



# 2005 – 2006 Proposed Budget --- Budget Summary Airport Maintenance Fund

## 2005 – 2006 Airport Maintenance Fund Budget Highlights

- Anticipate public/private partnership with Evergreen International Aviation working toward reconstructing the airport's secondary runway 17/35 and constructing an access taxiway to City hangars and Evergreen's property.
- Begin environmental impact study and preliminary design for new taxiway rehabilitation of runway 17/35 required by Federal Aviation Administration (FAA) for FAA grant submittal.
- Oregon Department of Aviation grant project will completely reseal and re-stripe the main airport runway 4/22 at an estimated total cost of \$278,000.

## Short- and Long-Term Issues

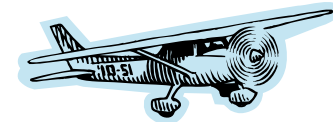
- **Short-Term Issues** --- addressed by 2005 – 2006 Proposed Budget

### ➤ **Long-Term Issues**

- City owned buildings and facilities, including hangars, FBO building, maintenance hangars and hanger taxiways are in need of repair and replacement. These projects do not qualify for FAA grant funding and, therefore, must be funded by City or private resources. There is very little revenue for these projects.
- The airport has attempted to be totally self-supporting. Due to the limited revenue generation, property tax revenues were transferred from the Capital Improvement Fund as the City's match to recent FAA grants. With all property tax supported

funds struggling for revenues, it is more critical that additional revenues are generated from other sources to provide the required 5% match.

- The FAA Flight Service Center operations have now been privatized. Within two years, FAA operations will no longer exist. This is a significant loss of revenue that will be hard to replace.
- FAA regulations continue to change. Security measures will likely increase in the future putting additional strain on Airport Fund revenues.



71% of local owned aircraft are stored in airport hangars.

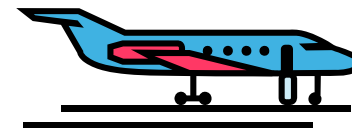
## Core Services

### ➤ **Operations**

- Charged with operation the airport facility necessary to meet all regulatory conditions as required by the FAA and providing a pleasing and safe environment for recreational pilots.
- Operate all facilities in a cost effective and efficient manner.
- Develop Airport Operation Standards to guide uses at the airport.

### ➤ **Maintenance**

- Responsible for maintaining all facilities and equipment owned by the City. This includes hangars, FBO building, FAA Flight Service Station, runway, taxiways, lighting and grounds.



Jet aircraft compose 1.4% of operations.



## Airport Maintenance Fund --- Historical Highlights

- 1942** McMinnville Municipal Airport constructed as national defense project for World War II. The airport property is acquired (fee title) by the City in 1942 and the federal government constructs the airport and airfield facilities.
- 1957** East Hangar is constructed.
- 1973** Airport Layout Plan (ALP) and Master Plan is written.
- 1981** ALP and Master Plan updated.
- 1982** Voters pass 6-year bond levy to construct flight service building - \$700,000.
- 1987** Annual \$60,000 Transfer to Debt Service Fund eliminated.
- 1989** ALP and Master Plan updated.
- 1992** Main runway 4/22 reconstructed at cost of \$1,375,000 – 90% FAA-AIP Grant funded.
- 1999** New AVGAS and Jet A above ground fuel tanks installed using lease/purchase 7-year financing.

- 2001** Airport Taxiway Improvement Project completed at a cost of \$1,900,000 – 90% FAA – AIP Grant funded.
- 2003** Runway Protection Zone (RPZ) Tree Topping Project completed at a cost of \$165,000 – 90% FAA-AIP Grant funded.
- 2004** ALP and Master Plan updated - FAA/ODA Grant.
- 2004** Apron Expansion Project completed at a cost of \$490,000 – 90% FAA-AIP Grant funded.



From 1998 to 2002, airport activity increased 47%.



1998: 38,000 gallons of jet fuel were sold.

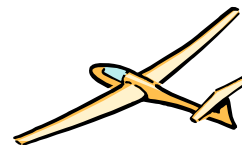
2002: 82,000 gallons of jet fuel were sold.



In 1980, there were 80 based aircraft.

In 2002, there were 150.

There are 2,500 glider operations per year.



In 2002, there were 65,961 aircraft operations.



**AIRPORT MAINTENANCE FUND**

2005-06

10-May-05

75	00	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05		NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
<b><u>RESOURCES</u></b>									
<b><u>BEGINNING FUND BALANCE</u></b>									
		153,142	106,357	100,000	<b>60001-00</b>		145,000	0	0
					BEGINNING FUND BALANCE				
					Estimated July 1, 2005 cash carryover from the 2004 - 2005 fiscal year.				
		153,142	106,357	100,000	<b>TOTAL BEGINNING FUND BALANCE</b>	0.00	145,000	0	0
<b><u>CHARGES FOR SERVICES</u></b>									
		0	0	0	<b>60044-00</b>	0.00	0	0	0
					AIRPORT RENTALS:				
		17,205	17,511	18,000	<b>60044-11</b>	0.00	18,000	0	0
					AR - CROP SHARE & USDA				
					15,000 Kauer Farms				
					1,000 Van Holland Farms				
					2,000 USDA payments				
		26,964	30,795	29,000	<b>60044-21</b>	0.00	34,000	0	0
					AR - LAND LEASES				
					5,500 Comcast building - land lease				
					1,200 Cascade Soaring - using airport grounds for glider operations				
					27,300 Hangars - land leases				
		75,000	75,000	75,000	<b>60045-00</b>	0.00	75,000	0	0
					AFSS RENTAL				
					FAA Automated Flight Service Station (AFSS) building lease. Current FAA AFSS lease expires				
					September 30, 2005. Closure of the AFSS is expected in mid 2006. The earliest closure is currently				
					projected to be not before April 1, 2006.				
					Budget Note: This rental lease currently provides approximately one-half of the revenue generated for				
					airport operations.				
		46,628	45,598	47,000	<b>60049-00</b>	0.00	47,000	0	0
					FBO & HANGAR RENTALS				
					8,000 Fixed Base Operator (FBO) lease				
					39,000 City-owned hangars				
		165,797	168,904	169,000	<b>TOTAL CHARGES FOR SERVICES</b>	0.00	174,000	0	0
<b><u>INTERGOVERNMENTAL REVENUES</u></b>									
		0	0	20,000	<b>60136-00</b>	0.00	0	0	0
					ODA GRANT				
		125,452	25,428	249,375	<b>60138-03</b>	0.00	0	0	0
					FAA GRNT-RAMP CONST/HAZD REMOV				
		125,452	25,428	269,375	<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	0.00	0	0	0
<b><u>MISCELLANEOUS</u></b>									

## AIRPORT MAINTENANCE FUND

2005-06

10-May-05

75 00	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05		NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
	0	0	0	<b>60145-00 PUBLIC/PRIVATE PARTNERSHIP</b>	0.00	400,000	0	0
				Evergreen International Aviation's "seed money" for an environmental impact study and preliminary design for a Federal Aviation Agency (FAA) grant application to reconstruct the airport's secondary runway 17/35, construct a new infield taxiway to runway 17/35, and construct an access taxiway to City hangars and Evergreen property. The access taxiway will service a new Evergreen corporate hangar proposed to be built on Evergreen's property just south of the F-15 static display and provide a needed route for transporting vintage aircraft to and from the Evergreen Aviation Museum.				
				Budget Note: The City does not have adequate airport revenues or cash balance to fund the required initial environmental impact study or preliminary design services required by the FAA for grant submittal nor matching funds for this large project. In partnership with Evergreen, the City will apply for funding of the grant eligible portion of the access taxiway; and in exchange, Evergreen will provide revenues to meet the required 5% FAA match for the total project. This project will not proceed without a finalized partnership agreement.				
	2,247	1,810	700	<b>60151-00 INTEREST</b>	0.00	2,600	0	0
	4,876	4,387	6,000	<b>60167-00 OTHER INCOME</b>	0.00	4,000	0	0
				Revenue generated by surcharge on fuel sales by FBO.				
	7,123	6,197	6,700	<b>TOTAL MISCELLANEOUS</b>	0.00	406,600	0	0
	<b>451,514</b>	<b>306,886</b>	<b>545,075</b>	<b>TOTAL RESOURCES</b>	<b>0.00</b>	<b>725,600</b>	<b>0</b>	<b>0</b>

## AIRPORT MAINTENANCE FUND

2005-06

10-May-05

75	00	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05		NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
<b>REQUIREMENTS</b>									
<b><u>MATERIALS &amp; SERVICES</u></b>									
		6,172	5,853	6,500	<b>80441-00 AIRPORT LIGHTING</b>	0.00	12,000	0	0
					Runway, beacon, street, and parking area lighting maintenance and power costs.				
		1,128	110	300	<b>80451-00 TELECOMMUNICATIONS</b>	0.00	100	0	0
					Airport Manager telephone/pager.				
		821	1,502	2,000	<b>80461-00 MATERIALS &amp; SUPPLIES</b>	0.00	2,000	0	0
					Airport restroom, janitorial, and office supplies.				
		0	0	0	<b>80471-00 REPAIRS &amp; MAINTENANCE:</b>	0.00	0	0	0
		23,477	15,118	28,000	<b>80471-01 R&amp;M - RUNWAY/TAXIWAY</b>	0.00	34,000	0	0
					General repairs and maintenance of runway/taxiway including minor asphalt repairs, painting, and weed control spraying.				
					15,000 Miscellaneous repairs				
					7,000 Mowing				
					8,000 Weed spraying				
					4,000 ODA/FAA grant match for runway sealing				
Budget Note: The Oregon Department of Aviation/Federal Aviation Administration grant project will completely seal and re-stripe the main airport runway 4/22. The project will cost an estimated \$278,000 with the City possibly contributing \$4,000, if anything.									
		0	0	0	<b>80493-00 REPAIR &amp; MAINT - RENTAL PROP:</b>	0.00	0	0	0
		8,810	6,368	12,100	<b>80493-01 R&amp;M RENTAL PROP - BUILDINGS</b>	0.00	15,000	0	0
					Repairs, maintenance, landscaping, and insurance on FBO building and other airport City-owned hangers and buildings.				
		9,053	8,525	11,900	<b>80493-03 R&amp;M RENTAL PROP - AFSS</b>	0.00	10,000	0	0
					Repairs, maintenance, landscaping, and insurance on FAA Automated Flight Service Station.				
		3,800	4,000	5,200	<b>80511-00 INSURANCE-PROPERTY &amp; LIABILITY</b>	0.00	4,900	0	0
		20,600	13,524	21,000	<b>80611-00 PROFESSIONAL SERVICES:</b>	0.00	21,000	0	0
					13,200 Contract Airport Manager				
					6,800 Miscellaneous consultant fees				
					1,000 Audit fee allocation				
		2,500	0	0	<b>80611-07 PS - MASTER PLAN UPDATE</b>	0.00	0	0	0
		67,878	28,254	32,500	<b>80611-09 PS - FAA RAMP CONST/HAZD REM</b>	0.00	0	0	0

## AIRPORT MAINTENANCE FUND

2005-06

10-May-05

75	00	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05		NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
		0	0	0	<b>80611-11 PS - FAA RUNWAY &amp; TAXIWAY CONS</b>	0.00	400,000	0	0
		0	0	0	Consultant's design services for project to reconstruct runway 17/35, construction of new parallel taxiway, and hangar taxiway in partnership with Evergreen International Aviation. Design services will not proceed without partnership agreement finalized.				
		0	0	0	<b>80611-99 PS - GRANT FEASIBILITY COSTS</b>	0.00	0	0	0
		144,239	83,254	119,500	<b>TOTAL MATERIALS &amp; SERVICES</b>	0.00	499,000	0	0
					<b><u>CAPITAL OUTLAY</u></b>				
		0	0	0	<b>80701-00 EQUIPMENT</b>	0.00	0	0	0
		0	0	0	<b>80771-00 BUILDING IMPROVEMENTS:</b>	0.00	0	0	0
		48,272	0	0	<b>80771-01 AFSS ROOF REPAIR</b>	0.00	0	0	0
		0	0	0	<b>80773-00 LAND IMPROVEMENTS:</b>	0.00	0	0	0
		48,279	48,279	48,279	<b>80773-03 FUEL STORAGE TNK - L/P 6-1-05</b>	0.00	0	0	0
					Last payment to complete 7 year lease/purchase of above ground fuel storage tank paid June 1, 2005.				
		71,513	0	230,000	<b>80773-09 FAA - RAMP CONST/HAZARD REMOV</b>	0.00	0	0	0
		168,064	48,279	278,279	<b>TOTAL CAPITAL OUTLAY</b>	0.00	0	0	0
					<b><u>TRANSFERS TO OTHER FUNDS</u></b>				
		0	0	0	<b>80901-00 GENERAL FUND:</b>	0.00	0	0	0
		29,311	30,380	30,501	<b>80901-01 ADM FIN CD DIR MGMT PLAN</b>	0.00	32,404	0	0
					Transfer to General Fund for personnel cost allocations for administration, finance, Community Development Director management, and planning services.				
		1,547	600	609	<b>80912-00 PARKS &amp; REC FUND - GRNDS MAINT</b>	0.00	673	0	0
					Transfer to Parks & Recreation Fund for personnel cost allocations for parks maintenance grounds maintenance.				
		1,996	0	0	<b>80915-00 STREET FUND - FACILITY MAINT</b>	0.00	0	0	0
		0	0	0	<b>80920-00 CAPITAL IMP FD - COMM DEV CTR</b>	0.00	5,000	0	0
					Transfer to Capital Improvement Fund for Airport Fund's proportionate share of a possible \$500,000 first payment on the OMI Regional Building purchase for a Community Development Center to house the Engineering, Planning and Building Departments.				
					Budget Note: The Engineering Department provides the Airport Fund with professional support, which includes airport program management, airport project construction management, and airport contract management, particularly related to Federal Aviation Agency and Oregon Department of Aviation grant projects. This transfer will occur only if the City Council authorizes purchase of the OMI Building.				
		32,854	30,980	31,110	<b>TOTAL TRANSFERS TO OTHER FUNDS</b>	0.00	38,077	0	0

**AIRPORT MAINTENANCE FUND**

*2005-06*

10-May-05

75 00	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05		NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
				<b><u>OPERATING CONTINGENCIES</u></b>				
	0	0	75,000	80801-00 OPERATING CONTINGENCIES	0.00	75,000	0	0
	0	0	75,000	<b>TOTAL OPERATING CONTINGENCIES</b>	0.00	75,000	0	0
				<b><u>UNAPPROPRIATED ENDING FUND BAL</u></b>				
	106,357	144,373	41,186	80997-00 UNAPPROPRIATED ENDING FUND BAL	0.00	113,523	0	0
				Budgeted cash carryover for July 1, 2006. Actual cash carryover will also include all remaining money from the Operating Contingency account and the excess (deficit) of revenues over (under) expenditures from 2005 - 2006 operations.				
	106,357	144,373	41,186	<b>TOTAL UNAPPROPRIATED ENDING FUND BAL</b>	0.00	113,523	0	0
	<b>451,514</b>	<b>306,886</b>	<b>545,075</b>	<b>TOTAL REQUIREMENTS</b>	0.00	<b>725,600</b>	<b>0</b>	<b>0</b>

**AIRPORT MAINTENANCE FUND**

*2005-06*

10-May-05

75 00

ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05
451,514	306,886	545,075

**AIRPORT MAINTENANCE FUND  
TOTAL REQUIREMENTS**

NUMBER OF EMPLOYEES	PROPOSED 2005-06	APPROVED 2005-06	ADOPTED 2005-06
	725,600	0	0