAL AIRPORT AND ADOPTING A BUDGET FOR THE ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2025 AND ENDING ON THE LAST DAY OF DECEMBER 2025.

WHEREAS, Andrew Gillespie, Chief Financial Officer, has submitted a proposed budget to the Board of Commissioners of the Arapahoe County Public Airport Authority (“Authority”) on October 10, 2024 for its consideration at the December 12, 2024 meeting and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, notifying that the proposed budget was open for inspection by the public at the Authority’s office, a public hearing was held on December 12, 2024 and interested electors were given the opportunity to file or register any objections to said proposed budget, and;

NOW, THEREFORE, BE IT RESOLVED BY the Board of Commissioners of the Arapahoe County Public Airport Authority, Colorado:

Section one. THAT ESTIMATED EXPENDITURES ARE AS FOLLOWS:

Expenses (Net of depreciation)	\$ 9,192,975
Airport Infrastructure Improvements Bank	\$ 1,000,000
Loan Payoff	\$ 2,610,606
Grant Funded Projects	\$ 18,054,053
Other Capital Expenditures	\$ 9,089,050

Section two. THAT ESTIMATED REVENUES ARE AS FOLLOWS:

Beginning Funds Available	\$ 16,343,181
Revenue	\$ 10,656,052
Grant Reimbursements	\$ 16,011,450
Grant Reimbursements - Unleaded AvGas	\$ 225,000

Section three. That the budget as submitted, amended, and hereinabove summarized, hereby is approved and adopted as the budget of the Arapahoe County Public Airport Authority for the year stated above.

Section four. That the budget hereby approved and adopted shall be signed by the Chairman and Clerk and made a part of the public records of the Arapahoe County Public Airport Authority.

ADOPTED, this 12th day of December 2024.



ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY



Thad Bagnato, Chair

ATTEST:



Jessica Campbell, Clerk

APPROPRIATION RESOLUTION
No. 2024-10

WHEREAS, Section 29-1-108 C.R.S. requires an appropriation resolution to be adopted by the governing body of this Authority for each ensuing fiscal year.

NOW, THEREFORE, BE IT RESOLVED, that the total sum of \$39,946,684 be appropriated for the Arapahoe County Public Airport Authority for the fiscal year 2025.

FURTHER RESOLVED, that the Chief Financial Officer is authorized and directed to file a certified copy of the budget with the Division of Local Government in the Department of Local Affairs.

DATED this 12th day of December 2024.



ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

By _____

Thad Bagnato, Chair

A handwritten signature in blue ink that reads "Thad Bagnato".

ATTEST:

By _____

J. Campbell
Jessica Campbell, Clerk

A handwritten signature in blue ink that reads "J. Campbell".