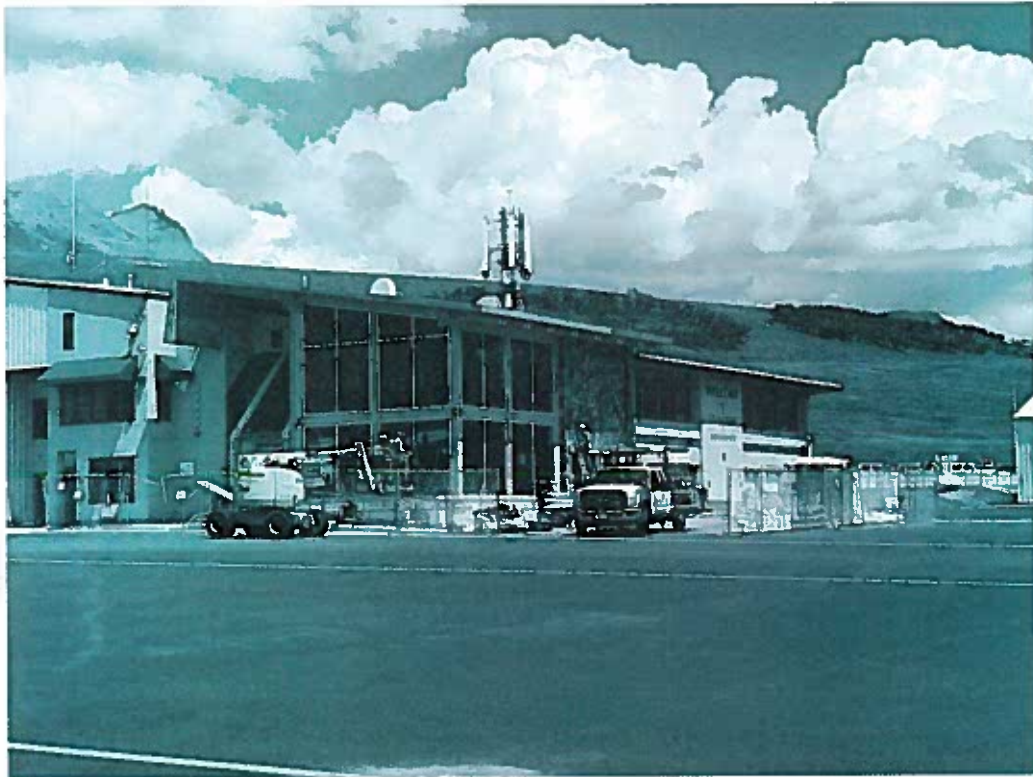


TELLURIDE REGIONAL AIRPORT AUTHORITY

MONTHLY REPORT

August 17, 2017



Jon Dwight, Chairman
Ann Brady, Vice Chair
Kenneth E. Maenpa, Airport Manager



TELLURIDE REGIONAL AIRPORT AUTHORITY

BOARD MEETING
August 17, 2017 – 12:00 PM
TERMINAL BUILDING

AGENDA

- 1) 12:00 PM CALL TO ORDER
- 2) 12:05 PM PUBLIC COMMENTS
- 3) 12:10 PM
 - A. APPROVAL OF MINUTES: July 2017 vote: Y N
 - B. CHAIRMAN REPORT - Dwight
 - C. FINANCIAL REPORT:
 1. Approval of Accounts Payable vote: Y N
 - D. COMMITTEE REPORTS
 1. Noise Abatement
 2. Planning
 3. Marketing
 4. Finance
 - E. COLORADO FLIGHT ALLIANCE REPORT – Skinner
- 3) 12:25 PM AIRPORT MANAGER REPORT
 - A. Updates
 1. AIP 32 – De-Ice (vegetation retaining wall)
 2. AIP 34 – Apron Rehabilitation
 3. Terminal Project
 4. Cat C Aircraft (Private Special Approach)
 5. Community
 - B. Discussion
 1. FAA Joint Planning Conference (JPC) – October
 2. Pinhead Climate Institute: Carbon Offset – Adam Chambers
 3. Drone/UAS Airport Policy
 4. Telluride Museum – Rotate historic exhibits in the Terminal
 - C. Action Items:
 1. Purchasing & Procurement Policy vote: Y N
 2. AT&T Mobility - New 50KW Generator Site Lease
- 4) 12:55 PM NEW BUSINESS & DISCUSSION
- 5) 1:05 PM ADJOURN



AIRPORT MANAGER REPORT

August 2017

Update

AIP-32: Runup/deice pad project. This project is completed and ready for close-out. Outstanding Item: Solutions for organic retaining wall (vegetation alternatives).

AIP-34: Apron/Taxiway Reconstruction. Apron/Taxiway paving, markings, and electrical are substantially complete. Lot #10 - FAA approved fog seal coating and markings. Installation of a 30"/36" drainage pipe under the runway completion by the end of the Nov.

Terminal Improvements: Airline/TSA Improvements substantially completed. GA Terminal work continues approx. 60% complete. Expected opening of GA addition on Labor Day weekend.

Private Special Approach (Cat "C") – Non-Precision Instrument Approach

- DragonFly Aeronautics, LLC maintenance FAA approved.
- LOC M Runway 9 Approach - Ownership and Usage Statement review and signature completed.
- Airport ownership insurance liability review in progress.

Community: Introduction of the new Airport Manager to the Telluride Town Council. Meeting and coordinating with the San Miguel County Sherriff's office for an Airport Emergency Plan review. Airport bi-annual update with MV Town Council.

DISCUSSION:

1. Carbon Offsets – Working with Pinhead Climate Institute to offer an opportunity for aircraft operators to make a voluntary contribution directly to the Institute for implementation of conservation easements in Colorado.
2. FAA Joint Planning Conference (JPC) – Airport Planning Consultant RS&H is working on a task scope of work to update the airport Capital Improvement Plan (ACIP) that reflects a realistic level of federal participation and partners with the FAA in a JPC in mid-October.
3. Drone/UAS Policy – Established guidelines for operators that request to fly Drones within a 5 mile radius of the Airport based on FAA rules.

MINUTES

TELLURIDE REGIONAL AIRPORT AUTHORITY BOARD MEETING

July 20, 2017
12:06 pm

1. Call to Order 12:00 pm
Chair Jon Dwight called the meeting of the Telluride Regional Airport Authority to order.

Roll Call

Present: Chair Jon Dwight, Vice Chair Ann Brady, Board Members, Matt Skinner, Joan May, Sean Murphy. Board Alternates Richard Child, Mark Silversher, Mick Francis.

Also present: Kenny Maenpa (Airport Manager), Linda Soucie (Administrative Assistant), Renee Marr (Law Office of John Steel), Jennifer Ogilvie (Telluride Express), Geoff Scott, Jesse (Mountain Limo).

Absent: Larry Crosby, Gary Bash, Lynne Beck, Paul Talmey.

2. Public Comments
None

3. A. Approval of Minutes: June 2017

Mick Francis noted that under Airport Managers Comments the date should be 6/30 not 6/3.

Motion

Ann Brady motioned to approve the minutes of May 17, 2017, with the noted change.

Mick Francis seconded the motion.

Motion passed 7-0.

B. Chairman Report

Jon Dwight welcomed Kenny Maenpa to his first official TRAA meeting. He thanked Ann Brady and Paul Talmey for their part with the process. He also acknowledged Rich Nuttall and thanked him for making a smooth transition.

C. Financial Report

There was discussion regarding the past due A/R balance with Great Lakes. They have paid December 2016 rent, but still owe for January, February and March. Kenny Maenpa has called the GLA manager. There was additional discussion on the GLA financial position. Jon Dwight would like to meet with Kenny Maenpa, Gary Bash and Lynne Beck regarding the financials.

1. Approval of Accounts Payable

Motion

Mick Francis motioned to approve the Accounts Receivable and Payables.

Richard Child seconded the motion.

Motion passed 7-0.

D. Committee Reports

1. Noise Abatement – Kenny Maenpa – There have been 4 complaints since the Airport reopened. Jon Dwight led a discussion on the history of the NA issue. He also recommended that the book be brought to the meetings.

2. Planning Committee – Nothing to report.
3. Marketing – Matt Skinner reported a press release was supposed to be in the paper regarding the reopening. It was noted that it was in the ‘Briefs’ section. Matt will meet with Kenny Maenpa before the August meeting.
4. Finance – Nothing to report.

E. Colorado Flight Alliance Report

Matt Skinner led discussion on the new TEX approach. There is 1 issue left – to fly and maintain the approach. Net Jets has been removed from the equation. DragonFly (a division of Lean Photometrics) will be the one to fly it and TEX will own the approach. The FAA approved the arrangement with DragonFly this week. There was discussion on the maintenance procedure. There will be a charge for the maintenance. The Special (‘public’) approach will be maintained by the FAA. Any private users would have to get permission from TEX for the training. There is a draft ownership/maintenance agreement with DragonFly in the works. TRAA gave Chair Jon Dwight the authority to sign the agreement with DragonFly after legal review.

The airlines are waiting for full implementation and adoption of the approach. United is all teed up for this winter, and is dependent on Go Jet and the full implementation of the approach.

There was discussion regarding the upcoming runway lengthening at the Nucla Airport (2018).

3. Airport Manager Report

Kenny Maenpa thanked everyone (TRAA, town, community, etc.) for his warm welcome and is very excited to be here.

A. Updates

1. AIP 34 – Apron Rehabilitation

The project is substantially complete. Lot 10 of the ramp asphalt failed and Kenny is working with the engineers to remedy. He will not close the Airport to redo the section. The night work application was not well received and has been withdrawn (SMC).

2. Terminal Project

The commercial side of the remodel is done for the most part. The GA addition and remodel is expected to be completed for Labor Day weekend. Kenny thanked SMC for allowing the extended work hours, expedited inspections, etc. to facilitate reopening. He also thanked the TFPD for their cooperation.

3. Cat C Aircraft (Private Special Approach): Final steps and Maintenance – DragonFly Aeronautics, LLC (DFA)

This was discussed under the CFA report.

4. Airport Mast Plan Update

The Master Plan Update was approved by the SMC BOCC 7/19/2017.

5. FAA Airport Part 139 Certification Inspection

The inspector was here last week, the process went well and Kenny is following up on a few items.

6. Terminal Lease Actions

GLA’s lease area has increased. The contract will be reviewed to see when any additional rents could be charged.

Telluride Express is expanding their leased area to include an office space (formerly a closet) and a storage closet.

Kenny presented an idea for non-aviation business on the Airport. He would like to, in the future, build a transportation service area for the rental and taxi/limo tenants. It could include an enclosed cleaning/washing area, storage, and possibly a fueling station.

B. Discussion

1. Procurement Policy Draft

Kenny Maenpa reported that the policy is still being drafted and will be presented at the August meeting. He will send out an advanced copy for review.

Kenny noted that he would like to move toward improving the Airport's tech tools and becoming as paperless as possible. There was discussion about TRAA Board meeting using iPads at meetings.

Capital Improvement Planning – Kenny Maenpa would like to attend, and invited Jon Dwight to attend, a meeting with the FAA and the State DOA in October. There was discussion regarding discretionary vs. entitlement funds.

Kenny Maenpa would like to host an Open House/BBQ for Board, tenants, customers, community, etc. The event would be held after Labor Day and before Cars and Colors.

C. Action Items

1. Terminal Change Order – ProSet (Office Space – Telluride Express, storage, HVAC for Manager's office).

Kenny Maenpa presented a change order for the remodel project. It includes redoing a closet into office space for Telluride Express, and paint and carpet the line shack. The total is \$5920. The parking lot was resealed and restriped when the crew was here (\$15200).

Motion

Ann Brady motioned to approve the change order as presented (\$21,120).

Matt Skinner seconded the motion.

Motion passed 7-0.

4. New Business & Discussion

Mick Francis led discussion about the continuation of RS&H as our consultants. Kenny Maenpa reported that the MPU contract is complete and a bid request will go out for a consulting firm (and engineering firm in November).

Mick Francis asked if Telluride Express was expanding their business to include care rentals. Jennifer Ogilvie responded no – just taxi/limo service. Telluride Express has new owners and will have a more physical presence and involvement at the Airport.

Jon Dwight thanked Linda Soucie for help with the Airport Manager transition.

Jon Dwight asked about the Pinhead Institute's proposal. Kenny Maenpa responded that they didn't get their request in for this meeting, but will be on the August agenda.

Mick Francis asked about billing for Lean Photometrics.

Note – LP was paid \$53,160 on 1/21/16 and \$194,480 on 6/22/17.

Jesse from Mountain Limo asked about and was granted permission to set up a welcome booth for YPO group coming in September (9/21-27).

5. Adjourn

Jon Dwight adjourned the meeting at 1:10 pm.

Jon Dwight, Chairman



Kenny Maenpa, Airport Manager

OPERATING FINANCIALS



10:58 AM

08/01/17

Telluride Regional Airport
A/P Aging Summary
As of August 1, 2017

| | Current | 1 - 30 | 31 - 60 | > 60 | TOTAL |
|--|------------------|-----------------|----------------|----------------|------------------|
| 4 KNEE Ventures LLC | 4,070.00 | 0.00 | 0.00 | 0.00 | 4,070.00 |
| Alpine Lumber Company | 0.00 | 6.16 | 0.00 | 0.00 | 6.16 |
| Alpine Office Systems | 76.65 | 0.00 | 0.00 | 0.00 | 76.65 |
| ALSCO | 158.49 | 0.00 | 0.00 | 0.00 | 158.49 |
| ASAP Accounting | 0.00 | 427.92 | 0.00 | 0.00 | 427.92 |
| CDPHE | 890.00 | 0.00 | 0.00 | 0.00 | 890.00 |
| Centurylink 91155 | 0.00 | 0.00 | -510.85 | 0.00 | -510.85 |
| Colorado Dept. of Labor and Employment | 140.00 | 0.00 | 0.00 | 0.00 | 140.00 |
| Colton Truck Supply | 20.94 | 0.00 | 0.00 | 0.00 | 20.94 |
| DBT Transportation Services LLC | 3,645.66 | 0.00 | 0.00 | 0.00 | 3,645.66 |
| Dex Media | 132.80 | 0.00 | 0.00 | 0.00 | 132.80 |
| Environmental Solutions | 725.00 | 0.00 | 0.00 | 0.00 | 725.00 |
| FedEx | 106.11 | 0.00 | 0.00 | 0.00 | 106.11 |
| Hamblin and Associates, LLC | 6,100.00 | 0.00 | 0.00 | 0.00 | 6,100.00 |
| John Deere Financial | 0.00 | 0.00 | 0.00 | -20.00 | -20.00 |
| L.N. Curtis and Sons | 1,797.00 | 0.00 | 0.00 | 0.00 | 1,797.00 |
| Lone Cone Coffee | 117.75 | 0.00 | 0.00 | 0.00 | 117.75 |
| Masters Security by Vyanet | 7,457.70 | 0.00 | 0.00 | 0.00 | 7,457.70 |
| McCandless Truck Center LLC | 0.00 | -314.01 | 0.00 | 0.00 | -314.01 |
| Mtn Appliance | 0.00 | 165.00 | 0.00 | 0.00 | 165.00 |
| Parish Oil Co. Inc. | 1,795.54 | 0.00 | 0.00 | -155.86 | 1,639.68 |
| Parkeon | 45.00 | 0.00 | 0.00 | 0.00 | 45.00 |
| Petty Cash - Linda D. Soucie | 13.86 | 0.00 | 0.00 | 0.00 | 13.86 |
| Pinyon Mesa Automatics, LLC | 0.00 | 1,415.22 | 0.00 | 0.00 | 1,415.22 |
| Quill Corporation | 1,016.94 | 0.00 | 0.00 | 0.00 | 1,016.94 |
| Raymond James | 0.00 | 167.38 | 0.00 | 0.00 | 167.38 |
| Sam's Club | 530.41 | 0.00 | 0.00 | 0.00 | 530.41 |
| San Miguel County Clerk/Recorder | 0.68 | 0.00 | 0.00 | 0.00 | 0.68 |
| Telluride Bytes | 1,275.00 | 0.00 | 0.00 | 0.00 | 1,275.00 |
| Timberline Ace Hardware | 0.00 | 0.00 | 0.00 | -74.30 | -74.30 |
| USAA LS | 0.00 | 155.00 | 0.00 | 0.00 | 155.00 |
| Viking Rentals | 326.94 | 0.00 | 0.00 | 0.00 | 326.94 |
| Waste Management - Montrose | 754.90 | 0.00 | 0.00 | 0.00 | 754.90 |
| TOTAL | 31,197.37 | 2,022.67 | -510.85 | -250.16 | 32,459.03 |

10:58 AM
08/01/17

Telluride Regional Airport
A/R Aging Summary
As of July 31, 2017

| | <u>Current</u> | <u>1 - 30</u> | <u>31 - 60</u> | <u>61 - 90</u> | <u>> 90</u> | <u>TOTAL</u> |
|-------------------------------------|-------------------------|-------------------------|----------------------|--------------------|-------------------------|-------------------------|
| Alpine Luxury Limo | 0.00 | 0.00 | 0.00 | 0.00 | 1,440.00 | 1,440.00 |
| Angel Deliveries | 0.00 | 0.00 | 0.00 | 0.00 | 2,440.00 | 2,440.00 |
| Avfuel Activity | 885.20 | 3,050.94 | 0.00 | 0.00 | 0.00 | 3,936.14 |
| Campbell, Jeff | 96.36 | 5.60 | 0.00 | 0.00 | 0.00 | 101.96 |
| Credit Card | 9,091.82 | 6,203.71 | 0.00 | 0.00 | 0.00 | 15,295.53 |
| Great Lakes - Fuel | 24.00 | 989.20 | 53.60 | 0.00 | -680.00 | 386.80 |
| Great Lakes - Hangar/De-Ice/No-Lead | 0.00 | 0.00 | 0.00 | 0.00 | 3,427.65 | 3,427.65 |
| Great Lakes - Rent/Landings | 0.00 | 0.00 | 63.34 | 0.00 | 38,829.39 | 38,892.73 |
| Mattson, Bill | 0.00 | 10.40 | 6.20 | 0.00 | 5.20 | 21.80 |
| Reams Construction | 0.00 | 203.00 | 300.00 | 0.00 | 0.00 | 503.00 |
| TOTAL | <u>10,097.38</u> | <u>10,462.85</u> | <u>423.14</u> | <u>0.00</u> | <u>45,462.24</u> | <u>66,445.61</u> |

**TELLURIDE REGIONAL AIRPORT
2017 OPERATING BUDGET
SUMMARY: 2017 BUDGET**

| | BUDGET 2017 | ACTUAL 2017 Jan - July | ACTUAL 2016 Jan - July |
|-------------------------------------|------------------------|-----------------------------------|-----------------------------------|
| Aircraft & Pilot Income | 3,105,572 | 1,944,359 | 1,570,655 |
| Aircraft & Pilot Cost of Goods Sold | (998,107) | (669,825) | (474,432) |
| Aircraft & Pilot Expenses | (939,339) | (570,275) | (404,577) |
| Administrative Expenses | (210,316) | (109,901) | (75,259) |
| Net Income (Loss) | 957,810 | 594,359 | 616,387 |
| | | | |
| Terminal Income | 257,063 | 151,910 | 88,600 |
| Terminal Expenses | (151,800) | (133,499) | (74,257) |
| Administrative Expenses | (210,316) | (109,901) | (75,259) |
| Net Income (Loss) | (105,054) | (91,490) | (60,916) |
| | | | |
| Airside Income | 341,820 | 191,188 | 186,231 |
| Airside Expenses | (210,580) | (153,453) | (128,897) |
| Administrative Expenses | (210,316) | (109,901) | (75,259) |
| Net Income (Loss) | (79,076) | (72,165) | (17,925) |
| | | | |
| Interest Income | 30 | 11 | 10 |
| Hangar Principal Payment | | | 116,504 |
| Total Net Cash Flows | 773,711 | 430,714 | 421,052 |

Net cash flows projected for 2017 represents the airport closed for construction from April 8th through June 29.

**TELLURIDE REGIONAL AIRPORT
2017 OPERATING BUDGET
AIRCRAFT & PILOT**

FOR THE MONTH OF JANUARY - JULY

| AIRCRAFT & PILOT INCOME | BUDGET | ACTUAL | ACTUAL | PERCENT |
|-------------------------|------------------|------------------|------------------|--------------|
| | 2017 | 2017 | 2016 | OF BUDGET |
| Aircraft Oil | \$ 952 | \$ 496 | \$ 442 | 52.1% |
| AvGas | 94,174 | 54,176 | 41,463 | 57.5% |
| Catering | 10,722 | 5,780 | 8,218 | 53.9% |
| Hangar Fees | 295,147 | 198,294 | 193,610 | 67.2% |
| Jet-A | 2,435,660 | 1,526,772 | 1,220,472 | 62.7% |
| Jet-A Airlines | 9,000 | 3,131 | - | 34.8% |
| Line Services | 64,437 | 54,554 | 30,519 | 84.7% |
| Pilot Supplies | 14,688 | 6,798 | 5,709 | 46.3% |
| Tie-Down Fees | 180,791 | 94,357 | 70,222 | 52.2% |
| Total Income | 3,105,572 | 1,944,359 | 1,570,655 | 62.6% |

| AIRCRAFT & PILOT COST OF GOODS SOLD | 2017 | 2017 | 2016 | |
|-------------------------------------|------------------|------------------|------------------|------------|
| Jet-A Fuel | 875,000 | 617,045 | \$403,419 | 71% |
| 100LL Fuel | 72,220 | 37,604 | 28,052 | 52% |
| Oil | 203 | 332 | 125 | 163% |
| De-Ice | 4,202 | - | 2,001 | 0% |
| Pilot Supplies | 609 | 1,202 | 297 | 197% |
| Hats & T-Shirts | 45,373 | 13,642 | 40,538 | 30% |
| Unleaded Fuel | 500 | - | - | 0% |
| Total Cost of Goods Sold | 998,107 | 669,825 | 474,432 | 67% |
| Gross Profit | 2,107,465 | 1,274,534 | 1,096,223 | 60% |

| AIRCRAFT & PILOT EXPENSES | 2017 | 2017 | 2016 | |
|---|-------------------|-------------------|-------------------|------------|
| Aircraft Incidents | 2,500 | 1,550 | - | 62% |
| Pilot Incentive Program | 5,245 | 2,423 | 2,494 | 46% |
| Catering | 1,200 | 336 | 766 | 28% |
| Pilot Refreshments | 7,649 | 3,676 | 3,854 | 48% |
| Credit Card Fees | 55,916 | 29,882 | 32,978 | 53% |
| Employee Health Insurance | 117,303 | 70,678 | 61,351 | 60% |
| Employee Salaries | 537,608 | 319,266 | 224,751 | 59% |
| Employee Training | 12,500 | 1,756 | - | 14% |
| Equipment Maintenance | 50,000 | 46,624 | 13,925 | 93% |
| Equipment Maintenance Labor | 7,500 | 5,410 | 2,915 | 72% |
| Equipment Rental | 3,000 | - | - | 0% |
| Fuel Farm Utilities/Insurance | 4,000 | 4,196 | 1,569 | 105% |
| Equipment Fuel & Oil | 29,652 | 7,042 | 6,300 | 24% |
| Hangar Insurance | 6,200 | 6,255 | 6,129 | 101% |
| Hangar Maintenance | 6,000 | 2,222 | 3,063 | 37% |
| Hangar Interest | - | - | 3,158 | #DIV/0! |
| Hangar Utilities | 9,693 | 6,438 | 6,991 | 66% |
| Liability Insurance | 8,600 | 8,511 | 8,511 | 99% |
| Line Supplies | 15,273 | 10,027 | 9,979 | 66% |
| Pollution Insurance | 16,000 | 15,208 | - | 95% |
| Uniforms | 8,500 | 4,980 | 3,441 | 59% |
| Satellite Systems/Runway Camera | 4,000 | 1,364 | - | 34% |
| Workman's Compensation | 31,000 | 22,433 | 12,402 | 72% |
| Total Direct Expenses | 939,339 | 570,275 | 404,577 | 61% |
| Net Income Before Allocation of Administrative Costs | 1,168,126 | 704,259 | 691,646 | 60% |
| Admin & Operations (1/3 of Total) | 210,316 | 109,901 | 75,259 | 52% |
| Net Income | \$ 957,810 | \$ 594,359 | \$ 616,387 | 62% |

| CASH FLOWS | #REF! | | | |
|---------------------------|-------------------|-------------------|-------------------|------------|
| Net Income | \$ 957,810 | \$ 594,359 | \$ 616,387 | 62% |
| Hangar Principal Payments | | \$ - | \$ 116,504 | |
| Net Cash Flows | \$ 957,810 | \$ 594,359 | \$ 732,891 | 62% |

**TELLURIDE REGIONAL AIRPORT
2017 OPERATING BUDGET
TERMINAL**

FOR THE MONTH OF JANUARY - JULY

| TERMINAL INCOME | BUDGET 2017 | ACTUAL 2017 | ACTUAL 2016 | PERCENT OF BUDGET |
|---|------------------------|------------------------|------------------------|------------------------------|
| Advertising | \$ 2,500 | \$ 190 | \$ 127 | 7.59% |
| Airlines | 83,363 | 30,849 | - | 37.01% |
| Car Rental Agencies | 70,000 | 44,708 | 45,473 | 63.87% |
| On-Line Services | 15,400 | 16,450 | 11,000 | 106.82% |
| Copy/Fax | 500 | 60 | 10 | 12.00% |
| Office Rentals | 30,000 | 11,679 | 843 | 38.93% |
| Parking Lot | 10,000 | 6,247 | 2,688 | 62.47% |
| Sales Tax Discount | 12,000 | 21,788 | - | 181.57% |
| Taxi Service | 33,000 | 19,890 | 28,435 | 60.27% |
| Vending Machines | 300 | 50 | 24 | 16.51% |
| Total Income | 257,063 | 151,910 | 88,600 | 59.09% |
| TERMINAL EXPENSES | 2017 | 2017 | 2016 | |
| Janitorial Supplies | 1,500 | 1,937 | 652 | 129% |
| Janitorial Other | 26,200 | 29,252 | 15,046 | 112% |
| Liability Insurance | 8,600 | 8,511 | 8,511 | 99% |
| Maintenance | 20,000 | 27,983 | 4,599 | 140% |
| Maintenance Labor | 2,500 | 3,014 | 570 | 121% |
| Parking Lot | 10,000 | 315 | 2,088 | 3% |
| Security | 4,000 | 20,879 | 366 | 522% |
| Terminal Insurance | 13,000 | 11,564 | 12,114 | 89% |
| Terminal Utilities | 40,000 | 18,765 | 15,030 | 47% |
| Trash | 8,000 | 2,120 | 1,942 | 26% |
| Vending Machine Expense | - | - | - | #DIV/0! |
| Water Maintenance | 18,000 | 9,160 | 13,339 | 51% |
| Total Direct Expenses | 151,800 | 133,499 | 74,257 | 88% |
| Net Income Before Allocation of Administrative Costs | 105,263 | 18,411 | 14,343 | 17% |
| Admin & Operations (1/3 of Total) | 210,316 | 109,901 | 75,259 | 52% |
| Net Income | \$ (105,054) | \$ (91,490) | \$ (60,916) | 87% |

**TELLURIDE REGIONAL AIRPORT
2017 OPERATING BUDGET
AIRSIDE**

FOR THE MONTH OF JANUARY - JULY

| | BUDGET 2017 | ACTUAL 2017 | ACTUAL 2016 | PERCENT OF BUDGET |
|--|----------------|----------------|----------------|----------------------|
| AIRSIDE INCOME | | | | |
| Airline Landing Fees | \$ 38,000 | \$ 8,044 | \$ - | 21% |
| GA Landing Fees | 227,820 | 135,590 | 127,331 | 60% |
| Land Leases | 26,000 | 23,536 | 11,450 | 91% |
| Promotional Fees | - | - | - | #DIV/0! |
| State Fuel Tax Rebates | 50,000 | 24,018 | 47,450 | 48% |
| Total Income | 341,820 | 191,188 | 186,231 | 56% |
| AIRSIDE EXPENSES | | | | |
| | 2017 | 2017 | 2016 | |
| Airfield Lighting Maintenance | 3,000 | 6,185 | 590 | 206% |
| Airfield Lighting Utilities | 1,600 | 1,008 | 846 | 63% |
| Airfield Insurance | - | 15,438 | - | #DIV/0! |
| Airfield Maintenance | 5,000 | 8,508 | 11,769 | 170% |
| Airfield De-ice Material | 27,000 | - | - | 0% |
| ARFF Building Insurance | 400 | 463 | 343 | 116% |
| ARFF Consumables | 12,220 | 20,765 | 894 | 170% |
| ARFF Maintenance | 5,000 | 627 | 34 | 13% |
| ARFF Training | 27,180 | 25,724 | 4,187 | 95% |
| ARFF Liability Insurance | - | - | - | #DIV/0! |
| ARFF Utilities | 4,500 | 2,046 | 1,557 | 45% |
| AWOS Maintenance | 7,500 | 6,330 | 3,823 | 84% |
| AWOS Utilities | 600 | 292 | 230 | 49% |
| Business Auto Policy | 6,700 | 5,692 | 6,612 | 85% |
| Equipment Fuel & Oil | 14,430 | 8,152 | 3,969 | 56% |
| Equipment Insurance | 26,000 | 5,256 | 25,480 | 20% |
| Equipment Maintenance | 35,000 | 8,125 | 40,449 | 23% |
| Equipment Maintenance Labor | 15,000 | 21,901 | 14,418 | 146% |
| Liability Insurance | 8,700 | 8,511 | 8,511 | 98% |
| Operations Training | - | - | - | #DIV/0! |
| SRE Insurance | 750 | 729 | - | 97% |
| SRE Utilities | 6,000 | 6,976 | 3,840 | 116% |
| SWMP Maintenance | 4,000 | 725 | 1,345 | 18% |
| Total Expenses | 210,580 | 153,453 | 128,897 | 73% |
| Net Income Before Allocation of Administrative Costs | 131,240 | 37,735 | 57,334 | 29% |
| Admin & Operations (1/3 of Total) | 210,316 | 109,901 | 75,259 | 52% |
| Operating Profit | (79,076) | (72,165) | (17,925) | 91% |
| INTEREST INCOME | 30 | 11 | 10 | 35% |
| | \$ (79,046) | \$ (72,155) | \$ (17,915) | 91% |

**TELLURIDE REGIONAL AIRPORT
2017 OPERATING BUDGET
SCHEDULE OF ADMINISTRATIVE EXPENSES**

FOR THE MONTH OF JANUARY - JULY

| ADMINISTRATIVE EXPENSES | BUDGET 2017 | ACTUAL 2017 | ACTUAL 2016 | PERCENT OF BUDGET |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------------|
| Accounting Audit | \$ 8,000 | \$ 9,138 | \$ 17,613 | 114% |
| Administrative Salaries | 271,285 | 168,095 | 62,201 | 62% |
| Bad Debts | - | - | 862 | #DIV/0! |
| Bank Finance Charges | 200 | - | 55 | 0% |
| Copy/Fax/Computer Maintenance/Lease | 12,000 | 12,074 | 4,229 | 101% |
| Dues & Subscriptions | 18,000 | 11,172 | 7,960 | 62% |
| Employee Education | 10,000 | 200 | 38 | 2% |
| Employee Medical Insurance | 41,463 | 20,576 | 13,766 | 50% |
| Fringe Benefits | 12,000 | 7,228 | 4,837 | 60% |
| Legal | 35,000 | 46,994 | 15,696 | 134% |
| Marketing | 100,000 | 26,691 | 21,208 | 27% |
| Office Supplies | 6,000 | 7,823 | 3,580 | 130% |
| Payroll Expenses | 65,000 | 43,996 | 20,611 | 68% |
| Postage & Shipping | 2,500 | 1,258 | 779 | 50% |
| Retirement Benefits | 10,000 | 12,306 | 3,586 | 123% |
| Public Officials Insurance | 4,000 | - | - | 0% |
| Safety Management System | - | - | - | #DIV/0! |
| Telephone/Internet | 31,000 | 13,206 | 14,124 | 43% |
| TRAA Meeting | 2,000 | 7,365 | 449 | 368% |
| Travel | 2,000 | - | 75 | 0% |
| Workman's Compensation | 500 | - | - | 0% |
| Total Expenses | \$ 630,948 | \$ 388,122 | \$ 191,669 | 62% |

Notes:

1. Administrative Expenses are divided equally among Aircraft & Pilot, Terminal, and Airside expenses.
2. 2017 Budgeted Administrative Salaries include Airport Manager, Administrative Assistant and salary projected for new Airport Manager (partial year).

Telluride Regional Airport
Balance Sheet
 As of July 31, 2017

| | Jul 31, 17 |
|---|----------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1000.00 · Payroll Checking | 1,000.00 |
| 1020.00 · Due From AVFUEL | 62,918.94 |
| 1035.00 · FBO Cash Drawer | 200.00 |
| 1036.00 · Change Machines | 377.00 |
| 1040 · Old Operating Bank Account | 53.44 |
| 1045.00 · New Operating Bank Account | 778,320.14 |
| 1046.00 · Tax Rebate Account | 355,143.08 |
| 1050.00 · Petty Cash | 500.00 |
| 1071 · Bill.com Money In Clearing | -0.64 |
| 1072 · Bill.com Money Out Clearing | 33,872.38 |
| Total Checking/Savings | 1,232,384.34 |
| Accounts Receivable | |
| 1100.00 · Accounts Receivable | 66,445.61 |
| Total Accounts Receivable | 66,445.61 |
| Other Current Assets | |
| 12000 · *Undeposited Funds | 49.71 |
| 1260.00 · Inventory Asset | |
| 1261.00 · INV. Jet-A | 46,186.38 |
| 1262.00 · INV. 100LL | 13,505.84 |
| 1263.00 · INV. Oils | 2,004.57 |
| 1266.00 · INV. Hats & T-Shirts | -4,179.61 |
| Total 1260.00 · Inventory Asset | 57,517.18 |
| 1270.00 · Prepaid Insurance | 23,666.18 |
| Total Other Current Assets | 81,233.07 |
| Total Current Assets | 1,380,063.02 |
| Fixed Assets | |
| 1310.00 · Accumulated Depreciation | -22,193,146.41 |
| 1320.00 · Building | 5,578,935.88 |
| 1330.00 · Equipment | 3,147,706.65 |
| 1350.00 · Land Aquisition | 7,337,699.15 |
| 1390.00 · Runway | 76,448,197.07 |
| 7101.00 · Gain on Disposition of Assets | -32,768.58 |
| Total Fixed Assets | 70,286,623.76 |
| TOTAL ASSETS | 71,666,686.78 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000.00 · Accounts Payable | 36,272.38 |
| Total Accounts Payable | 36,272.38 |
| Other Current Liabilities | |
| 2030.00 · AFLAC INS. | -39.25 |
| 2100.00 · Payroll Liabilities | -11,411.61 |
| 2165 · Sales Tax Payable #1 | -47,924.52 |
| Total Other Current Liabilities | -59,375.38 |
| Total Current Liabilities | -23,103.00 |
| Total Liabilities | -23,103.00 |

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Accrual Basis

Telluride Regional Airport
Balance Sheet
As of July 31, 2017

| | <u>Jul 31, 17</u> |
|---------------------------------------|-----------------------------|
| Equity | |
| 3430.00 · Interaccount Transfers | -3,919,193.68 |
| 3900.00 · Retained Earnings | 75,189,857.44 |
| Net Income | 419,126.02 |
| Total Equity | <u>71,689,789.78</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>71,666,686.78</u></u> |

CAPITAL FINANCIALS



**TELLURIDE REGIONAL AIRPORT
2017 CAPITAL BUDGET**

| CAPITAL INCOME: | 2017 BUDGET | 2017 ACTUAL |
|---------------------------------------|------------------------|------------------------|
| Beginning Bank Account Balance | \$2,800,000 | \$ 3,086,280 |
| Passenger Facility Charges | \$27,000 | \$ 6,382 |
| FAA Grants | \$6,149,700 | \$ 3,511,823 |
| State Grant | \$250,000 | \$ 40,295 |
| Rock Sales | \$260,000 | \$ 115,301 |
| Equipment Sales | \$0 | \$ 250 |
| Local Contribution for Cat C Approach | \$105,000 | \$ - |
| Interest Income | \$1,500 | \$ 217 |
| TOTAL AVAILABLE FUNDS : | \$9,593,200 | \$ 6,760,548 |

| CAPITAL EXPENSES: | 2017 BUDGET | 2017 ACTUAL |
|---|------------------------|------------------------|
| AIP-32: Runup/Deice Pad (Final Payments) | \$133,000 | \$ - |
| AIP-34: Apron Reconstruction (Final design/bidding) | \$6,700,000 | \$ 3,910,757 |
| Master Plan Update & Survey | \$2,000 | \$ 1,200 |
| New Instrument Approach Design (See note #1) | \$320,000 | \$ 194,480 |
| Non-Grant Funded Construction (See Notes 2) | \$1,600,000 | \$ 488,331 |
| Non-Grant Funded Equipment (See Note #3) | \$155,300 | \$ 148,243 |
| Replace Seam Tape on EMAS/Seal Coat/Runway Marking | \$130,000 | \$ 365,737 |
| Security/Computer Equipment | \$5,000 | \$ - |
| ARFF Equipment | \$18,000 | \$ 680 |
| Maintenance Tools | \$2,500 | \$ - |
| Bank Fees | \$60 | \$ 38 |
| TOTAL CAPITAL EXPENSES: | \$9,065,860 | \$ 5,109,466 |

| | | |
|---|--------------------|--------------------|
| REMAINING CAPITAL INCOME: | \$527,340 | \$1,651,082 |
| END OF YEAR OPERATING INCOME TRANSFER: | \$776,211 | |
| ESTIMATED BEGINNING BALANCE FOR 2018: | \$1,303,551 | |

Notes:

1. LOC/DME Cat C.
2. Remodel GA & Commercial Terminal at \$1.2 million & Seal Coat/Strip Runway/Apron at \$400,000
3. New Line Golf Carts, Aircraft tug and Runway De-Ice Equipment that was ordered in 2016, but will not be delivered or invoiced until 2017.

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08/01/17

Accrual Basis

Telluride Regional Airport - Capital Account
Balance Sheet
As of July 31, 2017

| | <u>Jul 31, 17</u> |
|---------------------------------------|----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1010 · 10% Bank Account | 219,195.68 |
| 1030 · FAA Bank Account | 16,234.14 |
| 1060 · PFC- ANB Bank | 264,254.57 |
| 1070 · Savings Account | 844,641.32 |
| Total Checking/Savings | <u>1,344,325.71</u> |
| Accounts Receivable | |
| 0001 · Accounts Receivable | 50,751.75 |
| 1281 · Accounts Receivable | 12,000.00 |
| Total Accounts Receivable | <u>62,751.75</u> |
| Other Current Assets | |
| 1230 · FAA Grants Receivable | 124,824.86 |
| 1280 · Undeposited Funds | 138.84 |
| Total Other Current Assets | <u>124,963.70</u> |
| Total Current Assets | <u>1,532,041.16</u> |
| TOTAL ASSETS | <u><u>1,532,041.16</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 · *Accounts Payable | 198,696.22 |
| Total Accounts Payable | <u>198,696.22</u> |
| Total Current Liabilities | <u>198,696.22</u> |
| Total Liabilities | <u>198,696.22</u> |
| Equity | |
| 3430 · Interaccount Transfers | 3,878,898.65 |
| 3900 · Retained Earnings | -979,300.98 |
| Net Income | -1,566,252.73 |
| Total Equity | <u>1,333,344.94</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>1,532,041.16</u></u> |

STATISTICS



TELLURIDE REGIONAL AIRPORT
AIRCRAFT AND PILOT SERVICES - 2017

| July 2017 | TRAA 2017 | TRAA 2016 | Percent Change |
|----------------------------|----------------------|----------------------|---------------------------|
| AIRCRAFT OPERATIONS | | | |
| General Aviation: | 1,136 | 1,212 | -6.27% |
| Airlines: | 80 | - | |

AVIATION FUEL SALES (GALLONS)

| | | | |
|----------------------------|---------------|---------------|--------------|
| General Aviation: | | | |
| 100LL AvGas: | 4,169 | 3,723 | 11.99% |
| Jet-A: | 69,109 | 68,568 | 0.79% |
| Airlines: | 2,533 | 0 | |
| Total: | 75,811 | 72,291 | 4.87% |
| GA Passenger Deplanements: | 1,843 | 1,973 | -6.59% |
| GA Passenger Enplanements: | 1,954 | 2,029 | -3.70% |
| Airline Deplanements: | 347 | 0 | #DIV/0! |
| Airline Enplanements: | 324 | 0 | #DIV/0! |

| JANUARY - JULY 2017 | TRAA 2017 | TRAA 2016 | Percent Change |
|--------------------------------------|----------------------|----------------------|---------------------------|
| AIRCRAFT OPERATIONS | | | |
| General Aviation: | 3,459 | 5,756 | -39.91% |
| Airlines: | 334 | 0 | |
| AVIATION FUEL SALES (GALLONS) | | | |
| General Aviation: | | | |
| 100LL AvGas: | 10,381 | 13,106 | -20.79% |
| Jet-A: | 288,276 | 355,660 | -18.95% |
| Airlines: | 7,694 | - | |
| Total GA: | 306,351 | 368,766 | -16.93% |
| GA Passenger Deplanements: | 7,583 | 9,609 | -21.08% |
| GA Passenger Enplanements: | 8,667 | 10,688 | -18.91% |
| Airline Deplanements: | 1695 | 0 | |
| Airline Enplanements: | 1560 | 0 | |

ENPLANEMENTS 2017

| | Great Lakes | U.S. Airways | Gen. Av | 2017 TOTAL | 2016 TOTAL |
|-----------------------|--------------|--------------|---------------|---------------|---------------|
| January | 247 | 0 | 2574 | 2821 | 2174 |
| February | 440 | 0 | 1894 | 2334 | 2435 |
| March | 515 | 0 | 1988 | 2503 | 1777 |
| April | 23 | 0 | 203 | 226 | 542 |
| May | 0 | 0 | 0 | 0 | 528 |
| June | 11 | 0 | 54 | 65 | 1203 |
| July | 324 | 0 | 1954 | 2278 | 2029 |
| August | 0 | 0 | | | 1339 |
| September | 0 | 0 | | | 1896 |
| October | 0 | 0 | | | 922 |
| November | 0 | 0 | | | 416 |
| December | 0 | 0 | | | 1416 |
| Total for 2017 | 1,560 | - | 8,667 | 10,227 | 16,677 |
| Total for 2016 | - | - | 16,677 | 16,677 | |
| Total for 2015 | - | - | 15,321 | 15,321 | |
| Total for 2014 | 3,268 | - | 12,729 | 15,997 | |

| Enplanements Comparisons | 2016 GA | 2017 GA | 2016 Airlines | 2017 Airlines |
|-----------------------------|------------|------------|------------------|------------------|
| January | 2174 | 2574 | 0 | 247 |
| February | 2435 | 1894 | 0 | 440 |
| March | 1777 | 1988 | 0 | 515 |
| April | 542 | 203 | 0 | 23 |
| May | 528 | 0 | 0 | 0 |
| June | 1203 | 54 | 0 | 11 |
| July | 2029 | 1954 | 0 | 324 |
| August | 1339 | | 0 | 0 |
| September | 1896 | | 0 | 0 |
| October | 922 | | 0 | 0 |
| November | 416 | | 0 | 0 |
| December | 1300 | | 116 | 0 |

DEPLANEMENTS FOR 2017

| | Great Lakes | U.S.Airways | Gen Av | 2017 Total | 2016 Total |
|-------------------------|-------------|-------------|--------------|---------------|---------------|
| January | 287 | 0 | 1306 | 1593 | 1547 |
| February | 504 | 0 | 1726 | 2230 | 2204 |
| March | 541 | 0 | 2474 | 3015 | 1684 |
| April | 3 | 0 | 140 | 143 | 424 |
| May | 0 | 0 | 0 | 0 | 485 |
| June | 13 | 0 | 94 | 107 | 1292 |
| July | 347 | 0 | 1843 | 2190 | 1973 |
| August | 0 | 0 | | | 1307 |
| September | 0 | 0 | | | 1795 |
| October | 0 | 0 | | | 830 |
| November | 0 | 0 | | | 454 |
| December | 0 | 0 | | | 1948 |
| Total for 2017 | 1695 | 0 | 7583 | 9278 | 15943 |
| Total for 2016 | 0 | 0 | 15777 | 15777 | |
| Total for 2015 : | 0 | 0 | 14057 | 14057 | |
| Total for 2014 | 3138 | 0 | 11664 | 14802 | |

| Deplanement Comparisons | 2017 GA | 2016 GA | 2017 Airlines | 2016 Airlines |
|----------------------------|------------|------------|------------------|------------------|
| January | 1306 | 1547 | 287 | 0 |
| February | 1726 | 2204 | 504 | 0 |
| March | 2474 | 1684 | 541 | 0 |
| April | 140 | 424 | 3 | 0 |
| May | 0 | 485 | 0 | 0 |
| June | 94 | 1292 | 13 | 0 |
| July | 1843 | 1973 | 347 | 0 |
| August | | 1307 | 0 | 0 |
| September | | 1795 | 0 | 0 |
| October | | 830 | 0 | 0 |
| November | | 454 | 0 | 0 |
| December | | 1948 | 0 | 166 |

OPERATIONS

2017

| | 2017 | | 2017 | 2016 |
|-----------------------|--------------------|---------------------|-----------------|--------------|
| | Great Lakes | U.S. Airways | Gen. Av. | Total |
| January | 56 | 0 | 786 | 900 |
| February | 92 | 0 | 878 | 1236 |
| March | 100 | 0 | 527 | 874 |
| April | 4 | 0 | 78 | 334 |
| May | 0 | 0 | 0 | 368 |
| June | 1 | 0 | 52 | 832 |
| July | 80 | 0 | 1136 | 1212 |
| August | 0 | 0 | | 814 |
| September | 0 | 0 | | 1086 |
| October | 0 | 0 | | 596 |
| November | 0 | 0 | | 334 |
| December | 0 | 0 | | 784 |
| Total for 2017 | 333 | 0 | 3457 | 9370 |
| Total for 2016 | 0 | 0 | 9370 | 9370 |
| Total for 2015 | 0 | 0 | 8990 | 8990 |
| Total for 2014 | 574 | 0 | 7566 | 8140 |

| Operation | 2017 | 2016 | 2017 | 2016 |
|--------------------|-------------|-------------|-----------------|-----------------|
| Comparisons | GA | GA | Airlines | Airlines |
| January | 786 | 900 | 56 | 0 |
| February | 878 | 1236 | 92 | 0 |
| March | 527 | 874 | 100 | 0 |
| April | 78 | 334 | 4 | 0 |
| May | 0 | 368 | 0 | 0 |
| June | 52 | 832 | 1 | 0 |
| July | 1136 | 1212 | 80 | 0 |
| August | | 814 | 0 | 0 |
| September | | 1086 | 0 | 0 |
| October | | 596 | 0 | 0 |
| November | | 334 | 0 | 0 |
| December | | 784 | 0 | 32 |

SCHEDULED DEPARTURES 2017

| | U.S. Airways | Great Lakes | Total |
|----------------|--------------|-------------|-------|
| January | 0 | 45 | 45 |
| February | 0 | 55 | 55 |
| March | 0 | 56 | 56 |
| April | 0 | 3 | 3 |
| May | 0 | 0 | 0 |
| June | 0 | 1 | 1 |
| July | 0 | 41 | 41 |
| August | 0 | 0 | 0 |
| September | 0 | 0 | 0 |
| October | 0 | 0 | 0 |
| November | 0 | 0 | 0 |
| December | 0 | 0 | 0 |
| Total for 2017 | 0 | 201 | 201 |
| Total for 2016 | 0 | 22 | 22 |
| Total for 2015 | 0 | 0 | 0 |
| Total for 2014 | 0 | 328 | 328 |

ACTUAL DEPARTURES 2017

| | U.S. Airways | Great Lakes | Total |
|----------------|--------------|-------------|-------|
| January | 0 | 28 | 28 |
| February | 0 | 46 | 46 |
| March | 0 | 50 | 50 |
| April | 0 | 2 | 2 |
| May | 0 | 0 | 0 |
| June | 0 | 1 | 1 |
| July | 0 | 40 | 40 |
| August | 0 | 0 | 0 |
| September | 0 | 0 | 0 |
| October | 0 | 0 | 0 |
| November | 0 | 0 | 0 |
| December | 0 | 0 | 0 |
| Total for 2017 | 0 | 167 | 167 |
| Total for 2016 | 0 | 16 | 16 |
| Total for 2015 | 0 | 0 | 0 |
| Total for 2014 | 0 | 287 | 287 |