

Function:
Transfers

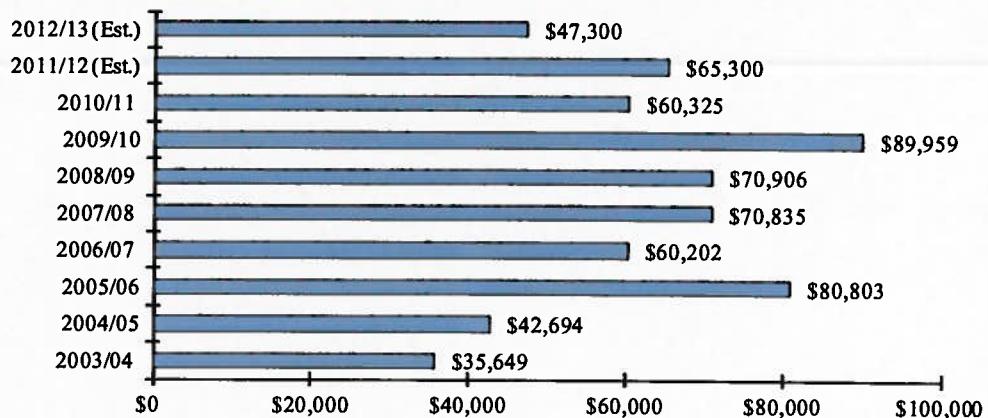
Department:
City Administrator

Activity:
Airport Operations Subsidy

GENERAL INFORMATION

The Municipal Airport operation has been designated as an Enterprise Fund for budgeting purposes. As such, it has been necessary to make subsidy transfers from the General Fund as expenses incurred exceed revenues received from the operation. A summary of General Fund transfers since fiscal year 2003/2004 follows:

General Fund Airport Subsidies



The General Fund subsidy has ranged from approximately \$35,000 to \$90,000 during the past ten years. The fluctuations in the subsidies were due to costs of repair and maintenance of airport facilities and navigational equipment, capital outlay costs and changes in farm prices which are linked to the rental land which helps support the Airport Operation.

CURRENT TRENDS AND ISSUES

The 2011/2012 revised estimate subsidy is under the budgeted amount by \$2,000. This is primarily due to reductions in tree removal services, utility, and insurance costs. The budgeted subsidy for fiscal year 2012/2013 of \$47,300 is \$20,000 (29.7%) less than the original 2011/2012 budget. This decrease is primarily due to the increase in farm rental income from City-owned property around the airport. The City re-negotiated the farm lease beginning in 2012 which will increase the net revenue (rent payment less property, drainage district, and island levee taxes) from this property. Beginning in 2012/2013 all of the farm rental income will be credited to the Airport. In 2011/2012 and prior years approximately 50% of the farm income was credited to the Water Pollution Control fund. A full review of the airport operation is included in the Airport Operations budget in the Enterprise Funds section of this document.

As the Municipal Airport is an integral part of the community and plays an important role in the economic development of the City, it is anticipated that the General Fund will continue to subsidize this operation in the future.

Function:
Transfers

Department:
Community Development

Activity:
Airport Operations Subsidy

	Actual 2009/2010	Actual 2010/2011	Budget 2011/2012	Revised Estimate 2011/2012	Budget 2012/2013	Percent Change
Expenditure Summary						
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	-
Commodities	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Transfers	<u>89,959</u>	<u>60,325</u>	<u>67,300</u>	<u>65,300</u>	<u>47,300</u>	-29.72%
Total Expenditures	<u>\$ 89,959</u>	<u>\$ 60,325</u>	<u>\$ 67,300</u>	<u>\$ 65,300</u>	<u>\$ 47,300</u>	-29.72%
Funding Sources						
General Revenues	<u>\$ 89,959</u>	<u>\$ 60,325</u>	<u>\$ 67,300</u>	<u>\$ 65,300</u>	<u>\$ 47,300</u>	-29.72%