

TELLURIDE REGIONAL AIRPORT

MONTHLY REPORT

FOR

JUNE 21, 2012

Jon Dwight, Chairman

Ann Brady, Vice Chairperson

Richard W. Nuttall, Airport Manager

**TELLURIDE REGIONAL AIRPORT
BOARD MEETING – JUNE 21, 2012
12:00 PM, TERMINAL BUILDING**

MEETING AGENDA

- 1) 12:00 PM CALL TO ORDER
- 2) 12:05 PM
 - A. APPROVAL OF MINUTES: MAY 2012
 - B. FINANCIAL REPORT:
 1. Approval of Accounts Payable
 - C. CHAIRMANS COMMENTS
 - D. NOISE ABATEMENT REPORT
- 3) 12:45 PM AIRPORT MANAGER'S COMMENTS
 - A. Announcements
 - B. Rental Car request
 - C. Master Plan update
 - D. Executive Session:
 1. Update on ongoing litigation regarding No Night Flights Network lawsuit and the Wet Blasting lawsuit by R.E. Monks.
- 4) 1:50 PM ANNOUCEMENTS & PUBLIC DISCUSSION
- 5) 2:00 PM ADJOURN

Buffet Lunch will be provided at 11:30 a.m. \$6.00 per person

MINUTES

TELLURIDE REGIONAL AIRPORT AUTHORITY BOARD MEETING

May 17, 2012
12:00 pm

1. Call to Order

Vice Chair Ann Brady called the meeting of the Telluride Regional Airport Authority to order.

Roll Call

Present: Vice Chair Ann Brady. Board Members Stu Fraser, Gary Bash, Joan May, Dave Riley, Kevin Jones, Lynne Beck, and Paul Talmey (by phone). Board Alternates Mick Francis and Mark Silversher.

Also present: Rich Nuttall (Airport Manager), Linda Soucie (Administrative Assistant), and Bob Erie (Attorney).

2. A. Approval of Minutes: March 15, 2012

Motion

Correction to the minutes – it was Board Member Dave Riley that asked for the FAA/Q400 report, not Vice Chair Ann Brady. Board Member Joan May pointed out that the airport should be referred to as TEX, not TRA.

Board Member Joan May motioned to approve the minutes of March 15, 2012.

Board Member Stu Fraser seconded the motion.

Motion passed 8-0.

B. Financial Report

1. Approval of Accounts Payable

On the A/R report, Enterprise and TRA Phase II need to be contacted regarding past due balances. The balance due on Eliot Brown needs to be voided.

Motion

Board Member Stu Fraser motioned to approve the Accounts Receivable and Payables.

Board Member Joan May seconded the motion.

Motion passed 8-0.

C. Chairman's Comments

Vice Chair Ann Brady led discussion on the small aircraft accident that happened in April. Ann's name will be added to the call list.

1. Revised By-Laws and Rules of Procedures

Attorney Bob Erie went over final changes to the by-laws. He defined a "taxpaying elector", referring to a memorandum to the Board, which was copied to Steve Zwick.

The final form of the by-laws was presented to the Board for approval.

Motion

Board Member Stu Fraser motioned to approve the revised By-Laws and Rules of Procedures.

Board member Lynne Beck seconded the motion.

Motion passed 8-0.

D. Noise Abatement Report

Rich had one call, two days ago, about a small plane flying low over the north end of the airport. The pilot was radioed; he landed and was informed of the noise abatement procedures. He took off, and did the same thing. He was taking photos of a house being built nearby.

3. AIRPORT MANAGER'S COMMENTS

A. Announcements

Bill Payne will call in at 12:30 and give an update on the April Seattle NW FAA meeting. Rich attended the conference and he and Bill went to the headquarters there and talked to Jason Pitts and his staff regarding the new approach. Time frames and design challenges were discussed.

All three 2012 construction projects are out to bid. The pavement project has been awarded to Precise Striping and they will be starting on May 30th. The airport will be closed from May 30 through June 2. There is a state grant for this project. The water tank project bids are due May 31 and the slide remediation project bids are due on June 12. The FAA has stated that if the slide remediation project gets too far over budget, it may not be funded this year. The water tank project will start in June and the slide remediation, if funded, would start in July and be finished in November. Discussion followed on the water tank project.

B. Consultant Selection & CIP Update

Consultant selection process – the FAA requires that the consultant selection process is done every five years (or yearly). Rich would like two or three Board Members, and he, to put out the RFQ, do the interviews and then make a recommendation to the Board. He would like to have it wrapped up by September. The FAA fiscal year starts October 1. Vice Chair Ann Brady volunteered, Board Member Paul Talmey was asked and accepted, and Alternate Mark Silversher volunteered.

Revised six year Capital Improvement Submittal – the FAA requires a six year CIP worksheet.

2012 – The three projects mentioned previously; 2013 – joint de-ice and run-up pad, ramp revision, grading of taxi way.

C. Category 'C' approach update by Bill Payne

Bill Payne joined the meeting via phone at this point. He gave an update on the FAA's progress on designing the new approach. He spoke with the flight standards group and the flight procedure group has not done anything since their last meeting. Bill spoke about the agreed upon approach, which would be a RNP AR (authorization required) approach. It requires special equipment in the aircraft and special training for the pilots. He has been working with Horizon, whose commercial aircraft and crews are able to fly this approach procedure. He is working on a telescoping missed approach (a narrow width approach). Most of the GA aircraft will be equipped, but most of the crews are not trained to fly this type of approach. They would go back to a localizer procedure (in place now). His plan is to proceed with a RNP.3 approach for the Q400 aircraft, category 'C' airplanes. The key is to get the approach designed. There are two options; continue with the FAA flight procedure group, or hire an independent company to design a FAA approved approach. The cost to hire a company would run anywhere from \$100,000 to \$300,000. He can recommend two companies to design the approach procedure.

Discussion followed on time frame, costs, and FAA approval. Any RNP capable carrier could use this approach. Discussion followed on procedures, approaches, plane types, equipment, and other carriers converting to RNP approaches.

Board Member Dave Riley recommended having staff get two bids and completion dates from the private design companies and decide whether or not to invest in the design process. Board member Stu Fraser pointed out that the FAA has already lost one to two years of the design process already. Discussion followed on the approach process, the FAA's timing issues. Rich pointed out that the FAA is not working on the approach at all, and if a private company is used, you will get a better approach and you will always have the approach for any properly equipped airline. Horizon is interested in coming into TEX, and has the equipment and crews. Alternate Mark Silversher asked that the GPS approach be designed at the same time for the GA aircraft. Board Member Stu Fraser pointed out that the FAA designed approach would not be no-cost. The time delays could cost TEX enplanements and entitlement money. Vice Chair Ann Brady recommended that Rich move with Bill Payne and get with the companies that the FAA deems acceptable.

B. CIP Update - Continued

Discussion on budget for the new approach design costs, matching money for the capital improvement projects for the next five years, and the possibility of Horizon coming into TEX. The initial thought was that they would come in during the ski season of 2013-2014, one to two times a week. If so, no terminal improvements would have to be made immediately. If Horizon comes back and wants to increase flights, terminal improvements would most likely be done in 2015. Discussion followed on local match, debt service, and community contributions. For 2016, projects include replacing the building, ARFF building, and the GA terminal. For 2017 – projects include more pavement maintenance and possibly completing the tunnel road.

Board Member Joan May asked for clarification on the 10,000 enplanements entitlement money. If the airport hits the 10,000 enplanement mark, it receives \$1 million in entitlement funds. If it falls below the 10,000, it receives \$150,000. Discussion followed on additional requirements for the Q400 to come into TEX; security, personnel, and space requirements.

Motion

Board Member Stu Fraser motioned to secure RFP's from two companies to design the new 'C' approach.

Board Member Kevin Jones seconded the motion.

Motion passed 8-0.

Rich mentioned the need to address the heating and cooling issues in the building. He has looked at adding airlock doors and a big ceiling type fan for the terminal area to help control the temperatures and costs. Preliminary pricing came in at \$18,000, which is not in the capital budget this year.

D. Adjourn to Executive Session

Motion

Board Member Stu Fraser motioned to adjourn to executive session.

Board Member Dave Riley seconded the motion.

Motion passed 8-0.

1. Update on ongoing litigation regarding No Night Flights Network lawsuit and the Wet Blasting lawsuit by R.E. Monks.

Meeting resumed.

Motion

Wet Blasting Claim

Board Member Dave Riley motioned to approve the appointment of Board Chair Jon Dwight, Vice Chair Ann Brady, and Board Member Stu Fraser (as an alternate) to the settlement committee, with full individual authority to settle the Wet Blasting suit.

Board Member Joan May seconded the motion.

Motion passed 8-0.

4. Announcements and Public Discussion

Airport Manager Rich Nuttall – Off-season staffing: His recommendation is to staff after 6:00 pm (to 9:00pm) during the busy winter and summer season and not staff after 6:00pm during the off-season (spring and fall).

5. Adjourn

Vice Chair Ann Brady adjourned the meeting at 1:50 pm.

Jon Dwight, Chairman

Richard W. Nuttall, Airport Manager

9:01 AM

06/13/12

Telluride Regional Airport
A/P Aging Summary
As of June 13, 2012

	Current	1 - 30	31 - 60	> 60	TOTAL
Airgas Intermountain Inc.	317.24	0.00	0.00	0.00	317.24
Alarm Company of Telluride	250.00	0.00	0.00	0.00	250.00
Alpine Bank	12,938.87	0.00	0.00	0.00	12,938.87
Alpine Lumber Co.	0.00	127.09	110.06	0.00	237.15
Aramark	80.49	0.00	0.00	0.00	80.49
Brothers Fence Company Ltd.	1,042.00	0.00	0.00	0.00	1,042.00
CB Industries	1,100.00	0.00	0.00	0.00	1,100.00
CCNC	100.00	0.00	0.00	0.00	100.00
CentruyLink	560.79	0.00	0.00	0.00	560.79
CenturyLink	499.95	0.00	0.00	0.00	499.95
Chase/Bank One	335.61	0.00	0.00	0.00	335.61
Clarks	0.00	0.00	37.16	0.00	37.16
Coach's Mother	950.00	0.00	0.00	0.00	950.00
Conoco	86.28	0.00	0.00	0.00	86.28
Daily Planet	0.00	576.24	0.00	0.00	576.24
Dex Media East LLC	384.95	0.00	0.00	0.00	384.95
Erie, Robert	7,262.00	0.00	0.00	0.00	7,262.00
Fuel Tech	0.00	252.31	0.00	0.00	252.31
Galls Incorporated	58.98	0.00	0.00	0.00	58.98
Grand Junction Pipe & Supply Company	7.75	0.00	0.00	0.00	7.75
Hammerweb Holdings	270.00	0.00	0.00	0.00	270.00
Home Depot	27.52	0.00	0.00	0.00	27.52
John Deere Financial	556.38	0.00	0.00	0.00	556.38
Lawrence Multimedia, Inc.	600.00	0.00	0.00	0.00	600.00
Lone Cone Coffee	0.00	35.75	0.00	0.00	35.75
Mitchell and Company	0.00	250.00	0.00	0.00	250.00
Montrose Printing Center, LLC	183.16	0.00	0.00	0.00	183.16
Montrose Water Factory, LLC	154.35	0.00	0.00	0.00	154.35
Night & Day LLC	0.00	87.50	2,200.00	0.00	2,287.50
Northern Tool & Equipment Co.	0.00	0.00	0.00	-54.58	-54.58
Pallante Plumbing & Heating, LLC	917.00	0.00	0.00	0.00	917.00
Parish Oil Company, Inc.	3,111.74	767.37	0.00	0.00	3,879.11
Petty Cash - Linda D. Soucie	67.91	0.00	0.00	0.00	67.91
Pinnacol Assurance	84.35	0.00	0.00	0.00	84.35
Pinyon Mesa Automatics, Inc.	0.00	266.25	0.00	0.00	266.25
Pitney Bowes	112.00	0.00	0.00	0.00	112.00
San Juan Surveying, Inc	0.00	242.50	0.00	0.00	242.50
San Juan Sweeping & Striping	0.00	890.40	0.00	0.00	890.40
San Miguel Power Assoc.	3,282.00	0.00	0.00	0.00	3,282.00
Shop "N" Lube Express	0.00	0.00	0.00	-5.64	-5.64
Telluride Bytes	0.00	116.00	0.00	0.00	116.00
Telluride Tire & Auto Service	72.00	281.80	0.00	0.00	353.80
Timberline Ace Hardware	0.00	24.53	0.00	0.00	24.53
Two-Way Communications, Inc.	125.00	0.00	0.00	0.00	125.00
Vaisala	1,500.00	0.00	0.00	0.00	1,500.00
Verizon Wireless	172.17	0.00	0.00	0.00	172.17
Waste Management	0.00	315.80	0.00	0.00	315.80
Watch Newspaper	0.00	0.00	117.00	0.00	117.00
Western Slope Electric Supply, Inc.	0.00	162.00	0.00	0.00	162.00
Xerox	191.66	0.00	0.00	0.00	191.66
TOTAL	37,402.15	4,395.54	2,464.22	-60.22	44,201.69

2:37 PM

06/13/12

Telluride Regional Airport
A/R Aging Summary
As of May 31, 2012

	<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	1,360.00	1,360.00
Bruce L Wright	0.00	0.00	0.00	0.00	83.33	83.33
CENTURY AVIATION	0.00	24.75	0.00	0.00	74.70	99.45
Dwight, John	0.00	0.00	0.00	0.00	720.12	720.12
Great Lakes - Other	14,775.92	0.00	912.95	0.00	0.00	15,688.87
Great Lakes Aviation	0.00	594.00	252.00	1,740.80	3,050.37	5,637.17
Hertz Rent-A-Car Offices	0.00	2,720.50	0.00	0.00	0.00	2,720.50
Kennedy, Nick	0.00	0.00	0.00	0.00	7.50	7.50
Mattson, Bill	0.00	-154.29	0.00	0.00	0.00	-154.29
Mountain Limo	0.00	324.25	324.25	0.00	0.00	648.50
State of Colorado	0.00	0.00	1,473.57	0.00	0.00	1,473.57
TRA Phase II Condominium Owners Assoc.	0.00	0.00	0.00	0.00	8,581.77	8,581.77
TSA	0.00	0.00	87.06	348.24	0.00	435.30
TOTAL	<u>14,775.92</u>	<u>3,509.21</u>	<u>3,049.83</u>	<u>2,089.04</u>	<u>13,877.79</u>	<u>37,301.79</u>

2012 OPERATING BUDGET SUMMARY

January - May 2012	ANNUAL 2012 BUDGET	ACTUAL 2012	ACTUAL 2011
Aircraft & Pilot Income	\$3,123,350	\$1,611,131	\$1,525,743
Aircraft & Pilot Expenses	\$1,027,630	\$464,474	\$431,115
Cost of Goods Sold	\$1,710,700	\$849,311	\$829,581
Net Income (Loss)	\$385,020	\$297,346	\$265,047
Terminal Income	\$336,762	\$193,503	\$189,215
Terminal Expenses	\$298,393	\$141,700	\$138,368
Net Income (Loss)	\$38,369	\$51,803	\$50,847
Airside Income	\$282,200	\$158,416	\$170,607
Airside Expenses	\$399,350	\$164,234	\$195,289
Net Income (Loss)	-\$117,150	-\$5,819	-\$24,682
Interest Income	\$700	\$0	\$0
Total Net Operating Income (Loss):	\$306,938	\$343,331	\$291,212

**TELLURIDE REGIONAL AIRPORT
2012 OPERATING BUDGET
JANUARY - MAY**

AIRCRAFT & PILOT INCOME	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Aircraft Oil	\$ 850	\$ 464	\$ 267	55%
AvGas	\$ 136,500	\$ 51,973	\$ 42,844	38%
Catering	\$ 12,000	\$ 10,102	\$ 3,606	84%
Hangar Fees	\$ 210,000	\$ 139,932	\$ 146,147	67%
Jet-A	\$ 2,640,000	\$ 1,342,479	\$ 1,280,274	51%
Jet-A Airlines	\$ 14,000	\$ 4,561	\$ 14,465	33%
Line Services	\$ 50,000	\$ 34,230	\$ 19,760	68%
Pilot Supplies	\$ 15,000	\$ 6,963	\$ 4,641	46%
Tie-Down Fees	\$ 45,000	\$ 20,427	\$ 13,739	45%
Waste Fuel	\$ -	\$ -	\$ -	#DIV/0!
Total:	\$ 3,123,350	\$ 1,611,131	\$ 1,525,743	52%

AIRCRAFT & PILOT EXPENSES	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Aircraft Incidents	\$ -	\$ -	\$ -	#DIV/0!
AvFuel Trip Incentive	\$ 5,785	\$ 900	\$ 2,064	15.56%
Catering	\$ 2,500	\$ 1,401	\$ 310	56.02%
Pilot Refreshments	\$ 4,000	\$ 1,362	\$ 861	34.05%
Courtesy Car Expenses	\$ 1,200	\$ -	\$ 2,429	0.00%
Credit Card Fees	\$ 70,000	\$ 42,993	\$ 35,655	61.42%
Employee Health Insurance	\$ 90,900	\$ 39,075	\$ 28,026	42.99%
Employee Salaries	\$ 351,736	\$ 145,519	\$ 122,109	41.37%
Employee Training	\$ 5,000	\$ 1,017	\$ 788	20.33%
Equipment Maintenance	\$ 60,000	\$ 20,735	\$ 16,180	34.56%
Equipment Maintenance Labor	\$ 20,000	\$ 14,379	\$ 5,730	71.89%
Equipment Rental	\$ 1,000	\$ 175	\$ 175	17.50%
Fuel Farm Utilities/Insurance	\$ 3,500	\$ 3,476	\$ 2,208	99.31%
Equipment Fuel & Oil	\$ 17,000	\$ 9,022	\$ 4,918	53.07%
Hangar Insurance	\$ 4,600	\$ 3,234	\$ 4,526	70.30%
Hangar Loan	\$ 155,266	\$ 64,684	\$ 77,633	41.66%
Hangar Maintenance	\$ 7,500	\$ 4,551	\$ 5,617	60.68%
Hangar Rental (Sub-Lease)	\$ 850	\$ 2,242	\$ 586	263.76%
Hangar Utilities	\$ 15,000	\$ 6,038	\$ 7,576	40.25%
Liability Insurance	\$ 6,500	\$ 2,942	\$ 6,374	45.26%
Line Supplies	\$ 15,000	\$ 5,895	\$ 5,415	39.30%
Uniforms	\$ 8,500	\$ 1,903	\$ 4,129	22.39%
Satelite Systems/Runway Camera	\$ 3,200	\$ 1,434	\$ 1,434	44.81%
Workman's Compensation	\$ 26,000	\$ 19,321	\$ 25,544	74.31%
Admin. & Operations (1/3 of Total)	\$152,593	\$72,176	\$70,828	47.30%
Total:	\$ 1,027,630	\$ 464,474	\$ 431,115	45.20%

**TELLURIDE REGIONAL AIRPORT
2012 OPERATING BUDGET
JANUARY - MAY**

COST OF GOODS SOLD	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Jet-A Fuel	\$ 1,572,250	\$ 800,485	\$ 787,307	50.91%
100LL Fuel	\$ 113,100	\$ 42,770	\$ 35,646	37.82%
Oil	\$ 600	\$ 333	\$ 200	55.48%
De-Ice:	\$ 14,000	\$ 1,319	\$ 1,458	9.42%
Pilot Supplies	\$ 250	\$ 31	\$ 86	12.31%
Hats and T-Shirts	\$ 8,500	\$ 4,060	\$ 3,074	47.76%
Unleaded Fuel	\$ 2,000	\$ 314	\$ 1,810	15.69%
Total:	\$ 1,710,700	\$ 849,311	\$ 829,581	49.65%
AIRCRAFT GROSS PROFIT (LOSS):	\$ 385,020	\$ 297,346	\$ 265,047	77.23%

**TELLURIDE REGIONAL AIRPORT
2012 OPERATING BUDGET
JANUARY - MAY**

TERMINAL INCOME	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Advertising	\$ 600	\$ 305	\$ 75	50.83%
Airlines	\$ 157,462	\$ 85,919	\$ 70,782	54.56%
Car Rental Agencies	\$ 110,000	\$ 55,510	\$ 62,285	50.46%
On-Line Services	\$ -	\$ 9,400	\$ 10,996	#DIV/0!
Copy/Fax	\$ 500	\$ 213	\$ 172	42.56%
Office Rentals	\$ 27,000	\$ 11,100	\$ 17,228	41.11%
Parking Lot	\$ 20,000	\$ 10,526	\$ 10,906	52.63%
Sales Tax Discount	\$ 1,000	\$ 491	\$ 370	49.10%
Taxi Service	\$ 19,000	\$ 19,608	\$ 15,798	103.20%
Vending Machines	\$ 1,200	\$ 431	\$ 603	35.93%
Total:	\$ 336,762	\$ 193,503	\$ 189,215	57.46%
TERMINAL EXPENSES	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Janitorial Supplies	\$ 3,000	\$ 419	\$ 1,035	13.95%
Janitorial Other	\$ 30,000	\$ 12,550	\$ 10,700	41.83%
Liability Insurance	\$ 6,500	\$ 2,942	\$ 6,374	45.26%
Maintenance	\$ 20,000	\$ 6,126	\$ 8,061	30.63%
Maintenance Labor	\$ 5,000	\$ 2,546	\$ 1,690	50.92%
Parking Lot	\$ 3,000	\$ 395	\$ -	13.17%
Internet Café	\$ 500	\$ -	\$ -	0.00%
Security	\$ 4,000	\$ 3,941	\$ 1,633	98.52%
Terminal Insurance	\$ 8,000	\$ 6,369	\$ 7,907	79.61%
Terminal Utilities	\$ 45,000	\$ 24,399	\$ 20,998	54.22%
Trash	\$ 5,000	\$ 1,589	\$ 2,443	31.78%
Vending Machine Expense:	\$ 800	\$ 462	\$ 362	57.72%
Water Maintenance	\$ 15,000	\$ 7,787	\$ 6,337	51.92%
Admin. & Operations (1/3 of Total)	\$152,593	\$72,176	\$70,828	47.30%
Total:	\$ 298,393	\$ 141,700	\$ 138,368	47.49%
TERMINAL GROSS PROFIT (LOSS):	\$ 38,369	\$ 51,803	\$ 50,847	135.01%

**TELLURIDE REGIONAL AIRPORT
2012 OPERATING BUDGET
JANUARY - MAY**

AIRSIDE INCOME	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Airline Landing Fees	\$ 35,000	\$ 20,332	\$ 35,358	58.09%
GA Landing Fees	\$ 155,000	\$ 83,787	\$ 74,939	54.06%
Land Leases	\$ 26,000	\$ 18,601	\$ 21,169	71.54%
Promotional Fees	\$ 1,200	\$ -	\$ -	0.00%
State Fuel Tax Rebates	\$ 65,000	\$ 35,695	\$ 39,141	54.92%
Total:	\$ 282,200	\$ 158,416	\$ 170,607	56.14%
AIRSIDE EXPENSES	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Airfield Lighting Maintenance	\$ 3,000	\$ 3,209	\$ 1,970	106.97%
Airfield Lighting Utilities	\$ 1,500	\$ 1,027	\$ 729	68.47%
Airfield Insurance	\$ 22,000	\$ 7,652	\$ 21,018	34.78%
Airfield Maintenance	\$ 8,000	\$ 2,026	\$ 2,182	25.33%
ARFF Building Insurance	\$ 230	\$ 244	\$ 228	106.09%
ARFF Employee Medical	\$ 10,100	\$ -	\$ 4,134	0.00%
ARFF Employee Wages	\$ 39,082	\$ 1,800	\$ 21,079	4.61%
ARFF Equipment	\$ 9,000	\$ 6,721	\$ 6,675	74.68%
ARFF Maintenance	\$ 5,000	\$ 2,562	\$ 68	51.25%
ARFF Training	\$ 25,000	\$ 5,375	\$ 5,135	21.50%
ARFF Liability Insurance	\$ 145	\$ 500	\$ -	344.83%
ARFF Utilities	\$ 3,800	\$ 3,425	\$ 2,346	90.13%
AWOS Maintenance	\$ 7,000	\$ 1,559	\$ 3,000	22.26%
AWOS Utilities	\$ 2,000	\$ 255	\$ 617	12.75%
Business Auto Policy	\$ 12,500	\$ 6,347	\$ 12,421	50.78%
Equipment Fuel & Oil	\$ 20,000	\$ 6,968	\$ 11,352	34.84%
Equipment Insurance	\$ 1,200	\$ 10,984	\$ 1,094	915.30%
Equipment Maintenance	\$ 40,000	\$ 9,697	\$ 13,444	24.24%
Equipment Maintenance Labor	\$ 20,000	\$ 13,562	\$ 7,336	67.81%
Liability Insurance	\$ 6,500	\$ 2,942	\$ 6,374	45.26%
Operations Training	\$ 1,000	\$ 240	\$ -	23.98%
SRE Insurance	\$ 700	\$ 617	\$ 685	88.14%
SRE Utilities	\$ 5,000	\$ 2,371	\$ 2,574	47.41%
SWMP Maintenance	\$ 4,000	\$ 1,975	\$ -	49.38%
Admin. & Operations (1/3 of Total)	\$152,593	\$72,176	\$70,828	47.30%
Total:	\$ 399,350	\$ 164,234	\$ 195,289	41.13%
AIRSIDE GROSS PROFIT (LOSS):	\$ (117,150)	\$ (5,819)	\$ (24,682)	4.97%
INTEREST INCOME:	\$ 700	\$ -	\$ -	0.00%
NET OPERATING PROFIT (LOSS):	\$ 306,938	\$ 343,331	\$ 291,212	111.86%

**TELLURIDE REGIONAL AIRPORT
2012 OPERATING BUDGET
JANUARY - MAY**

ADMINISTRATIVE EXPENSES	BUDGET 2012	ACTUAL 2012	ACTUAL 2011	PERCENT OF BUDGET
Accounting Audit	\$ 6,000	\$ 5,000	\$ 100	83.33%
Administrative Salaries	\$ 154,000	\$ 63,133	\$ 64,276	41.00%
Bad Debts	\$ 1,000	\$ -	\$ 8	0.00%
Bank Finance Charges	\$ 1,000	\$ 71	\$ 443	7.11%
Copy/Fax/Computer Maintenance/Lease	\$ 10,800	\$ 10,668	\$ 3,313	98.78%
Crime Insurance	\$ 600	\$ -	\$ -	0.00%
Dues & Subscriptions	\$ 2,600	\$ 2,903	\$ 1,792	111.66%
Employee Education	\$ 2,000	\$ -	\$ -	0.00%
Employee Medical Insurance	\$ 30,000	\$ 12,394	\$ 11,078	41.31%
Fringe Benefits	\$ 2,650	\$ 2,650	\$ 2,650	100.00%
Legal	\$ 75,000	\$ 52,250	\$ 61,543	69.67%
Marketing	\$ 50,000	\$ 14,942	\$ 22,500	29.88%
Office Supplies	\$ 4,000	\$ 1,387	\$ 1,256	34.68%
Payroll Expenses	\$ 60,000	\$ 28,896	\$ 28,049	48.16%
Postage & Shipping	\$ 3,000	\$ 1,026	\$ 921	34.21%
Retirement Benefits	\$ 6,000	\$ 2,264	\$ 2,554	37.74%
Public Officials Insurance	\$ 10,000	\$ -	\$ -	0.00%
Safety Management System (SMS)	\$ 5,000	\$ 2,700	\$ -	54.00%
Telephone/Internet	\$ 28,000	\$ 11,346	\$ 10,068	40.52%
TRAA Meeting	\$ 4,000	\$ 1,197	\$ 1,693	29.92%
Travel	\$ 2,000	\$ 2,569	\$ 116	128.47%
Workman's Compensation	\$ 130	\$ 1,130	\$ 125	868.85%
Total:	\$ 457,780	\$ 216,527	\$ 212,485	47.30%

NOTES: Administrative Expenses are divided equally and included in each expense budget (Aircraft & Pilot, Terminal and Airside).

Telluride Regional Airport
Balance Sheet
As of May 31, 2012

	May 31, 12
ASSETS	
Current Assets	
Checking/Savings	
1012 · Capital Transfers	616,877.18
1020 · Due From AVFUEL	86,259.37
1035 · FBO Cash Drawer	200.00
1036 · Change Machines	376.75
1040 · Operating Bank Account	124,327.18
1050 · Petty Cash	500.00
Total Checking/Savings	828,540.48
Accounts Receivable	
1100 · *Accounts Receivable	37,901.79
Total Accounts Receivable	37,901.79
Other Current Assets	
1250 · Inventory	762.88
1260 · Inventory Asset	166,268.97
1270 · Prepaid Insurance	23,885.00
1280 · Undeposited Funds	398.64
Total Other Current Assets	191,315.49
Total Current Assets	1,057,757.76
Fixed Assets	
1310 · Accumulated Depreciation	-10,206,264.99
1320 · Building	7,407,328.03
1330 · Equipment	2,404,664.00
1350 · Land Acquisition	7,337,699.15
1390 · Runway	60,649,830.20
Total Fixed Assets	67,593,256.39
Other Assets	
1410 · Deposit - Securus	708.00
1430 · Interaccount Transfers	600,989.97
Total Other Assets	601,697.97
TOTAL ASSETS	69,252,712.12
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · *Accounts Payable	26,349.35
Total Accounts Payable	26,349.35
Other Current Liabilities	
2030 · AFLAC INS.	94.29
2100 · Payroll Liabilities	1,228.53
2110 · Direct Deposit Liabilities	-2,281.74
2150 · Note Payable - Hangars	871,306.00
2165 · Sales Tax #1	-3,733.89
2200 · Sales Tax Payable	5.81
Total Other Current Liabilities	866,619.00
Total Current Liabilities	892,968.35
Total Liabilities	892,968.35
Equity	
3900 · Retained Earnings	68,016,413.03
Net Income	343,330.74
Total Equity	68,359,743.77
TOTAL LIABILITIES & EQUITY	69,252,712.12

**TELLURIDE REGIONAL AIRPORT
2012 CAPITAL BUDGET**

CAPITAL INCOME:	2012 REVISED	2012 ACTUAL	EXISTING BUDGET
Beginning Bank Account Balance	\$990,236	\$ 1,329,134	\$ 990,236.00
Passenger Facility Charges	\$31,500	\$ 13,012	\$ 31,500.00
FAA Grants	\$7,440,000	\$ 333,283	\$ 7,538,250
State Grant	\$358,684	\$ -	\$ 400,000
Rock Sales	\$175,000	\$ 68,930	\$ 175,000
Equipment Sales	\$30,000	\$ 10,147	\$ 30,000
Interest Income	\$1,500	\$ 39	\$ 1,500
TOTAL AVAILABLE FUNDS :	\$9,026,920	\$ 1,754,546	\$ 9,166,486

CAPITAL EXPENSES:	2012 BUDGET		
AIP-22 Closeout Costs	\$36,000	\$ -	\$ 75,000
AIP-25 Closeout Costs	\$800,000	\$ 84,493	\$ 800,000
AIP-26 Closeout Costs	\$400,000	\$ 294,492	\$ 250,000
AIP-28 Slide Repair	\$7,000,000	\$ -	\$ 6,800,000
Non-Grant Funded Equipment Purchases	\$35,000	\$ 33,461	\$ 35,000.00
Non-Grant Funded Construction	\$30,000	\$ 17,735	\$ 30,000.00
Crack Seal, Seal Coat and Restriping	\$250,000	\$ -	\$ 250,000.00
Safety Management System	\$26,000	\$ 5,540	\$ 26,000.00
Maintenance Tools	\$5,000	\$ -	\$ 5,000.00
Legal Fees	\$70,000	\$ 50	\$ 70,000.00
Bank Fees	\$60	\$ 75	\$ 60.00
TOTAL CAPITAL EXPENSES:	\$8,652,060	\$ 435,847	\$ 8,341,060.00
REMAINING CAPITAL INCOME:	\$374,860	\$1,318,698.53	\$825,426.00
END OF YEAR OPERATING INCOME TRANSFER:	\$314,355		\$ 314,355.00
ESTIMATED BEGINNING BALANCE FOR 2013:	\$689,215		\$1,139,781.00

Notes:

Non-Grant Funded Equipment Purchases: Rebuild large aircraft tug.

Non-Grant Funded Construction: Install light pole on east side of parking lot.

Remodel downstairs bathrooms. Replace concrete pad west side of terminal.

Items in yellow changed based on new AIP funding bill and new cost estimates.

Telluride Regional Airport - Capital Account
Balance Sheet
 As of May 31, 2012

	May 31, 12
ASSETS	
Current Assets	
Checking/Savings	
1010 · 10% Bank Account	63,003.69
1030 · FAA Bank Account	25,464.44
1040 · Operating Bank Transfers	-616,877.18
1060 · PFC- ANB Bank	197,046.93
1070 · Savings Account	1,033,183.47
Total Checking/Savings	701,821.35
Accounts Receivable	
1281 · Undeposited Funds FBO	27,494.25
Total Accounts Receivable	27,494.25
Other Current Assets	
1280 · Undeposited Funds	-2,300.37
Total Other Current Assets	-2,300.37
Total Current Assets	727,015.23
Other Assets	
1430 · Interaccount Transfers	-600,989.97
Total Other Assets	-600,989.97
TOTAL ASSETS	126,025.26
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · *Accounts Payable	18,113.90
Total Accounts Payable	18,113.90
Other Current Liabilities	
2010 · Accounts Payable	-10,842.30
2050 · Retainage Payable - Capital	315,795.00
Total Other Current Liabilities	304,952.70
Total Current Liabilities	323,066.60
Total Liabilities	323,066.60
Equity	
3900 · Retained Earnings	-186,605.64
Net Income	-10,435.70
Total Equity	-197,041.34
TOTAL LIABILITIES & EQUITY	126,025.26

**TELLURIDE REGIONAL AIRPORT
AIRCRAFT AND PILOT SERVICES - 2012**

May-12	TRAA	TRAA	Percent
	2012	2011	Change

AIRPORT OPERATIONS

General Aviation:	318	212	50.00%
Commercial Airline:	78	112	-30.36%
Total Operations:	396	324	22.22%

AVIATION FUEL SALES (GALLONS)

General Aviation:			
100LL AvGas:	1,390	1,399	-0.63%
Jet-A	10,632	5,831	82.34%
Total GA:	12,022	7,230	66.28%
Commercial Airline:	1,485	1,606	-7.53%
Total Fuel Sales:	13,507	8,836	52.87%

GA Passenger Deplanements:	400	279	43.37%
GA Passenger Enplanements:	372	261	42.53%

AIRLINE COMPLETIONS

	2012		2011	
Scheduled Departures:	46	100.0%	61	100.0%
Actual Departures:	39	84.8%	56	91.8%
Total Not Completed:	7	15.2%	5	8.2%

AIRPORT MANAGER'S REPORT

For June 21, 2012

Public Announcements

Grant Updates

The following is an update regarding our FAA and State grants:

AIP-25: Phase II, Runway/Safety Area Improvements. This project has been completed. Grant still open pending final close-out documents and settlement of claims.

AIP-26: Phase III, Runway/Safety Area Improvements. This project is complete except for some additional work required on the water tank. We received one bid. We are reviewing our options with the FAA and waiting for their comments.

AIP-28: Slide remediation project is scheduled to go out for bid in mid-May and bid opening tentatively scheduled for June 15th.

The pavement maintenance project was completed between May 30th and June 2nd. The final pavement marking is to be completed in July.

National/Alamo Rent-A-Car Request

Due to the decrease in passengers over the prior year, Vanguard Car Rental USA, Inc. d/b/a National/Alamo Rent-A-Car is requesting an abatement of the rental car minimum annual guarantee. I will have copies of the letter available at the board meeting.

The board will need to consider this request and take into account our FAA sponsor grant assurances, which requires any decision to change the lease of one rental car agency must be offered to any other rental car agency that is doing business on the airport.

Master Plan Update

The airport manager will provide an update regarding our capital improvement projects that are listed in our Master Plan that was approved in March 2004.

ENPLANEMENTS 2012

	Great Lakes	U.S. Airways	Gen. Av	2012 TOTAL	2011 TOTAL
January	868	0	1779	2647	3526
February	759	0	1654	2413	3003
March	780	0	2020	2800	3244
April	346	0	423	769	564
May	233	0	372	605	142
June	0	0	0	0	1127
July	0	0	0	0	2075
August	0	0	0	0	1592
September	0	0	0	0	2147
October	0	0	0	0	894
November				0	576
December				0	1361
Total for 2011	2,986	-	6,248	9,234	20,251
Total for 2010	5,779	4,034	10,438	20,251	
Total for 2009	3,512	3,495	5,856	12,863	
Total for 2008	10,396	3,641	15,657	29,694	

Enplanements Comparisons	2011 GA	2012 GA	2011 Airlines	2012 Airlines
January	1259	1779	1874	868
February	1215	1654	1819	759
March	1482	2020	1963	780
April	215	423	364	346
May	261	372	296	233
June	753	0	605	0
July	1470	0	978	0
August	1298	0	925	0
September	1486	0	775	0
October	523	0	401	0
November	0		0	0
December	0		0	0

DEPLANEMENTS FOR 2012

	Great Lakes	U.S.Airways	Gen Av	2012 Total	2011 Total
January	729	0	1445	2174	2800
February	829	0	1757	2586	3223
March	821	0	2033	2854	3448
April	189	0	361	550	446
May	298	0	400	698	626
June	0	0	0	0	1569
July	0	0	0	0	2487
August	0	0	0	0	2262
September	0	0	0	0	2285
October	0	0	0	0	938
November	0	0		0	0
December	0	0		0	0
Total for 2012	2866	0	5996	8862	20084
Total for 2011	6120	3517	10447	20084	
Total for 2010	5823	4070	11318	21211	
Total for 2009	3514	3418	6071	13003	

Deplanement Comparisons	2011 GA	2012 GA	2011 Airlines	2012 Airlines
January	1237	1445	1655	729
February	1278	1757	1934	829
March	1601	2033	1689	821
April	238	361	200	189
May	279	400	66	298
June	862	0	466	0
July	1582	0	649	0
August	1377	0	607	0
September	1426	0	810	0
October	567	0	386	0
November	0		368	0
December	0		1063	0

OPERATIONS

2012

	2012		2011
	Great Lakes	U.S. Airways	Total
			Gen. Av.
January	134	0	878
February	116	0	714
March	122	0	944
April	70	0	272
May	78	0	318
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November			0
December			0
Total for 2012	520	0	3126
Total for 2011	1236	290	6110
Total for 2010	1224	316	6230
Total for 2009	662	322	8510

Operation Comparisons	2011	2012	2011	2012
	GA	GA	Airlines	Airlines
January	684	878	220	134
February	684	714	192	116
March	882	944	202	122
April	164	272	96	70
May	212	318	112	78
June	514	0	130	0
July	874	0	154	0
August	822	0	156	0
September	858	0	152	0
October	416	0	112	0
November	0		0	0
December	0		0	0

SCHEDULED DEPARTURES 2012

	U.S. Airways	Great Lakes	Total
January	0	70	70
February	0	64	64
March	0	66	66
April	0	42	42
May	0	46	46
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November			0
December			0
Total for 2011	0	288	288
Total for 2010	183	672	855
Total for 2009	161	330	491
Total for 2008	193	1001	1194

ACTUAL DEPARTURES 2012

	U.S. Airways	Great Lakes	Total
January	0	67	67
February	0	57	57
March	0	61	61
April	0	35	35
May	0	39	39
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November			0
December			0
Total for 2012	0	259	259
Total for 2011	145	618	763
Total for 2010	158	612	770
Total for 2009	161	330	491