

Current P&N Arrangement

Benefits to P&N:

- 3 T-Hangars at no cost (estimated value: \$3,600/year)
- Fuel at cost for flight instruction (\$25,847.10 spent in 2024)
- 40% of total fuel sales (\$9,840.40 received in 2024)

P&N Expenditures:

- Large hangar and classroom rental: \$800/month = \$9,600/year
 - LP heating (estimated): \$6,000/year.
 - REC utilities (estimated): \$2,400/year.
- Total Annual Expenses: \$18,000**

P&N Revenue:

- 40% of fuel sales: \$9,840.40
 - Chem Air Helicopters rental (9 months): \$2,700
 - Testing center (minimal income)
- Total Revenue: \$12,540.40**

City's Proposed FBO Plan

City Expenses:

- Take over P&N's utility costs: \$18,000/year.

City Revenue Projections:

1. 40% of fuel sales: \$9,840.40
 2. Rent for 1 reclaimed T-Hangar: \$1,200/year.
 3. Chem Air Helicopters lease: \$2,700/year
 4. New rental (King Air in large hangar): \$800/month = \$9,600/year
- Total Revenue: \$23,340.40**
Net Positive: Approximately \$5,340.40/year

Additional Opportunity: Leasing space in the hangar to an additional aircraft would increase positive cash flow.

Aircraft Maintenance Plan (AMPs & AI)

- Issue RFP for on-site aircraft maintenance provider.
 - Proposed relocation to the Vault Building (currently leased by Eric Mondt)
-

Flight Instruction Plan

- Issue RFP for on-site Flight instructor.
- Proposal to establish a new flight school based in Independence.