BILL AND HILLARY
CLINTON NATIONAL AIRPORT
LITTLE ROCK

Fiscal Year 2026
Annual Operating Budget

Prepared for the
Little Rock Municipal Airport Commission
November 18, 2025

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Little Rock Municipal Airport Commission

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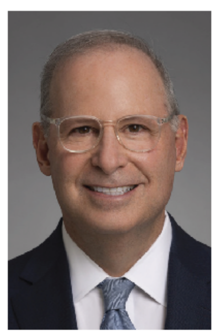

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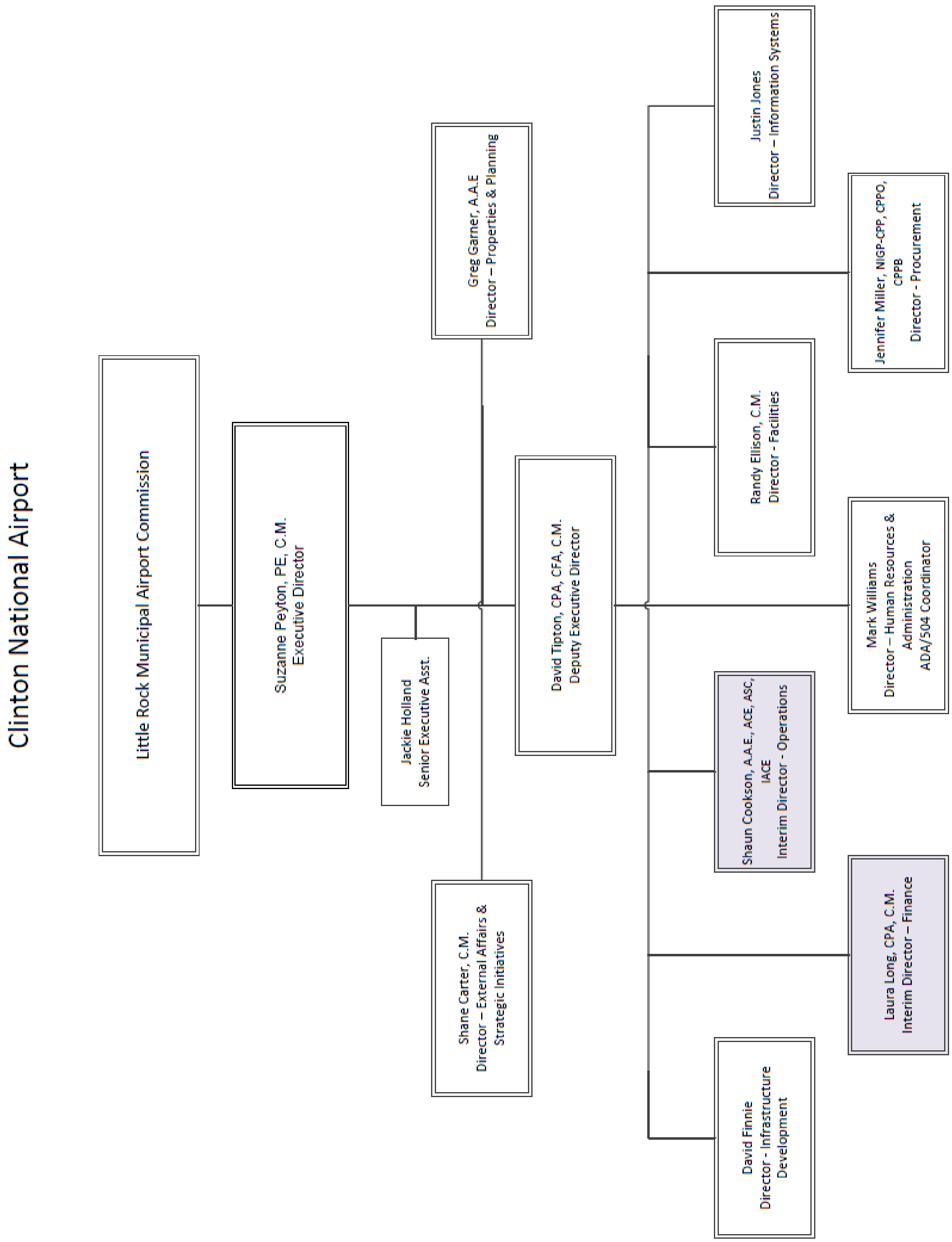
Organizational Structure



FY 2026 Annual Operating Budget - Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed
REVENUES				
Airline Revenues	$ 14,878,730	$ 16,109,938	$ 16,062,870	**$ 16,886,850**
Non-Airline Revenues	27,459,097	31,843,310	30,899,233	**32,120,979**
TOTAL OPERATING REVENUES	**42,337,827**	**47,953,248**	**46,962,103**	**49,007,829**
EXPENSES				
Operating Expenses	27,596,775	31,474,655	31,259,437	**35,416,431**
Results from Operations before Deprec.	**$ 14,741,052**	**$ 16,478,593**	**$ 15,702,666**	**$ 13,591,398**
Depreciation	21,125,184	22,100,000	22,100,009	**23,000,000**
RESULTS FROM OPERATIONS	$ (6,384,132)	$ (5,621,407)	$ (6,397,343)	**$ (9,408,602)**
Non-Operating Activities	13,989,358	23,913,448	29,638,292	**34,493,188**
CHANGE IN NET POSITION	**$ 7,605,226**	**$ 18,292,041**	**$ 23,240,949**	**$ 25,084,586**

The 2026 operating budget for the Bill and Hillary Clinton National Airport is $49.0 million. This represents a 2.2% increase from the $48.0 million budget for 2025 and a 4.4% increase over the estimated activity for 2025, and 15.8% more than 2024 actual.

The following pages further detail the anticipated sources of revenues and expenditures for 2026 and provides explanation of variances compared to the preceding year actuals and budget. In addition, historical data and ratios are included to better illustrate the current financial position of the Airport.

Budget Process

The basis of accounting and of the budget for the Airport is the modified accrual accounting basis. The budget is prepared by the Airport staff and is approved by the Little Municipal Airport Commission (Commission) annually. The budget is the spending authority for staff to operate for the budget year.

The operating budget is prepared after reviewing a number of historical reports and projections. These include actual and forecasted passenger activity, airline operations, aircraft landed weight and historical operating expenses. As detailed in the Budget Calendar below, the annual budget is prepared during the second half of the year preceding the budget year.

The Airport operating budget is prepared in a bottom-up format. The budget is prepared at the department level and assimilated into the Airport operating budget. Department Directors have budgetary responsibility for expenses in their departments. The Finance Department prepares monthly budget to actual reports that the Department Directors review to determine they are operating within their department budgets.

Department Directors prepare their budget requests in September of each year. The primary input into the operating budget planning process is historical operating expenses. These historical expenses, along with anticipated changes in operations for the budget year, will be the basis for the majority of the budget requests for each department. The Interim Deputy Executive Director and the Director - Finance review each of these department requests with the Department Director to determine the appropriateness of each budget item. Additionally, this review is used to help control overall Airport budget expense growth.

The individual department budgets are combined into an Airport level budget for review by the Interim Executive Director and the Interim Deputy Executive Director. As a result of this review, changes to the department level expense budgets may be necessary to attain a desired Airport budget. This budget is then presented to the Commission for their approval typically in November or December.

The budget for capital items is prepared in a similar manner. Department Directors submit their anticipated needs for capital items for review and approval by the Interim Deputy Executive Director and the Interim Executive Director. The Major Capital Purchases List is submitted along with the operating budget for approval by the Commission.

Airline and Non-airline revenue budgets are prepared using historical revenue data, enplaned passenger projections and any known changes that may affect the budget year (changes in airline service, new commercial tenants, etc.). Additionally, the terminal rent rate and airline landing fee rate is calculated using the budgeted operating and capital expenses for the terminal and airfield, respectively. These rates, along with fees for gates, jet bridges, ramp usage and aircraft remaining overnight, are presented to the Commission in the form of a rate resolution for their approval when the budget is presented. Once approved, the airlines are informed that these rates will be in effect for the budget year.

Budget Calendar

Fiscal Year 2026 Budget Calendar	
Dates	**Actions**
8/11/25	**Finance - Expense and Revenue Review.** Finance begins review of YTD revenues (calculated on units of measure and base rates) as well as YTD expenses.
8/19/25	**Finance.** Personnel Worksheet forwarded to HR for updated frozen and vacant positions, estimate of 2026 health insurance increase.
8/19/25	**Exec. Team Budget Kickoff Meeting.** Attendance of Directors where the following will be discussed: (1) FY 2026 Operating Budget Request Template (D365 Budget Plan) (2) FY 2025 YTD Actual Expenditures (MS PowerBI) (3) FY 2026 Capital Budget Request Forms (4) 2025 Sole Source List (5) Revenue Budget ideas
9/4/25	**Review Tenant and Concession Revenues.** Finance staff meets with the Chief Revenue Officer and Directors of Planning and Air Service & Business Development to discuss 2026 projected tenant and concessions revenues.
9/5/25	**Deadline for submitting requests for staffing increases.** Due to HR by end of day.
9/5/25	**Capital Purchase Submittal Deadline.** All Capital Purchase Requests are due to Finance by close of business, including 2025 rollover items.
9/12/25	**Operating Budget Submittal Deadline.** All departmental request forms are due to Finance by close of business. (including Capital Purchase Request Forms and Sole Source List requests).
9/15 - 9/26	**Department Meetings.** Finance will coordinate a time to meet with individual departments and Chief Officer. to discuss their budget documents, including: (1) Review current and proposed (2026) Sole Source procurements (2) YTD Budget to Actual (3) Operating Budget Request
9/30/25	**Initial Capital Budget Review.** Finance Dir. meets with the Directors who submitted Capital Purchase Requests, along with the Directors of Finance and Procurement. 2025 roll forward Capital items are reviewed as well. Compile 2026 Proposed Sole Source List.
10/1/25	**2026 Personnel Budget Due.** HR, Finance and Executive Director meet to determine 2026 staffing level, and increases for merit, COLA, and benefits.
10/6/25	**Procurement.** Draft version of 2026 Sole Source List is distributed to Directors for review.
10/13/25	**Procurement.** Meet with directors and Executive Director to review proposed 2026 Sole Source List.
10/20/25	**Finalize Capital Budget.** Distribute 2026 Capital Purchases and Capital Projects Lists to Directors for final review.
10/20/25	**Procurement.** Final version of 2026 Sole Source List is distributed to Directors for review.
10/27/25	**Submission of preliminary budget report for Exec. Management Review.** Based on the operating and capital budget requests, the preliminary budget is delivered to the Executive Dir. to review. This includes the preliminary Rates and Charges for 2026.
11/5/25	**Budget Documents Complete.** Budget documents are finalized and reviewed by Executive Management.
11/12/25	**Commission.** Budget documents are distributed electronically to Commission members.
11/18/25	**Commission.** Present Budget to Commission for Approval.

GFOA Budget Award

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

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Bill and Hillary Clinton National Airport
Arkansas

For the Fiscal Year Beginning

January 01, 2025

Christopher P. Morrill

Executive Director

Financial Policies and Guidelines

Overview - The financial reports and budget for the Commission are prepared according to the modified accrual basis of accounting. The Commission has one fund and operates as an independent component of the City of Little Rock. The budget adopted by the Commission gives the Airport staff the legal basis for which to expend funds to operate the Airport.

The Commission prepares a budget on an annual basis. The budget consists of an operating budget as well as a budget for capital purchases. The Commission operating budget includes revenues and other sources of funds that exceeds anticipated expenditures and other uses of funds.

Airport staff maintains accounting records and prepares financial statements as prescribed by the Governmental Accounting Standards Board (GASB). These financial statements compare actual revenue and expenses to budgeted and prior year amounts and are reviewed monthly by the Finance Committee and approved by the Commission.

Revenues - The Commission establishes airline rates and charges as part of the annual operating budget process. These rates are set by resolution of the Commission using a compensatory ratemaking methodology. This method requires airlines to pay only for the cost allocable to the portion of the airport system they use. The Commission has employed a strategic rate discipline that allows the Airport to maintain the terminal and airfield facilities while charging competitive rates and charges.

Investment Policy - In September 2017, the Commission approved the Investment Policy. This authorizes designated Airport staff to invest excess Commission funds, under the oversight of the Finance Committee. Currently, approximately $53 million is invested according to the Investment Policy. The balance of Commission funds are held in Certificates of Deposit and in interest bearing bank accounts that are collateralized.

Collateralization - Ark. Code Ann. 23-47-401(a) states public monies deposited with a bank or financial institution in excess of FDIC insurance coverage must be collateralized. The pledged collateral must be at least 105% of the amount of cash on deposit with the bank or financial institution. The Commission has stated the collateral coverage for Commission deposits shall be equal to 120% of funds on deposit. In July 2024, The Commission authorized our bank to collateralize all funds with an irrevocable letter of credit with the Federal Home Loan Bank (FHLB), as allowed by Arkansas statute.

Capital Program - Commission capital investments allow for strategic and orderly development of Airport property. Prioritizing these capital investments involves considerations such as public needs, construction costs, condition of existing facilities, commercial opportunities, operating costs and potential funding sources. Additionally, the Commission uses the Airport Master Plan as a long-term capital planning document. The Master Plan is updated approximately every seven to ten years and is reviewed by the Federal Aviation Administration (FAA).

Major Drivers of the FY 2026 Budget

The Bill and Hillary Clinton National Airport (Airport) serves as the gateway to aviation and is a key link in the air transport journey chain for the public traveling through the largest airport in Arkansas. As such, it plays an important role for the community in facilitating tourism, business travel and global supply chains. For incoming travelers, the Airport contributes to their first impression of the City of Little Rock and the State of Arkansas. For outbound travel, passengers may spend as much, or even more, time at the Airport than they do in the air and the Airport is devoted to serving their needs.

A number of factors influence the budget for the upcoming year. Primarily, any variance in air service and enplaned passengers will directly impact the revenue generated by the Airport. On the expense side, major snow and ice events are variables the Airport cannot predict but are included as contingencies in the operating budget.

The COVID-19 pandemic greatly affected all areas of our lives in 2020, including air travel. The impact of the virus subsided in 2021 and continued to subside in 2022. In 2023, activity returned to near 2019 levels at LIT and slightly exceeded that level in for 2024. Passenger traffic for 2025 has remained relatively flat when compared to 2024. For 2026, we have projected a conservative increase of 1% over 2025 passenger activity.

Air Service

After emerging from the effects of the COVID-19 pandemic, a highly competitive labor market and inflation have challenged the airlines approach to cost management. Delayed aircraft deliveries and other aircraft/engine reliability issues being identified are hampering growth plans and needed replacement of less fuel-efficient aircraft. DOJ's rejection of the Jet Blue/Spirit merger has resulted in difficulties for both carriers. These, and other factors have had a negative impact on profitability.

With the merger of American Airlines and U.S. Airways in 2015, 81% of the U.S. domestic market is controlled by four airlines (American, United, Delta and Southwest). The mergers and consolidations have allowed the industry to reduce excess capacity, achieve higher load factors (passengers per aircraft) and realize profitability. While these major airlines control a substantial portion of the U.S. domestic market, ultra low-cost carriers have gained traction in markets underserved by the big four airlines. Little Rock is no exception and has witnessed an increase in activity from ultra low-cost carriers in recent years. Ultra low-cost carrier Allegiant Airlines has operated at the Airport for several years offering seasonal service to leisure destinations. With the return of Frontier Airlines in 2018, the Airport now has two ultra low-cost carriers.

2025 Air Service Changes

During CY 2025, American Airlines operated 15 non-stop flights per day to Charlotte, Chicago, Dallas-Fort Worth, District of Columbia, La Guardia, New York and Miami. American has maintained the largest LIT market share carrying over 33% of total passengers. Flights are operated with Airbus 319, Embraer 175, Bombardier CRJ-900, Bombardier CRJ-700, and Embraer 170. In October 2025, American added new non-stop service from Little Rock to Phoenix, thereby bringing the American's total to 16 non-stop flights.

Delta Airlines flies six non-stop flights per day to Atlanta and one daily non-stop service to La Guardia, New York. Delta has 23% of the passenger market share at LIT with seven non-stop daily flights. Delta operates the Airbus 319, Airbus 320, and Boeing 717. In September 2025, Delta added new non-stop service to Salt Lake City, Utah, bringing their total to eight daily non-stop flights.

Southwest Airlines has daily non-stop flights to Dallas-Love Field, Denver, Las Vegas and St. Louis. Southwest operates an average of seven daily non-stop flights. Southwest's share of LIT passengers is 23%. All flights are operated with the Boeing 737-700 and Boeing 737-800. Southwest has announced that it will begin non-stop service to Nashville, Tennessee beginning March 2026 as it discontinues service to St. Louis.

United has nine non-stop flights per day to Chicago, Houston, and Denver. United has provided service for 17% of LIT total passengers. These flights are operated with Embraer 170, Canadair 550, Canadair 200, and Embraer 145.

In May 2025, Allegiant Airlines began its customary seasonal non-stop service to Orlando Sanford FL, Fort Walton Beach, FL, Los Angeles, CA, and St. Petersburg, FL two times per week for each city. Allegiant continues to operate flights to Florida airports, a market we believe could support additional airline service. All flights operated with the Airbus 320.

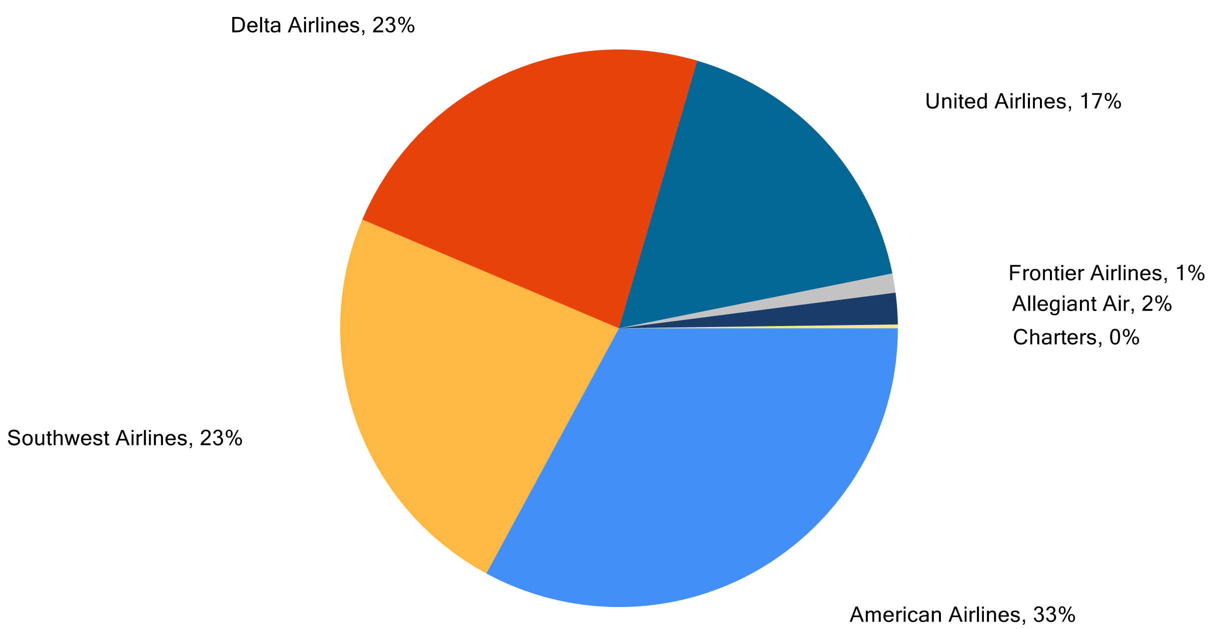
Frontier Airlines continues to operate 3 weekly non-stop flights to Denver. These flights were operated with the Airbus 320.

Passenger Enplanements

As of September 30, 2025, LIT year-to-date enplaned passengers of 866,562 reflects a decrease of .88% when compared to the 874,152 from the same nine-month period of 2024. Airport staff anticipates the 2025 enplaned passenger count will be 1,181,253 or 1.0% more than the 1,174,148 reported in 2024.

Based upon input from our air service consultants, as well as input from Airport staff, the 2026 operating budget includes an expectation that enplanements will increase 1.0% over the 2025 year-end estimate. The budget assumes the Airport will see 1,181,253 enplaned passengers in 2026.

2025 Enplaned Passengers

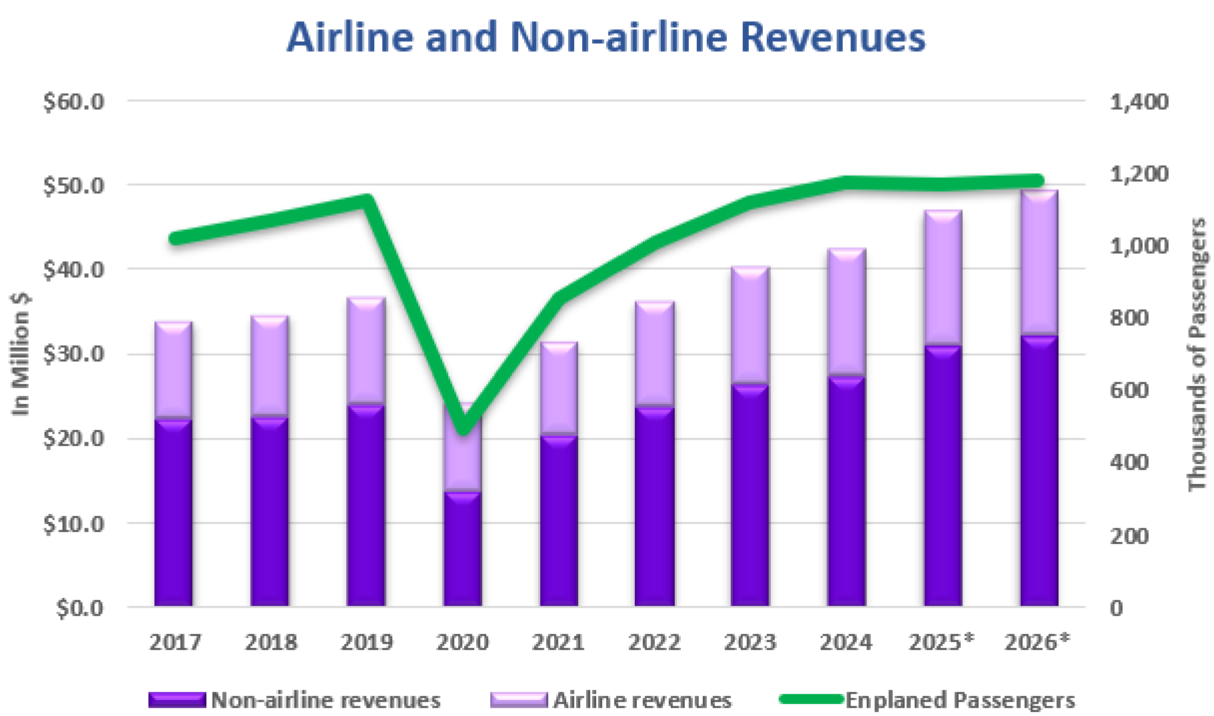


As of September 30, 2025, American Airlines had the largest market share at the Airport, followed by Southwest Airlines, Delta and United. Compared to the same period of 2024, American and United made the largest gain in market share, closely followed by Southwest and Delta.

Revenues

Airports earn revenues from two categories: Airline and Non-airline. Airline revenues are revenues derived from air carriers and other aviation activities in the airfield and terminal areas. Non-airline revenues consist of 1) parking and ground transportation, 2) concessions such as rental cars, food and beverage, advertising, etc. and 3) rental of commercial land and buildings and other miscellaneous sources.

The Airport has historically generated most of its revenue from non-airline activities. The 2026 budget anticipates 66% of the operating revenue will be non-airline revenues. The chart below shows how revenue from both sources have grown over the past decade compared to the level of enplaned passengers.

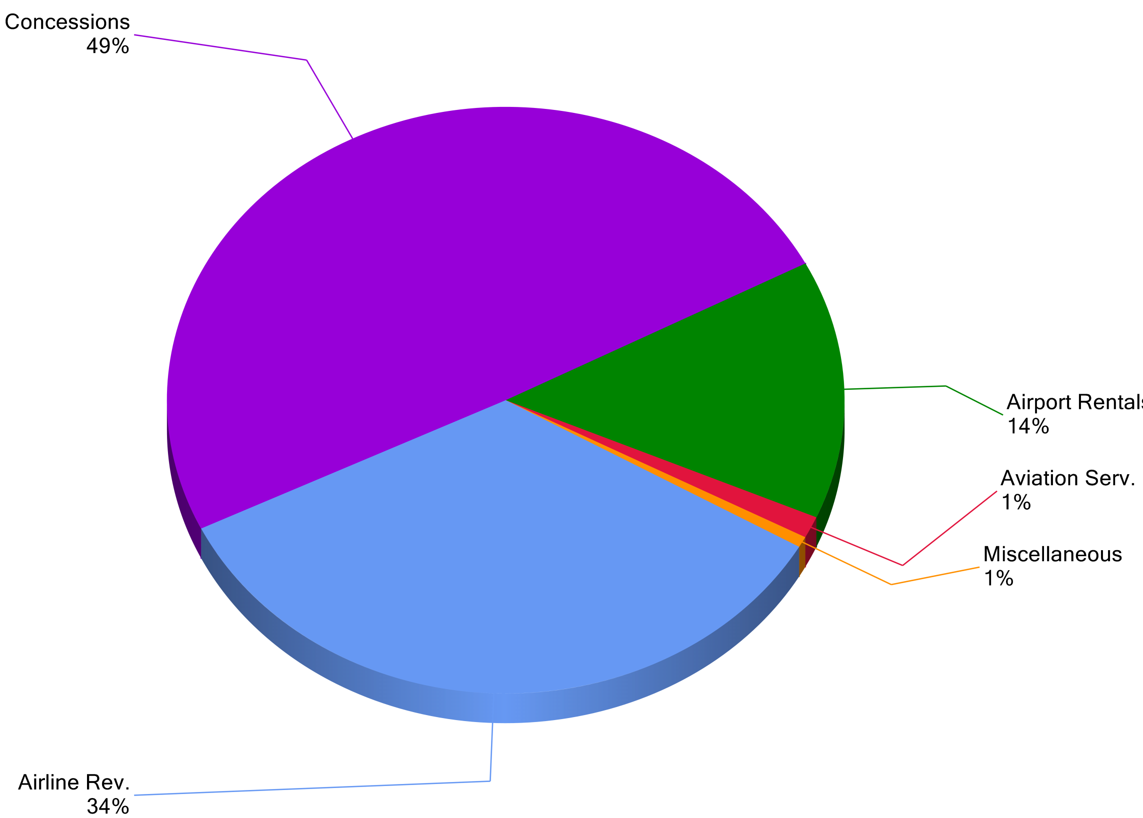


** - FY 2025 Year-end estimate, FY 2026 budgeted.*
Source - Little Rock Municipal Airport Commission

Operating Revenues

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
REVENUES								
Airline Revenues								
Landing Fees	$ 7,321,908	$ 8,015,057	$ 7,843,016	$ 8,359,190	$ 344,133	4.3%	$ 516,174	6.6%
Airline Rents	7,287,102	7,794,014	7,894,944	8,203,000	408,986	5.2%	308,056	3.9%
Facility Use Fees	269,720	300,867	324,910	324,660	23,793	7.9%	(250)	-0.1%
Total Airline Revenues	$ 14,878,730	$ 16,109,938	$ 16,062,870	$ 16,886,850	$ 776,912	4.8%	$ 823,980	5.1%
Non-Airline Revenues								
Concession Revenues								
Automobile Parking	12,257,791	13,835,459	13,088,411	13,622,211	(213,248)	-1.5%	533,800	4.1%
Rental Car Operations	5,987,508	6,369,146	6,045,904	6,219,745	(149,401)	-2.3%	173,841	2.9%
Customer Facility Charges	2,475,270	2,564,994	2,508,267	2,577,092	12,098	0.5%	68,825	2.7%
Restaurant and Retail	1,234,744	1,318,594	1,353,796	1,367,334	48,740	3.7%	13,538	1.0%
Ground Transportation	273,600	278,322	280,064	276,576	(1,746)	-0.6%	(3,488)	-1.2%
Terminal Advertising	146,747	187,873	180,000	180,000	(7,873)	-4.2%	-	0.0%
Vending	8,541	8,688	9,423	9,518	830	9.6%	95	1.0%
Total Concession Revenues	22,384,201	24,563,076	23,465,865	24,252,476	(310,600)	-1.3%	786,611	3.4%
Airport Rentals								
Terminal Office Space	381,046	398,494	390,843	389,946	(8,548)	-2.1%	(897)	-0.2%
Facility Leases	1,837,054	2,527,240	2,623,135	2,960,522	433,282	17.1%	337,387	12.9%
Land Leases	1,927,049	3,477,949	3,532,545	3,637,916	159,967	4.6%	105,371	3.0%
Total Airport Rentals	4,145,149	6,403,683	6,546,523	6,988,384	584,701	9.1%	441,861	6.7%
Aviation Services								
Airfield Operations	128,678	118,059	109,139	110,231	(7,828)	-6.6%	1,092	1.0%
Fuel Commissions and Sales	472,793	480,655	472,943	477,673	(2,982)	-0.6%	4,730	1.0%
Total Aviation Services	601,471	598,714	582,082	587,904	(10,810)	-1.8%	5,822	1.0%
Miscellaneous Revenues								
Airport Services Sold	172,376	165,481	162,008	163,629	(1,852)	-1.1%	1,621	1.0%
Leased Equipment	41,777	43,427	37,413	37,787	(5,640)	-13.0%	374	1.0%
Misc Income	114,123	68,929	105,342	90,799	21,870	31.7%	(14,543)	(13.8)%
Total Miscellaneous Revenues	328,276	277,837	304,763	292,215	14,378	5.2%	(12,548)	-4.1%
Total Non-Airline Revenues	27,459,097	31,843,310	30,899,233	32,120,979	277,669	0.9%	1,221,746	4.0%
TOTAL OPERATING REVENUES	**$ 42,337,827**	**$ 47,953,248**	**$ 46,962,103**	**$ 49,007,829**	**$ 1,054,581**	**2.2%**	**$ 2,045,726**	**4.4%**

2026 Operating Revenues



Revenue Assumptions

Airline Revenues

AIRLINE REVENUES
FY 2026 Budget Revenue Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
REVENUES								
Airline Revenues								
Landing Fees	$ 7,321,908	$ 8,015,057	$ 7,843,016	$ 8,359,190	$ 344,133	4.3%	$ 516,174	6.6%
Airline Rents	7,287,102	7,794,014	7,894,944	8,203,000	408,986	5.2%	308,056	3.9%
Facility Use Fees	269,720	300,867	324,910	324,660	23,793	7.9%	(250)	-0.1%
Total Airline Revenues	$ 14,878,730	$ 16,109,938	$ 16,062,870	$ 16,886,850	$ 776,912	4.8%	$ 823,980	5.1%

Airline rates and charges incorporated in the Fiscal Year 2026 budget were developed using a compensatory ratemaking methodology designed to comply with applicable legal requirements. Capital projects are allowable from the surplus cash flows generated from revenues, grants, bonds, PFC's, or

CFC's. Simply stated, the compensatory methodology requires airlines to pay only for the cost allocable to the portion of the airport system they use (i.e., airfield, apron, loading bridges, and terminal building space).

As referenced above in the Passenger Enplanements section, the Airport assumes passenger enplanements in 2026 will increase 1.0% over 2025 estimated year-end enplanements. The level of passenger activity directly impacts Concession Revenues (parking, rental cars, and terminal concessions) and the 2026 budget for these revenue sources reflect the anticipated increase in passengers.

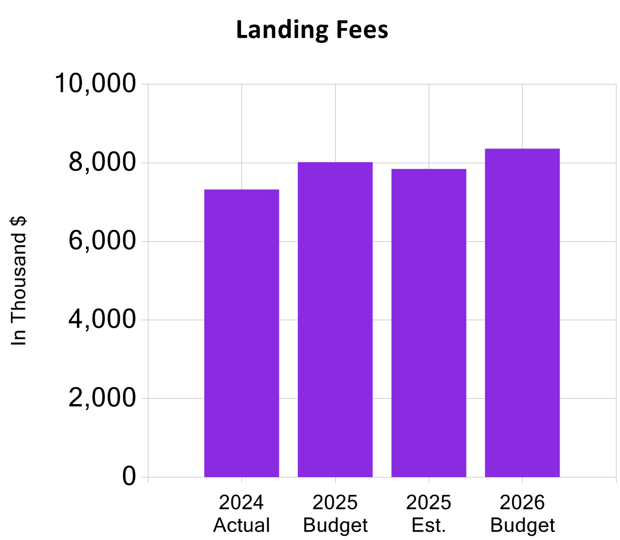
Airline Rates & Charges	Approved 2025	Proposed 2026
Landing Fee Rate (per 1,000 lbs.)	$ 5.18	$ 5.48
Passenger Terminal Rental Rate (per sq. ft.)	$ 54.30	$ 57.39
Gate Fee (per turn)	$ 102.00	$ 102.00
Jet Bridge Fee (per turn) - Old bridge	$ 80.00	$ 80.00
Jet Bridge Fee (per turn) - New bridge	$ 45.00	$ 45.00
Aircraft Ramp Fee (per month)	$ 1,750	$ 1,750
Remain Overnight Fee (RON, per turn)	$ 90.00	$ 90.00

Landing Fees

The costs of the airfield area, which includes all runways, taxiways, associated navigational and operational aids and other airside properties is recovered through the landing fees and fuel flowage fees collected at the airport. Landing fees are charged to passenger and cargo aircraft landings, as well as from the fixed base operators for all commercial or chartered flights at the airport. As shown above, the landing fee for 2025 was $5.18 per 1,000 pounds and the 2026 fee will be $5.48.

The Airport's rate includes a $0.9 million discretionary credit in the airfield landing fee calculations to minimize the impact of rising costs on the airlines and help the Airport remain in a competitive position. Without the discretionary credit, the airlines would pay $6.09 per 1,000 pounds.

In 2024 the Airport generated $7.3 million in Landing Fees, compared to the 2025 estimated year-end of $7.8 million. That represents a 7.1% increase during 2025. As mentioned above, this was due to the increase in landed weights in 2025 as well as the landing fee increase.



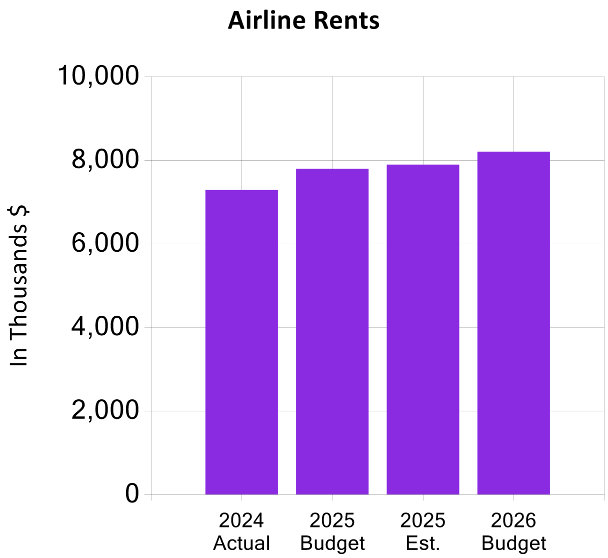
The budget for Landing Fees is based on estimated landing weights and the landing fee rates. The 2025 budget was $8.0 million while the 2026 budget for Landing Fees is $8.4 million, a 4.3% increase.

The estimated year-end Landing Fees for 2025 are $7.8 million. Compared to the 2026 budget of $8.4 million, revenues from Landing Fees are projected to increase 6.6%. As mentioned above, this is driven by an anticipated increase in landed weights as well as the increase in landing fees in 2026.

Airline Rents

The terminal rental rate is calculated on a cost recovery methodology that includes both operating and capitalized costs for the terminal area. The compensatory rate structure allows the Airport to transfer a pro-rata share of the terminal costs to the airlines based on usable space. As airlines lease less space, their relative cost per square foot goes up. Likewise, as the costs to operate the terminal increase, the terminal rate increases to allow the Airport to recover those costs.

A detailed discussion of operating and capital costs is included in the following pages of this document. The Airport anticipates these costs to increase during 2026.



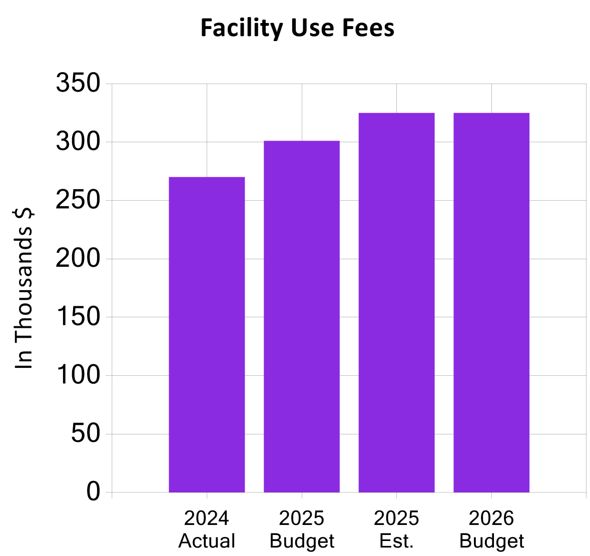
The 2025 terminal rate was $54.30. In 2026, the terminal rental rate will increase to $57.39 to reflect the increased operating expenses due to inflation. As noted under Landing Fees, the Airport has applied a discretionary credit of $1.3 million in the terminal rental rate calculations to minimize the impact of rising costs to the airlines. Without the adjustment, the airlines would pay $61.98 per square foot.

In 2024, the Airport generated $7.3 million in revenue from renting space to airlines, compared to the 2025 year-end estimate of $7.9 million. That represents a 8.3% increase during 2025. The Airline Rents budget is based on terminal space the Airport can rent along with the terminal rates. The 2025 budget was $7.8 million while the 2026 budget for Airline Rents is 5.2% higher or $8.2 million. This increase is primarily due to the increase in the terminal rent rate in 2026.

Facility Use Fees

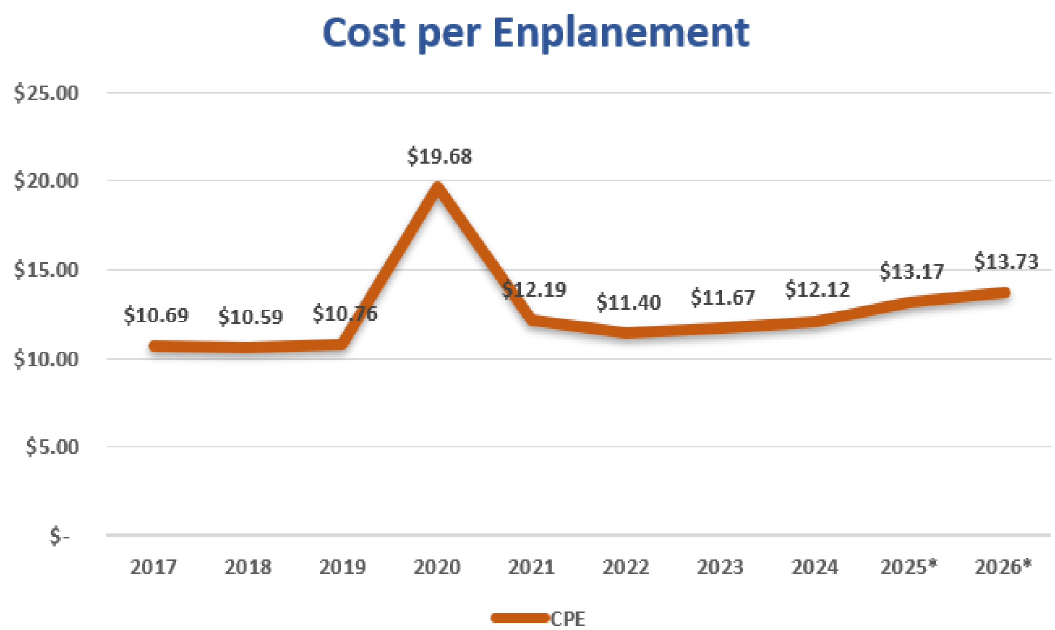
For airport operated gates and jet bridges, ticket counters and aircraft parking areas, the airlines will be charged a fee on a per-use basis. Revenue budgeted for the Facility Use Fees is estimated based on 2026 rates multiplied by the number of events anticipated based on historic trends. The Airport owns nine of the 12 passenger boarding bridges. Converting an airline owned bridge to Airport owned allows the Airport to generate additional revenue on aper use basis, compared to fixed monthly rent for airline owned bridges.

Facility Use Fees for 2024 were $270 thousand compared to the 2025 year-end estimate of $325 thousand. That represents a 20.5% increase during 2025. The 2025 budget for Facility Use Fees was $301 thousand while the 2026 budget is $325 thousand.



Cost per Enplanement

Cost per Enplanement, or CPE, is a key financial metric for measuring the performance of an airport. CPE is calculated by dividing airline revenues by enplaned passenger for a particular year. As the table below indicates, the Airport managed to keep the CPE relatively flat prior to COVID-19. The CPE is projected to increase slightly in 2026.



** - FY 2025 Year-end estimate, FY 2026 budgeted.*
Source - Little Rock Municipal Airport Commission

Non-Airline Revenues

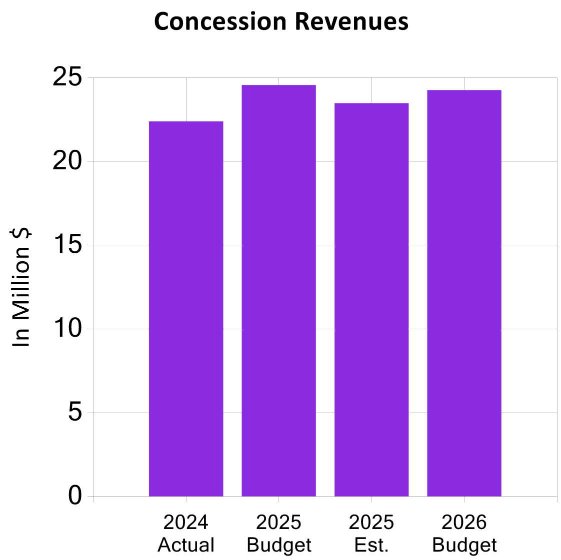
The ability to maximize non-airline revenue sources helps the Airport maintain economic sustainability thereby reducing the reliance on airline revenue. Non-airline revenues for 2026 are projected to increase 0.9% when compared to the 2025 budget. When compared to the estimated 2025 year-end non-airline revenues, the 2026 budget is 4.0% greater.

Concession Revenues

CONCESSION REVENUES
FY 2026 Budget Revenue Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Concession Revenues								
Automobile Parking	12,257,791	13,835,459	13,088,411	13,622,211	(213,248)	-1.5%	533,800	4.1%
Rental Car Operations	5,987,508	6,369,146	6,045,904	6,219,745	(149,401)	-2.3%	173,841	2.9%
Customer Facility Charges	2,475,270	2,564,994	2,508,267	2,577,092	12,098	0.5%	68,825	2.7%
Restaurant and Retail	1,234,744	1,318,594	1,353,796	1,367,334	48,740	3.7%	13,538	1.0%
Ground Transportation	273,600	278,322	280,064	276,576	(1,746)	-0.6%	(3,488)	-1.2%
Terminal Advertising	146,747	187,873	180,000	180,000	(7,873)	-4.2%	-	0.0%
Vending	8,541	8,688	9,423	9,518	830	9.6%	95	1.0%
Total Concession Revenues	22,384,201	24,563,076	23,465,865	24,252,476	(310,600)	-1.3%	786,611	3.4%

Concession revenues are generated from non-aircraft related commercial activities in the terminal and on Airport owned land. Among the larger terminal activities generating concession revenues are parking, rental car activities, food and beverage.



Concession Revenues for 2024 were $22.4_ million. During 2025 the estimated year-end revenue is $23.5 million, or a 4.8% increase. This increase in parking revenue reflects the increase in passenger traffic in 2025.

Concession Revenues was budgeted for 2025 at $24.6 million while the 2026 budget increases (1.3)% to $24.3 million. The 2026 budget reflects the anticipated increase in passenger traffic.

For 2025 the year-end estimated Concession Revenues are $23.5 million. Compared to the 2026 budget of $24.3 million, concession revenues are projected to increase 3.4%. This increase reflects an expected increase in enplaned passengers in 2026.

Parking revenue is historically the single largest revenue item for the Airport. Of the $47.0 million in estimated year-end total operating revenues for the Airport for 2025, $13.1 million, or 27.9%, came from parking revenue. The Airport operates five separate parking lots. Listed below are the daily parking rates, by lot:

Parking Lot	2025 Daily Rate	2026 Proposed Daily Rate
East Short Term	$ 15.00	$ 15.00
West Short Term	$ 15.00	$ 15.00
Parking Deck	$ 15.00	$ 15.00
South Long Term	$ 10.00	$ 10.00
Economy Lot	$ 10.00	$ 10.00

Parking revenue are forecast based on (1) historical parking transactions (2) average length of stay (3) current rates at the parking facilities located at the Airport and (4) projected enplaned passengers for 2026. Parking revenue has increased at a rate greater than the increase in enplaned passengers in recent years. This is due to a recent increase in average length of stay for our passengers.

The parking revenue budget for 2026 is $13.6 million, compared to the 2025 budget of $13.8 million. Estimated year-end parking revenue for 2025 is $13.1 million. This increase in the parking revenue budget reflects the increase in passenger traffic in 2026, as well as a planned increase in daily parking rates in March 2025.

The Airport has agreements with rental car companies to rent automobiles to the traveling public. Since 2005, each rental car company has paid a privilege fee to operate at the Airport, with the privilege fee being the greater of a Minimum Annual Guarantee ("MAG") or ten percent (10%) of gross revenues.

Revenue from Rental Car Operations is impacted by the fluctuations in passenger activity. Additionally, the length of the car rental (contract days) and rate charged by the rental car company will impact the rental car revenue for the Airport. During 2020, Rental Car revenues were significantly impacted by COVID-19. While 2025 still reflected daily Rental Car activities similar to 2019 levels, the companies were able to charge higher daily rental rates, allowing the Airport to record an increase in revenue from Rental Car Operations.

Revenue from Rental Car Operations for 2024 was $6.0 million. The estimated year-end revenue for 2025 is $6.0 million, or a 1.0% increase. This increase from 2024 reflects the return of passengers as the effects of COVID-19 subsided and Rental Car companies increased the daily rental rates on their vehicles. The 2025 budget for Rental Car Operations was $6.4 million while the 2026 budget is $6.2 million, a (2.3)% increase. This is based primarily on the anticipated continued return of passengers renting cars in 2026 and the increase in rental car rates.

The Airport collects a Customer Facility Charge (CFC) of $3.50 for each rental car transaction day. The rental car companies collect these CFC's and remit them to the Airport. These can be used for rental car facility expenses or held for future costs associated with the rental car facility's capital reserve fund. Like other concession revenues, 2020 CFCs declined significantly due to COVID-19 but have experienced a recovery since then.

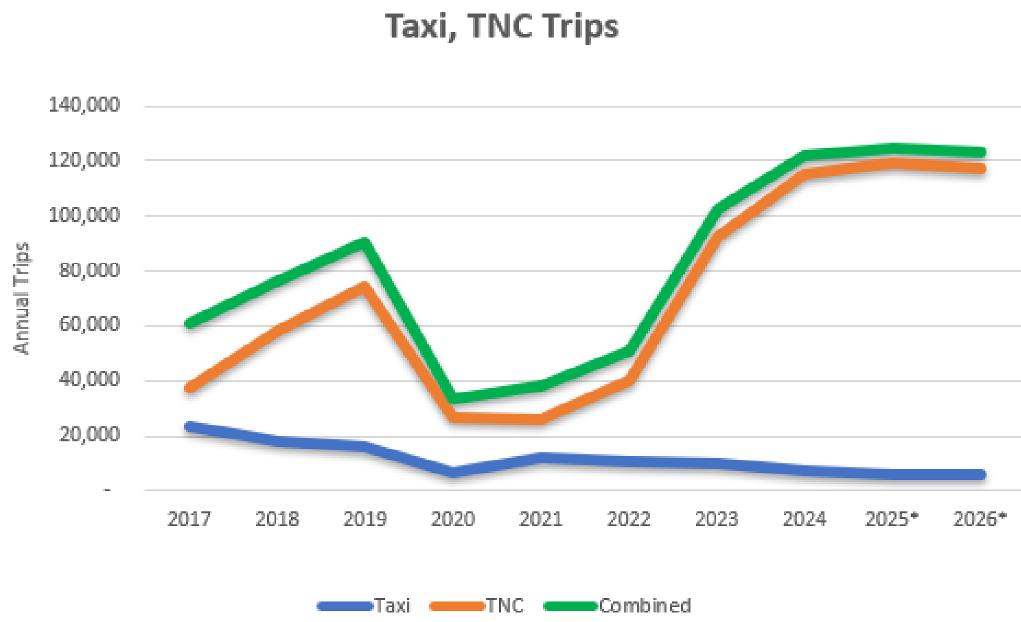
In 2024, the Airport collected $2.5 million in CFC revenue from the rental car companies. The estimated year-end 2025 CFC revenue is $2.5 million, a 1.3 % increase. This variance is tied directly to the number of rental car contract days for the particular period and is influenced by increase in passengers in 2025. The 2025 CFC revenue budget was $2.6 million while the 2026 budget increased 0.5% to $2.6 million.

For concession space, including restaurant and lounge, retail shops, vending and terminal advertising, tenants will pay a percentage of gross receipts that is based on the contract location, square footage and concept. Each concessionaire is contracted to an annual revenue floor through a minimum annual guarantee (MAG).

In February 2017, the Commission approved extending the Food and Beverage Concession Agreement with Host International, Inc. for an additional ten years. The extension included a provision to bring a Chili's and a Chick-fil-A to the Airport. The Chili's restaurant opened in October 2018. The construction of the food court housing Chick-fil-A and Burger King began after Chili's opened. The food court re-opened in March 2019.

2024 restaurant and retail revenue was $1.2 million while the estimated year-end revenue for 2025 is $1.3 million. The 2026 budget for restaurant and retail increases to $1.4 million.

Ground Transportation revenues are comprised of the concession fees and permits paid by taxi and limousine services. Additionally, "courtesy vehicles" including off-airport parking and hotel shuttle buses pay a monthly access fee. A relatively new source of revenue in this category are Transportation Network Companies (TNC), such as Uber and Lyft. Since Uber began activity at the Airport in late 2015, the revenue from this source has increased steadily. In September 2017, Lyft began operating at the Airport. The car sharing company Turo began operations at the Airport in early 2023. This has led to a significant increase in ground transportation revenues in 2024 and 2025 .



Source - Little Rock Municipal Airport Commission

Overall Ground Transportation revenue increased steadily from 2016 to 2019. However, the composition of the revenue has changed during that period between taxi and transportation network companies (TNC). 2020 saw a significant decrease in ground transportation activity at the Airport due to COVID-19. While passenger traffic increased significantly from 2021 through 2024, the Ground Transportation revenue did not increase at the same rate.

2024 Ground Transportation revenue was $274 thousand while the estimated year-end 2025 revenue is $280 thousand. The 2026 budget for Ground Transportation revenue is $277 thousand.

2024 Terminal Advertising revenue was $147 thousand and 2025 year-end revenue is estimated to be $180 thousand. The 2026 budget for Terminal Advertising revenue is $180 thousand.

Airport Rentals

AIRPORT RENTALS
FY 2026 Budget Revenue Summary

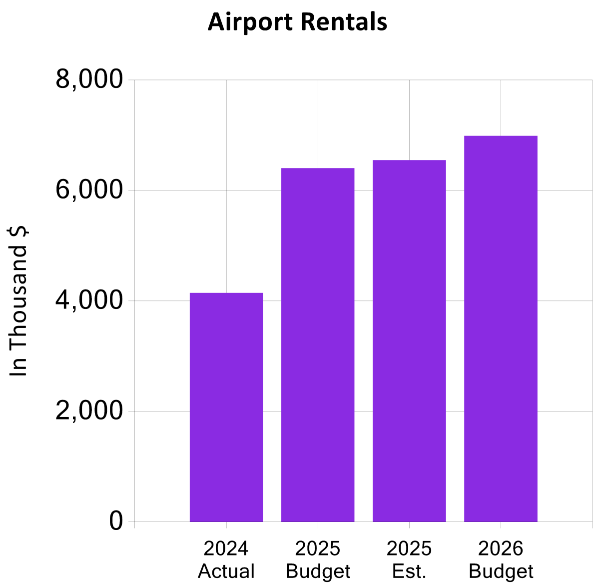
	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Airport Rentals								
Terminal Office Space	381,046	398,494	390,843	389,946	(8,548)	-2.1%	(897)	-0.2%
Facility Leases	1,837,054	2,527,240	2,623,135	2,960,522	433,282	17.1%	337,387	12.9%
Land Leases	1,927,049	3,477,949	3,532,545	3,637,916	159,967	4.6%	105,371	3.0%
Total Airport Rentals	4,145,149	6,403,683	6,546,523	6,988,384	584,701	9.1%	441,861	6.7%

Revenue from non-airline terminal office space, commercial land and facility leases are included in the Airport Rental's category. Terminal office space includes rent charged to non-airline tenants. Revenues from Airport Rentals were $4.1 million for 2024 and are estimated to be $6.4 million for 2025. The budget for Airport Rentals increases from $6.4 million in 2025 to $7.0 million in 2026.

The 2024 revenue from terminal office space was $381 thousand. This increased slightly during 2025 to

$391 thousand and is budgeted to be $390 thousand for 2026.

The Airport leases airport property to private developers. This includes our largest commercial tenant (Dassault Falcon Jet) as well as two Fixed Base Operators. Lynx was acquired by Atlantic Aviation in late 2021 and TAC Air was acquired by Signature Aviation in September, 2022. Additionally, Envoy Air leases a maintenance facility in the Airport Business Park. These and other commercial tenants provide a significant source of non-airline revenue for the Airport. In 2024, the Airport and Dassault renegotiated their agreement that resulted in the transfer of the buildings to Dassault and the termination of lease revenue. Additionally, the new agreement increased the revenue to the Airport from land leases.



2024 facility lease revenue was $1.8 million while the year-end estimated 2025 revenue is $2.6 million, a (42.8)% decrease. This reduction was a result of the new Dassault referenced above. The 2026 budget increased to $3.0 million with the addition of a lease Central Flying Service for Airport Business Parking Building 300.

The operation of a federally obligated airport involves complex relationships between the airport and its compatible use land tenants. The FAA encourages the acquisition and development of land for uses that are compatible with airports and aircraft noise. As a result, airport management negotiates ground leases with tenants such as Dassault Falcon Jet that meet this requirement and also promotes economic vitality to the region.

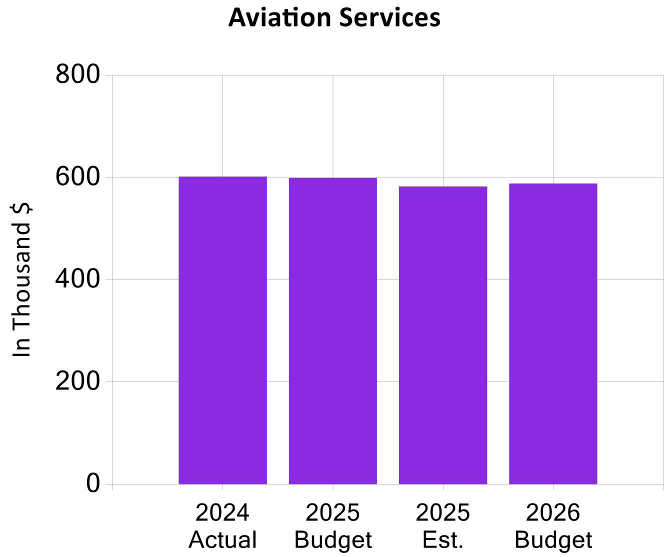
Similar to the facility leases, the land leases have provisions for annual increases typically tied to an index. 2024 revenue from Land Leases was $1.9 million while the estimated year-end 2025 revenue is $3.5 million, a 83.3 % increase. This 2025 increase was due the increase in land rents from the new Dassault agreement, as well as normal escalations tied to an index (CPI or PPI). The land leases revenue budget for 2026 increased 4.6 % to $3.6 million when compared to the 2025 budget. The 2025 budget includes land rent from the new Hampton Inn and Suites hotel.

Aviation Services

AVIATION SERVICES
FY 2026 Budget Revenue Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Aviation Services								
Airfield Operations	128,678	118,059	109,139	110,231	(7,828)	-6.6%	1,092	1.0%
Fuel Commissions and Sales	472,793	480,655	472,943	477,673	(2,982)	-0.6%	4,730	1.0%
Total Aviation Services	601,471	598,714	582,082	587,904	(10,810)	-1.8%	5,822	1.0%

The Airport generates revenue from Airfield Operations activities and commissions from fuel sales that are reflected in the Aviation Services category. 2024 revenue from Aviation Services was $601 thousand. The budget for Aviation Services decreased from $599 thousand in 2025 to $588 thousand in 2026 .



Included in Airfield Operations section is reimbursement from tenants for fingerprinting, ID badges and security threat assessment for their employees. Additionally, Airport offers TSA precheck services. Revenue from TSA precheck services is included in Airfield Operations.

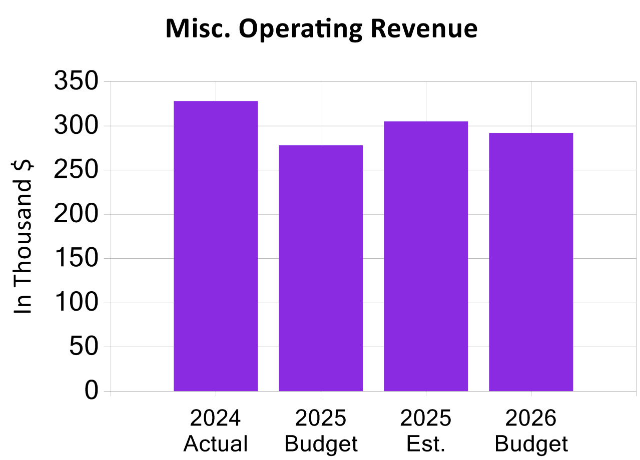
General Aviation activity fees and commissions from fuel sales from Airport tenants is included in the Fuel Commissions and Sales line.

Miscellaneous Operating Revenue

MISCELLANEOUS OPERATING REVENUE
FY 2026 Budget Revenue Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Miscellaneous Revenues								
Airport Services Sold	172,376	165,481	162,008	163,629	(1,852)	-1.1%	1,621	1.0%
Leased Equipment	41,777	43,427	37,413	37,787	(5,640)	-13.0%	374	1.0%
Misc Income	114,123	68,929	105,342	90,799	21,870	31.7%	(14,543)	(13.8)%
Total Miscellaneous Revenues	328,276	277,837	304,763	292,215	14,378	5.2%	(12,548)	-4.1%

Miscellaneous operating revenue includes leased equipment and utilities billed to airport tenants and other miscellaneous revenues. The largest component of Misc. Income line are quarterly rebates from local sales taxes.



In 2024, operating revenue from miscellaneous sources totaled $328 thousand. The estimated year-end 2025 miscellaneous operating revenue is $305 thousand. The 2026 budget for miscellaneous operating revenue is $292 thousand. The primary reason for this increase is related to the expected continued increase in general aviation activities.

Expense Assumptions

At the direction of the Commission and the Executive Director, the 2026 Proposed Budget provides funding for several initiatives considered top priorities. Aside from initiative funding, operating expenses are budgeted with an assumption that all departments will provide a level of service consistent with the current fiscal year.

Overall, the budget is adjusted for:

- All known contractual increases or decreases
- Economic enhancements specified for regional growth
- Evaluating trends in passenger demand for goods and services
- Removal of funding for one-time expenses
- Other cognitive cost saving measures

Operating Expenses

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
EXPENSES								
Operating Expenses								
Salaries & Benefits								
Salaries & Wages	9,514,739	10,683,845	11,290,440	12,051,700	1,367,855	12.8%	761,260	6.7%
Employee Benefits	4,528,466	5,295,613	5,703,391	6,389,089	1,093,476	20.6%	685,698	12.0%
Total Salaries & Benefits	14,043,205	15,979,458	16,993,831	18,440,789	2,461,331	15.4%	1,446,958	8.5%
Professional & Contractual Services								
Professional Fees	931,283	1,139,288	1,013,827	1,559,302	420,014	36.9%	545,475	53.8%
Maintenance & Repairs	1,504,417	1,663,920	1,680,409	1,858,955	195,035	11.7%	178,546	10.6%
Facilities & Grounds Contracts	540,462	533,681	440,670	550,368	16,687	3.1%	109,698	24.9%
Police & Security	2,886,077	3,170,812	3,098,541	3,328,483	157,671	5.0%	229,942	7.4%
ARFF	1,717,303	1,703,750	1,689,900	1,767,265	63,515	3.7%	77,365	4.6%
Technical Support Contracts	918,915	1,098,224	915,229	1,270,721	172,497	15.7%	355,492	38.8%
Other Contracts	166,456	230,340	204,321	211,040	(19,300)	-8.4%	6,719	3.3%
Total Professional & Contracted Serv.	8,664,913	9,540,015	9,042,897	10,546,134	1,006,119	10.5%	1,503,237	16.6%
Materials/Supplies/Maintenance								
Office Supplies	43,079	58,800	57,944	62,700	3,900	6.6%	4,756	8.2%
Facilities & Grounds	505,423	567,204	561,988	607,504	40,300	7.1%	45,516	8.1%
Uniforms	53,600	41,900	60,463	52,500	10,600	25.3%	(7,963)	-13.2%
Airfield Supplies	92,860	108,200	94,276	184,200	76,000	70.2%	89,924	95.4%
Technical/Trade Supplies	100,358	64,000	111,150	69,700	5,700	8.9%	(41,450)	-37.3%
Vehicle/Fuel Supplies	244,834	234,200	234,663	249,800	15,600	6.7%	15,137	6.5%
Technology Supplies (IT/ET)	102,615	115,030	106,895	145,330	30,300	26.3%	38,435	36.0%
Total Materials, Supplies & Maint.	1,142,769	1,189,334	1,227,379	1,371,734	182,400	15.3%	144,355	11.8%
Other Operating Expenses								
Utilities	1,761,301	2,056,093	1,838,759	2,198,108	142,015	6.9%	359,349	19.5%
Employee Relations	71,917	106,200	87,654	117,800	11,600	10.9%	30,146	34.4%
Public Relations	91,866	294,938	146,703	387,946	93,008	31.5%	241,243	164.4%
Furniture, Fixtures and Equipment	113,059	263,000	56,555	222,450	(40,550)	-15.4%	165,895	293.3%
Insurance	712,369	764,000	748,148	786,320	22,320	2.9%	38,172	5.1%
Travel, Training & Meeting	320,060	491,753	344,372	510,153	18,400	3.7%	165,781	48.1%
Permits, Licenses & Fees	489,604	511,440	498,416	543,840	32,400	6.3%	45,424	9.1%
Dues & Subscriptions	81,820	83,024	88,991	90,357	7,333	8.8%	1,366	1.5%
Airport Services	49,500	48,000	43,500	48,000	-	0.0%	4,500	10.3%
Equipment Rentals	17,271	17,000	26,818	17,000	-	0.0%	(9,818)	-36.6%
Other Operating Expense	37,121	130,400	115,414	135,800	5,400	4.1%	20,386	17.7%
Total Other Operating Expenses	3,745,888	4,765,848	3,995,330	5,057,774	291,926	6.1%	1,062,444	26.6%
Total Operating Expenses	27,596,775	31,474,655	31,259,437	35,416,431	3,941,776	12.5%	4,156,994	13.3%

Salaries & Benefits

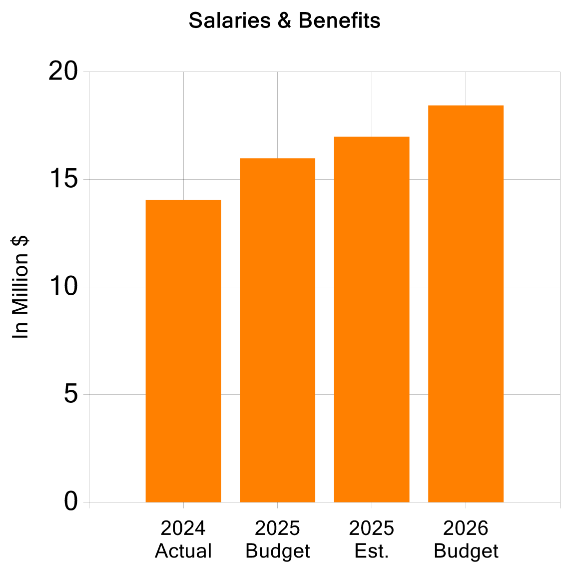
SALARIES AND BENEFITS

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Salaries & Benefits								
Salaries & Wages	9,514,739	10,683,845	11,290,440	12,051,700	1,367,855	12.8%	761,260	6.7%
Employee Benefits	4,528,466	5,295,613	5,703,391	6,389,089	1,093,476	20.6%	685,698	12.0%
Total Salaries & Benefits	14,043,205	15,979,458	16,993,831	18,440,789	2,461,331	15.4%	1,446,958	8.5%

The base salary and wage budget for fiscal 2026 is based on the current staffing level and the actual salaries for incumbent positions as of September 30, 2025. Overtime is budgeted as a percent of total salaries of certain hourly employees who are eligible for overtime pay.

For the 2026 salaries budget, the budget for staff positions is 199.

Department	Budgeted Positions 2024	2025	2026
Executive	2	3	2
Human Resources & Administration	6	12	6
Finance	8	8	8
Procurement	6	5	6
Properties & Planning	3	3	3
Infrastructure	4	6	5
External Affairs	1	2	4
Operations	56	59	65
Facilities	79	91	89
Information Systems	11	12	11
Total Positions	**176**	**201**	**199**
Full Time Positions	174	197	196
Part Time Positions	2	4	3
Total Positions	**176**	**201**	**199**



Salaries and wages for 2024 were $9.5 million. The estimated 2025 year-end expense is $11.3 million. Annual merit increases for staff accounts for most of this increase. The 2025 budget for salaries and wages was $10.7 million. The 2026 budget increases to $12.1 million due to the addition of 25 new positions, as well as merit and cost-of-living adjustment increases (COLA).

Employee benefits includes expenses for active employee health care, retirement contributions (including pension contributions for retired employees, if needed), federal insurance contributions (FICA) taxes and the employee assistance program. Other forms of insurance provided by the Airport include life, workers compensation, disability and unemployment. Other optional benefits, paid by the employees, are offered by the Airport.

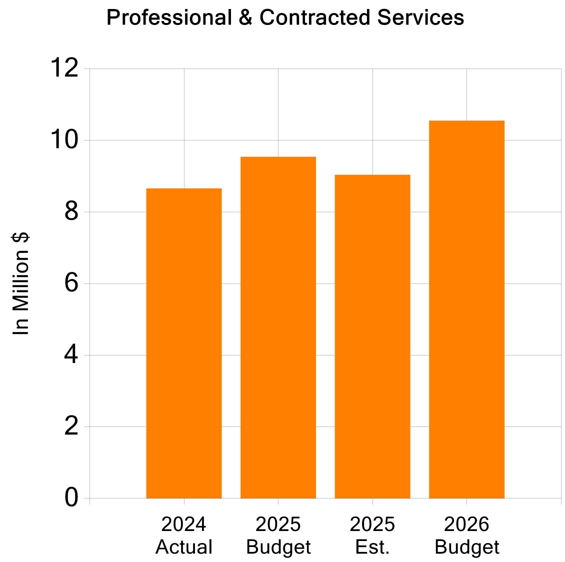
The Airport incurred employee benefits expenses of $4.5 million in 2024. The estimated expenses for 2025 increased 25.9% to $5.7 million. The Airport experienced an increase in group medical insurance premiums during 2025 which makes up most of the increase in this category. The 2025 budget for employee benefits was $5.3 million while the 2026 budget increases 20.6% to $6.4 million due to the addition of 25 new positions and the increased cost of Health Insurance.

Professional & Contractual Services

PROFESSIONAL & CONTRACTED SERVICES

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Professional & Contractual Services								
Professional Fees	931,283	1,139,288	1,013,827	1,559,302	420,014	36.9%	545,475	53.8%
Maintenance & Repairs	1,504,417	1,663,920	1,680,409	1,858,955	195,035	11.7%	178,546	10.6%
Facilities & Grounds Contracts	540,462	533,681	440,670	550,368	16,687	3.1%	109,698	24.9%
Police & Security	2,886,077	3,170,812	3,098,541	3,328,483	157,671	5.0%	229,942	7.4%
ARFF	1,717,303	1,703,750	1,689,900	1,767,265	63,515	3.7%	77,365	4.6%
Technical Support Contracts	918,915	1,098,224	915,229	1,270,721	172,497	15.7%	355,492	38.8%
Other Contracts	166,456	230,340	204,321	211,040	(19,300)	-8.4%	6,719	3.3%
Total Professional & Contracted Serv.	8,664,913	9,540,015	9,042,897	10,546,134	1,006,119	10.5%	1,503,237	16.6%

The Airport staff provides a wide array of professional and maintenance services. However, some services are provided by outside firms and contractors. The category for Professional and Contractual Services includes expenses for professional services and general services provided by other firms.



The largest components in the Professional and Contractual Services category are the expenses for security and firefighting. The Airport contracts with the City of Little Rock to provide Law Enforcement Officers. Additionally, members of the Little Rock Fire Department staff the Airport's Aircraft Rescue and Firefighting (ARFF) facility. All costs related to personnel (salary, benefits, etc.) are incurred by the City and are reimbursed by the Airport. All other expenses (canine explosives program, training expenses, as well as maintenance of the ARFF trucks) are paid directly by the Airport. The Airport also has a contract with a private security firm to provide access control to restricted areas of the Airport.

Other professional services in this category are legal, auditing, on-call engineering, aviation and government affairs consulting services. Additionally, technical support contracts and janitorial contracts and uniform cleaning services are included in Professional and Contractual Services.

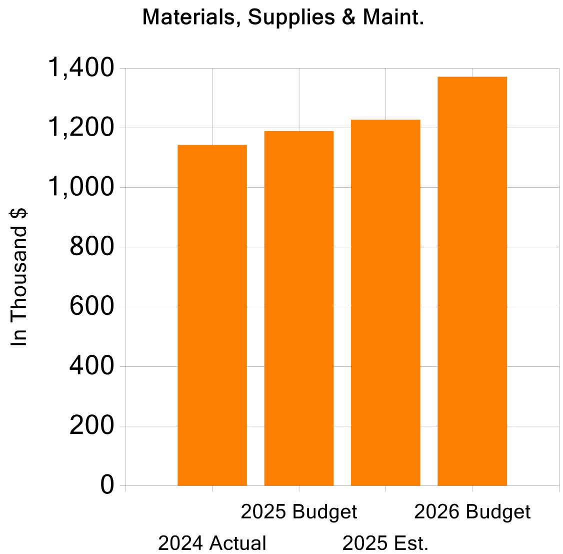
The estimated 2025 expense for Professional and Contractual Services is $9.0 million compared to the 2024 actual of $8.7 million. The budget for Professional and Contractual Services increased 10.5 % from $9.5 million for 2025 to $10.5 million for 2026 due to the addition of a new Communications and Marketing Consultant. The line item for Police and Security ($3.3 million) is the largest component of the 2026 budget for Professional and Contractual Services and increases in 2025 mostly for the addition of more contracted security for the Transportation Security Administrations Employee Screening mandate. Additionally, Aircraft Rescue and Fire Fighting (ARFF) ($1.8 million) and Maintenance and Repairs ($1.9 million) are significant budget items in this category.

Materials, Supplies & Maintenance

MATERIALS, SUPPLIES & MAINTENANCE

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Materials/Supplies/Maintenance								
Office Supplies	43,079	58,800	57,944	62,700	3,900	6.6%	4,756	8.2%
Facilities & Grounds	505,423	567,204	561,988	607,504	40,300	7.1%	45,516	8.1%
Uniforms	53,600	41,900	60,463	52,500	10,600	25.3%	(7,963)	-13.2%
Airfield Supplies	92,860	108,200	94,276	184,200	76,000	70.2%	89,924	95.4%
Technical/Trade Supplies	100,358	64,000	111,150	69,700	5,700	8.9%	(41,450)	-37.3%
Vehicle/Fuel Supplies	244,834	234,200	234,663	249,800	15,600	6.7%	15,137	6.5%
Technology Supplies (IT/ET)	102,615	115,030	106,895	145,330	30,300	26.3%	38,435	36.0%
Total Materials, Supplies & Maint.	1,142,769	1,189,334	1,227,379	1,371,734	182,400	15.3%	144,355	11.8%

The materials, supplies and maintenance category includes airfield and facilities supplies expenses as well as vehicle fuel and supplies. Additionally, technical and trade supplies expenses as well as airport employee uniform expenses are included in materials, supplies and maintenance.



The 2024 expenses for Materials, Supplies and Maintenance were $1.14 million compared to the estimated expense of $1.23 million for 2025, which is a 7.4% increase. The budget for this category increased 15.3% from 2025 to 2026. The 2025 budget was $1.19 million while the 2026 budget increased to $1.37 million due to costs for the Baggage Handling System and Passenger Boarding Bridges. Significant portions of the 2026 budget for this category are Facilities and Grounds supplies ($608 thousand) and Vehicle and Fuel Supplies ($250 thousand).

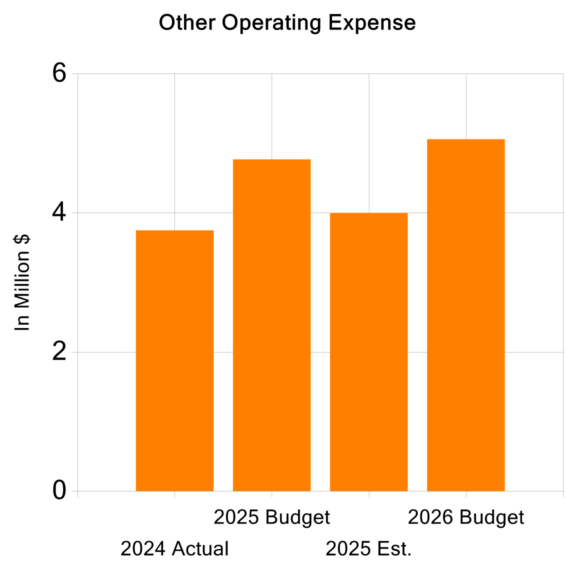
Other Operating Expense

OTHER OPERATING EXPENSE

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Other Operating Expenses								
Utilities	1,761,301	2,056,093	1,838,759	2,198,108	142,015	6.9%	359,349	19.5%
Employee Relations	71,917	106,200	87,654	117,800	11,600	10.9%	30,146	34.4%
Public Relations	91,866	294,938	146,703	387,946	93,008	31.5%	241,243	164.4%
Furniture, Fixtures and Equipment	113,059	263,000	56,555	222,450	(40,550)	-15.4%	165,895	293.3%
Insurance	712,369	764,000	748,148	786,320	22,320	2.9%	38,172	5.1%
Travel, Training & Meeting	320,060	491,753	344,372	510,153	18,400	3.7%	165,781	48.1%
Permits, Licenses & Fees	489,604	511,440	498,416	543,840	32,400	6.3%	45,424	9.1%
Dues & Subscriptions	81,820	83,024	88,991	90,357	7,333	8.8%	1,366	1.5%
Airport Services	49,500	48,000	43,500	48,000	-	0.0%	4,500	10.3%
Equipment Rentals	17,271	17,000	26,818	17,000	-	0.0%	(9,818)	-36.6%
Other Operating Expense	37,121	130,400	115,414	135,800	5,400	4.1%	20,386	17.7%
Total Other Operating Expenses	3,745,888	4,765,848	3,995,330	5,057,774	291,926	6.1%	1,062,444	26.6%

The Other Operating Expense category includes miscellaneous expenses not specified in the previous categories. Some of the more significant expenses in the category are utilities, insurance and public relations. Also included are expenses for membership and subscriptions, travel and professional development and fees charged for credit card transactions at parking facilities.

During 2024, the Airport spent $3.7 million on other operating items. Estimated year-end expenses for 2025 in the category are expected to be $4.0 million, an increase of 6.7%. The 2025 budget for Other Operating Expense was $4.77 million while the 2026 budget is $5.06 million. This is a 6.1 % increase from 2025 to 2026. This increases is due to increases in furniture, fixtures and equipment that are offset by a reduction in the budget for utilities.



Utility expenses for not only the terminal but also all airfield lights, parking lots and any vacant commercial properties are the responsibility of the Airport. In addition to electricity, natural gas, water and telephone and internet expenses, this category also includes the cost of diesel fuel to operate backup electric generators. In 2019, the Airport executed an agreement with the electric utility provider to achieve a lower rate for the terminal and Parking Deck in exchange for agreeing to switch to generator power during high demand situations. The 2026 utilities budget is $2.2 million.

The Airport takes pride in being a first-class facility and goes to great efforts to enhance the customer experience. The Public Relations category includes expenses for marketing and communications efforts, market research and incentives for new airline routes. Additionally, customer service initiatives, employee service programs and hiring expenses are included in this category. The Airport has budgeted $388 thousand for Public Relations for 2026.

The Airport maintains property and liability insurance on all the buildings on the property, as well as on all Airport owned vehicles and equipment. Additionally, the Airport maintains insurance for contents of the buildings occupied by the Airport and other general liability lines of insurance. The 2025 budget for insurance was $764 thousand while the 2026 insurance budget is $786 thousand.

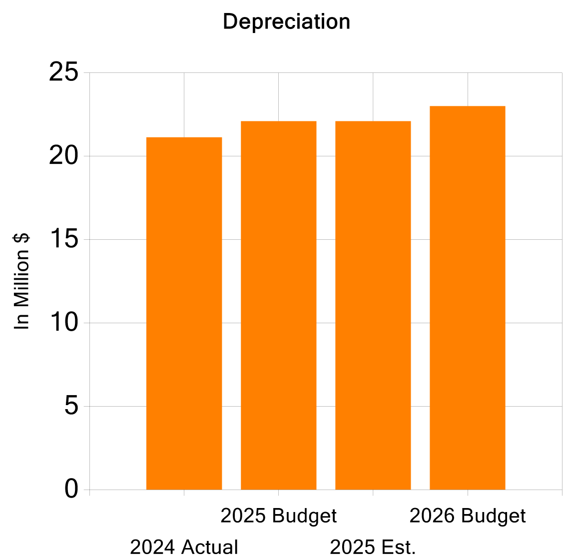
Credit card fees related to parking transactions are a majority of the expenses recorded in Permits, Licenses and Fees. The 2025 budget for Permit, Licenses and Fees was $511 thousand while the 2026 budget is $544 thousand. This is a 6.3% increase from 2025 to 2026.

Depreciation

DEPRECIATION

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Depreciation	21,125,184	22,100,000	22,100,009	23,000,000	900,000	4.1%	899,991	4.1%

The Airport capitalizes all asset purchases greater than $5,000 with a useful life greater than one year. A section on Capital Assets later in this document goes into further details concerning these assets and their acquisition. These assets are depreciated over their useful lives using the straight-line method.

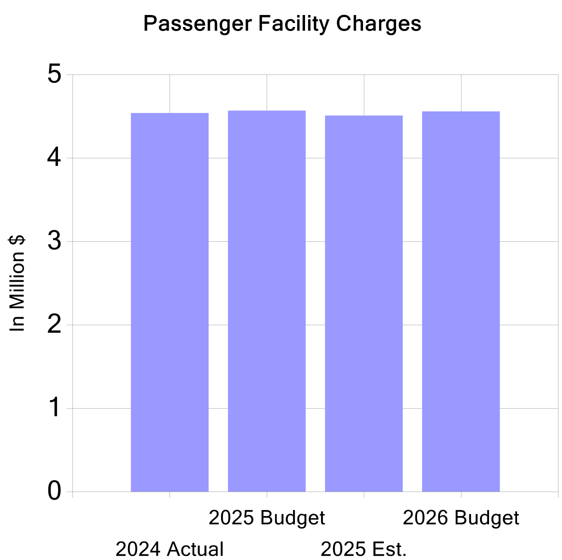


During 2024, the Airport expensed $21.1 million on depreciation. Estimated depreciation expense for 2025 is expected to be $22.1 million, an increase of 4.6%. The 2025 budget for depreciation was $22.1 million while the 2026 budget is $23.0 million. This 4.1% increase is due to the capital assets acquired during 2026, as well as the capital projects closed during the year. The 2025 estimated depreciation expense is $22.1 million. The Airport has budgeted a 4.1% increase in depreciation, making the 2026 budget $23.0 million.

Non-Operating Revenues (Expenses)

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Proposed	Growth (Budget to Budget)		Growth (Budget to YE Est.)	
Non-Operating Revenues (Expenses)								
Passenger Facility Charges	4,544,723	4,565,190	4,511,105	4,556,216	(8,974)	-0.2%	45,111	1.0%
Federal Operating Grants	120,372	26,928	21,912	26,928	-	0.0%	5,016	22.9%
Interest Income	4,781,494	5,022,180	4,179,656	4,446,616	(575,564)	-11.5%	266,960	6.4%
Unrealized Gain (Loss) on Investments	1,464,441	-	2,302,549	-	-	-	(2,302,549)	-100.0%
Lease Interest Income	-	-	-	-	-	-	-	
Aviation Fuel Tax	432,137	493,848	404,265	408,307	(85,541)	-17.3%	4,042	1.0%
Federal, State & Local Grants	10,918,959	13,750,000	18,155,754	25,000,000	11,250,000	81.8%	6,844,246	37.7%
Contributions from Lessees	1,782,701	-	-	-	-		-	
Other Non-Operating	(10,055,469)	55,302	63,051	55,121	(181)	(0.3)%	(7,930)	-12.6%
Non-Operating Activities	$ 13,989,358	$ 23,913,448	$ 29,638,292	$ 34,493,188	$ 10,579,740	44.2%	$ 4,854,896	16.4%

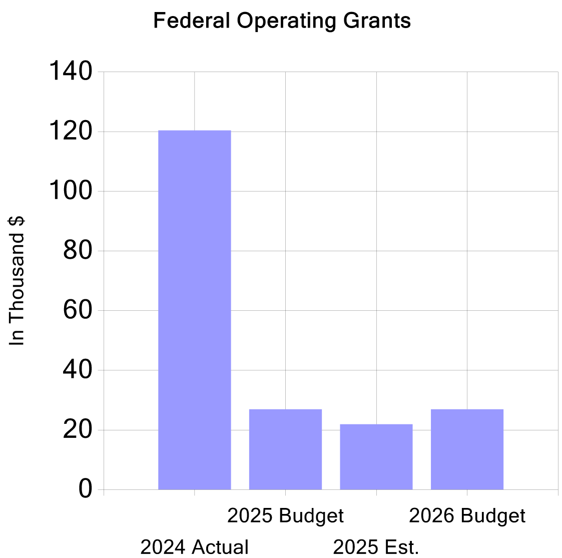
Passenger Facility Charges



The Airport collects a $4.50 Passenger Facility Charge (PFC) on each enplaned passenger. These funds can be used by the Airport to fund FAA-approved projects that enhance safety, security or capacity; reduce noise or increase air carrier competition. In 2025, the Federal Aviation Administration (FAA) approved PFC application No. 11 for the Airport to impose and use a Passenger Facility Charge (PFC) in the amount of $13.7 million. This increased our PFC imposition and use authority from $136.2 million to $149.9 million. This application also extended the Airport's PFC collection authority through December 2029. A portion of the PFC collections approved under this application will be used to reimburse the Airport for the cost of two recently purchased Aircraft Rescue Fire Fighting (ARFF) vehicles, Airport Signage and Wayfinding Improvements, the Runway 4L/22R Guard Lights project and the recently installed Concourse Exit Lane Breach Control System.

The Airport collected $4.5 million in PFCs during 2024. Estimated year-end PFC collections for 2025 are expected to be $4.5 million, a (0.7)% increase. This increase in PFC collections is tied directly to the increase in enplaned passengers during 2025. The 2025 budget for PFC revenue was $4.6 million. The 2026 PFC budget of $4.6 million is (0.2)% larger than the 2025 budget.

Federal Operating Grants

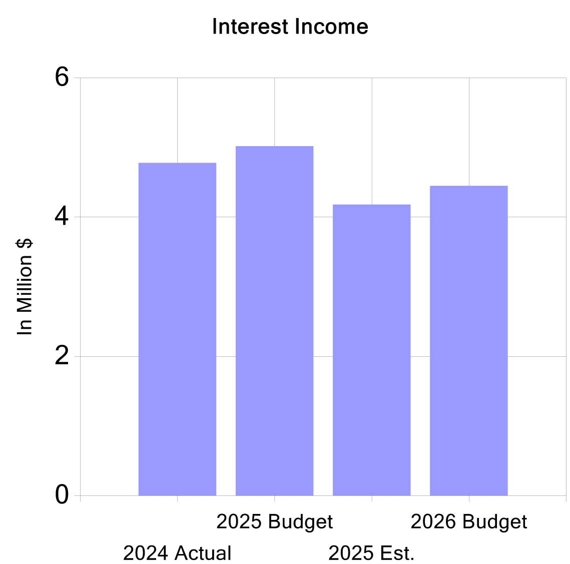


The Transportation Security Administration (TSA) reimburses the Airport for expenses related to the Law Enforcement Officer (LEO) Reimbursement Program, National Explosives Detection Canine Team Program and for utilities used in support of passenger screening and the baggage inspection system. While the expenses the Airport incurs in these areas are relatively consistent year over year, the availability of grants from the TSA is subject to change on an annual basis.
The FY2024 Department of Homeland Securities (DHS) appropriations bill eliminated funding for the Law Enforcment Officer (LEO) and Canine team reimbursement programs effective May 1, 2024. This reduced the Airport's federal operating grants by approximately $268 thousand.

The Airport collected $120 thousand in TSA operating grants in 2024. For 2025, the estimated year-end operating grants collected are expected to be $22 thousand. The 2025 budget for federal operating grants was $27 thousand. The budget for 2026 is remains at $27 thousand. This significant decrease over the 2024 revenue is due to the elimination of funding of the Department of Homeland Security's LEO and Canine Team programs .

Interest Income

The Airport generates interest income on cash balances held in the various bank accounts. The interest rate on these accounts floats with the Fed Funds rate. Late in 2021, the Airport moved the balance of the terminal sinking fund ($40 million) from a checking account into an investment account to generate more interest income. In 2023 and 2025, cash balances continued to increase and the Airport increased the investment in treasuries and certificates of deposit.



The Airport earned $4.8 million in interest income during 2024. The estimated year-end interest income earned in 2025 is $4.2 million. That is a (12.6)% increase for the year. As mentioned above, the average cash balance increased during 2025 as did interest rates. These two factors led to the increase in interest income during 2025.

The 2025 budget for interest income was $5.0 million. This was based upon the prevailing interest rates at the end of 2024. The Airport has budgeted interest income for 2026 at $4.4 million or an increase of (12)% from the

2025 budget. The increase in the interest income budget reflects the increase in the cash balances. Additionally, treasuries invested in 2021 at low interest rates mature in 2024 and 2025. These will be reinvested in treasuries at current market rates that exceed those present in 2021.

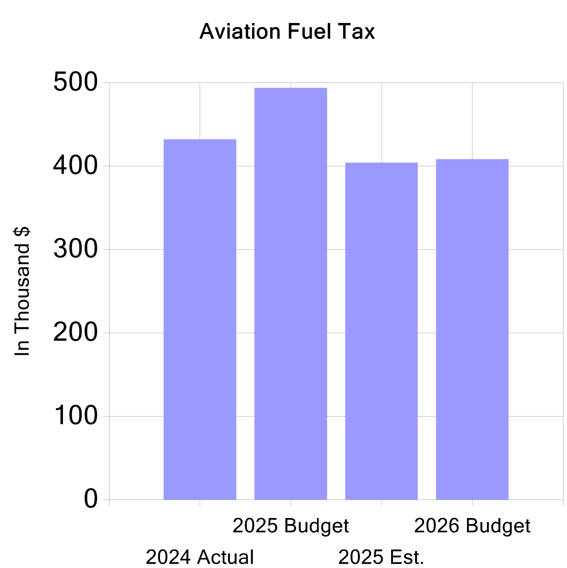
Unrealized Gain (Loss) on Investments

As mentioned above, in 2021 the Airport transferred $40 million from the terminal sinking fund into an investment account. Additionally, additional funds were transferred into the investment account and invested in certificates of deposit in 2022 and 2023. The funds in the investment account are invested in Treasuries with maturities ranging from six months to five years, according to the Investment Policy.

Changes in the interest rates for Treasury securities directly impacts the value of the Treasury securities held by the Airport. While the Airport intends to hold all of the securities until maturity, the change in the fair market value of the securities is reflected in the financial statements as an unrealized gain or loss.

The Airport invested funds in Treasuries and incurred losses of $(1.5) million during 2024. Interest rates increased in 2025 resulting in a loss in the value of investments in Treasuries held by the Airport. The estimated year-end unrealized gain (loss) on investments in 2025 is $2.3 million. The Airport does not forecast changes in interest rates for Treasuries and does not budget for unrealized gains or losses in investments.

Aviation Fuel Tax



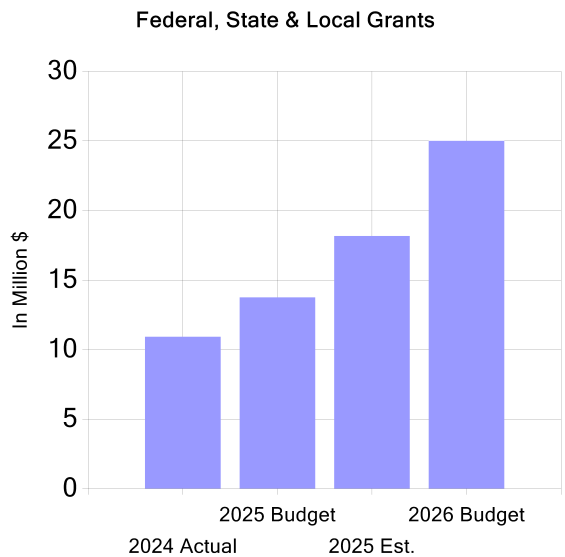
The State of Arkansas collects taxes on the sales of aviation fuel and remits the local portion to the Airport. The level of aviation fuel tax revenue received by the Airport is solely based on those taxes remitted by the aviation vendors. The Airport receives limited information related to those sales and the taxes collected, so budgeting is only based on the prior year collections. 2020 aviation fuel tax revenue was impacted significantly by COVID-19 but experienced an increase in 2021. While the 3/8 cent City of Little Rock sales tax sunset on December 31, 2021, Aviation Fuel Tax receipts still increased in 2022 and has remained relatively flat since then.

The Airport collected aviation fuel taxes in 2024 totaling $432 thousand. The estimated year-end collections for 2025 are $404 thousand, a 6.4% decrease. The budget for aviation fuel tax for 2025 was $494 thousand. The Airport has budgeted a slight decrease in aviation fuel taxes for 2026. The 2026 budget for aviation fuel tax is $408 thousand, a decrease of 17.3% when compared to the 2025 budget.

Federal, State and Local Grants

The Airport receives funding from the FAA in the form of entitlement and discretionary grants under the Airport Improvement Program. In addition, the Airport also receives grants from the Arkansas Department of Aeronautics. The amount of these grants often fluctuates due to the timing of progress payments to contractors and availability of federal and state funds.

In November 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed by President Biden. IIJA provides a total of $15 billion for airport-related projects as defined under the existing Airport Improvement Program and Passenger Facility Charge criteria. The funds can be invested in airfield infrastructure, terminal improvements, safety, and sustainability projects as well as airport-transit connections and roadway projects. Under IIJA, all airports that are part of the National Plan of Integrated Airport Systems (NPIAS) receive Airport Infrastructure Grant (AIG) Allocated funds for five years (FY 2022 through FY 2026). LIT's allocation is approximately $4.8 million annually.



During 2024, the Airport was able to collect a total of $10.9 million in grants from the FAA and the State of Arkansas. The estimated revenue from federal and state grants for 2025 is $18.2 million. This represents a 66.3% increase from the 2024 actual. Most of the grant revenue for 2025 funded the Taxiway Charlie Reconstruction, the Central Utility Plant and the Geothermal Wellfield projects.

The budget for federal and state grants for 2025 was $13.8 million. For 2026, the grant budget increases to $25.0 million, an 81.8% increase. The significant increase in the 2026 budget is primarily due to the $44 million in Airport Improvement Program (AIP) grants awarded in 2025. The awards include a $17.5 million grant under the Voluntary Airport Low Emissions program for the Geothermal Energy Plant project and a $9.8 million AIP discretionary grant for the Taxiway Alpha South Reconstruction project. Most of the AIP grant revenue in the 2026 budget will fund the Taxiway Charlie Reconstruction, Taxiway Alpha South Reconstruction, the Geothermal Energy Plant and Wellfield and the Central Utility Plant projects.

Contributions from Lessees

Airport property developed by lessees periodically reverts to the Airport. As the reversion occurs, the value of the improvements (buildings, parking lots, etc.) is recorded as a contribution from lessees and is also reflected as a capital asset on the Airport's balance sheet.

The value of the Dassault Falcon Jet buildings that reverted in 2024 were $2 million. In January 2024, the Little Rock Municipal Airport Commission executed a new amended lease and reinstated the ground lease for Dassault Falcon Jet. Under the new agreement, a commitment from Dassault Falcon Jet secured a major expansion and the investment of approximately $100 million of capital investments in their facilities at the Bill and Hillary National Airport by the end of 2034. The new agreement also included a provision that all improvements on the Premises revert to Dassault's ownership.

Signature Flight Support had two buildings valued at a total of $1.8 million that reverted to the Airport in 2024. No buildings are scheduled to revert in 2026.

Other Non-Operating Revenues

The Airport receives miscellaneous income from sources not identified in the categories listed above. Primarily, this income comes from proceeds from auctions of vehicles and equipment. In addition, the Airport records any proceeds from insurance claims and miscellaneous refunds and rebates in this category.

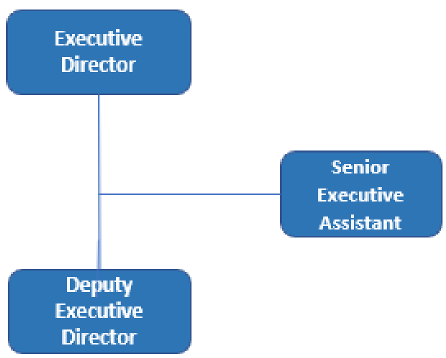
Other non- operating revenues in 2024 were $(10.1) million. 2025 estimated year-end other non-operating revenues are $63 thousand. The loss in 2022 was related to replacing a portion of a taxiway prior to the asset being fully depreciated. The 2025 budget for other non-operating revenues of $55 thousand. The budget for 2026 is $55 thousand.

Budget Detail by Department

Executive Department

The Executive Department provides leadership and direction to Commission staff in accomplishing the seven-member Commission's strategies and initiatives. The Executive Department consists of the Executive Director the Deputy Executive Director, as well as any expenses related to Commissioner activities. They work to foster a cooperative and collaborative relationship among Commission employees, airlines, various business partners, relevant government agencies and stakeholder groups.

The Executive Department also coordinates and oversees the overall day-to-day operations and development of the Airport. Additionally, the Executive Department promotes positive collaborative relationships with its business partners and the community; approves all contracts, deeds, leases and agreements that contractually bind the Commission and ensures that the region's long-term airport needs are identified and addressed.



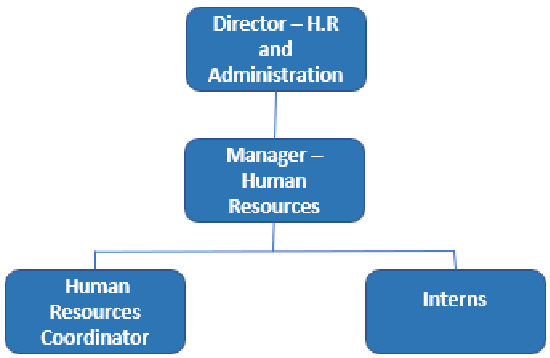
EXECUTIVE DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 479,924	$ 603,642	$ 872,455	$ 571,700	$ (31,942)	-5.3%	$ (300,755)	-34.5%
Employee Benefits	148,203	172,356	179,780	179,354	6,998	4.1%	(426)	-0.2%
Total Personnel Expenses	**628,127**	**775,998**	**1,052,235**	**751,054**	**(24,944)**	**-3.2%**	**(301,181)**	**-28.6%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 231,754	$ 338,600	$ 269,963	$ 280,000	$ (58,600)	-17.3%	$ 10,037	3.7%
Marketing and Public Affairs	16,643	29,550	5,271	32,550	3,000	10.2%	27,279	517.5%
Materials and Supplies	3,305	4,500	3,043	3,300	(1,200)	-26.7%	257	8.4%
Other Operating Expense	121,005	342,415	290,054	336,940	(5,475)	-1.6%	46,886	16.2%
Total Non-Personnel Expenses	**372,707**	**715,065**	**568,331**	**652,790**	**(62,275)**	**-8.7%**	**84,459**	**14.9%**
Total Operating Expenses	**$ 1,000,834**	**$ 1,491,063**	**$ 1,620,566**	**$ 1,403,844**	**$ (87,219)**	**-5.8%**	**$ (216,722)**	**-13.4%**

Human Resources & Administration Department

Among the responsibilities of the Human Resources and Administration Department are recruitment and hiring, employee onboarding, training and development, performance management, compensation and benefits, and ensures compliance with labor laws and company policies.

Additionally, this department oversees the SOAR (Superior Operations Achieves Results) employee appreciation program. The property and casualty insurance program is administered by this department.



HUMAN RESOURCES & ADMINISTRATION DEPARTMENT
FY 2026 Budget Expense Summary

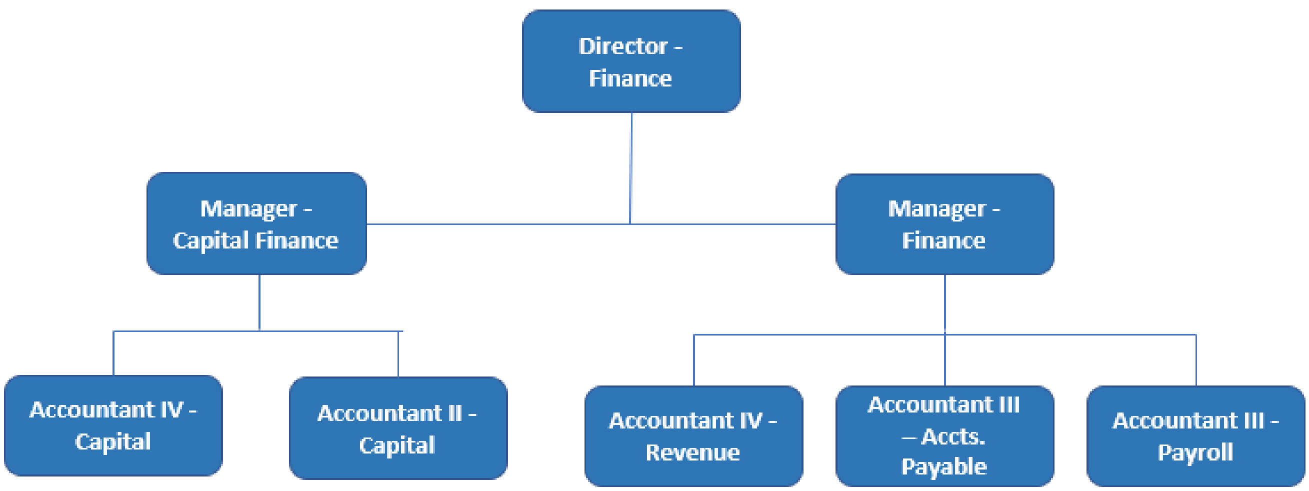
	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 581,634	$ 706,324	$ 659,173	$ 547,117	$ (159,207)	-22.5%	$ (112,056)	-17%
Employee Benefits	322,958	417,696	396,342	362,905	(54,791)	-13.1%	(33,437)	-8.4%
Total Personnel Expenses	**904,592**	**1,124,020**	**1,055,515**	**910,022**	**(213,998)**	**-19%**	**(145,493)**	**-13.8%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 132,154	$ 103,400	$ 108,438	$ 115,800	$ 12,400	12%	$ 7,362	6.8%
Marketing and Public Affairs	67,947	97,500	78,663	103,100	5,600	5.7%	24,437	31.1%
Materials and Supplies	23,240	24,500	25,419	28,500	4,000	16.3%	3,081	12.1%
Insurance	712,369	764,000	748,148	786,320	22,320	2.9%	38,172	5.1%
Other Operating Expense	67,007	111,510	96,797	103,810	(7,700)	-6.9%	7,013	7.2%
Total Non-Personnel Expenses	**1,002,717**	**1,100,910**	**1,057,465**	**1,137,530**	**36,620**	**3.3%**	**80,065**	**7.6%**
Total Operating Expenses	**$ 1,907,309**	**$ 2,224,930**	**$ 2,112,980**	**$ 2,047,552**	**$ (177,378)**	**-8%**	**$ (65,428)**	**-3.1%**

Finance Department

The Finance Department has the responsibility of all financial and accounting functions of the Airport. The Director – Finance has the oversight of the Finance Department.

All revenue generated by the Airport is recorded by Finance Department staff. Additionally, the Finance Department is responsible for accounts payable, accounts receivable and payroll functions. The Finance Department also prepares the monthly financials that are reported to the Finance Committee and the Commission meetings and works closely with outside auditors in the preparation of the annual financial audit.

Finance works with Planning and Development in developing the Airport's five-year Capital Improvement Plan and related finance plan. The department coordinates with federal and state agencies to secure grants and get approval for Passenger Facility Charges for capital improvements.

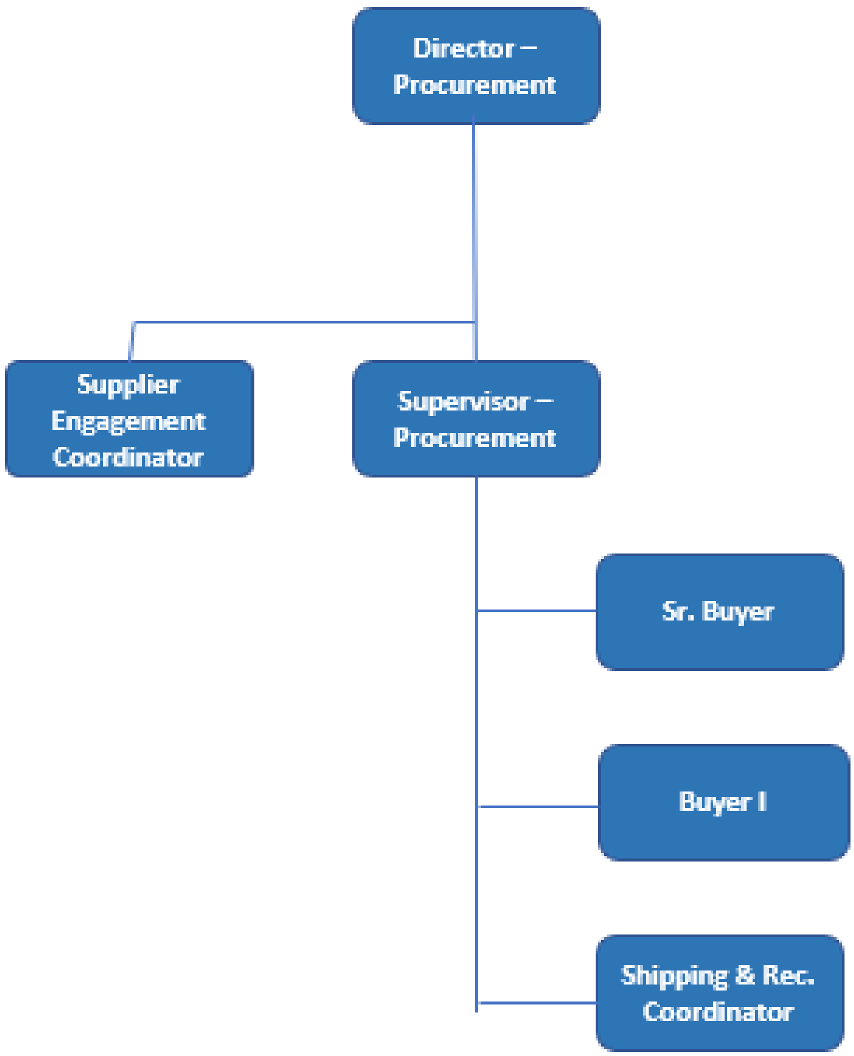


FINANCE DEPARTMENT
FY 2026 Budget Expense Summary

		FY 2024 Actual		FY 2025 Budget		FY 2025 YE Est.		FY 2026 Budget		Growth (Budget to Budget)			Growth (Budget to Actual)	
Operating Expenses														
Personnel Expenses														
Salaries and Wages	$	721,718	$	783,492	$	785,036	$	806,868	$	23,376	3%	$	21,832	2.8%
Employee Benefits		260,670		51,876		281,754		272,636		220,760	425.6%		(9,118)	-3.2%
Total Personnel Expenses		**982,388**		**835,368**		**1,066,790**		**1,079,504**		**244,136**	**29.2%**		**12,714**	**1.2%**
Non-Personnel Expenses														
Professional & Contractual Services	$	427,390	$	399,840	$	352,528	$	471,340	$	71,500	17.9%	$	118,812	33.7%
Marketing and Public Affairs		1,608		2,400		2,274		2,400		-	0%		126	5.5%
Materials and Supplies		6,614		5,500		4,524		4,600		(900)	-16.4%		76	1.7%
Other Operating Expense		435,539		437,783		443,090		454,213		16,430	3.8%		11,123	2.5%
Total Non-Personnel Expenses		**871,151**		**845,523**		**802,416**		**932,553**		**87,030**	**10.3%**		**130,137**	**16.2%**
Total Operating Expenses	**$**	**1,853,539**	**$**	**1,680,891**	**$**	**1,869,206**	**$**	**2,012,057**	**$**	**331,166**	**19.7%**	**$**	**142,851**	**7.6%**

Procurement Department

Following Arkansas State statues and the Little Rock Municipal Airport Commission Purchasing Resolution guidelines, Procurement is responsible for acquiring all professional services, maintenance, repair and supply (MRO) items and commodities for daily needs of the Airport. Supervised by the Director – Procurement, staff sources and approves vendors and national cooperative buying associations, maintains a Commission approved list of sole source vendors, manages a centralized receiving process, and writes various Bids, Request for Qualifications and Requests for Proposals to provide goods and professional services. Procurement also originates and maintains contractual relationships over multi-year periods, is the department responsible for the Airport record retention procedures, and in conjunction with the Finance department manages the disposition for end of life cycle assets.

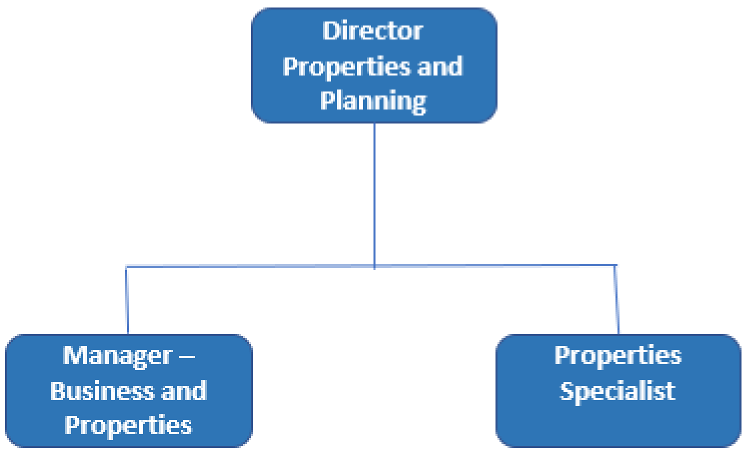


PROCUREMENT DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 197,857	$ 256,808	$ 316,730	$ 479,309	$ 222,501	86.6%	$ 162,579	51.3%
Employee Benefits	111,502	123,058	146,155	252,001	128,943	104.8%	105,846	72.4%
Total Personnel Expenses	**309,359**	**379,866**	**462,885**	**731,310**	**351,444**	**92.5%**	**268,425**	**58%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 99,713	$ 55,155	$ 54,355	$ 75,000	$ 19,845	36%	$ 20,645	38%
Marketing and Public Affairs	4,526	1,000	398	12,000	11,000	1100%	11,602	2915.1%
Materials and Supplies	2,907	2,400	2,809	3,900	1,500	62.5%	1,091	38.8%
Other Operating Expense	24,387	23,735	18,562	39,815	16,080	67.7%	21,253	114.5%
Total Non-Personnel Expenses	**131,533**	**82,290**	**76,124**	**130,715**	**48,425**	**58.8%**	**54,591**	**71.7%**
Total Operating Expenses	**$ 440,892**	**$ 462,156**	**$ 539,009**	**$ 862,025**	**$ 399,869**	**86.5%**	**$ 323,016**	**59.9%**

Properties and Planning Department

The oversight and management of all Airport owned property falls within the Properties and Planning Department. This department is led by the Director – Properties and Planning. The scope of responsibilities ranges from acquisition of new property for airport development, recruiting tenants and managing leases on both the airside and landside of the Airport. The Airport negotiates with tenants to derive the maximum revenue for the Commission from the various properties owned by the Airport. These tenants include rental cars, airlines, concessions and commercial property tenants. The Properties Department works with current and prospective tenants to arrive at competitive terms to lease these properties.



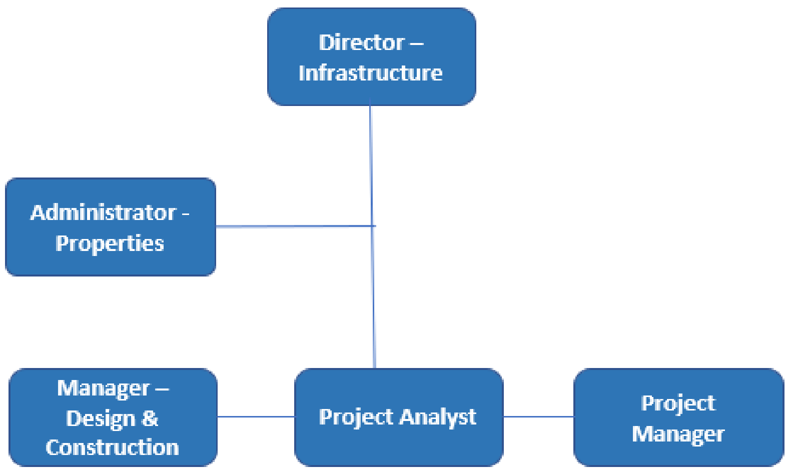
PROPERTIES AND PLANNING DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 1,095,401	$ 1,119,143	$ 1,142,872	$ 1,295,952	$ 176,809	15.8%	$ 153,080	13.4%
Employee Benefits	565,541	622,047	653,096	688,451	66,404	10.7%	35,355	5.4%
Total Personnel Expenses	**1,660,942**	**1,741,190**	**1,795,968**	**1,984,403**	**243,213**	**14%**	**188,435**	**10.5%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 27,686	$ 102,300	$ 98,749	$ 81,500	$ (20,800)	-20.3%	$ (17,249)	-17.5%
Materials and Supplies	29,795	33,100	39,816	43,600	10,500	31.7%	3,784	9.5%
Other Operating Expense	98,776	33,183	27,637	32,845	(338)	-1%	5,208	18.8%
Total Non-Personnel Expenses	**156,257**	**168,583**	**166,202**	**157,945**	**(10,638)**	**-6.3%**	**(8,257)**	**-5%**
Total Operating Expenses	**$ 1,817,199**	**$ 1,909,773**	**$ 1,962,170**	**$ 2,142,348**	**$ 232,575**	**12.2%**	**$ 180,178**	**9.2%**

Infrastructure Department

Keeping an Airport's buildings and airfield up to date involves a long-term plan and continuous construction projects. The Infrastructure Department has oversight of the long-term development of the Airport, both airside and landside. The Director – Infrastructure leads this department with a primary goal of maximizing our opportunity to receive federal and state grants to have the maximum economic benefit to our community.

Infrastructure staff have the responsibility for overseeing project management, planning, design and construction of projects, while maintaining a safe, secure airport. They manage the selection of consultants for professional services, oversee the preparation of packages for public bid and administer the construction contracts. They are also responsible for ensuring compatible land use around Airport property. For airfield and safety related projects, this department works closely with the FAA to remain in compliance with their standards.



INFRASTRUCTURE DEPARTMENT
FY 2026 Budget Expense Summary

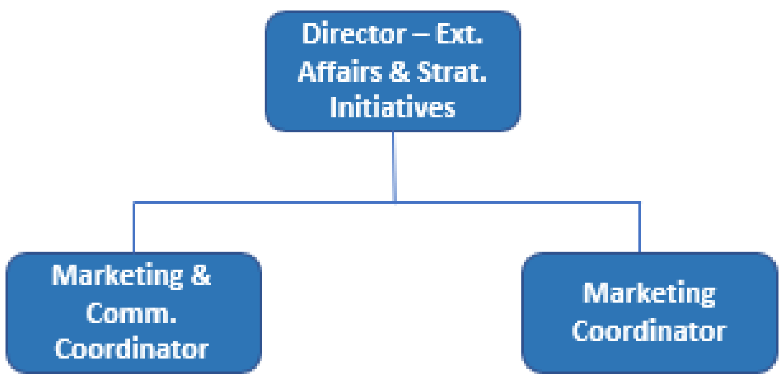
	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 463,797	$ 499,830	$ 549,121	$ 600,975	$ 101,145	20.2%	$ 51,854	9.4%
Employee Benefits	170,897	199,497	217,054	264,720	65,223	32.7%	47,666	22%
Total Personnel Expenses	**634,694**	**699,327**	**766,175**	**865,695**	**166,368**	**23.8%**	**99,520**	**13%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 297,515	$ 171,963	$ 129,633	$ 498,300	$ 326,337	189.8%	$ 368,667	284.4%
Materials and Supplies	537	1,800	1,935	2,400	600	33.3%	465	24%
Other Operating Expense	18,783	35,295	29,401	35,345	50	0.1%	5,944	20.2%
Total Non-Personnel Expenses	**316,835**	**209,058**	**160,969**	**536,045**	**326,987**	**156.4%**	**375,076**	**233%**
Total Operating Expenses	**$ 951,529**	**$ 908,385**	**$ 927,144**	**$ 1,401,740**	**$ 493,355**	**54.3%**	**$ 474,596**	**51.2%**

External Affairs Department

The External Affairs Department oversees communications, air service development and marketing for the airport. The director of external affairs and strategic initiatives is responsible for those efforts.

The department monitors traditional news outlets and social media for coverage related to the airport, including stories that could affect operations or public perception. The department also manages special events and marketing. The director works with lobbyists to track federal and state legislation that could affect the airport.

The department leads air service development, focusing on attracting new airlines, expanding existing service and adding destinations. The director works with airlines and consultants to strengthen air service. The director maintains regular communication with airline partners to assess satisfaction with current service. Staff meets with existing and prospective airlines to pursue additional flights and new destinations.



EXTERNAL AFFAIRS DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 374,520	$ 397,469	$ 427,356	$ 633,839	$ 236,370	59.5%	$ 206,483	48.3%
Employee Benefits	121,925	146,783	155,891	254,929	108,146	73.7%	99,038	63.5%
Total Personnel Expenses	**496,445**	**544,252**	**583,247**	**888,768**	**344,516**	**63.3%**	**305,521**	**52.4%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 127,418	$ 362,188	$ 154,839	$ 422,200	$ 60,012	16.6%	$ 267,361	172.7%
Marketing and Public Affairs	43,460	237,992	123,595	313,000	75,008	31.5%	189,405	153.2%
Materials and Supplies	296	1,400	692	300	(1,100)	-78.6%	(392)	-56.6%
Other Operating Expense	23,640	29,370	20,698	52,153	22,783	77.6%	31,455	152%
Total Non-Personnel Expenses	**194,814**	**630,950**	**299,824**	**787,653**	**156,703**	**24.8%**	**487,829**	**162.7%**
Total Operating Expenses	**$ 691,259**	**$ 1,175,202**	**$ 883,071**	**$ 1,676,421**	**$ 501,219**	**42.6%**	**$ 793,350**	**89.8%**

Operations Department

The Operations Department is charged with a number of tasks, primarily with operating the Airport in a safe manner and meeting the regulatory compliance standards according to the FAA. The Airside Operations Department is led by the Director – Operations.

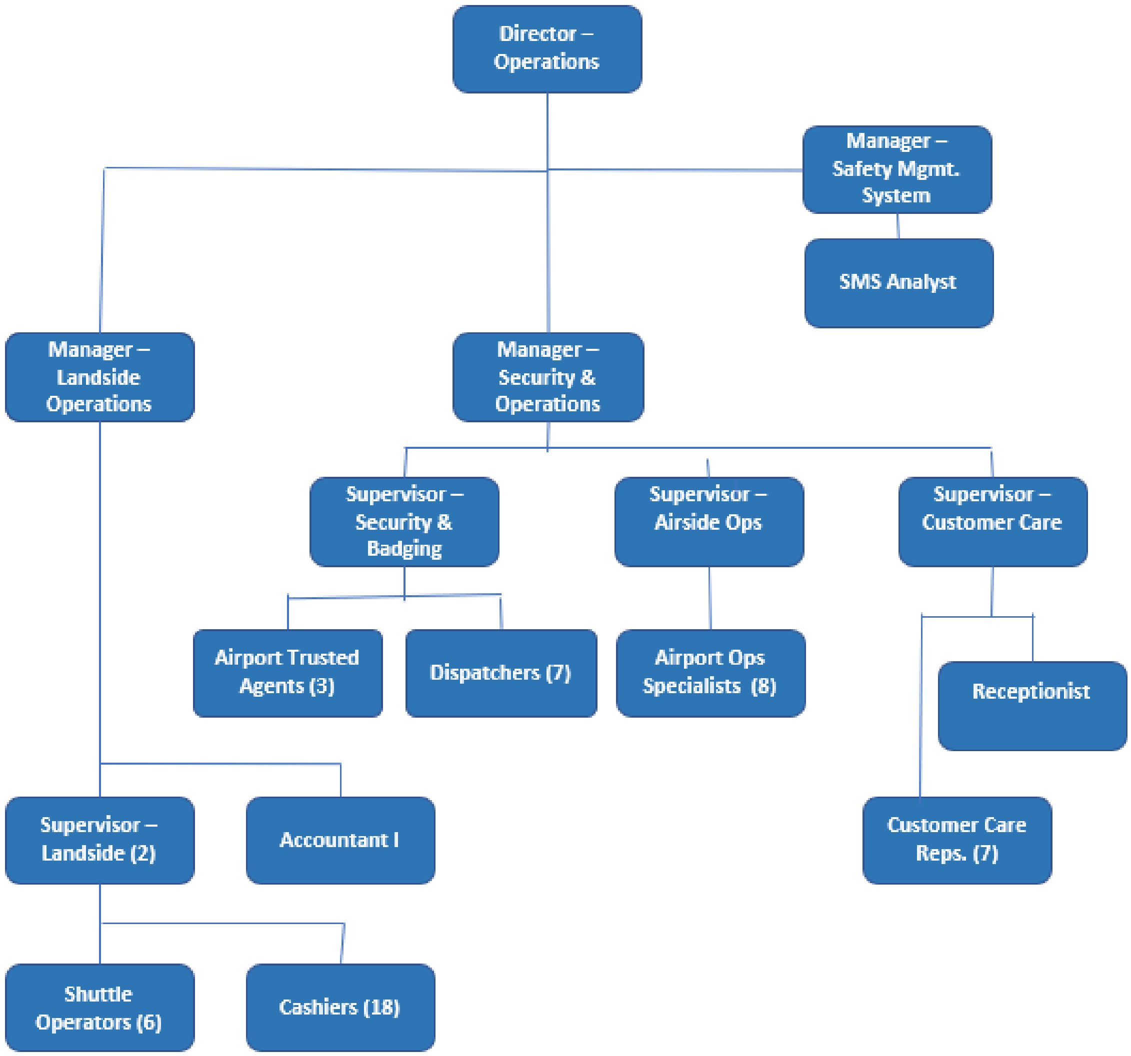
The FAA requires the Airport pass an annual Part 139 inspection. The Airside Operations Department coordinates the Airport's activities during this inspection. The department also conducts daily inspections to assure the safety operation of the Airport.

The Airport contracts with the City of Little Rock to provide police and aircraft rescue and firefighting (ARFF) services. This department is the contract administrator with the City and works with the City on staffing and other security related issues.

Operations is responsible for badging Airport employees and the employees of contractors and tenants working on Airport property. The recently created Safety Management System is also a responsibility of the Operations department.

The public areas outside of the Airport terminal are under the oversight of the Landside Operations Manager. These areas include the public parking lots, ground transportation operations, metered parking and transportation network companies. Operating shuttles that transport passengers from the public parking lots to the terminal is another Landside function.

Providing a positive experience for the passengers at the Airport is a high priority of the Commission. Customer Care employees interact with the passengers to provide assistance and enhance their experience while at the Airport. A combination of Airport staff and volunteer Angels are always on hand to assist the passengers traveling through the Airport. Additionally, throughout the year the Customer Care staff hosts special Customer Appreciation days.


Director – Operations
Manager – Safety Mgmt. System
SMS Analyst
Manager – Landside Operations
Manager – Security & Operations
Supervisor – Security & Badging
Supervisor – Airside Ops
Supervisor – Customer Care
Airport Trusted Agents (3)
Dispatchers (7)
Airport Ops Specialists (8)
Receptionist
Supervisor – Landside (2)
Accountant I
Customer Care Reps. (7)
Shuttle Operators (6)
Cashiers (18)

OPERATIONS DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 1,500,632	$ 1,531,516	$ 1,675,670	$ 1,870,216	$ 338,700	22.1%	$ 194,546	11.6%
Employee Benefits	632,678	642,880	745,676	947,642	304,762	47.4%	201,966	27.1%
Total Personnel Expenses	**2,133,310**	**2,174,396**	**2,421,346**	**2,817,858**	**643,462**	**29.6%**	**396,512**	**16.4%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 4,806,786	$ 5,155,168	$ 5,043,749	$ 5,422,134	$ 266,966	5.2%	$ 378,385	7.5%
Marketing and Public Affairs	29,599	32,696	24,156	42,696	10,000	30.6%	18,540	76.8%
Materials and Supplies	38,178	48,900	38,980	70,000	21,100	43.1%	31,020	79.6%
Other Operating Expense	107,595	187,922	105,682	166,267	(21,655)	-11.5%	60,585	57.3%
Total Non-Personnel Expenses	**4,982,158**	**5,424,686**	**5,212,567**	**5,701,097**	**276,411**	**5.1%**	**488,530**	**9.4%**
Total Operating Expenses	**$ 7,115,468**	**$ 7,599,082**	**$ 7,633,913**	**$ 8,518,955**	**$ 919,873**	**12.1%**	**$ 885,042**	**11.6%**

Facilities Department

Maintaining a safe airfield is a primary concern of the Airport. That function is carried out by the Airfield Maintenance Department. The department is under the oversight of the Director – Facilities.

The Airfield Maintenance Department maintains the runways, aprons, taxiways and other airfield surfaces. This includes airfield markings, rubber removal and asphalt maintenance. Inspecting and maintaining airfield lighting and markings is an airfield maintenance activity. Proper maintenance of Runway Safety Areas and Runway Safety Zones falls within this department. Airfield Maintenance works closely with the Airside Operations Department to assure compliance with FAA regulations.

During inclement winter weather events, snow and ice removal falls within this department. The Airfield Maintenance Department also has the responsibility of mowing the areas inside and outside of the perimeter fence and maintaining all the landscaped areas. Additionally, the Airfield Maintenance Department is one of the leads on environmental, recycling and sustainability efforts for the Airport.

The Commission has placed a high priority on giving our passengers a positive experience as they travel through the Airport. The quality of that experience in a large part is determined by the quality of amenities in the terminal and the condition of the terminal. With over two million passengers traveling through the Airport annually, maintaining the terminal at a high level can be challenging. The Terminal Maintenance Department has the responsibility of maintaining the terminal. The Director - Facilities is over this department.

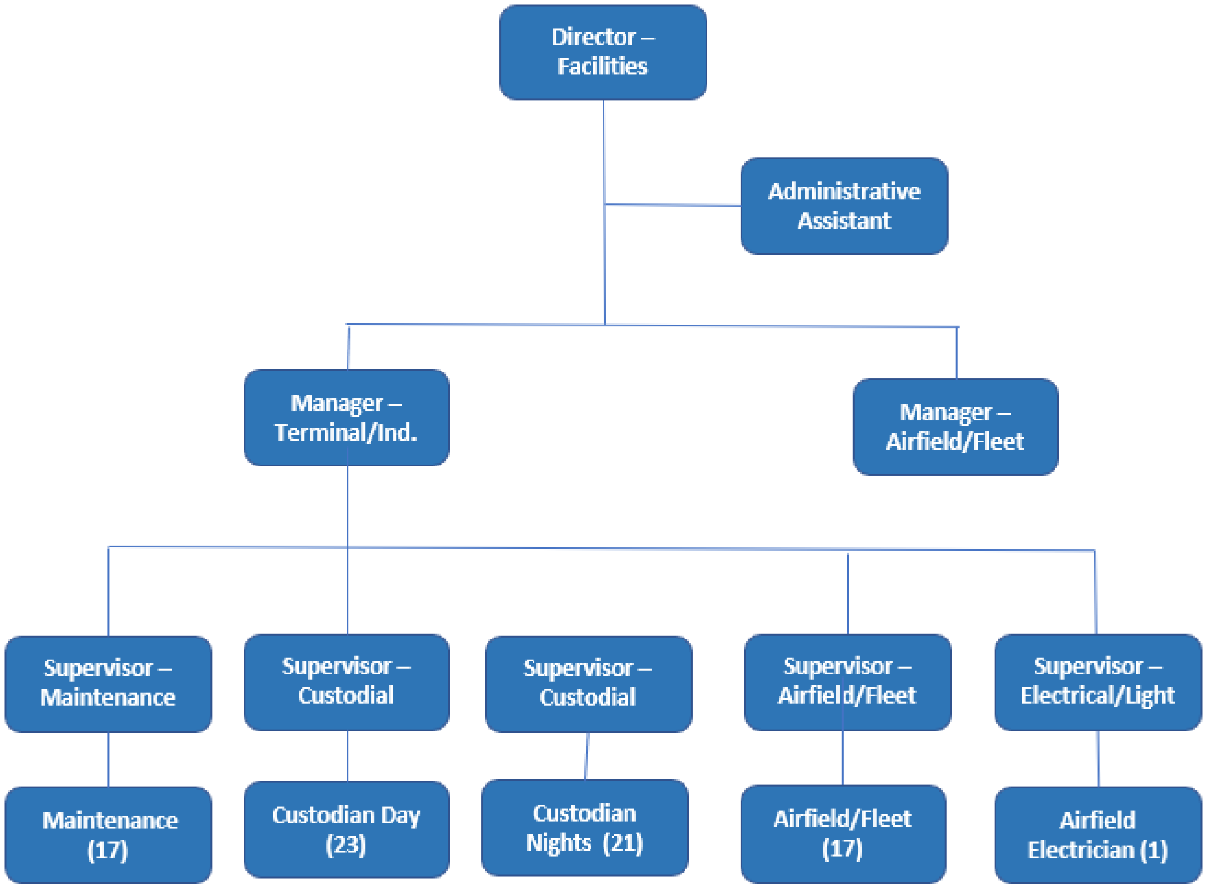
Besides maintaining the appearance of the terminal through custodial services and routine maintenance, Terminal Maintenance is responsible for all equipment ans systems operating in the terminal. Some of these systems include the Baggage Handling Systems, elevators and escalators, passenger boarding bridges and all HVAC systems. Terminal Maintenance is also involved in the environmental, recycling and sustainability effort at the Airport.

One source of non-aeronautical revenue is leasing properties to tenants to develop for their purposes. Depending on the terms of the lease agreement, the Commercial Facilities Department, which is made up of terminal maintenance staff, is responsible for maintaining many of the developed properties. The Director - Facilities is over Commercial Facilities.

This department provides practically the same services that are handed by Terminal Maintenance with a much reduced custodial requirement. Maintenance of the enhanced fire suppression systems at the Airport Business Park is a responsibility of Commercial Facilities.

The Airport requires an extensive fleet of vehicles, tractors, mowers, snow removal equipment and trailers to carry out the required maintenance needs. Maintenance of these assets is handled by the Fleet Maintenance Department. Fleet Maintenance is under the oversight of the Director - Facilities.

Preventive maintenance, as well as routine repairs, are handled by Fleet maintenance staff. This department also makes sure there are adequate supplies of unleaded and diesel fuel to power theses vehicles and equipment.


Director – Facilities
Administrative Assistant
Manager – Terminal/Ind.
Manager – Airfield/Fleet
Supervisor – Maintenance
Supervisor – Custodial
Supervisor – Custodial
Supervisor – Airfield/Fleet
Supervisor – Electrical/Light
Maintenance (17)
Custodian Day (23)
Custodian Nights (21)
Airfield/Fleet (17)
Airfield Electrician (1)

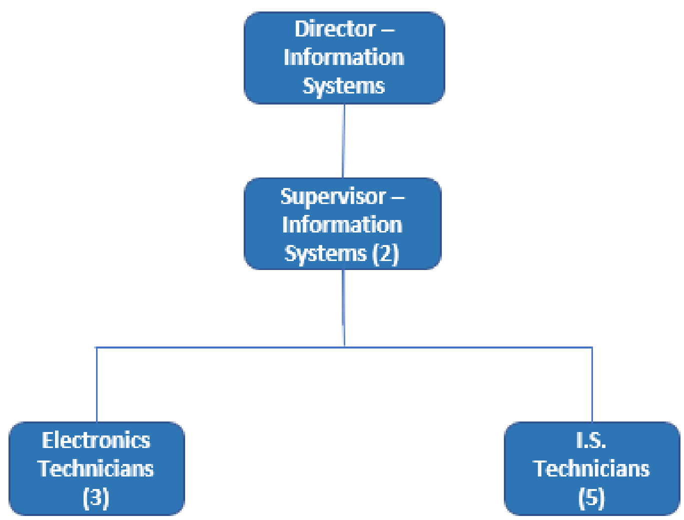
FACILITIES DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 3,513,691	$ 4,140,269	$ 4,192,675	$ 4,608,057	$ 467,788	11.3%	$ 415,382	9.9%
Employee Benefits	1,891,770	2,289,667	2,507,305	2,763,069	473,402	20.7%	255,764	10.2%
Total Personnel Expenses	**5,405,461**	**6,429,936**	**6,699,980**	**7,371,126**	**941,190**	**14.6%**	**671,146**	**10%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 1,701,921	$ 1,880,773	$ 2,124,744	$ 2,168,594	$ 287,821	15.3%	$ 43,850	2.1%
Utilities	1,605,734	1,918,388	1,733,281	2,009,804	91,416	4.8%	276,523	16%
Materials and Supplies	929,684	931,704	984,599	1,048,304	116,600	12.5%	63,705	6.5%
Other Operating Expense	158,252	158,432	117,207	209,315	50,883	32.1%	92,108	78.6%
Total Non-Personnel Expenses	**4,395,591**	**4,889,297**	**4,959,831**	**5,436,017**	**546,720**	**11.2%**	**476,186**	**9.6%**
Total Operating Expenses	**$ 9,801,052**	**$ 11,319,233**	**$ 11,659,811**	**$ 12,807,143**	**$ 1,487,910**	**13.1%**	**$ 1,147,332**	**9.8%**

Information Systems Department

The Information Systems Department has a wide range of systems and equipment to maintain in order to keep the Airport functioning properly. This includes interfacing with many of the Airport tenants for their system needs on a regular basis. This department is under the oversight of the Director – Information Systems.

Some of the systems this department is responsible for include fire and security alarms, access control and flight information displays (FIDS). All servers and related hardware are maintained by the I.S. Department. Additionally, this department has responsibility for internet and telephone service within the terminal and all Airport owned facilities. Protecting the Airport from cybersecurity threats also falls within the responsibilities of the Information Systems Department.



INFORMATION SYSTEMS DEPARTMENT
FY 2026 Budget Expense Summary

	FY 2024 Actual	FY 2025 Budget	FY 2025 YE Est.	FY 2026 Budget	Growth (Budget to Budget)		Growth (Budget to Actual)	
Operating Expenses								
Personnel Expenses								
Salaries and Wages	$ 786,529	$ 845,352	$ 820,467	$ 837,667	$ (7,685)	-0.9%	$ 17,200	2.1%
Employee Benefits	353,113	429,753	434,307	403,382	(26,371)	-6.1%	(30,925)	-7.1%
Total Personnel Expenses	**1,139,642**	**1,275,105**	**1,254,774**	**1,241,049**	**(34,056)**	**-2.7%**	**(13,725)**	**-1.1%**
Non-Personnel Expenses								
Professional & Contractual Services	$ 812,576	$ 970,628	$ 705,899	$ 1,011,266	$ 40,638	4.2%	$ 305,367	43.3%
Utilities	155,567	137,705	105,478	188,304	50,599	36.7%	82,826	78.5%
Materials and Supplies	108,213	135,530	125,562	166,830	31,300	23.1%	41,268	32.9%
Other Operating Expense	53,395	184,972	24,938	136,897	(48,075)	-26%	111,959	448.9%
Total Non-Personnel Expenses	**1,129,751**	**1,428,835**	**961,877**	**1,503,297**	**74,462**	**5.2%**	**541,420**	**56.3%**
Total Operating Expenses	**$ 2,269,393**	**$ 2,703,940**	**$ 2,216,651**	**$ 2,744,346**	**$ 40,406**	**1.5%**	**$ 527,695**	**23.8%**

Interest and Financing Expenses

In December 2015, Airport management was granted approval by the Commission to complete the Airport's debt-payoff plan. The plan authorized the Airport to pay off the last of its outstanding debt, bonds 2007A and B, ten years early at a savings of $1.6 million in debt-service costs. With the extinguishment of this debt, the Airport no longer incurs interest and financing expenses related to long-term debt.

Capital Purchases

The Capital Purchases List (details provided with Attachment A) includes expenditures by the Airport (aside from FAA authorized projects) that either (1) buy fixed assets with an individual unit value of $5,000 or greater and a useful life beyond one year or (2) add to the value of an existing fixed asset with a useful life that extends beyond one year. Capital purchases include the purchase of vehicles, equipment, machinery, information technology equipment, parking equipment, etc. that are purchased throughout the year.

As part of the annual budget process, department directors submit capital purchase requests to be considered for purchase in the upcoming year. These requests are reviewed with the Deputy Executive Director and the approved items are included in the Capital Purchases List (on the following page). Although the Capital Purchases are approved through the budget process, capital purchases follow the procurement resolution and Commission approvals are obtained for major capital purchases exceeding $75,000.

Capital Purchases List

CLINTON NATIONAL AIRPORT
FY 2026 CAPITAL PURCHASES

Description	Details	Budgeted
Fleet Vehicles	New fleet vehicles to replace end of life vehicles	1,200,000
Gas powered shuttles	Replacement of aging and outdated shuttles	285,000
	Total Vehicles	1,485,000
Outdoor walk behind sweepers	Advance Terra 28B Walk Behind Floor Sweeper	15,000
Ride on Floor Scrubber	Sc5000 36c Rider Scrubber	37,000
Replacement International Trash Incinerator	Mediburn 30 Waste Incinerator	55,462
Ride on Electric Sweeper	Cat 70RX Ride on Sweeper	71,000
Cleancore Power Caddy	Restroom Sanitizing and Cleaning	27,100
Roland DGSHAPE DE 3 Engraving Machine	Engraving Machine for Employee Name Badges.	9,354
Utility Tractor with Rotary Mower	John Deere 5120M tractor with climate control cab and 20 ft rotary cutter	140,000
Finish Cut Mower Deck	Finish cut mower deck for Ventrac mower purchased in 2024	7,800
Replacement Mowers - Cab Front Deck	2 Cab front deck mowers with 2-72 inch mowing decks and 2-snowblowers	120,000
Replacement Mowers - Zero Turn	Replacement mowing equipment. 2 Zero-turn mowers with 72-inch mowing deck	65,000
Airfield Liquid/Solid Combination Spreader	Chassis-mounted (on existing dump truck) spreader used for deicing airfield surfaces.	207,000
Vehicle A/C service unit	Unit to accommodate servicing of new vehicles that adhere to new refrigerant requirments	14,500
Wheel Balancer	Service unit for airport fleet/tires	12,000
Mini Excavator	Excavator with muck bucket and mower implements	175,000
Apex stripex 7000T	Ultra high pressure paint marking removal equip	506,000
10 cu ft. In-Bed Spreader	Salt/sand spreader to be equipped in John Deere Gator XUV purchased in 2025	8,250
Continuous Friction Measurment Equipment	Purchase of a new CFME to replace the existing Saab CFME	360,000
Phoenix Wailer	Purchase of 2 Phoenix Wailer systems for wildlife deterrence on runways	15,000
Storage Trailer	7ft. X 14ft enclosed trailer to house folding tables and chairs	7,000
	Total Equipment	1,852,466
Network Switch Replacements	Replace Network Switches	100,000
Fiber Optic Splicer	Field splicing of fiber optic cables	12,000
Copiers	Copiers For Admin (2), Facilities, Badging, Parking, AMF, Operations	105,000
Emergency Phones (Parking Lot)	Emergency Telephones in Parking Lot used for Distress Customers	330,000
Servers	Replacement Telephone System Servers	72,000
Storage Servers	Enterprise Storage Servers	95,000
LPR Camera System	Addition of License Plate Reader camera system for use by Landside	35,000
	Total Computer Systems: Infrastructure	749,000
BAS controls updates	Updated BAS controls	40,000
IDF-7 AHU replacement	QTE407275 Liebert Replacement Unit	60,000
AHU 30 replacement	QTE407275 Liebert Replacement Unit	60,000
AMF East Side Floor Coating	PolyWise Coval Floor Coating	54,500
Replace Breaker in Main Terminal Generator	Replace 52D2 breaker on Main CAT Riggs generator serving SB 5	55,000
Dover DMC controllers	Dover elevator DMC micorprocessor controller replacement, secure side elevators	330,000
Smart Terminal Improvements	Improve cleanliness, cut costs, and enhance the passenger experience	500,000
Carpet Replacement	Baggage Claim & Concourse Gate Hold Room	300,000
	Total Building Improvements	1,399,500
Montgomery HS series controllers	Kone/Montgomery elevators HS Series Controllers at parking garage	220,000
	Total Parking / Roadway Improvements	220,000
Otis LRVF controller	Otis Elevator LRVF controller at ABP building 100	165,000
Tree and Fence Removal/Relocation	Removal of trees and fences on previously acquired airport prop.; relocation of existing fencing	300,000
	Total Non -Airfield Land Improvements	465,000
		$ 6,170,966

Capital Purchases List – continued

CLINTON NATIONAL AIRPORT
FY 2026 CAPITAL PURCHASES

Carry Forward Capital Purchases		
Description	**Details**	**Budgeted**
Mobile airfield light monitoring system	Photometric testing for airfield lighting	150,000
Quincy QGD-60 Air Compressor	High volume air compressor for Building 200,300 & 400	43,500
Temporary Construction Barriers	Purchase Modular Temp Construction Barriers for use on Reno Projects	150,000
Fuel/Fleet management system	Fueling system for airport fleet and equipment, replacing aging system	60,000
IonScan 600 EDSE capabilities	Explosive Trace Detection Equipment - meet 2026 AWS requirements	75,000
Executive Dashboard Development	Executive Dashboard Development/Power BI Programming	75,000
Pedestrian ramp	Replace pedestrian ramp at receiving dock	35,000
Barricades South of I440	Measures to discourage illegal dumping on our existing properties	40,000
	Total Carry Forward Items	**$ 628,500**

TOTAL 2026 CAPITAL PURCHASES	**$ 6,799,466**

Major Capital Projects

To meet the demands of air traffic growth and maintain a high level of customer satisfaction, the Airport continuously undertakes projects focused on the construction of new facilities and the renovation of existing infrastructure. Capital projects encompass the design and construction of buildings, major renovations, airfield improvements and other significant infrastructure enhancements.

These projects are funded through a variety of sources including federal and state grants, Passenger Facility Charges, and airport-generated funds, ensuring the Airport's continued ability to expand capacity, enhance safety, and improve the overall passenger experience.

Airport staff prepares a five-year Capital Improvement Plan (CIP) that is reviewed and approved annually by the FAA. Many of these projects are funded by the FAA. The CIP serves as a strategic guide for future infrastructure planning to prioritize the long-term capital needs of the Airport. The 5 Year CIP supports the planning, acquisition, and financing of capital projects. In addition, Airport staff prepares and updates the Major Capital Projects budget annually. The Major Capital Project budget includes proposed airport funded projects over a three-year period.

A few of the current and upcoming projects include:

- **Taxiway Charlie Reconstruction Program** This multi-year project will be completed in several phases and will relocate Taxiway Charlie, change the layout of Taxiway Mike, rehabilitate tie-in locations at Taxiway PAPA and install base mounted LED taxiway edge lights along the new taxiways Charlie and Mike. The new location of Taxiway Charlie will standardize the distances between runway 4L/22R and the adjoining full-length taxiway in accordance with AC 150-5300-13A. The PCC pavement material will provide adequate load bearing capability for large aircraft that may be accessing the west general aviation ramp and need to utilize Runway 22R. Changes to the layout of Taxiway Mike will allow for aircraft to exit or cross Runway 4L perpendicular intersections, removing the acute-angle taxiway to the west side of Runway L/22R.

  Phases I and II were completed in 2022 and 2024, respectively and Phase III is currently underway. Phase III will continue the extension of Taxiway Charlie to Runway 18-36. Taxiway Lima will be removed and reconstructed as Taxiway A6 in line with the Taxiway Charlie extension. A green no-taxi island will also be installed at the new Taxiway A6 to eliminate the direct ramp to runway access. Standard taxiway shoulders will be constructed on the Taxiway Charlie extension and Taxiway A6. Phase III is scheduled to be completed by the end of 2025. Phase IV, the final phase of the Taxiway Charlie Reconstruction Program, will begin in 2026. This phase will remove the acute angled exit Taxiway Juliet and the direct ramp to the runway access at Taxiway Mike. A new perpendicular connector Taxiway F2 will be constructed.

- **Curbside Canopy** The curbside canopy will be constructed over the passenger drop off area at the curbside of the airport terminal building to provide improved and safer access for passengers. The Canopy will be a steel and glass structure extending over 1.5 lanes of the entrance drive. Signage, lighting, public address and access control devices will be included in the construction of the canopy. Construction is underway and scheduled to be completed in January 2026.

- **Central Utility Plant** The Central Utility Plant (CUP) Program is a multi-year, multi-phased construction consisting of terminal improvements that serve as enabling projects for construction of the Arrivals Hall component of the Terminal Redevelopment Program (TRP). This program replaces aging electrical and mechanical systems at LIT and clears the existing mechanical room to accommodate future terminal expansion.

  The broader Terminal Redevelopment Program is designed to increase passenger capacity and improve access by creating a high-volume two and three story public space that will serve as the primary area for public circulation, waiting and security screening, connecting the existing terminal to the new concourse. The CUP is a critical path component for the development of the Terminal Commons.

  The mechanical portion of the CUP, known as the Geothermal Energy Plant (GEP), includes construction of the GEP building and installation of the geothermal mechanical systems. The GEP will serve the terminal by providing a natural water loop heat exchange for the HVAC system at the LIT terminal. This system will utilize drilled geothermal wells to replace the existing natural gas-fired boilers and refrigerant chillers. Through the electrification of these systems, LIT anticipates an 85% reduction in greenhouse emissions, significantly advancing the Airport's sustainability goals.

  Construction of the switchboard rooms has been completed, and all the major mechanical and electrical equipment has been procured. Geothermal wellfield construction commenced in October 2025.

  Planned major construction activities for 2026 will include construction of the geothermal energy plant building, completion of the geothermal wellfield, and installation of underground utilities.

  The total cost of the design and construction of the Central Utility Plant and enabling projects is estimated at $132 million. To date, LIT has secured several grants to support the project, totaling $53.5 million in awarded funding. This includes $25.2 million in grants under the Infrastructure Investment and Jobs Act (IIJA), a $7.75 million grant from the Environmental Protection Agency's Climate Pollution Reduction Grant Program, a $3 million discretionary grant under the Airport Improvement Program (AIP) and a $17.5 million grant through the Voluntary Airport Low Emissions (VALE) Program.

- **Airport Parking Development Project** In 2025, LIT initiated an Airport Parking Development Project aimed at expanding and modernizing the airport's facilities. The project will add 2,200 new spaces to accommodate both passengers and employees, supporting future growth and improving overall access to the terminal. Construction of the new parking facilities is scheduled to be completed in late 2026, enhancing the passenger experience and increasing airport revenue through expanded capacity and improved efficiency.

  Additionally, upgrades to the Parking Access & Revenue Control System (PARCS) will be completed in 2026 further advancing passenger experience with advanced technology.

Major Capital Projects List

CLINTON NATIONAL AIRPORT
FY 2026 - 2028 MAJOR CAPITAL PROJECTS (Non-AIP or PFC)

Description	Total Budget	2026	2027	2028
AIRFIELD & AIRFIELD MAINTENANCE FACILITY PROJECTS				
Security Systems Design and Construction	2,100,000	2,100,000		
Video Surveillance Camera Assessment and Replacement	1,900,000	1,100,000	800,000	
Airfield Pavement Status Update	400,000	200,000	200,000	
Wildlife Management Plan Update	90,000	90,000		
Airfield Drainage Improvements	1,500,000	500,000	500,000	500,000
New Equipment Storage Building	6,250,000	1,250,000	5,000,000	
Airfield Perimeter Fencing	500,000	250,000	250,000	
Runway Overrun area crack seal, mill and overlay	350,000	350,000		
Re-Roof AMF Building	1,500,000	750,000	750,000	
Airport fueling station rehab	150,000	150,000		
Airfield Pavement Joint Rehab Program	1,500,000	500,000	500,000	500,000
Rwy 18-36 Concrete Panel Replacement	500,000	250,000	250,000	
Masterplan Update	2,800,000	500,000	1,400,000	900,000
Taxiway Bridge Inspection/Improvements	1,050,000	50,000	500,000	500,000
Purchase MB3 Snow Broom & Utility Tractor Snow Plow	882,000	882,000		
East Airfield Fiber, CCTV Cameras	1,500,000			1,500,000
East side Drainage Improvements - Outfall and paved ditches	3,000,000		3,000,000	
East Airfield Asphalt Shoulder Pavement Improvements	1,000,000		1,000,000	
West Airfield Asphalt Shoulder Pavement Improvements	1,000,000			1,000,000
Perimeter Road Safety Improvements	750,000			750,000
Perimeter Road Construction and Rehabilitation	1,000,000			1,000,000
GA Heavy Ramp Replacement	4,000,000		1,000,000	3,000,000
GA Area Development - Phase 1	3,000,000		1,000,000	2,000,000
AMF Improvements	300,000			300,000
Airfield Employee Dormitory	350,000		350,000	
Subtotal	$ 37,372,000	$ 8,922,000	$ 16,500,000	$ 11,950,000

Major Capital Projects List – continued

CLINTON NATIONAL AIRPORT

FY 2026 - 2028 MAJOR CAPITAL PROJECTS (Non-AIP or PFC)

Description	Total Budget	2026	2027	2028
TERMINAL BUILDING PROJECTS				
SMS Implementation	200,000	100,000	100,000	
Arrivals Hall/Terminal Commons - Schematic Design	2,700,000	2,300,000	400,000	
Concourse Lighting Upgrades	500,000	500,000		
Ticket Lobby Lighting & Shade Control Upgrades	250,000	250,000		
FIDS Replacement and Paging Update	1,200,000	600,000	600,000	
PBB 2&4 Replacement	3,500,000	2,750,000	750,000	
UPS Replacement - IDF 7 & Dispatch	150,000	150,000		
Ops Office Renovation	500,000	500,000		
Common Use System Upgrade	850,000	550,000	300,000	
WI-FI 7 Upgrade	325,000	325,000		
Customer Seating Experience	750,000	600,000	150,000	
Curbside Amenity Improvements	400,000	400,000		
Customer Care Concourse Desk, replace Bag Claim desk	150,000	150,000		
Concourse Wayfinding Improvements	450,000	300,000	150,000	
Study for removal of old third tier emergency generators	25,000	25,000		
Installation of Bag Claim Area and Concourse Hold Room Carpet	350,000	350,000		
Replace Tiles in Ticket Lobby Men's & Women's Bathroom Floors	300,000	300,000		
Curbside Check-In Remodel	750,000	50,000	700,000	
Ticket Lobby Check-In area Updates	500,000	50,000	450,000	
Pre-Security Lobby Tenant Remodel (Hudson South)	300,000	100,000	200,000	
Clinton Conference Room AV and Lighting Improvements	250,000	25,000	225,000	
Reroof checkpoint and presecurity area	700,000	700,000		
Gates 2 & 4 Hold Room Improvements	400,000	400,000		
MDF/IDF Generators	600,000	250,000	350,000	
Bag Claim Window System Waterproofing Assessment and Repairs	150,000	150,000		
Arrivals Hall/Terminal Commons - DD & CD Design Services	10,700,000	4,000,000	4,000,000	2,700,000
Arrivals Hall/Terminal Commons - Roadway and Other Enabling Projects	500,000		100,000	400,000
Administration Offices - Finish Updates (Carpet)	350,000	350,000		
LEO Office Upgrade	300,000	300,000		
Facilities Office Expansion & Renovation	800,000	100,000	700,000	
Arrivals Hall Construction	100,000,000			100,000,000
Administration Offices - Remodel/add offices	600,000		100,000	500,000
Checkpoint Technology Upgrades	300,000		300,000	
Passenger Boarding Bridge Replacement 10,11	3,500,000			3,500,000
Purple/Reclaimed Water Reuse Program	500,000			500,000
Subtotal	$ 133,800,000	$ 16,625,000	$ 9,575,000	$ 107,600,000

Major Capital Projects List – continued

CLINTON NATIONAL AIRPORT

FY 2026 - 2028 MAJOR CAPITAL PROJECTS (Non-AIP or PFC)

Description	Total Budget	2026	2027	2028
PARKING & RODWAY PROJECTS				
9th Street Relocation Study and Design	10,500,000		2,500,000	8,000,000
Parking Improvements - East Lot Expansion	12,000,000	9,000,000	3,000,000	
Parking Deck Repairs & Maintenance	2,250,000	750,000	750,000	750,000
Parking Lot Revenue Control & Safety Updates (PARCS)	2,000,000	1,650,000	350,000	
Parking Guidance System Upgrade and Replacement (PGS, All Lots)	3,500,000	500,000	1,500,000	1,500,000
Landscape & Signage Vision and Masterplan Development	100,000	100,000		
Monument Sign and Fountain Landscape Improvements	150,000	150,000		
Roadway Signage Improvements - Dynamic	1,000,000	500,000	500,000	
Airport Road Irrigation and Landscape Improvements	750,000	450,000	300,000	
RAC Planning and Siting Study	250,000	250,000		
Crosswalk Marking Improvements	400,000	400,000		
Construct Covered Parking at New East Lot	5,500,000	4,000,000	1,500,000	
Restore Skylights at Parking Deck, SkyBridge, Bag Claim Rotunda	300,000	300,000		
Re-Roof Parking Deck (20 years old)	750,000	450,000	300,000	
Bag Scale Replacement	100,000	100,000		
Commercial Development Area Roadway & Site Improvements	2,000,000			2,000,000
Parking Lot Asphalt Maintenance and Repair Program	600,000		300000	300,000
Signage & Wayfinding Improvements - Phase 2 (In Lots)	300,000		300,000	
Parking Reservation System (PRS) Implementation	300,000		50,000	250,000
Replace Pedestrian Canopies	750,000		750,000	
Roosevelt Road Landscape and Half Street Improvements	1,500,000		100,000	1,400,000
Rental Car Ready Return and Counter Upgrades	1,000,000		1,000,000	
Parking Deck Revisions (for ground floor parking and valet)	300,000		300,000	
Parking Lot Bollards and Railings Refurbishment	500,000		250,000	250,000
Subtotal	$ 46,800,000	$ 18,600,000	$ 13,750,000	$ 14,450,000
COMMERCIAL / INDUSTRIAL BUILDING PROJECTS				
1805 Bond Street Re-Roof	250,000	250,000		
Crisp Drive Building Demo	650,000	650,000		
Re-Roof Cargo North	1,200,000	800,000	400,000	
Fiber to Carrier Building & FSDO	300,000	300,000		
3303 E Roosevelt Building Improvements (Pulaski Tech)	1,500,000	100,000	1,000,000	400,000
Re-Roof Cargo South	750,000		750,000	
Crisp Drive Improvements	500,000		500,000	
GA Area Roadway, Fencing, Signage Improvements	3,000,000		1,500,000	1,500,000
	-			
Subtotal	$ 8,150,000	$ 2,100,000	$ 4,150,000	$ 1,900,000

Major Capital Projects List – continued

CLINTON NATIONAL AIRPORT

FY 2026 - 2028 MAJOR CAPITAL PROJECTS (Non-AIP or PFC)

Description	Total Budget	2026	2027	2028
AIRPORT BUSINESS PARK PROJECTS				
Hangar B200 - Upgrade Fire Suppresssion System/Add Emer Generator	3,000,000	2,500,000	500,000	
Hangar 300 - Upgrade Fire Suppression System/Add Emergency Generator	2,500,000	2,000,000	500,000	
Hangar 400 - Upgrade Fire Suppression System/Add Emergency Generator	2,000,000	1,500,000	500,000	
Hangar 500 - Upgrade Fire Suppression System/Add Emergency Generator	2,500,000	2,000,000	500,000	
Bldg. 1000 - Upgrade Fire, Pumps, Elec Gear, Add Generator	1,500,000	1,000,000	500,000	
Bldg. 200 - Drainage Improvements at North Side Entrance	225,000	225,000		
Bldg. 1000 - Connect Alarm System to Terminal	70,000	70,000		
Hangar 200 & 400 - HVAC Upgrades	500,000	250,000	250,000	
Bldg. 200 - Multi-tenant Improvements	500,000	250,000	250,000	
Parking Lot Improvements - Phase 1 (North Lots)	500,000		300,000	200,000
Bldg. 100 - Emergency Generator (100kW NG), ATS	152,000		152,000	
Parking Lot Improvements - Phase 2 (Central Lots)	270,000		150,000	120,000
Parking Lot Improvements - Phase 3 (South Lots)	490,000			490,000
Add CCTV to Building & Campus (approx. 36 cameras)	240,000		240,000	
Site Improvements & Access Control	450,000		250,000	200,000
CBP Relocation	500,000			500,000
Submeter ABP utilities - water and gas	250,000		250,000	
Subtotal	$ 15,647,000	$ 9,795,000	$ 4,342,000	$ 1,510,000
LAND ACQUISTIONS				
Property Acquisition Allowance	1,350,000	450,000	450,000	450,000
Demolition Allowance for newly purchased properties	900,000	300,000	300,000	300,000
Subtotal	$ 2,250,000	$ 750,000	$ 750,000	$ 750,000
Total Major Capital Projects	**$ 244,019,000**	**$ 56,792,000**	**$ 49,067,000**	**$ 138,160,000**

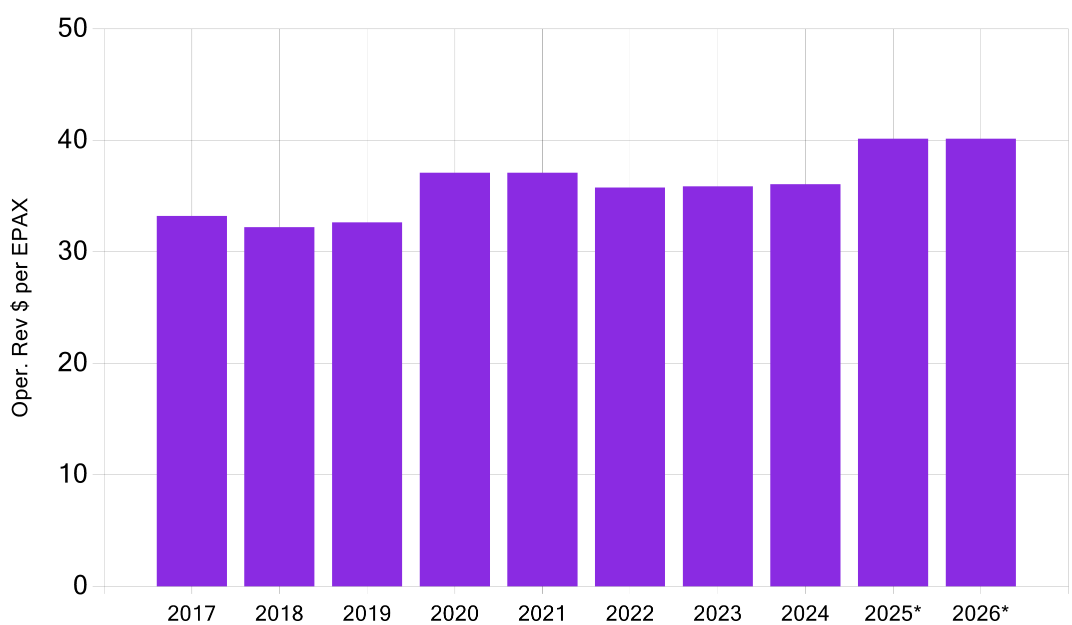
Historical Performance Indicators

Operating Revenue per Enplanement

Fiscal Year	Operating Revenue $ [1]	Enplaned Passengers [1]	Operating Revenue per Enplanement	% Change
2017	33,782	1,017	$ 33.22	4.8%
2018	34,436	1,069	$ 32.21	0.7%
2019	36,723	1,125	$ 32.64	-3.1%
2020	24,249	491	$ 49.39	1.4%
2021	31,529	850	$ 37.09	51.4%
2022	36,138	1,010	$ 35.77	-3.6%
2023	40,179	1,120	$ 35.87	0.3%
2024	42,338	1,174	$ 36.06	0.8%
2025*	46,962	1,170	$ 40.15	12.0%
2026*	49,008	1,181	$ 41.49	15.1%

(1) In thousands.

Operating Revenue per Enplanement



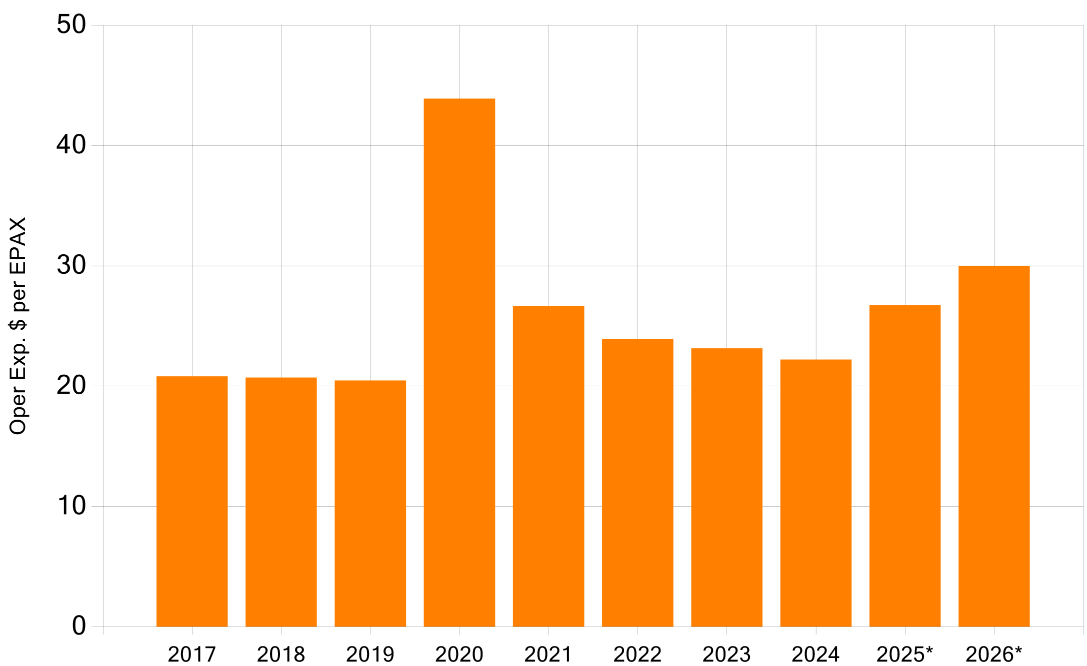
** - FY 2025 Year-end estimate, FY 2026 budgeted*
Source - Little Rock Municipal Airport Commission

Operating Expenses per Enplanement

Fiscal Year	Operating Expenses $ [1]	Enplaned Passengers [1]	Operating Expenses per Enplanement	% Change
2017	21,161	1,017	$ 20.81	-6.3%
2018	22,134	1,069	$ 20.71	3.1%
2019	23,029	1,125	$ 20.47	-0.5%
2020	21,552	491	$ 43.89	-1.1%
2021	22,674	850	$ 26.66	114.6%
2022	24,152	1,010	$ 23.90	-10.3%
2023	25,922	1,120	$ 23.14	-3.2%
2024	26,069	1,174	$ 22.20	-7.1%
2025*	31,259	1,170	$ 26.73	15.5%
2026*	35,416	1,181	$ 29.98	11.2%

(1) In thousands.

Operating Expenses per Enplanement



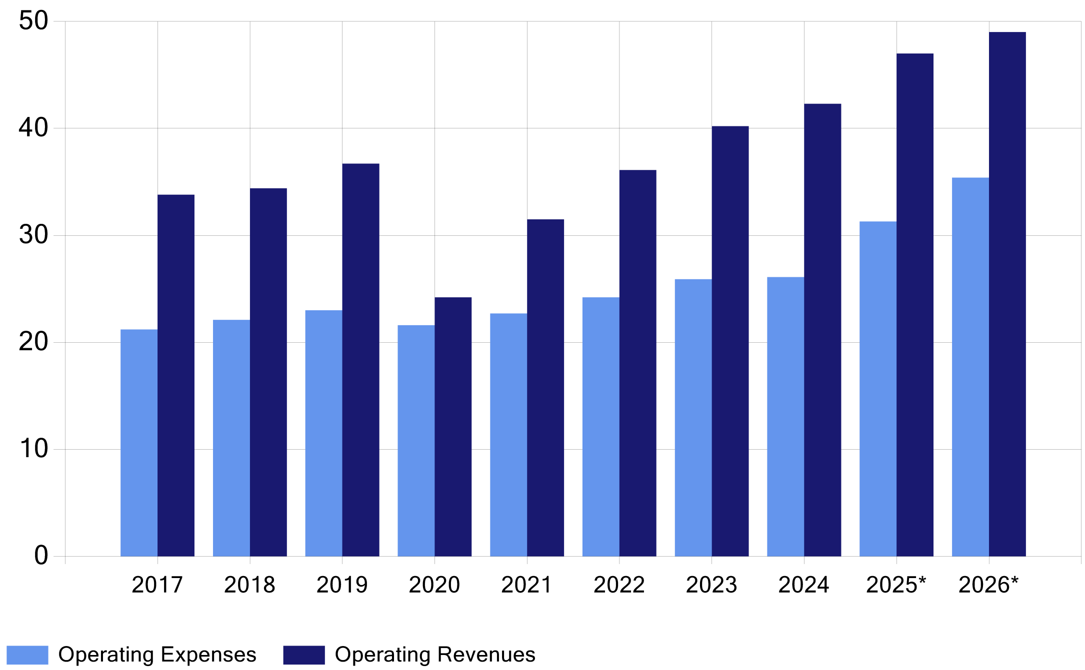
** - FY 2025 Year-end estimate, FY 2026 budgeted*
Source - Little Rock Municipal Airport Commission

Operating Ratio

Fiscal Year	Operating Expenses $ [1]	Operating Revenue $ [1]	Operating Ratio	% Change
2017	21,161	33,782	0.61	-10.6%
2018	22,134	34,436	0.63	2.4%
2019	23,029	36,723	0.64	2.6%
2020	21,552	24,249	0.63	-2.4%
2021	22,674	31,529	0.89	41.7%
2022	24,152	36,138	0.67	-24.9%
2023	25,922	40,179	0.65	-3.5%
2024	26,069	42,338	0.62	-5.3%
2025*	31,259	46,962	0.67	2.0%
2026*	35,416	49,008	0.72	4.4%

(1) In thousands.

Operating Revenue vs. Expense



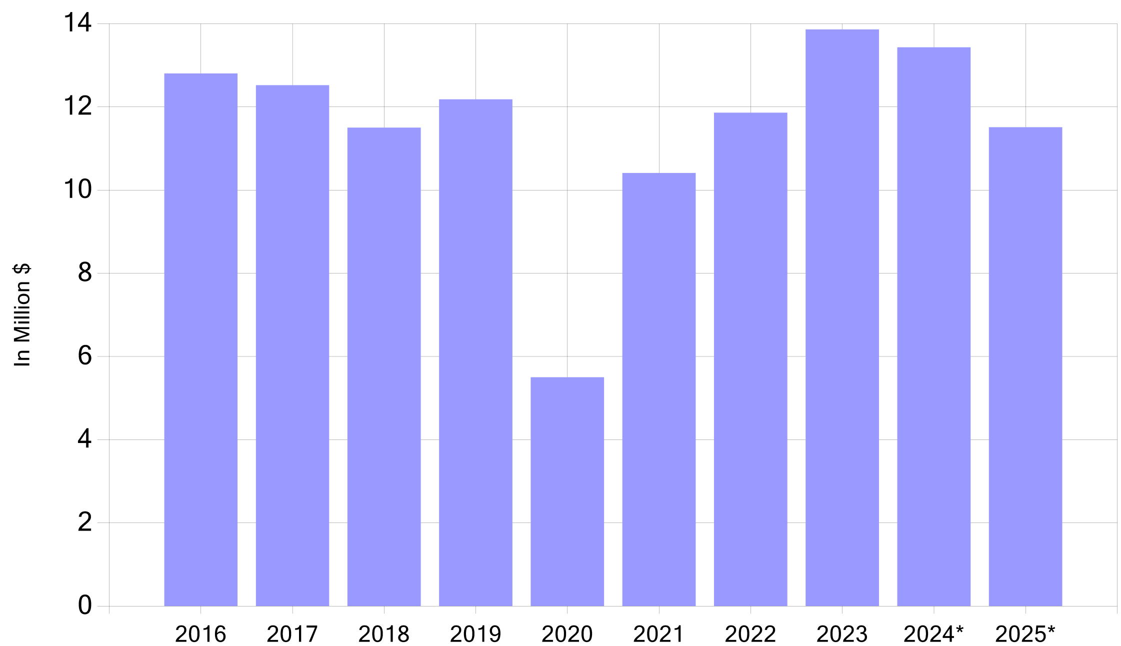
** - FY 2025 Year-end estimate, FY 2026 budgeted*
Source - Little Rock Municipal Airport Commission

Net Revenue per Enplanement

Fiscal Year	Net Rev. $ [1]	Enplaned Passengers [1]	Net Revenue per Enplanement	% Change
2017	12,621	1,017	$ 12.41	28.9%
2018	12,301	1,069	$ 11.51	-2.2%
2019	13,694	1,125	$ 12.17	-8.1%
2020	2,697	491	$ 5.49	5.8%
2021	8,855	850	$ 10.41	-54.8%
2022	11,986	1,010	$ 11.86	13.9%
2023	14,257	1,102	$ 12.93	9.0%
2024	16,269	1,174	$ 13.86	16.8%
2025*	15,703	1,170	$ 13.43	3.8%
2026*	13,591	1,181	$ 11.51	-17.0%

(1) In thousands.

Net Revenue per Enplanement



** - FY 2023 Year-end estimate, FY 2024 budgeted*
Source - Little Rock Municipal Airport Commission

Supplemental Data

Airport Rates & Charges

	2025	2024	2023	2022	2021
Landing fee rate (per 1,000 lbs)	$ 5.18	$ 4.82	$ 4.60	$ 4.26	$ 4.26
Terminal building rental rate (per Sq. Ft.)	54.30	50.43	48.10	44.00	44.00
Gate Fee (per turn)	102.00	94.00	94.00	94.00	94.00
Jet Bridge Fee (per turn)	80.00	72.00	72.00	72.00	72.00
Aircraft Ramp Fee	1,750.00	1,590.00	1,590.00	1,590.00	1,590.00
Remain Overnight (RON) Fee	90.00	80.00	80.00	80.00	80.00

	2020	2019	2018	2017	2016
Landing fee rate (per 1,000 lbs)	$ 4.26	$ 4.21	$ 4.17	$ 4.12	$ 4.05
Terminal building rental rate (per Sq. Ft.)	44.00	42.50	41.07	38.90	38.20
Gate Fee (per turn)	94.00	89.45	88.67	81.45	84.45
Jet Bridge Fee (per turn)	72.00	68.50	68.50	68.50	68.50
Aircraft Ramp Fee	1,590.00	1,500.00	1,500.00	1,500.00	1,500.00
Remain Overnight (RON) Fee	80.00	75.00	75.00	75.00	75.00

Parking Fees (Daily Maximum)

	2025	2024	2023	2022	2021
Parking Deck	$ 15.00	$ 13.00	$ 13.00	$ 13.00	$ 13.00
Short Term Lots (East and West)	15.00	13.00	13.00	13.00	13.00
Long Term Lot (South)	10.00	10.00	10.00	10.00	10.00
Economy Lot	10.00	8.00	8.00	8.00	8.00

	2020	2019	2018	2017	2016
Parking Deck	$ 13.00	$ 13.00	$ 13.00	$ 13.00	$ 13.00
Short Term Lots (East and West)	13.00	13.00	13.00	13.00	13.00
Long Term Lot (South)	10.00	10.00	10.00	10.00	10.00
Economy Lot	8.00	8.00	8.00	8.00	8.00

Daily Flights (at December 31)

Airline	Destination	2024	2023	2022	2021	2020
Allegiant Air	Orlando, FL (SFB)	0.3	0.3	0.3	0.3	0.4
	Los Angeles, CA (LAX)	-	-	-	-	-
	Destin, FL (VPS)	-	-	-	-	-
	St. Petersburg-Clearwater, FL (PIE)	-	-	-	0.3	-
American Airlins	Dallas, TX (DFW)	10.0	7.0	7.0	7.0	5.0
	Chicago, IL (ORD)	2.0	3.0	2.0	2.0	1.0
	Charlotte, NC (CLT)	4.0	3.0	3.0	3.0	3.0
	New York (LGA)	1.0	1.0	1.0	-	-
	Washington, D.C. (DCA)	1.0	1.0	1.0	1.0	-
	Phoenix, AZ (PHX)	-	-	-	-	0.1
	Miami, FL (MIA)	0.1	0.1	0.1	0.1	-
United Airlines	Denver, CO (DEN)	3.0	3.0	2.0	3.0	2.0
	Chicago, IL (ORD)	3.0	3.0	3.0	2.0	1.0
	Houston, TX (IAH)	6.0	3.0	4.0	3.0	3.0
Delta Air Lines	Atlanta, GA (ATL)	6.0	6.0	5.0	5.0	5.0
	Detroit, MI (DTW)	-	-	-	-	-
	New York (LGA)	1.0	1.0	-	-	-
Frontier Airlines	Denver, CO (DEN)	0.3	0.4	0.4	0.4	0.4
	Orlando, FL (MCO)	-	-	-	0.3	-
	Las Vegas, NV (LAS)	-	-	0.3	0.4	-
Southwest Airlines	Dallas, TX (DAL)	3.0	3.0	3.0	2.0	2.0
	Chicago, IL (MDW)	-	-	-	-	-
	Phoenix, AZ (PHX)	-	-	-	1.0	0.1
	Las Vegas, NV (LAS)	1.0	1.0	0.3	0.3	0.1
	Saint Louis, MO (STL)	2.0	2.0	2.0	1.0	1.0
	Denver, CO (DEN)	1.0	1.0	1.0	1.0	1.0
	Atlanta, GA (ATL)	-	1.0	1.0	1.0	-
	Total Daily Departures	**44.7**	**39.8**	**36.4**	**34.1**	**25.1**

Passenger Activity

AIRLINES/CODESHARE	2024	2023	2022	2021	2020
Allegiant Air	17,842	19,848	25,016	21,340	12,023
American Airlines	84,146	83,174	79,523	31,057	-
American Eagle	230,005	207,791	174,003	211,010	117,655
Air Wisconsin - American	9,351	8,993	-	-	-
Skywest - American	5,758	12,896	26,512	4,882	1,966
Mesa	-	3,866	6,892	1,952	-
Pacific Southwest (PSA)	48,399	30,469	44,488	55,689	63,616
Republic	19,962	23,750	3,218	8,353	-
Delta Airlines	232,872	230,880	223,368	155,777	75,147
Endeavor/Pinnacle	16,560	11,963	-	25,086	16,227
Skywest - Delta		-	-	-	233
Republic - Delta	5,503	1,919	-	-	-
Frontier	16,359	25,981	33,062	32,018	13,717
Southwest Airlines	290,332	287,364	252,239	193,048	111,510
Air Wisconsin - United	-	3,047	13,505	2,321	3,715
Express Jet - United	-	-	-	-	17,906
Mesa-United	35,563	26,441	16,167	12,327	7,364
Republic - United	-	78	-	7,203	4,576
Skywest - United	103,377	85,404	49,102	22,981	30,344
Trans States - United	-	-	-	-	3,127
CommutAir - United	39,539	44,821	59,678	52,788	2,742
United - GoJet	17,078	10,082	1,552	11,456	8,078
Via	-	-	-	-	-
Charters	1,502	1,503	2,101	1,134	598
Total Enplanements	**1,174,148**	**1,120,270**	**1,010,426**	**850,422**	**490,544**

Airline Landing Weights
(in thousand pounds)

	2024	2023	2022	2021	2020
Passenger Airlines					
Allegiant	16,922	19,064	26,781	25,190	19,231
American	481,958	444,068	392,509	394,259	257,702
Delta	286,064	265,082	247,130	219,395	151,882
Frontier	18,408	29,195	39,554	35,520	16,866
Southwest	348,229	354,376	301,983	244,494	206,144
United	228,369	187,729	147,624	127,686	115,440
Via Airways	-	-	-	-	-
Charter	4,242	3,950	5,121	2,634	2,048
Total	1,384,192	1,303,464	1,160,702	1,049,178	769,313
Cargo Airlines					
Federal Express	-	-	-	-	-
UPS	129,160	136,950	157,442	152,541	162,933
Total	129,160	136,950	157,442	152,541	162,933
Total Landed Weights	1,513,352	1,440,414	1,318,144	1,201,719	932,246

Little Rock Metro Population
(Comparative Analysis)
Ten Year History (at January 1)

Year	U.S.	State	Metro
2024	341,140,964	3,088,354	764,045
2023	335,888,625	3,067,732	757,615
2022	334,229,745	3,045,637	750,936
2021	332,402,978	3,025,891	746,564
2020	332,084,796	3,011,524	742,384
2019	329,131,338	3,017,804	741,104
2018	328,226,532	3,013,825	738,344
2017	326,965,105	3,004,279	734,622
2016	323,127,513	2,988,248	731,612
2015	321,418,820	2,978,204	729,135

Little Rock Metro Population
(Six-County Service Area)
Ten Year History (at January 1)

Year	Pulaski	Faulkner	Grant	Perry	Lonoke	Saline	Total
2024	400,009	129,951	18,383	10,184	75,944	129,574	764,045
2023	399,145	127,665	18,160	10,063	75,225	127,357	757,615
2022	397,821	125,106	18,090	9,964	74,722	125,233	750,936
2021	392,980	126,919	18,449	10,327	73,921	123,968	746,564
2020	391,911	126,007	18,265	10,455	73,309	122,437	742,384
2019	392,680	124,806	18,188	10,352	73,657	121,421	741,104
2018	393,956	123,654	18,165	10,348	72,898	119,323	738,344
2017	393,250	122,227	18,082	10,132	72,228	118,703	734,622
2016	392,664	121,552	18,102	10,189	71,645	117,460	731,612
2015	392,702	120,768	18,144	10,245	71,557	115,719	729,135

Little Rock Metro Personal Income Per Capita
(Comparative Analysis)
Ten Year History (at January 1)

Year	U.S.	State	Metro
2024	69,810	57,635	59,463
2023	65,470	52,618	55,848
2022	64,143	50,625	53,158
2021	59,510	47,235	49,837
2020	56,490	44,629	46,560
2019	54,446	43,233	45,512
2018	51,640	41,046	42,582
2017	49,246	39,722	41,062
2016	48,112	38,252	40,925
2015	46,049	37,782	39,880

Little Rock Metro Personal Income Per Capita
(Six-County Service Area)
Ten Year History (at January 1)

Year	Pulaski	Saline	Lonoke	Faulkner	Perry	Grant	Metro
2024	65,851	54,851	51,952	51,017	47,868	50,128	59,463
2023	61,575	52,328	48,433	48,161	44,265	45,847	55,848
2022	58,583	49,031	46,388	45,841	43,793	46,161	53,158
2021	55,563	45,692	43,537	41,943	38,404	41,674	49,837
2020	51,927	42,688	40,749	38,949	36,248	39,087	46,560
2019	51,185	41,397	38,764	37,598	34,877	38,201	45,512
2018	48,838	40,232	37,686	35,918	33,750	36,975	42,582
2017	47,834	38,282	36,742	35,159	32,773	35,588	41,062
2016	45,862	37,360	35,413	34,235	31,935	34,323	40,925
2015	46,349	36,076	34,897	33,350	31,679	33,876	39,880

Little Rock Metro Unemployment Rate
(Comparative Analysis)
Ten Year History (at January 1)

Year	U.S.	State	Metro
2024	4.0%	3.5%	3.2%
2023	3.6%	3.3%	3.0%
2022	3.6%	3.3%	3.2%
2021	5.3%	4.0%	4.2%
2020	8.1%	6.1%	6.4%
2019	3.7%	3.5%	3.2%
2018	3.9%	3.7%	3.3%
2017	4.9%	3.9%	3.5%
2016	5.3%	5.1%	4.7%
2015	6.2%	6.1%	5.5%

Little Rock Metro Unemployment Rate
(Six-County Service Area)
Ten Year History (at January 1)

Year	Pulaski	Saline	Lonoke	Faulkner	Perry	Grant	Metro
2024	3.5%	2.8%	2.9%	3.0%	3.8%	2.9%	3.2%
2023	3.2%	2.7%	2.7%	2.9%	3.6%	2.9%	3.0%
2022	3.5%	2.8%	2.8%	2.9%	3.6%	3.1%	3.2%
2021	4.9%	3.1%	3.3%	3.5%	4.1%	3.2%	4.2%
2020	7.4%	5.1%	5.5%	5.4%	5.5%	5.2%	6.4%
2019	3.4%	2.8%	3.2%	3.0%	4.1%	3.2%	3.2%
2018	3.4%	3.0%	3.3%	3.3%	4.2%	3.2%	3.3%
2017	3.6%	3.2%	3.4%	3.8%	4.8%	3.6%	3.5%
2016	4.7%	4.2%	4.3%	4.8%	6.3%	4.7%	4.7%
2015	5.6%	4.9%	5.2%	5.7%	7.7%	5.6%	5.5%

Glossary

ACCRUAL BASIS OF ACCOUNTING – Under this method, revenue is recorded when earned and expenses are recorded when liabilities are incurred.

AIRCRAFT OPERATIONS – The landing or takeoff of an aircraft.

AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) – A special category of firefighting that involves the response, hazard mitigation, evacuation and possible rescue of passengers and crew of an aircraft (typically) involved in an airport ground emergency.

AIRPORT – Refers to the Bill and Hillary Clinton National Airport (LIT).

AIRPORT IMPROVEMENT PROGRAM (AIP) – The FAA's Airport Improvement Program (AIP) provides both entitlement and discretionary grants for eligible airport projects. This program, authorized periodically by Congress, distributes the proceeds of the federal tax on airline tickets to airports, through grants, for eligible construction projects and land acquisition. See *Federal Grants*.

AIRPORT MASTER PLAN – An airport master plan represents the approved actions to be accomplished for phased development of the airport. Master plans address the airfield, terminal, landside access improvements, modernization and expansion of existing airports, and establish the premise for site selection and planning for a new airport.

AIRPORT REVENUE BONDS – Bonds issued by municipality or airport authority wherein airport revenues back the tax-exempt, lower interest rate bond.

BUDGET – A financial plan for a specified period of time (FY) that matches planned expenses and revenues with planned services.

BUDGET CALENDAR – The schedule of key dates, or milestones, that the Commission follows in the preparation, adoption and administration of the annual budget.

CAPITAL IMPROVEMENT Plan (CIP) – A rolling, near-term five-year program that provides for critical needed improvements and asset preservation. The program includes projects that address federal security requirements, airfield safety improvement and enhanced revenue potential.

COMMISSION – Refers to the Little Rock Municipal Airport Commission (LRMAC).

COMMON USE SYSTEM SUPPORT (CUSS) – A shared service kiosk system used by multiple airlines that allow for convenient passenger check-in.

COMPENSATORY RATE – A rate based on cost recovery, under which the airport operator assumes the major risk of running the airport and charges the airlines fees and rental rates to recover the actual costs.

CONCESSIONAIRE – A person or company having a lease, contract or operating permit arrangement with the Commission, entitling them to do business at the airport. Concessionaires are generally required to pay a percentage of gross revenues to the Commission with an annual minimum amount

CONNECTING PASSENGER – An airline passenger who transfers from an arriving aircraft flight to a departing aircraft flight, to reach a destination. (See *Enplaned Passenger*.)

COST CENTER – The area of an airport to which a revenue or expense is attributed, e.g., airfield, terminal, etc.

COST PER ENPLANED PASSENGER (CPE) – The total annual cost of fees and charges paid by the airlines, divided by the total enplanements.

CUSTOMER FACILITY CHARGE (CFC) – Airport-required fees collected by car rental agencies and used to fund new car rental facilities.

DEBT SERVICE – Principal and interest payments on bonds.

DEBT SERVICE COVERAGE – An amount equal to 125% of the portion of Debt Service attributable to bonds, plus other such amounts as may be established by any financial agreement.

DEPRECIATION – The annual amount charged by the Commission to recover its investment in capital equipment. The annual depreciation expense is calculated according to Generally Accepted Accounting Principles (GAAP).

DISADVANTAGED BUSINESS ENTERPRISE (DBE) – A for-profit small business where socially and economically disadvantaged individuals owning at least a 51% interest also control the management and daily business operations.

DISCRETIONARY GRANTS – Discretionary funds are funds remaining within the obligation limitation after the entitlements are calculated. These funds, subject to certain restrictions in legislation, are available for distribution at the discretion of the FAA. The discretionary funds are not required to be distributed to specific states and sponsors. See *Federal Grants*.

ENPLANED PASSENGER – Any passenger boarding an aircraft at the Airport, including any passenger that previously disembarked from another aircraft (see *Connecting Passenger*).

ENTITLEMENT GRANTS – Entitlement grants are determined by a formula according to enplanements at individual airports. See *Federal Grants*.

FEDERAL AVIATION ADMINISTRATION (FAA) – The FAA is part of the Department of Transportation (DOT) and, within the airspace of the United States, promotes air safety, regulates air commerce, controls the use of navigable airspace, develops and operates air navigation facilities, develops and operates the air traffic control system and administers federal grants for the development of public-use airports.

FEDERAL GRANTS – The FAA's Airport Improvement Program (AIP) provides both entitlement and discretionary funds for eligible airport projects. Entitlement funds are determined by a formula based on enplanements at individual airports. Discretionary funds are available after entitlement funds have been calculated.

FISCAL YEAR (FY) – The annual period beginning January 1st and ending December 31st.

FIXED BASE OPERATOR (FBO) – Commercial business, at the Airport, authorized by the Commission to sell aviation fuels and provide other aviation-related services, primarily to General Aviation.

FLIGHT INFORMATION DISPLAY SYSTEM (FIDS) – Computer system used in airports to display flight information to passengers.

GENERAL AVIATION – The activities of privately owned aircraft that are not used for commercial purposes, such as the movement of passengers or freight.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Conventions, rules and procedures that define accounting practices, including broad guidelines, as well as detailed procedures.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) – A private, non-governmental organization that establishes and improves standards for financial accounting and reporting for State and Local governments in the United States.

LANDED WEIGHT – Refers to maximum gross certificated landed weight, in one thousand pound units, as stated in the airlines' flight operations manual. Landed weight is used to calculate landing fees for both airline and general aviation aircraft operated at the Airport.

LANDING FEES – Revenues from passenger and cargo carriers for commercial aircraft landings at the Airport calculated based on airfield costs and aircraft landed weights.

LEGACY CARRIERS – Refers to those airlines that flew interstate routes prior to the Airline Deregulation Act of 1978. U.S. legacy carriers mainly include American, Continental, Delta, Northwest, United, US Airways, Alaska and Hawaiian Airlines.

LIT – Bill and Hillary Clinton National Airport.

MODIFIED ACCRUAL BASIS OF ACCOUNTING – An accounting method commonly used by governmental agencies that combines accrual basis accounting and cash basis accounting. Modified accrual accounting recognizes revenues when they become available and measurable and, with a few exceptions, recognizes expenditures when liabilities are incurred.

NET REVENUE – Net revenue is generally defined as operating revenue less operating expenses.

PASSENGER FACILITY CHARGES (PFC) – A charge ($4.50) attached to each ticketed passenger that boards an airplane at the Airport. Certain types of passengers, including military, are excluded from the Passenger Facility Charge. PFCs can be used for any projects determined to be eligible by the FAA.

REGIONAL AIRLINE – U.S. term for commercial air carrier with an annual operating revenue below $100 million.

TRANSPORTATION NETWORK COMPANY (TNC) – Connects paying passengers with drivers who provide the transportation on their own non-commercial vehicles.

TRANSPORTATION SECURITY ADMINISTRATION (TSA) – As part of the Aviation and Transportation Security Act passed in November 2001, the TSA handles passenger security screening at all U.S. airports.

U.S. DEPARTMENT OF TRANSPORTATION (DOT) – The DOT was established by an act of Congress on October 15, 1966 and consists of multiple agencies, including the FAA, and is charged with the overall responsibility of ensuring a fast, safe and efficient transportation system.