

TELLURIDE REGIONAL AIRPORT

MONTHLY REPORT

FOR

JANUARY 19, 2017

8

Jon Dwight, Chairman

Ann Brady, Vice Chairperson

Richard W. Nuttall, Airport Manager

**TELLURIDE REGIONAL AIRPORT
BOARD MEETING – JANUARY 19, 2017
12:00 PM, TERMINAL BUILDING**

MEETING AGENDA

- 1) 12:00 PM CALL TO ORDER
- 2) 12:05 PM
 - A. APPROVAL OF MINUTES: DECEMBER 2016
 - B. FINANCIAL REPORT:
 1. Approval of Accounts Payable
 - C. CHAIRMANS COMMENTS
 1. Discussion of potential airport operations during construction.
 2. TRAA Airport Manager Search and Succession Planning.
 3. Designate Posting Places for Notices.
 - D. COMMITTEE REPORTS
 1. Noise Abatement
 2. Planning
 3. Marketing
 4. Finance
 - E. COLORADO FLIGHT ALLIANCE REPORT
- 3) 12:30 PM AIRPORT MANAGER'S COMMENTS
 - A. Announcements & Updates
 - B. Category C Update
 - C. Action Items:
 1. RS&H Terminal Remodel Plans Update.
 2. Terminal Fire Alarm Replacement.
 3. Spring Construction Schedule and Fee Waiver during construction.
- 4) 1:00 PM ANNOUNCEMENTS & PUBLIC DISCUSSION
- 5) 2:00 PM ADJOURN

Planning Committee Meeting at 11:00 a.m. prior to the Board Meeting

AIRPORT MANAGER'S REPORT

For January 2017

Public Announcements

Updates

AIP-32: Runup/deice pad project. This project is completed and ready for close-out.

AIP-34: Apron/Taxiway Reconstruction. This project is scheduled to begin in April 2017.

State Grant: RS&H is completing the Master Plan Update as approved by the Airport Board on July 21st. Once FAA has approved, it will be sent to the County for approval.

Category "C" Instrument Approach: New CAT C minimums (with climb gradient and speed restrictions) available via RNAV (GPS) RWY 09. **FAA has approved the Special LOC/DME approach.**

Department of Transportation has approved an extension of the Small Community Air Service Grant.

Airport's Operating Net Income rose 133% in 2016 over 2015, and is the largest net operating income the Airport has achieved in its history. Airport also paid off its hangar loan.

Action Items

Terminal Improvements

RS&H will provide a revised plans for the terminal improvements.

New Fire Alarm Panel

In addition to the improvements that are being proposed for the terminal, we need to update the fire alarm panel to coincide with TSA's lease.

Fees during Runway Closure

If aircraft owners move their aircraft off the airport during construction, shall their fees be waived? If remodeling of the terminal takes place during the closure, and tenants cannot operate in their spaces, shall lease payments be waived?

MINUTES

TELLURIDE REGIONAL AIRPORT AUTHORITY BOARD MEETING

December 15, 2016

12:00 pm

1. Call to Order 12:05 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 (phone), Larry Crosby, Gary Bash, Paul Talmey, Lynne Beck. Board Alternates Richard Child, Mick Francis.

Also present: Rich Nuttall (Airport Manager), Linda Soucie (Administrative Assistant), Renee Marr (Law Office of John Steel).

Public Present: Charlie Dignan, Christine Gamage, Sandy Wickham, Roger Wickham, Ray Cody, Jeff Campbell, Vivian Russell, Tim Hendricks, Ed Roufa.

Absent: Board Members. Sean Murphy, Joan May, Board Alternate Mark Silversher.

2. A. Approval of Minutes: November 17, 2016

Motion

Gary Bash motioned to approve the minutes of September 15, 2016.

Larry Crosby seconded the motion.

Motion passed 8-0.

B. Financial Report

Mick Francis commented that the financials looked good.

1. Approval of Accounts Payable

Motion

Mick Francis motioned to approve the Accounts Receivable and Payables.

Ann Brady seconded the motion.

Motion passed 8-0.

C. Chairman's Comments

1. Appointment of Officers

The TRAA Committees are:

Chair – Jon Dwight

Vice Chair – Ann Brady

Planning Committee – Jon Dwight, Ann Brady, Paul Talmey

Finance Committee – Gary Bash, Lynne Beck

Executive Committee – Jon Dwight

Marketing Committee – Larry Crosby, Matt Skinner

Motion

Larry Crosby motioned to retain the Chair and Vice-Chair for one more year.

Mick Francis seconded the motion.

Motion passed 8-0.

Motion

Larry Crosby motioned to retain the Planning Committee as it stands for one more year.
Mick Francis seconded the motion.
Motion passed 8-0.

Motion

Larry Crosby motioned to retain the Finance Committee as it stand for one more year.
Mick Francis seconded the motion.
Motion passed 8-0.

Motion

Mick Francis motioned to retain the Marketing Committee as it stands for one more year.
Gary Bash seconded the motion.
Motion passed 8-0.

Renee Marr clarified that a committee meeting, where no action is taken, does not need to be noticed. Also, any meeting with 4 or fewer members, does not constitute a quorum, and does not need to be posted (again, as long as no action is taken). There was discussion of the number of posting places. The notices are being posted according to the statutory requirements.

There were a considerable number of members of the public and it was decided to let them speak now. Jon Dwight commented that the TRAA Board received a signed letter from the community, and anyone wishing to speak needs to sign in on the sign-in sheet.

4. Announcements and Public Discussion

There were several members of the public that wished to address the Board regarding their support for Airport Manager, Rich Nuttall.

Charlie Dignan – Base pilot, home owner, asked for the reasoning behind Rich Nuttall’s replacement.

Jon Dwight replied that it was a personnel matter and not for public discussion. The end of Rich’s contract presents the Board with a fiduciary responsibility to start the succession planning process.

Christine Gamage – Cars and Colors Festival Director gave her support for Rich.

Sandy Wickham – 16 year base pilot, has had her aircraft based at 5 other airports and TEX is by far the best. She would like to see him stay on through the upcoming project.

Roger Wickham – Aircraft and hangar owner at TEX, in the airline industry since 1969. He has extensive airport experience and noted that TEX is the only airport in Colorado that is run in the black with no government agency support.

Ray Cody – Base pilot, would like to see the Board work out their issues and keep Rich on. He also would like to seek Board approval to wrap a motor home with some TEX graphics. He will be coming back to the Board with more discussion on the motor home as well as the hotel project he suggested at an earlier meeting.

Jeff Campbell – Has been in the area for 45 years, and flying into TEX since it was a dirt strip. He stated that Telluride is a special beast and requires a problem solver. He said Rich was a problem solver and had the skills necessary for the job.

Vivian Russell – Telluride Air Taxi and has worked for Maya Air and Peak Aerogroup. She commended Rich for all the grant money he has secured for TEX to complete all the projects for the Airport. She had additions to the signed letter – Michael Bugg, and Jeff Smokevitch. She stated her support for Rich and read a letter of support from Denis Palmisciano and Irene Cochran (base pilots and hangar owners).

Tim Hendricks – Telluride Air Taxi and base pilot for 15 years, commented on the valuable experience Rich brings to TEX.

Ed Roufa – Ex-TRAA Board member who hired Rich 24 years ago. He stated his support for Rich and all he has done. He compared the situation to a sports team and said that, sometimes, you don’t replace a player, you replace the management.

Rich Nuttall thanked everyone who came and he really appreciates their support.

D. Committee Reports

1. Noise Abatement – Rich Nuttall – There have been no complaints since 9/25/16.
2. Planning – Ann Brady – Nothing at this time.

Matt Skinner joined the meeting via phone at this point.

3. Marketing – Larry Crosby would like to address the Marketing budget for 2017 during the budget discussion. Mick Francis asked about the murals for the commercial terminal. That will be discussed under the budget.
4. Finance – Gary Bash had no additions.

E. Colorado Flight Alliance Report

Matt Skinner reported that Great Lakes is starting their service into TEX this Saturday the 17th. The ski area is sending a welcoming committee for the first flight, he asked the TRAA Board to attend if possible. He gave the TMV Town Council an update on the new approach last week. He reported that GLA is still trying to find a diversion crew at the Montrose Airport.

3. Airport Manager's Comments

A. Announcements and Updates

The notice to proceed has been given to Reams Construction for the spring ramp project. They may start crushing material soon.

A sign has been placed downstairs in the FBO to notice people regarding the spring closure.

The final copies of the Master Plan are here for Board members. Please take a copy. It has been submitted to the FAA, but has not been reviewed by them yet. Rich has talked to Linda Bruce at the FAA and they are really backed up right now. Jon Dwight encouraged the Board to take a full copy of the Master Plan.

1. Category C Update

The FAA did the flight check 11/14/16 and it was successful. The FAA is reviewing the final approach procedures and Rich is hoping it will be published sometime early next year. This is the Category C Localizer DME approach.

B. Action Items

1. RS&H Terminal Remodel Work Order

The Planning Committee agrees that RS&H needs to trim out the upstairs area from the scope of work and come back with the budget for the downstairs work only. There was discussion regarding relocating the proposed fireplace so as not to block the viewing of aircraft and the mountains.

2. 2017 Budget Approval

The 2017 Budget was submitted at the November meeting. The budget reflects a net income of almost \$800,000, even with the spring closure.

Highlights of the Capital Budget include: close-out of AIP 32 De-Ice and Run-Up Pad, AIP 34 Apron Reconstruction, a small, final payment on the Master Plan Update, the costs for the new instrument approach, the \$1.2 million for terminal upgrades (\$700,000 for GA and \$500,000 for Commercial), the seal coat and restriping of the runway, 2 new golf carts, a new remote electric tug, the EMAs repairs, and new ARFF silver suits (required by new regulations).

The beginning 2017 Capital bank balance is budgeted at \$2.8 million and the beginning Capital balance for 1/1/2018 is budgeted at \$1.3 million.

The actual final pay out for AIP 32 will be less as some of that has just been paid. The new figure will be included in the final budget.

The Operating Budget was reviewed. Larry Crosby would like to increase the Marketing budget from \$60,000 to \$100,000. There was discussion and Jon Dwight directed Larry (and Matt Skinner) to come back to the Board with a Marketing budget to justify the \$100,000. There was discussion and Jon Dwight stated that the objective is to keep the aircraft coming into Tex and not Montrose, as well as to grow the off/shoulder seasons.

Motion

Mick Francis motioned to accept the 2017 Budget with the increase the Marketing budget to \$100,000 (with Larry Crosby and Matt Skinner bringing the budget to the Feb. 2017 meeting), an update to the final number for the close-out on AIP 32, the change to the 2018 date for the beginning balance, and an update to the Master Plan Update final payment.

Gary Bash seconded the motion.

Motion passed 8-0, with Matt Skinner abstaining.

Rich Nuttall led discussion regarding RS&H's work plan to expand the TSA secure area next year in anticipation of larger jet service into TEX. There were 3 ideas that were discussed with RS&H: to expand the secure area to the west onto the ramp, to expand into the terminal hangar, or put up a temporary building for the secure room near the firehouse. If the 3rd option was used, the baggage screening would stay in the terminal and just the passengers would be screen and held in the temporary building. The work plan would cost \$14,000.

Rich's understanding from RS&H was that the Board should pick one option to concentrate on. Jon Dwight stated that all 3 options should be looked at, unless they think that 1 option is the right one and none of the others should even be considered. Rich checked the contract and it should cover developing all 3 options.

Jon Dwight asked if this was in the 2017 Capital Budget. Rich replied that under non-grant funded construction there is \$1.2 million; \$700,000 for the GA and \$500,000 for the commercial terminal. Jon asked that a note on the budget be added to reflect that detail.

Motion

Ann Brady motioned to accept RS&H's work plan as presented.

Larry Crosby seconded the motion.

Motion passed 8-0.

Mick Francis asked about any progress on the snow broom accident in December 2016. Rich Nuttall said that the FAA had sent a letter of agreement to be signed that states they will be called when we NOTAM the runway closed. This will be policy for all uncontrolled airports, not just specific to TEX.

5. Executive Session: Personnel/Succession Planning
1:15 pm

Motion

Jon Dwight motioned: Pursuant to Section 24-6-402(4) of the Colorado Revised Statutes, I move that this regular public meeting of the Board of the Telluride Regional Airport Authority adjourn and that, upon an affirmative vote of at least two-thirds of the members present for this motion, the Board reconvene in executive session for the purposes of: discussing personnel/succession planning, as authorized by Section 24-6-402(4)(f) of the Colorado Revised Statutes.

Gary Bash seconded the motion.

Motion passed 8-0.

The Regular meeting resumed at 1:53pm.

Jon Dwight adjourned the meeting at 1:54 pm.

MINUTES

TELLURIDE REGIONAL AIRPORT AUTHORITY BOARD MEETING

January 3, 2017

12:00 pm

1. Call to Order 12:12 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, Gary Bash, Paul Talmey. Board Alternate Mick Francis.

Also present: Rich Nuttall (Airport Manager), Linda Soucie (Administrative Assistant), Renee Marr (Law Office of John Steel), Doug Kaulpman/ADK (phone), Linda Frankl/ADK (Phone).

Absent: Board Members. Sean Murphy, Larry Crosby, Lynne Beck. Board Alternates Richard Child, Mark Silversher.

2. Declaration of Quorum
There were 7 members present, sufficient for a quorum.

3. Public Comment
There was no public present.

4. Executive Session

Motion

Jon Dwight motioned that; Pursuant to Section 24-6-402(3.5) and 402(4)(f), of the Colorado Revised Statutes, I move that this special public meeting of the Board of the Telluride Regional Airport Authority adjourn and that, upon an affirmative vote of at least 2/3 of the members present for this motion, the Board reconvene in Executive Session for the purpose of: reviewing and discussing applicants for the Airport Manager position and to discuss succession planning.

Paul Talmey seconded the motion.

Motion passed 7-0.

5. Reconvene Regular Session
The Regular Session was reconvened. Jon Dwight clarified that the Board is comfortable with the Planning Committee continuing the process with ADK to identify potential candidates for the Airport Manager position, and we will be following a plan laid out by ADK to readvertise nationally and also work on a rifle shot approach with their network of potential candidates.
No action was taken in Executive Session.

6. Approve Final Candidates

7. Other Business

8. Adjourn
Jon Dwight adjourned the meeting.

Jon Dwight, Chairman

OPERATING FINANCIALS

Telluride Regional Airport
A/P Aging Summary
As of January 12, 2017

	Current	1 - 30	31 - 60	> 60	TOTAL
4 KNEE Ventures LLC	192.50	0.00	0.00	0.00	192.50
Airgas USA, LLC	0.00	53.30	0.00	0.00	53.30
Ajax Cleaning	0.00	3,492.50	0.00	0.00	3,492.50
ALSCO	140.70	140.70	0.00	0.00	281.40
Black Hills Energy	0.00	3,693.97	0.00	0.00	3,693.97
Brainstorm Internet	70.00	0.00	0.00	0.00	70.00
Centurylink 52187	0.00	1,058.21	0.00	0.00	1,058.21
Colorado Airport Operators Association	500.00	0.00	0.00	0.00	500.00
Colton Truck Supply	45.81	0.00	0.00	0.00	45.81
Cooper Crouse-Hinds, LLC	1,041.13	0.00	0.00	0.00	1,041.13
Dex Media	0.00	137.45	0.00	0.00	137.45
DPE, LLC	125.00	0.00	0.00	0.00	125.00
Drug Testing, Inc.	886.00	0.00	0.00	0.00	886.00
FASTSIGNS of Durango - vendor	5,645.00	0.00	0.00	0.00	5,645.00
FedEx	78.18	195.03	0.00	0.00	273.21
FitPlan.com	650.00	0.00	0.00	0.00	650.00
Gray Head Electronic Comm. Assoc.	200.00	0.00	0.00	0.00	200.00
Hartman Brothers, Inc.	0.00	256.02	0.00	0.00	256.02
Honnen Equipment Company	0.00	-727.16	0.00	0.00	-727.16
JC Propane	451.33	0.00	0.00	0.00	451.33
John Deere Financial	24.99	129.98	0.00	0.00	154.97
John Needham	0.00	167.33	0.00	0.00	167.33
Lone Cone Coffee	0.00	698.50	0.00	0.00	698.50
Marketing Telluride, Inc.	1,600.00	0.00	0.00	0.00	1,600.00
Montrose Water Factory, LLC	0.00	139.94	0.00	0.00	139.94
Pallante Plumbing & Heating LLC	105.00	0.00	0.00	0.00	105.00
Parish Oil Co. Inc.	1,018.53	1,890.92	0.00	0.00	2,909.45
Parkeon	0.00	45.00	0.00	0.00	45.00
Petty Cash - Linda D. Soucie	0.00	39.99	0.00	0.00	39.99
ProDIGIQ	3,000.00	0.00	0.00	0.00	3,000.00
QT Pod	1,595.00	0.00	0.00	0.00	1,595.00
Quill Corporation	152.32	877.91	0.00	0.00	1,030.23
Rich Nuttall	0.00	49.39	0.00	0.00	49.39
Sam's Club	129.76	177.90	0.00	0.00	307.66
San Miguel Power Association, Inc.	0.00	3,349.00	0.00	0.00	3,349.00
Telluride Bytes	0.00	500.00	0.00	0.00	500.00
Telluride Daily Planet	60.00	95.50	0.00	0.00	155.50
Telluride Kitchen	0.00	152.00	0.00	0.00	152.00
Telluride Locksmith	0.00	155.00	0.00	0.00	155.00
Telluride Truffle, Inc.	0.00	2,158.00	0.00	0.00	2,158.00
The Alarm Company	417.00	0.00	0.00	0.00	417.00
The Coach's Mother	28.00	0.00	0.00	0.00	28.00
Verizon	0.00	50.11	0.00	0.00	50.11
Waste Management - Montrose	0.00	514.59	0.00	0.00	514.59
White, William - Private Hangar rent	0.00	1,232.07	0.00	0.00	1,232.07
Xerox Corporation	0.00	183.57	0.00	0.00	183.57
TOTAL	18,156.25	20,906.72	0.00	0.00	39,062.97

Telluride Regional Airport
A/R Aging Summary
As of December 31, 2016

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Credit Card	15,013.74	32,723.46	0.00	0.00	0.00	47,737.20
FASTSIGNS of Durango	1,510.00	0.00	0.00	0.00	0.00	1,510.00
Great Lakes - Fuel	0.00	1,684.80	0.00	0.00	0.00	1,684.80
Hertz Rent-A-Car	0.00	0.00	1,775.48	0.00	0.00	1,775.48
Mattson, Bill	0.00	5.50	480.70	0.00	0.00	486.20
Van Heltebrake, Tricia	13.00	0.00	0.00	0.00	0.00	13.00
Wilson Peak Limo	0.00	0.40	0.00	0.00	0.00	0.40
TOTAL	<u>16,536.74</u>	<u>34,414.16</u>	<u>2,256.18</u>	<u>0.00</u>	<u>0.00</u>	<u>53,207.08</u>

**TELLURIDE REGIONAL AIRPORT
2016 OPERATING BUDGET
SUMMARY: JANUARY - DECEMBER 2016**

	BUDGET 2016	ACTUAL 2016 Jan - Dec.	ACTUAL 2015 Jan - Dec.
Aircraft & Pilot Income	3,277,000	3,523,566	3,366,395
Aircraft & Pilot Cost of Goods Sold	(1,286,570)	(1,142,692)	(1,352,632)
Aircraft & Pilot Expenses	(955,812)	(913,013)	(905,795)
Administrative Expenses	(151,402)	(184,482)	(145,531)
Net Income (Loss)	883,216	1,283,380	962,437
Hangar Principal Payments	(350,000)	(353,162)	(77,550)
Net Cash Flows	533,216	930,217	884,887
Terminal Income	135,600	170,201	149,932
Terminal Expenses	(149,100)	(141,113)	(144,312)
Administrative Expenses	(151,402)	(184,482)	(145,531)
Net Income (Loss)	(164,902)	(155,394)	(139,911)
Airside Income	314,200	383,776	359,263
Airside Expenses	(185,520)	(177,137)	(159,089)
Administrative Expenses	(151,402)	(184,482)	(145,531)
Net Income (Loss)	(22,722)	22,157	54,643
Interest Income	100	26	39
Total Net Cash Flows	345,692	797,007	799,658

Notes:

2016 budget reflects paying off hangar debt in the amount of \$353,162.

Subtracting the additional principal payments made on the hangar loan shows that the net income in 2016 rose to approximately \$1,065,169 or 133% from 2015, which is the same percentage increase in net income for Aircraft & Pilot Services.

This is the largest operating net income the airport has made in its history.

**TELLURIDE REGIONAL AIRPORT
2016 OPERATING BUDGET
AIRCRAFT & PILOT**

AIRCRAFT & PILOT INCOME	BUDGET	ACTUAL 2016	ACTUAL 2015	PERCENT
	2016	Jan - Dec.	Jan - Dec.	OF BUDGET
Aircraft Oil	\$ 1,000	\$ 1,308	\$ 1,159	131%
AvGas	125,000	132,658	127,768	106%
Catering	18,000	14,402	18,893	80%
Hangar Fees	275,000	320,550	279,827	117%
Jet-A	2,600,000	2,768,296	2,653,553	106%
Jet-A Airlines	-	281		#DIV/0!
Line Services	70,000	70,138	78,346	100%
Pilot Supplies	18,000	17,212	16,522	96%
Tie-Down Fees	170,000	198,721	190,327	117%
Total Income	3,277,000	3,523,566	3,366,395	108%
AIRCRAFT & PILOT COST OF GOODS SOLD				
		Jan - Dec.	Jan - Dec.	Jan - Dec.
Jet-A Fuel	1,174,000	993,814	1,222,353	85%
100LL Fuel	84,870	92,195	86,962	109%
Oil	800	443	1,437	55%
De-Ice	8,000	2,001	6,711	25%
Pilot Supplies	400	1,225	514	306%
Hats & T-Shirts	18,000	53,014	34,641	295%
Unleaded Fuel	500		14	0%
Total Cost of Goods Sold	1,286,570	1,142,692	1,352,632	89%
Gross Profit	1,990,430	2,380,874	2,013,763	120%
AIRCRAFT & PILOT EXPENSES				
	2016	Jan - Dec.	Jan - Dec.	Jan - Dec.
Aircraft Incidents	2,500		-	0%
Pilot Incentive Program	15,000	5,340	3,792	36%
Catering	3,500	1,264	8,260	36%
Pilot Refreshments	7,500	12,199	12,014	163%
Credit Card Fees	80,000	64,485	84,512	81%
Employee Health Insurance	109,862	133,655	106,039	122%
Employee Salaries	521,950	535,434	475,489	103%
Employee Training	12,500		10,651	0%
Equipment Maintenance	40,000	25,506	49,750	64%
Equipment Maintenance Labor	15,000	3,699	8,025	25%
Equipment Rental	3,000		-	0%
Fuel Farm Utilities/Insurance	4,000	2,772	3,885	69%
Equipment Fuel & Oil	35,000	16,906	36,005	48%
Hangar Insurance	6,000	6,129	5,750	102%
Hangar Interest	5,000	7,213	12,067	144%
Hangar Maintenance	6,000	10,737	10,432	179%
Hangar Utilities	12,000	11,588	14,834	97%
Liability Insurance	8,500	8,511	8,065	100%
Line Supplies	11,000	19,495	10,851	177%
Pollution Insurance	16,000		-	0%
Uniforms	8,500	8,351	6,700	98%
Satellite Systems/Runway Camera	4,000		5,436	0%
Workman's Compensation	29,000	39,728	33,238	137%
Total Direct Expenses	955,812	913,013	905,795	96%
Net Income Before Allocation of Administrative Costs	1,034,618	1,467,862	1,107,968	142%
Admin & Operations (1/3 of Total)	151,402	184,482	145,531	122%
Net Income	\$ 883,216	\$ 1,283,380	\$ 962,437	145%
CASH FLOWS				
Net Income	\$ 883,216	\$ 1,283,380	\$ 962,437	145%
Hangar Principal Payments	\$ 350,000	\$ 353,162	\$ 77,550	
Net Cash Flows	\$ 1,233,216	\$ 1,636,542	\$ 1,039,987	133%

**TELLURIDE REGIONAL AIRPORT
2016 OPERATING BUDGET
TERMINAL**

TERMINAL INCOME	BUDGET 2016	ACTUAL 2016 Jan - Dec.	ACTUAL 2015 Jan - Dec.	PERCENT OF BUDGET
Advertising	\$ 1,000	\$ 2,312	\$ 949	
Airlines	-	5,668		#DIV/0!
Car Rental Agencies	70,000	72,681	73,039	104%
On-Line Services	20,000	26,400	28,600	132%
Copy/Fax	500	20	201	4%
Office Rentals	12,000	3,454	10,782	29%
Parking Lot	10,000	12,860	11,969	129%
Sales Tax Discount	3,800	11,972	4,536	315%
Taxi Service	18,000	34,736	19,545	193%
Vending Machines	300	97	311	32%
Total Income	135,600	170,201	149,932	126%
TERMINAL EXPENSES	2016	Jan - Dec.	Jan - Dec.	Jan - Dec.
Janitorial Supplies	2,000	2,092	2,644	105%
Janitorial Other	34,000	36,913	40,525	109%
Liability Insurance	8,600	8,511	8,065	99%
Maintenance	20,000	11,313	17,048	57%
Maintenance Labor	2,500	1,912	585	76%
Parking Lot	10,000	2,660	496	27%
Security	4,000	2,489	6,203	62%
Terminal Insurance	7,000	12,114	6,900	173%
Terminal Utilities	40,000	32,897	38,347	82%
Trash	5,000	9,627	4,382	193%
Vending Machine Expense	1,000		936	0%
Water Maintenance	15,000	20,584	18,181	137%
Total Direct Expenses	149,100	141,113	144,312	95%
Net Income Before Allocation of Administrative Costs	(13,500)	29,088	5,620	-215%
Admin & Operations (1/3 of Total)	151,402	184,482	145,531	122%
Net Income	\$ (164,902)	\$ (155,394)	\$ (139,911)	94%

**TELLURIDE REGIONAL AIRPORT
2016 OPERATING BUDGET
AIRSIDE**

AIRSIDE INCOME	BUDGET 2016	ACTUAL 2016 Jan - Dec.	ACTUAL 2015 Jan - Dec.	PERCENT OF BUDGET
Airline Landing Fees	\$ -	\$ 1,013	\$ -	#DIV/0!
GA Landing Fees	235,000	285,252	255,835	121%
Land Leases	26,000	17,819	22,854	69%
Promotional Fees	1,200		-	0%
State Fuel Tax Rebates	52,000	79,692	80,574	153%
Total Income	314,200	383,776	359,263	122%
AIRSIDE EXPENSES	2016	Jan - Dec.	Jan - Dec.	Jan - Dec.
Airfield Lighting Maintenance	3,000	3,749	4,496	125%
Airfield Lighting Utilities	2,000	2,151	1,602	108%
Airfield Insurance	6,500		6,200	0%
Airfield Maintenance	20,000	30,774	22,128	154%
ARFF Building Insurance	275	343	50	125%
ARFF Equipment	12,220	2,200	2,257	18%
ARFF Maintenance	5,000	334	9,879	7%
ARFF Training	26,000	12,011	19,080	46%
ARFF Liability Insurance	500		208	0%
ARFF Utilities	4,500	2,851	3,219	63%
AWOS Maintenance	5,000	9,532	6,998	191%
AWOS Utilities	600	621	647	104%
Business Auto Policy	6,600	6,612	6,419	100%
Equipment Fuel & Oil	15,000	9,949	8,784	66%
Equipment Insurance	13,000	25,480	12,184	196%
Equipment Maintenance	35,000	37,484	14,587	107%
Equipment Maintenance Labor	10,000	15,133	17,935	151%
Liability Insurance	8,600	8,511	8,065	99%
Operations Training	1,000		5,000	0%
SRE Insurance	725	-	701	0%
SRE Utilities	6,000	7,308	7,280	122%
SWMP Maintenance	4,000	2,095	1,370	52%
Total Expenses	185,520	177,137	159,089	95%
Net Income Before Allocation of Administrative Costs	128,680	206,639	200,174	161%
Admin & Operations (1/3 of Total)	151,402	184,482	145,531	122%
Operating Profit	(22,722)	22,157	54,643	-98%
INTEREST INCOME	100	26	39	26%
	\$ (22,622)	\$ 22,183	\$ 54,682	-98%

**TELLURIDE REGIONAL AIRPORT
2016 OPERATING BUDGET
SCHEDULE OF ADMINISTRATIVE EXPENSES**

ADMINISTRATIVE EXPENSES	BUDGET 2016	ACTUAL 2016 Jan - Dec.	ACTUAL 2015 Jan - Dec.	PERCENT OF BUDGET
Accounting Audit	\$ 10,000	\$ 23,663	\$ 9,650	237%
Administrative Salaries	165,163	177,960	169,409	108%
Bad Debts	-	862	-	#DIV/0!
Bank Finance Charges	200	234	411	117%
Copy/Fax/Computer Maintenance/Lease	12,000	9,279	12,730	77%
Dues & Subscriptions	10,000	32,511	22,523	325%
Employee Education	7,500	9,224	1,820	123%
Employee Medical Insurance	31,779	38,186	31,796	120%
Fringe Benefits	12,000	9,408	10,251	78%
Legal	35,000	70,857	6,100	202%
Marketing	60,000	56,521	50,237	94%
Office Supplies	5,000	7,842	7,747	157%
Payroll Expenses	52,564	57,310	50,184	109%
Postage & Shipping	2,500	2,400	2,268	96%
Retirement Benefits	6,000	10,892	5,096	182%
Public Officials Insurance	10,000	10,333	22,146	103%
Safety Management System	-	18	3,950	#DIV/0!
Telephone/Internet	30,000	34,023	27,830	113%
TRAA Meeting	2,000	1,849	1,844	92%
Travel	2,000	75	482	4%
Workman's Compensation	500		118	0%
Total Expenses	\$ 454,206	\$ 553,446	\$ 436,592	122%

Administrative Expenses are divided equally among Aircraft & Pilot, Terminal, and Airside expenses.

Telluride Regional Airport
Balance Sheet
 As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
1000.00 · Payroll Checking	1,617.44
1020.00 · Due From AVFUEL	40,908.13
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	539,401.23
1046.00 · Tax Rebate Account	309,319.67
1050.00 · Petty Cash	500.00
Total Checking/Savings	892,376.91
Accounts Receivable	
1100.00 · Accounts Receivable	53,207.08
Total Accounts Receivable	53,207.08
Other Current Assets	
12000 · *Undeposited Funds	67.54
1260.00 · Inventory Asset	
1261.00 · INV. Jet-A	103,619.44
1262.00 · INV. 100LL	20,997.11
1263.00 · INV. Oils	2,186.12
1264.00 · INV. Unleaded Fuel	1,048.19
1266.00 · INV. Hats & T-Shirts	17,309.22
Total 1260.00 · Inventory Asset	145,160.08
1270.00 · Prepaid Insurance	13,658.70
1280.00 · Undeposited Funds	689.24
Total Other Current Assets	159,575.56
Total Current Assets	1,105,159.55
Fixed Assets	
1310.00 · Accumulated Depreciation	-19,466,509.72
1320.00 · Building	5,501,626.68
1330.00 · Equipment	2,779,842.32
1350.00 · Land Aquisition	7,337,699.15
1390.00 · Runway	74,887,852.99
Total Fixed Assets	71,040,511.42
TOTAL ASSETS	72,145,670.97
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000.00 · Accounts Payable	28,827.52
Total Accounts Payable	28,827.52
Other Current Liabilities	
2030.00 · AFLAC INS.	-120.39
2100.00 · Payroll Liabilities	3,074.00
2110.00 · *Direct Deposit Liabilities	-2,145.28
2150.00 · Note Payable - Hangars	352,367.23
2165 · Sales Tax Payable #1	-65,873.31
Total Other Current Liabilities	287,302.25
Total Current Liabilities	316,129.77
Total Liabilities	316,129.77

Telluride Regional Airport
Balance Sheet
As of December 31, 2016

	<u>Dec 31, 16</u>
Equity	
3000.00 · Opening Balance Equity	100.00
3430.00 · Interaccount Transfers	-4,083,908.21
3900.00 · Retained Earnings	74,884,754.91
Net Income	1,028,594.50
	<hr/>
Total Equity	71,829,541.20
	<hr/>
TOTAL LIABILITIES & EQUITY	72,145,670.97
	<hr/> <hr/>

CAPITAL FINANCIALS

**TELLURIDE REGIONAL AIRPORT
2016 CAPITAL BUDGET**

CAPITAL INCOME:	2016 BUDGET	2016 ACTUAL
Beginning Bank Account Balance	\$2,400,000	\$ 2,739,360
Passenger Facility Charges	\$0	\$ 3,042
FAA Grants	\$944,750	\$ 1,601,622
State Grant	\$143,000	\$ 271,219
Rock Sales	\$260,000	\$ 299,934
Equipment Sales & Existing Insurance Coverage for Sweeper	\$137,500	\$ 33,105
Local Contribution for Cat C Approach	\$105,000	\$ -
Interest Income	\$1,500	\$ 446
TOTAL AVAILABLE FUNDS :	\$3,991,750	\$ 4,948,729
CAPITAL EXPENSES:	2016 BUDGET	2016 ACTUAL
AIP-31: Wildlife Mitigation Plan (Final Payments)	\$2,500	\$ 2,500
AIP-32: Runup/Deice Pad (Final Payments)	\$800,000	\$ 1,505,140
AIP-34: Apron Reconstruction (Final design/bidding)	\$25,000	\$ 52,704
Master Plan Update & Survey	\$100,000	\$ 176,000
New Instrument Approach Design (See note #1)	\$320,000	\$ 53,160
Non-Grant Funded Construction (See Notes 2 & 4)	\$700,000	\$ 72,242
Non-Grant Funded Equipment (See Note #3 & 5)	\$481,969	\$ 409,163
Security/Computer Equipment	\$32,000	\$ 19,200
ARFF Equipment	\$0	\$ -
Maintenance Tools	\$2,500	\$ 2,472
Bank Fees	\$60	\$ 35
TOTAL CAPITAL EXPENSES:	\$2,464,029	\$ 2,292,617
REMAINING CAPITAL INCOME:	\$1,527,721	\$2,656,112
END OF YEAR OPERATING INCOME TRANSFER:	\$345,692	
ESTIMATED BEGINNING BALANCE FOR 2017:	\$1,873,413	

Notes:

1. LOC/DME Cat C.
2. Remodel GA Terminal
3. New Aircraft Ground Power Unit (GPU)
4. If no or lessor GA Terminal remodeling is done, than the runway/taxiway seal coating can be completed in 2016 instead of 2017 as shown on the 6-Year CIP.
5. Purchase of Replacement Runway Broom

Telluride Regional Airport - Capital Account
Balance Sheet
As of December 31, 2016

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · 10% Bank Account	350,707.95
1030 · FAA Bank Account	16,234.33
1060 · PFC- ANB Bank	257,370.15
1070 · Savings Account	2,031,799.97
Total Checking/Savings	<u>2,656,112.40</u>
Accounts Receivable	
1281 · Accounts Receivable	118,279.25
Total Accounts Receivable	<u>118,279.25</u>
Other Current Assets	
1200 · Grants Receivable	1,025,938.92
Total Other Current Assets	<u>1,025,938.92</u>
Total Current Assets	<u>3,800,330.57</u>
TOTAL ASSETS	<u><u>3,800,330.57</u></u>
LIABILITIES & EQUITY	
Equity	
3430 · Interaccount Transfers	4,016,617.68
3900 · Retained Earnings	90,087.43
Net Income	-306,374.54
Total Equity	<u>3,800,330.57</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,800,330.57</u></u>

STATISTICS

**TELLURIDE REGIONAL AIRPORT
AIRCRAFT AND PILOT SERVICES - 2016**

December 2016	TRAA 2016	TRAA 2015	Percent Change
AIRPORT OPERATIONS			
General Aviation:	784	524	49.62%

AVIATION FUEL SALES (GALLONS)

General Aviation:			
100LL AvGas:	1,777	1,424	24.79%
Jet-A:	61,236	38,477	59.15%
Airlines:	703	0	
Total:	63,013	39,901	57.92%
GA Passenger Deplanements:	1,782	785	127.01%
GA Passenger Enplanements:	1,300	1,178	10.36%
Airline Deplanements:	166	0	#DIV/0!
Airline Enplanements:	116	0	#DIV/0!

JANUARY - DECEMBER 2016	TRAA 2016	TRAA 2015	Percent Change
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AIRPORT OPERATIONS

General Aviation:	9,370	8,990	4.23%
Airlines:	16	0	

AVIATION FUEL SALES (GALLONS)

General Aviation:			
100LL AvGas:	24,142	23,649	2.09%
Jet-A:	499,693	497,390	0.46%
Total GA:	523,835	521,039	0.54%
GA Passenger Deplanements:	15,777	14,057	12.24%
GA Passenger Enplanements:	16,561	15,321	8.09%
Airline Deplanements:	166	0	
Airline Enplanements:	116	0	

ENPLANEMENTS 2016

	Great Lakes	U.S. Airways	Gen. Av	2016 TOTAL	2015 TOTAL
January	0	0	2174	2174	1982
February	0	0	2435	2435	1675
March	0	0	1777	1777	1998
April	0	0	542	542	435
May	0	0	528	528	387
June	0	0	1203	1203	1095
July	0	0	2029	2029	1838
August	0	0	1339	1339	1564
September	0	0	1896	1896	2288
October	0	0	922	922	530
November	0	0	416	416	351
December	116		1300	1416	1178
Total for 2016	116	-	16,561	16,677	15,321
Total for 2015	-	-	15,321	15,321	
Total for 2014	3,268	-	12,729	15,997	
Total for 2013	5,325	-	13,530	18,855	

Enplanements Comparisons	2015 GA	2016 GA	2015 Airlines	2016 Airlines
January	1982	2174	0	0
February	1675	2435	0	0
March	1998	1777	0	0
April	435	542	0	0
May	387	528	0	0
June	1095	1203	0	0
July	1838	2029	0	0
August	1564	1339	0	0
September	2288	1896	0	0
October	530	922	0	0
November	351	416	0	0
December	1178	1300	0	116

DEPLANEMENTS FOR 2015

	Great Lakes	U.S.Airways	Gen Av	2016 Total	2015 Total
January	0	0	1547	1547	1583
February	0	0	2204	2204	1570
March	0	0	1684	0	1923
April	0	0	424	424	330
May	0	0	485	485	380
June	0	0	1292	1292	1156
July	0	0	1973	1973	1822
August	0	0	1307	1307	1465
September	0	0	1795	1795	2175
October	0	0	830	830	501
November	0	0	454	454	367
December	166	0	1782	1948	785
Total for 2016	166	0	15777	14259	14057
Total for 2015	0	0	14057	14057	
Total for 2014	3138	0	11664	14802	
Total for 2013	5151	0	13236	18387	

Deplanement Comparisons	2016 GA	2015 GA	2016 Airlines	2015 Airlines
January	1547	1583	0	0
February	2204	1570	0	0
March	1684	1923	0	0
April	424	330	0	0
May	485	380	0	0
June	1292	1156	0	0
July	1973	1822	0	0
August	1307	1465	0	0
September	1795	2175	0	0
October	830	501	0	0
November	454	367	0	0
December	1782	785	166	0

OPERATIONS

2016

	2016			2016	2015
	Great Lakes	U.S. Airways	Gen. Av.	Total	Total
January	0	0	900	900	974
February	0	0	1236	1236	916
March	0	0	874	874	1158
April	0	0	334	334	256
May	0	0	368	368	288
June	0	0	832	832	760
July	0	0	1212	1212	1154
August	0	0	814	814	994
September	0	0	1086	1086	1304
October	0	0	596	596	404
November	0	0	334	334	258
December	32	0	784	816	524
Total for 2016	32	0	9370	9402	8990
Total for 2015	0	0	8990	8990	
Total for 2014	574	0	7566	8140	
Total for 2013	888	0	7958	8846	

Operation	2016	2015	2016	2015
Comparisons	GA	GA	Airlines	Airlines
January	900	974	0	0
February	1236	916	0	0
March	874	1158	0	0
April	334	256	0	0
May	368	288	0	0
June	832	760	0	0
July	1212	1154	0	0
August	814	994	0	0
September	1086	1304	0	0
October	596	404	0	0
November	334	258	0	0
December	784	524	32	0

SCHEDULED DEPARTURES 2016

	U.S. Airways	Great Lakes	Total
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	22	22
Total for 2016	0	0	0
Total for 2015	0	0	0
Total for 2014	0	328	328
Total for 2013	0	491	491

ACTUAL DEPARTURES 2016

	U.S. Airways	Great Lakes	Total
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	16	16
Total for 2016	0	16	16
Total for 2015	0	0	0
Total for 2014	0	287	287
Total for 2013	0	454	454