

# Driggs Reed Memorial Airport Board

July 20th, 2016 4:08pm

Driggs City Hall

**Members Present:** Lou Christensen, Chair; Charles Jones, Chris Schuehler, David Treinis, and Jim Jackson. Also present: Lillian Bowen, Aviation; Carol Lenz, Finance Officer, City of Driggs.

## **FY 2017 Budget Work Session**

Lenz started the Airport Budget Work Session by reviewing the previous twelve month consumer price index (CPI). As of June 2016 the CPI rose 1.0 percent. Discussion followed on the history of lease billing using CPI and why a “regional” index was not used. Consensus was reached to use the national CPI of 1.0% to increase leases and maintenance charges for fiscal year 2017’s budget. Commercial Fees were not increased since there are so few accounts.

## **Revenue**

Bowen estimated \$200,000 and \$9,000, Federal and State respectively, project grant funds to be received in FY2017. Funds will be used for fencing and proposed land purchases.

Fuel flow fees received from Teton Avjet consumed the majority of the revenue discussion. After determining that the current rate of \$0.06 per gallon had not been increased since the late 1990’s, Board consensus was reached to increase the fee to \$0.10 per gallon effective October 1, 2016, the start of FY 2017.

Car Rental Fees vary greatly month to month, with the months of July, August, and September the three highest. The contract with Hertz was briefly discussed, with Lenz noting that the rate of \$0.10 was included in the contract renegotiated during FY 2016. Consensus was reached at \$11,200 in revenue for FY 2017.

## **Expenses**

Expenses lines were reviewed one-by-one with known expenses e.g. audit and ICRMP insurance at 10% of the City’s expense already entered by Lenz.

Project expenses were entered to offset the estimated federal and state grant funds of \$209,000 for costs associated with proposed fencing and land acquisition.

The annual FBO fee was entered at \$9,000 per the current contract between the Airport Board and Teton Avjet after discussion of possibly increasing this line due to work associated with maintenance of the canal at the airport. The current two year contract will need to be renegotiated in FY 2017.

Funds were allotted to new noise abatement cards, door repairs/replacement for the SRE Building, mowing & spraying, and other repair and maintenance lines. Discussion on

training of Teton Avjet personnel on the new snow removal equipment, resulted in the training/travel line left at \$2,000 for Board member use only.

Salary and associated benefit lines were reviewed with board member Jones requesting a reduction to a three year average for each respective line.

Consensus was reached that any excess revenue over expenses would be placed in to the Airport's contingency line.

The FY 2017 Budget Work Session closed with Lenz set to return to the Board's July regular meeting with a final FY 2017 Airport Budget presented for adoption.

No motions were made during this Budget work session.

Respectfully submitted:

Attest:

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Lou Christensen, Airport Board Chair

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Carol Lenz, Finance Officer