

2025-2026 BUDGET

FRANKFORT CITY-COUNTY AIRPORT AUTHORITY



2025 – 2026 BUDGET

The following is the 2025-2026 Frankfort Dow Memorial Field (FKS) Budget as proposed by the Frankfort City-County Airport Authority (FCCAA) in accordance with the State of Michigan Public Act of 1968 – The Uniform Budgeting and Accounting Act, as amended.

The budget provides a blueprint of the FCCAA's efforts to meet the goals addressed in the FKS Airport Capital Improvement Plan (ACIP) and obtaining an un-provisional General Utility License through the State of Michigan's Bureau of Aeronautics. This document is a communication tool to assist the FCCAA in being accountable and financially transparent.

The development of the budget for FCCAA is the annual financial plan. It defines what projects and operations the Authority is funding for the budget year beginning July 1. It determines what revenues are available and how the money will be spent.

The FCCAA currently follows a modified accrual accounting basis to develop its annual budget. In the accounting method, revenue is recorded in the year it is earned, and expenditure is recorded in the year when the services are performed.

The FKS Budget covers the day-to-day operations that include labor, building and equipment repairs, snow removal, grass cutting and airfield expenses that pertain to very specialized equipment.

Contents

Budget Message	2
Table of Contents	3
2025 – 2026 FCCAA Budget	4
2025 – 2026 FCCAA Budget Comparison.....	5
2025 – 2026 FCCAA Detailed Budget	6
Income and Expenditure Narrative	7
FCCAA Bond Schedule... ..	8
FCCAA 2025 – 2026 General Appropriations Resolution	9-11
FCCAA 2025 – 2026 Appropriations Certification	12
FCCAA Chart of Accounts	13-14

Frankfort City-County Airport Authority

July 2025 - June 2026 Budget

Revenues

501.000 Federal Grants	130,000.00
539.000 State Grants	164,833.00
580.000 Contributions from Local Units	
580.001 City of Frankfort	15,000.00
580.002 Benzie County	15,000.00
580.003 Crystal Lake Township	15,000.00
Total 580.000 Contributions from Local Units	\$ 45,000.00
600.000 Airport User Fees	7,250.00
642.000 Aviation Fuel Sales	45,000.00
665.000 Interest	10,000.00
667.000 Hangar Rents	55,000.00
668.000 Tower Rent	40,600.00
674.000 Private Contributions/Donations	500.00
Total Revenues	\$ 498,183.00

Expenditures

265.000 Buildings and Grounds	2,500.00
752.000 Supplies	3,500.00
802.000 Professional Services	34,500.00
803.00 Administrator / Maint wages	50,000.00
804.000 Vector - PlanePass Service Fee	1,825.00
828.000 Insurance	14,000.00
850.000 Communications	1,320.00
851.000 Communication Tower	26,400.00
852.000 Weather Observation System	3,300.00
923.000 Propane	1,500.00
924.000 Electric Service	9,500.00
930.000 Maintenance	13,000.00
954.000 Conference Expenses	2,000.00
967.000 AV Fuel	37,700.00
970.00 Airport Capital Improvement Projects	311,500.00
Total Expenditures	\$ 512,545.00
Budgeted Use of Fund Balance	\$ 14,362.00
Net Revenues/Expenditures	\$ 0.00

Frankfort City-County Airport Authority

July 2025 - June 2026 Budget

	July '23-July '24 Actual	July '24-June '25 Projected	July '25-June '26 Budget
Revenues			
501.000 Federal Grants	1,494,199	294,000	287,000
539.000 State Grants	81,052	22,000	15,544
580.000 Contributions from Local Units			
580.001 City of Frankfort	12,000	12,000	15,000
580.002 Benzie County	12,000	15,000	15,000
580.003 Crystal Lake Township	15,000	15,000	15,000
Total 580.000 Contributions from Local Units	39,000	39,000	45,000
600.000 Airport User Fees	4,670	7,655	7,250
642.000 Aviation Fuel Sales	61,370	37,730	45,000
665.000 Interest	7,839	12,000	10,000
667.000 Hangar Rents	54,239	59,360	55,000
668.000 Tower Rent	33,789	39,756	40,600
674.000 Private Contributions/Donations/Misc.	438	0	500
Total Revenues	1,688,568	511,501	505,894
Expenditures			
265.000 Buildings and Grounds	2,142	2,500	2,500
752.000 Supplies	1,501	3,000	3,500
802.000 Professional Services	97,056	30,000	34,500
803.00 Administrator / Maint wages	51,238	44,000	50,000
804.000 Vector - PlanePass Service Fee	131	1,950	1,825
828.000 Insurance	13,789	14,000	15,000
850.000 Communications	1,226	1,430	1,500
851.000 Communication Tower	24,971	25,516	26,400
852.000 Weather Observation System	2,172	2,182	3,300
853.000 Misc. Communications	176	0	0
860.000 Travel	1,336	500	500
923.000 Propane	1,325	1,500	1,500
924.000 Electric Service	10,364	11,641	9,500
930.000 Maintenance	9,509	20,500	13,000
954.000 Conference Expenses	0	500	2,000
967.000 AV Fuel	55,750	50,000	37,700
970.00 Airport Capital Improvement Projects	2,068,506	315,776	311,500
Total Expenditures	2,341,189	524,995	514,225
Budgeted Use of Fund Balance	652,621	13,494	8,331
Net Revenues/Expenditures	0	0	0

Frankfort City-County Airport Authority

July 2025 - June 2026 Detailed Budget

Operations:

Hangar Revenue	55,000	
(Hangar Expenditures)	(6,000)	49,000
Tower Revenue	40,600	
(Tower Expenditures)	(27,900)	12,700
Fuel Revenue	45,000	
(Fuel Expenditures)	(41,700)	3,300
User Revenue	7,250	
User (Expenditures)	(1,825)	5,425
Interest, Miscellaneous Revenue	10,500	
(Wages, Conference, Travel)	(52,500)	
(Insurance)	(15,000)	
(Maintenance, Repairs)	(7,000)	
(AWOS)	(3,300)	
(Utilities, Propane, Communications)	(7,000)	
(Supplies, Buildings and Grounds)	(6,000)	(80,300)
Net Operations Revenues (Expenditures)		(9,875) *

Non-Operations:

Grant Revenues	302,544 **	
Voluntary Appropriations Revenues	45,000	
(ACIP Projects)	(311,500)	
(Professional Services)	(34,500)	
Net Non-Operations Revenues (Expenditures)		1,544
Beginning Fund Balance		3,000
Fund Balance Gain (Loss)		(18,206)
Budgeted Use of Fund Balance		8,331
Ending Fund Balance		3,000

NOTES:

* Future goal for operation revenues to offset operation expenditures in total.

** Per Nov. 2023 Consent Judgement, grant revenue to be expended for bond payment and The Pines aviation obstruction removal.

INCOME NARRATIVE:

- Federal and State Grants: consist of restricted money for Airport Capital Projects (aviation easement consent judgement/bond)
- Local Unit Contributions: minimize operating budget deficiency
- User Fees, AV Fuel Sales, Interest, Rents and Donations: money earned for airport operating expenditure payments

EXPENDITURE NARRATIVE:

- Buildings and Grounds: non-fluctuating expenses
- Supplies: increase in expenses due to new office equipment and office supplies for bookkeeping, QuickBooks and software subscriptions, postage
- Professional Services: decrease in expense due to aviation easement settlement
- Administrator and Maintenance Wages: mostly non-fluctuating airport manager salary; groundskeeping and snow removal costs vary
- Vector PlanePass Service Fee: stable 25 percent of landing and ramp fees collected
- Insurance: increase in cost due to workers compensation insurance
- Communications: non-fluctuating internet, website costs
- Communication Tower: stable cost to lease tower property
- Weather Observation System: upgrades to be performed by MDOT in June 2025, anticipate an increase in fees to the State of Michigan
- Travel and Conference Expenses: minimal
- Propane: non-fluctuating
- Electric Service: anticipated decrease in expenses after meter consolidation
- Maintenance: expenses to temporarily increase for overdue services previously deferred due to lack of funds (funds were diverted to use for professional services)
- AV Fuel: expenses decrease due to goal of 7,500 gallons per year versus 10,000
- Airport Capital Projects: expenditure determined by amount of federal and state grant money received; current project is aviation easement purchase/bond*

*As of 24 April 2025, the FCCAA anticipates utilizing the approximate \$160,000 of the FCCAA Cash Accounts for obstruction removal. This cost may be reimbursable through Federal/State grants. FCCAA Restricted Cash Accounts are strictly restricted to aviation easement purchase/bond.

BOND DEBT SERVICE

Payment Date	Principal	Coupon	Interest	Debt Service	Principal Balance
					\$ 1,635,000.00
11/1/2024	45,000	7.00%	81,386.67	126,386.67	\$ 1,590,000.00
	500,000			500,000.00	\$ 1,090,000.00
5/1/2025			38,150.00	38,150.00	\$ 1,090,000.00
11/1/2025	70,000		38,150.00	108,150.00	\$ 1,020,000.00
	300,000 *				\$ 720,000.00
	300,000 **				\$ 420,000.00
5/1/2026			14,580.00		\$ 420,000.00
11/1/2026	75,000		14,580.00	89,580.00	\$ 345,000.00
	150,000 ***				\$ 195,000.00
5/1/2027			6,900.00		\$ 195,000.00
11/1/2027	80,000		6,900.00	86,900.00	\$ 115,000.00
	115,000 ****				\$ -

* FY 2024-2025 Grants

** FY 2025-2026 Grants

*** 2026-2027 AIP Grant

**** 2027-2028 AIP Grant

FRANKFORT CITY-COUNTY AIRPORT AUTHORITY
Frankfort Dow Memorial Field, 650 Airport Rd., Frankfort, MI 49635
GENERAL APPROPRIATIONS ACT RESOLUTION 04-24-2025-#3

A resolution to establish general appropriations act for the Frankfort City-County Airport Authority (the Authority); to define the powers and duties of the Authority in relation to the administration of the budget.

The Authority Board resolves:

Section 1: Title

This resolution shall be known as the Frankfort City-County Airport Authority General Appropriations Act.

Section 2: Chief Administrative Officer

The Treasurer shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this act.

Section 3: Fiscal Officer

The Airport Manager shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this act.

Section 4: Estimated Revenues

Estimated revenues for fiscal year 2025-2026 shall total \$505,894.00

Section 5: Estimated Expenditures

Estimated expenditures for fiscal year 2025-2026 for the various activities, including \$60,000.00 depreciation, shall total \$574,225.00.

Section 6: Adoption of Budget by Reference

The budget of the Authority is hereby adopted by reference, with revenues and activity expenditures as indicated in Sections 4 and 5 of this act.

Section 7: Adoption of Budget by Cost Center

The Authority adopts the 2025-2026 fiscal year budget by cost center. The Authority members responsible for the expenditures authorized in the budget may expend Authority funds up to, but not to exceed, the total appropriation authorized for each cost center and may make transfers among the various line items contained in the cost center appropriation. However, no transfers of appropriations for line items related to personnel or capital outlays may be made without prior board approval by budget amendment.

Section 8: Appropriation not a Mandate to Spend

Appropriations will be deemed maximum authorizations to incur expenditures. The fiscal officer shall exercise supervision and control to ensure that expenditures are within appropriations and shall not issue any order for expenditures that exceed appropriations.

Section 9: Periodic Fiscal Reports

The fiscal officer shall transmit to the board at the end of each of the first three quarters, and at the end of each month occurring during the fourth quarter, a report of financial operations, including, but not limited to:

- a. a summary statement of the actual financial condition of the airport fund at the end of the previous quarter (month);
- b. a summary statement showing the receipts and expenditures and encumbrances for the previous quarter (month) and for the current fiscal year to the end of the previous quarter month);
- c. a detailed list of:
 - i. expected revenues by major source as estimated in the budget; actual receipts to date for the current fiscal year compared with actual receipts for the same period in the prior fiscal year; the balance of estimated revenues to be collected in the then current fiscal year; and any revisions in revenue estimates resulting from collection experience to date.
 - ii. for each cost center: the amount appropriated; the amount charged to each appropriation in the previous quarter (month) for the current fiscal year and as compared with the same period in the prior fiscal year; the unencumbered balance of appropriations; and any revisions in the estimate of expenditures.

Section 10: Limit on Obligations and Payments

No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.

Section 11: Budget Monitoring

Whenever it appears to the Chief Administrative Officer or the Authority that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, and when it appears that expenditures shall exceed an appropriation, the Chief Administrative Officer shall present to the Authority recommendations to prevent expenditures from exceeding available revenues or appropriations for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Section 12: Board Adoption

Motion made by Coury Carland, seconded by Eric Pekarul to adopt the foregoing resolution. Upon roll call vote:

Coury Carland: yes	Steve Koppin: yes
Ken Laurence: <u>absent</u>	Sue Webber: yes
Brady Olsen: yes	Eric Pekarul: <u>yes</u>
David Spragens: yes	Aye: 6. Nay: 0.

The Authority Chairman declared the motion carried and the resolution duly adopted on the 24th day of April 2025.

Custer C. Carland

Coury Carland, FCCAA Board Chairman

FRANKFORT CITY-COUNTY AIRPORT AUTHORITY

Frankfort Dow Memorial Field, 650 Airport Rd., Frankfort, MI 49635

CERTIFICATION OF LOCAL APPROPRIATIONS

The Frankfort City-County Airport Authority (FCCAA) prepared a budget for July 1, 2025, to June 30, 2026, itemizing the estimated expenses and revenues, from all sources, of the Frankfort Dow Memorial Field (FKS) airport. The FCCAA unanimously passed the 2025-2026 Budget, at a regular meeting of the FCCAA, at which a quorum of the Board was present, and held at the offices of the FCCAA at 650 Airport Road, in Frankfort, Mich., on the 24th of April 2025, having complied with the provisions of the Open Meetings Act.

For the FCCAA fiscal year ending June 30, 2026, there is hereby appropriate for the corporate purposes of the FCCAA, the total sum of \$45,000.00, which is deemed necessary to pay the costs of operating and maintaining FKS, as detailed to each participating county, city and township:

- City of Frankfort, \$15,000.00
- County of Benzie, \$15,000.00
- Crystal Lake Township, \$15,000.00

The local appropriations are so certified by the FKS Airport Manager.

Brooke L. Trentham Popp

Brooke L. Trentham Popp
kfkisdow@gmail.com

Frankfort City-County Airport Authority Chart of Accounts

Account #	Name	Type	Description
001.000	CASH ACCOUNTS: Checking	Bank	Checking account
002.000	CASH ACCOUNTS: Bank MMKT	Bank	Money Market account
004.000	RESTRICTED: Bond Debt Service Reserve	Bank	Huntington Bank account
003.000	RESTRICTED: Huntington National Bank	Bank	Huntington is the fiduciary for Northland
040.000	Accounts Receivable	Accounts receivable	Invoices unpaid
078.000	Due From State Of Michigan	Accounts receivable	Grants, reimbursement
062.00	Lease Receivable - GASB 87	Accounts receivable	GASB 87 requires a receivable for total value of lease, reduction annually as payments collected
368.000	Inventory -AV Fuel	Other Current Assets	AV fuel in inventory
041.000	Undeposited Funds	Other Current Assets	Funds waiting for deposit
202.000	Accounts Payable	Accounts payable	Bills due
202.001	Payroll Liabilities		
	Payroll Liabilities:Federal Withholding	Liabilities	FCCAA employee federal withholding
	Payroll Liabilities:Medicare-Employee	Liabilities	FCCAA employee Medicare withholding
	Payroll Liabilities:Social Security-Employee	Liabilities	FCCAA employee Social Security withholding
	Payroll Liabilities:State Withholding	Liabilities	FCCAA employee state withholding
123.00	Prepaid Insurance	Other Current Liabilities	Insurance paid for next fiscal year
251.000	Accrued Bond Interest	Long Term Liabilities	
300.000	Bond Payable	Long Term Liabilities	Bond to pay Pines avigation easement settlement
307.000	Note Payable	Long Term Liabilities	Avigation easement settlement with PSJ "Pines"
339.000	Unearned Revenue-Prepaid Hangar Rent	Long Term Liabilities	Hangar tenant rent received in advance
600.000	Airport User Fees	Income	PlanePass/Vector operations income
600.005	Airport User Fees: Event Fees	Income	Events, Fly-Ins
642.000	Aviation Fuel Sales	Income	
691.000	Budgeted Use of Fund Balance	Income	
580.000	Contributions from Local Units	Income	Appropriations from City, County and Township
501.000	Federal Grants	Income	AIP funds received
667.000	Hangar Rents	Income	Rents received from hangar tenants
665.000	Interest	Income	Interest earned
089.000	Lease Receivable	Income	
674.000	Private Contributions/Donations	Income	Contributions, donations
687.000	Refunds/Rebates	Income	Refunds, rebates received
539.000	State Grants	Income	State funds received
540.000	State Reimbursements	Income	AIP reimbursement through State
668.000	Tower Rent	Income	Rents received from AT&T, Eclipse

Frankfort City-County Airport Authority Chart of Accounts

803.00	Administrator / Maint wages	Expenses	Airport Manager, FCCAA employees
	FICA	Expenses	FICA paid by FCCAA
970.00	Airport Capital Improvement Projects:	Expenses	Purchase of Land, air easements, etc
970.001	Air Easement Acquisition:		
	Bond Expenses	Expenses	Administration fees
	Bond Interest Expense	Expenses	
	Settlement Costs	Expenses	Principal paid on bond
967.000	AV Fuel Expenses:	Expenses	Cost of AV fuel
	Monthly Equipment Rental Fee	Expenses	AV Fuel service fee
	Credit Card Fees	Expenses	Fees charged for credit card use
	QT Pod Annual Subscription Fee	Expenses	Annual service fee
	AV Fuel Sales	Expenses	AV Fuel fee per transaction
265.000	Buildings and Grounds	Expenses	Terminal janitorial
850.000	Communications	Expenses	Telephone, internet, website
851.000	Communication Tower	Expenses	Annual beacon tower easement fee
924.000	Electric Service:	Expenses	
	General Airport, Terminal Electric Service	Expenses	
	Hangar Electric Service	Expenses	
	Tower Electric Service	Expenses	
828.000	Insurance	Expenses	
930.000	Maintenance:		
	Equipment Maintenance	Expenses	
	Fuel Farm Maintenance	Expenses	
	General Airport, Terminal Maintenance	Expenses	
	Hangar Maintenance	Expenses	
972.000	New Equipment	Expenses	Purchase of new equipment
802.000	Professional Services:		
802.300	Audit	Expenses	
802.500	General Legal Services	Expenses	
802.400	Recording Secretary	Expenses	
802.100	Professional Services: The Pines		
	Professional Services:The Pines:Consultant Services (Pines)	Expenses	Prein&Newhof fees
	Professional Services:The Pines:Legal Services (Pines)	Expenses	
	Professional Services:The Pines:Obstruction Removal (Pines)	Expenses	
923.000	Propane	Expenses	Terminal propane
752.000	Supplies	Expenses	General, office, janitorial
860.000	Travel Expenses	Expenses	Travel, conference
804.000	Vector - PlanePass Service Fee	Expenses	25% of operations income collected
852.000	Weather Observation System	Expenses	SOM expense