



2007 – 2008 Proposed Budget --- Budget Summary

Airport Maintenance Fund

2007 – 2008 Airport Maintenance Fund Budget Highlights

- ✈ Begin design for the reconstruction of the airport's secondary Runway 17/35 and constructing an access taxiway to City hangars and Evergreen's property. Phase 1 construction to begin in early summer of 2008.
- ✈ Complete FBO (fixed base operator) building feasibility study to address 2006 City Council Goal.

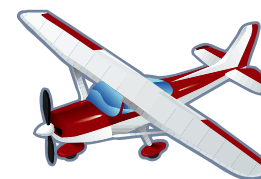
Short- and Long-Term Issues

- ✈ **Short-Term Issues** --- addressed by 2007 – 2008 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 are low in priority for Federal Aviation Administration (FAA) grant funding and; therefore, must be funded by City or private resources. Very little, if any, Airport Maintenance Fund revenue is available for these projects.
- The airport has attempted to be totally self-supporting; although due to the limited revenue generation, property tax revenues were transferred from the Improvements Fund as the City's match to recent FAA grants. With all property tax supported funds struggling for revenues, it is more critical than ever that additional revenues are generated from other sources to provide the required 5% FAA grant match.

- The FAA Flight Service Center operations have now been privatized. The Flight Service Center is scheduled to close on September 4, 2007. This is a significant loss of revenue that will be hard to replace, ~\$90,000 per year.
- FAA regulations continue to change. Security measures will likely increase in the future putting additional strain on Airport Fund revenues.



Both runways combined equal 1.91 miles.

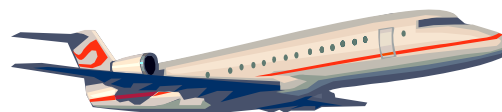
Core Services

- ✈ **Operations**

- Charged with operating 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.

- ✈ **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.



In 2002, 82,000 gallons of jet fuel were sold.
In 2006, 130,500 gallons of jet fuel were sold.



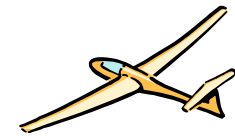
Airport Maintenance Fund --- Historical Highlights

- 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.
- 2005** Completed Oregon Department of Aviation (ODA) sponsored runway/taxiway seal coat project, paid off above-ground fuel tanks, and completed major runway lighting repairs.
- 2006** FAA contracts out Flight Services to Lockheed-Martin. Flight Services Station to close.

- 2006** City and Evergreen Aviation reach agreement on partnership for major airport improvements.

There are 2,500 glider “pulls” per year.

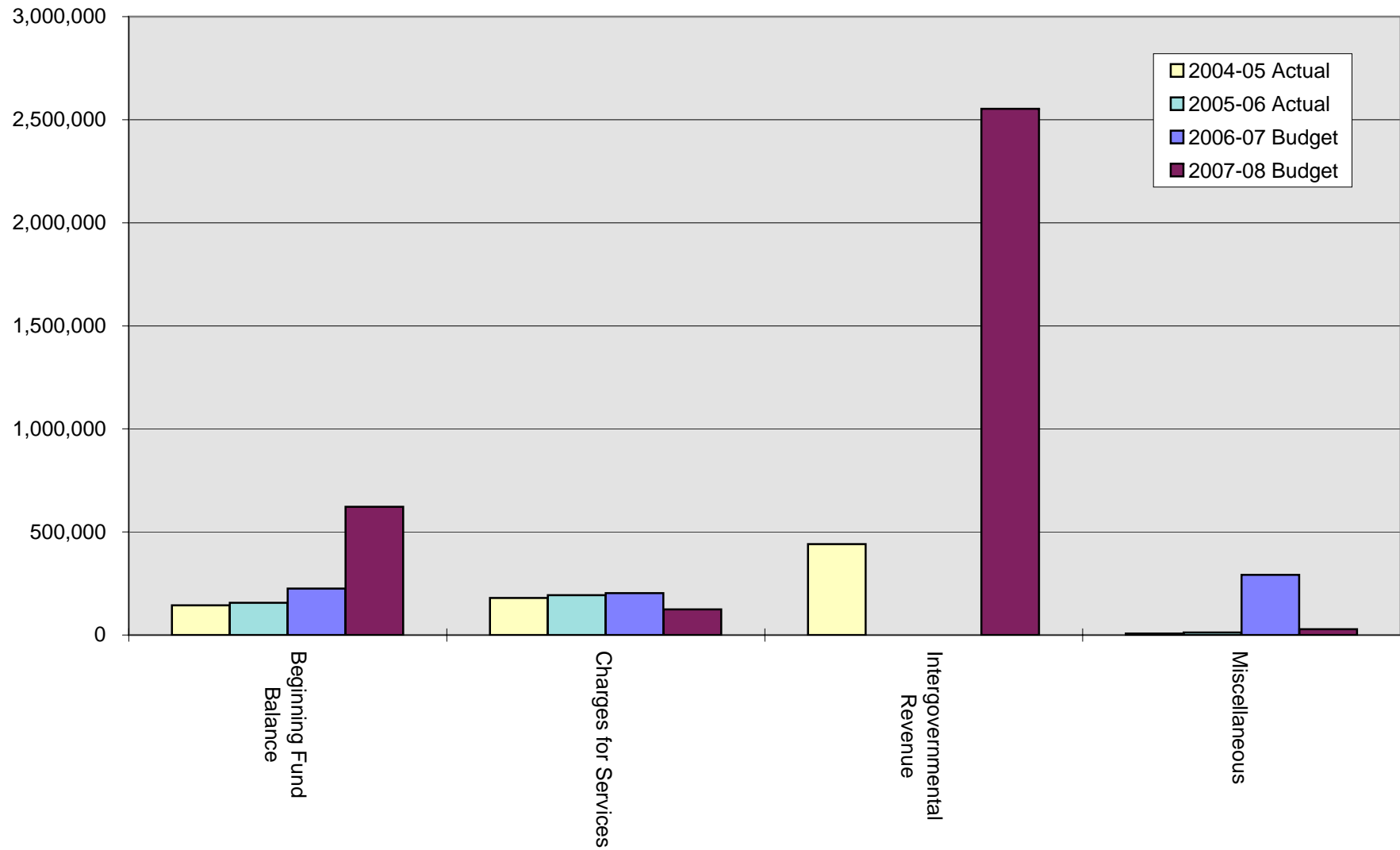


There were 3 fly-ins totaling more than 800 aircraft in 2006.

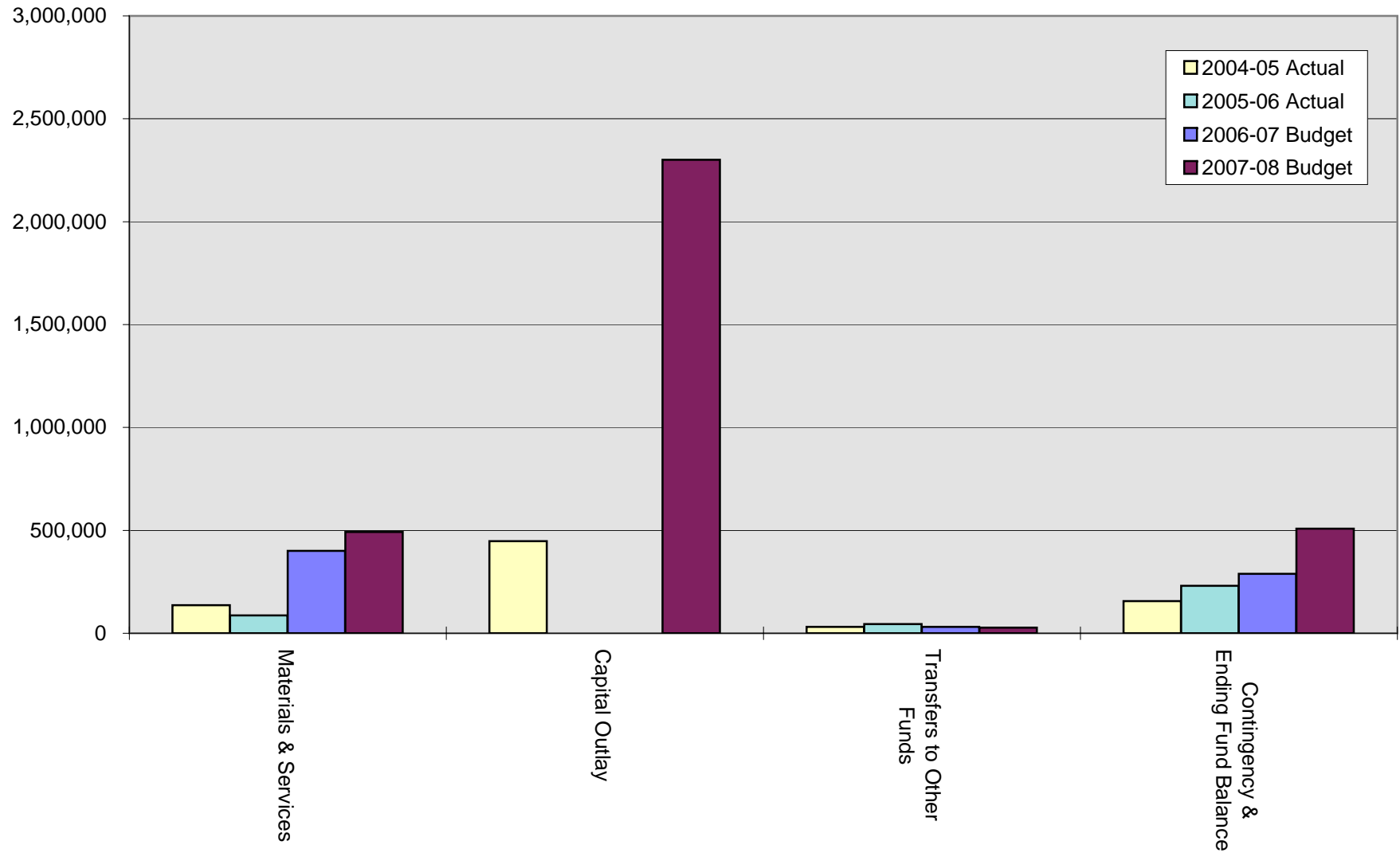


In 2002, there were 150 based aircraft. In 2006, there are 170.

Airport Maintenance Fund Resources



Airport Maintenance Fund Requirements



AIRPORT MAINTENANCE FUND

75 00

2007-08

11-Jul-07

ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
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RESOURCES

BEGINNING FUND BALANCE

0	0	0	60000-11 DBFB - EVERGREEN AVIATION	0.00	317,250	317,250	319,500
			Estimated cash carryover at July 1, 2007 of Evergreen Aviation's "seed money" to cover the required 5% match associated with the Federal Aviation Administration's (FAA) grants for the runway reconstruction/taxiway construction project.				
144,373	156,308	225,000	60001-00 BEGINNING FUND BALANCE	0.00	305,000	305,000	340,000
			Estimated July 1, 2007 cash carryover from the 2006-2007 fiscal year.				
144,373	156,308	225,000	TOTAL BEGINNING FUND BALANCE	0.00	622,250	622,250	659,500

CHARGES FOR SERVICES

0	0	0	60044-00 AIRPORT LAND RENTALS:	0.00	0	0	0
17,394	16,539	18,000	60044-11 AR - CROP SHARE & USDA	0.00	18,000	18,000	17,000
			15,000 Crop share farmland around airport --- presently Kauer Farms and Eichler Farms				
			1,500 Crop share farmland near airport --- presently Van Holland Farms				
			500 USDA payments				
39,303	42,750	42,750	60044-21 AR - LAND LEASES	0.00	38,000	38,000	44,000
			6,100 Comcast building - land lease				
			1,200 Cascade Soaring - using airport grounds for glider operations				
			1,000 Yamhill County helicopter hangar lease for in-kind helicopter services				
			6,000 Go Services LLC - presently using land improvement credit				
			29,700 Hangars - land leases				
75,000	88,333	95,000	60045-00 AFSS BUILDING RENTAL	0.00	23,750	23,750	23,750
			FAA Automated Flight Service Station (AFSS) building lease. The current lease expires on September 30, 2007. The McMinnville AFSS will close in June 2007.				
			Budget Note: This rental lease currently provides approximately one-half of the revenue generated for airport operations.				
8,664	8,304	8,200	60049-00 FIXED BASED OPERATOR LEASE	0.00	8,700	8,700	8,700
			Fixed Base Operator (FBO) lease				
39,288	37,632	39,000	60050-00 CITY HANGAR RENTALS	0.00	36,500	36,500	36,500
			Lease payment for City-owned hangars				
179,649	193,558	202,950	TOTAL CHARGES FOR SERVICES	0.00	124,950	124,950	129,950

INTERGOVERNMENTAL REVENUES

10,000	0	0	60136-00 ODA GRANT	0.00	0	0	0
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AIRPORT MAINTENANCE FUND

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2007-08

11-Jul-07

ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
430,934	0	0	60138-03 FAA GRNT-RAMP CONST/HAZD REMOV	0.00	0	0	0
0	0	0	60138-05 FAA GRNT-ENV DESIGN & CONS SVC Federal Aviation Administration (FAA) grant to cover 95% of the environmental impact study, design, and construction administration/management consultant costs for the Runway Reconstruction/Taxiway Construction Project. The required 5% match will be paid by Evergreen Aviation per the City/Evergreen Partnership Agreement.	0.00	366,636	366,636	413,250
0	0	0	60138-07 FAA GRNT-RUNWY & TAXIWAY CONST Federal Aviation Administration (FAA) grant to cover 95% of the Phase 1 construction costs for the Runway Reconstruction/Taxiway Construction Project. The required 5% match will be paid by Evergreen Aviation per the City/Evergreen Partnership Agreement.	0.00	2,186,124	2,186,124	2,186,124
440,934	0	0	TOTAL INTERGOVERNMENTAL REVENUES	0.00	2,552,760	2,552,760	2,599,374
<u>MISCELLANEOUS</u>							
0	0	279,000	60145-00 PUBLIC/PRIVATE PARTNERSHIP	0.00	0	0	0
3,047	7,447	7,600	60151-00 INTEREST	0.00	18,100	18,100	18,100
4,369	5,143	6,000	60167-00 OTHER INCOME Revenue generated by surcharge on fuel sales by the fixed base operator (FBO).	0.00	10,000	10,000	10,000
7,416	12,590	292,600	TOTAL MISCELLANEOUS	0.00	28,100	28,100	28,100
772,372	362,456	720,550	TOTAL RESOURCES	0.00	3,328,060	3,328,060	3,416,924

AIRPORT MAINTENANCE FUND

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2007-08

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ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
REQUIREMENTS							
<u>MATERIALS & SERVICES</u>							
8,275	24,466	18,000	80441-00 AIRPORT LIGHTING	0.00	15,000	15,000	15,000
			Runway, beacon, street, and parking area lighting maintenance and power costs.				
25	53	200	80451-00 TELECOMMUNICATIONS	0.00	210	210	210
			Airport Manager telephone/pager.				
1,311	1,257	2,000	80461-00 MATERIALS & SUPPLIES	0.00	2,000	2,000	2,000
			Airport restroom, janitorial, and office supplies.				
0	0	0	80471-00 REPAIRS & MAINTENANCE:	0.00	0	0	0
19,307	10,830	30,000	80471-01 R&M - RUNWAY/TAXIWAY	0.00	30,000	30,000	30,000
			General repairs and maintenance of runway/taxiway including minor asphalt repairs, painting, and weed control spraying.				
			15,000 Miscellaneous repairs				
			8,000 Weed spraying				
			7,000 Mowing				
0	0	0	80493-00 REPAIR & MAINT - RENTAL PROP:	0.00	0	0	0
9,555	15,313	15,000	80493-01 R&M RENTAL PROP - BUILDINGS	0.00	20,000	20,000	20,000
			Repairs, maintenance, landscaping, and insurance on FBO building and other airport City-owned hangers and buildings.				
9,075	10,034	10,000	80493-03 R&M RENTAL PROP - AFSS	0.00	7,500	7,500	7,500
			Repairs, maintenance, landscaping, and insurance on FAA Automated Flight Service Station.				
5,200	4,900	6,100	80511-00 INSURANCE-PROPERTY & LIABILITY	0.00	10,700	10,700	10,700
17,062	14,180	40,000	80611-00 PROFESSIONAL SERVICES:	0.00	20,400	20,400	45,400
			25,000 FBO Building Feasibility Study				
			13,200 Contract Airport Manager - Judy Newman				
			5,900 Miscellaneous consultant fees				
			1,300 Audit fee allocation				
0	0	279,000	80611-05 PS - ENV DESIGN & CONST SVC	0.00	385,922	385,922	435,000
			Consultant's services to provide the environmental impact study, design, and construction administration/management services associated with the project to reconstructing Runway 17/35, construction of new parallel taxiway, and hangar taxiway in partnership with Evergreen International Aviation.				
61,816	0	0	80611-09 PS - FAA RAMP CONST/HAZD REM	0.00	0	0	0
5,259	5,530	0	80611-99 PS - GRANT FEASIBILITY COSTS	0.00	0	0	0
136,885	86,563	400,300	TOTAL MATERIALS & SERVICES	0.00	491,732	491,732	565,810

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ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07		NUMBER OF EMPLOYEES	PROPOSED 2007-08	APPROVED 2007-08	ADOPTED 2007-08
<u>CAPITAL OUTLAY</u>							
0	0	0	80701-00 EQUIPMENT	0.00	0	0	0
0	0	0	80771-00 BUILDING IMPROVEMENTS	0.00	0	0	0
0	0	0	80773-00 LAND IMPROVEMENTS:	0.00	0	0	0
48,279	0	0	80773-03 FUEL STORAGE TNK - L/P PAID	0.00	0	0	0
0	0	0	80773-07 FAA - RUNWAY & TAXIWAY CONST	0.00	2,301,183	2,301,183	2,301,183
Phase 1 construction costs for the project to reconstruct Runway 17/35, construct associated taxiways, and to construct the taxiway to an Evergreen Aviation hangar to be constructed on Evergreen's property adjacent to the Municipal Airport. The project is 95% funded through Federal Aviation Administration (FAA) grants, and the required 5% match will be paid by Evergreen Aviation per the City/Evergreen Partnership Agreement.							
Budget Note: New taxiway to the future Evergreen hangar will also provide Evergreen Air Museum more direct airport runway access for the museum's extensive collection of flyable vintage aircraft.							
399,790	0	0	80773-09 FAA - RAMP CONST/HAZARD REMOV	0.00	0	0	0
448,069	0	0	TOTAL CAPITAL OUTLAY	0.00	2,301,183	2,301,183	2,301,183
<u>TRANSFERS TO OTHER FUNDS</u>							
0	0	0	80901-00 GENERAL FUND:	0.00	0	0	0
30,501	32,422	27,949	80901-01 ADM FIN CD DIR MGMT PLAN	0.00	26,251	26,251	26,608
Transfer to General Fund for personnel cost allocations for administration, finance, Community Development Director management, and planning services.							
0	11,654	240	80901-03 GEN FD - COMMUNITY DEV CTR	0.00	810	810	810
Transfer to General Fund for Airport Fund's allocation of the Community Development Center's operating costs; i.e., estimates of property and liability insurance, HVAC and lights, repairs and maintenance, building maintenance, janitorial services and supplies, and maintenance and rental contracts. In 2005-2006, purchase allocation of OMI Regional Building funded by this account.							
Budget Note: The Engineering Department provides the Airport Fund with professional support including airport program management, airport project management, and airport contract management, particularly related to Federal Aviation Agency and Oregon Department of Aviation grant projects.							
609	673	0	80912-00 PARKS & REC FUND - GRNDS MAINT	0.00	0	0	0
0	0	2,760	80925-00 IMPROVEMENTS FD - CDC REMODEL	0.00	0	0	0
31,110	44,749	30,949	TOTAL TRANSFERS TO OTHER FUNDS	0.00	27,061	27,061	27,418
<u>OPERATING CONTINGENCIES</u>							
0	0	65,000	80801-00 OPERATING CONTINGENCIES	0.00	100,000	100,000	150,000

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0	0	65,000	TOTAL OPERATING CONTINGENCIES	0.00	100,000	100,000	150,000
<u>UNAPPROPRIATED ENDING FUND BAL</u>							
0	0	0	80996-11 DEFB - EVERGREEN AVIATION Estimated cash carryover at June 30, 2008 of Evergreen Aviation's "seed money" to cover the required 5% match associated with the Federal Aviation Administration's (FAA) grants for the runway reconstruction/taxiway construction project.	0.00	182,895	182,895	137,250
156,308	231,144	224,301	80997-00 UNAPPROPRIATED ENDING FUND BAL Budgeted cash carryover for July 1, 2008. Actual cash carryover will also include all remaining money from the Operating Contingency account and the excess (deficit) of revenues over (under) expenditures from 2007-2008 operations.	0.00	225,189	225,189	235,263
156,308	231,144	224,301	TOTAL UNAPPROPRIATED ENDING FUND BAL	0.00	408,084	408,084	372,513
772,372	362,456	720,550	TOTAL REQUIREMENTS	0.00	3,328,060	3,328,060	3,416,924

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772,372	362,456	720,550	AIRPORT MAINTENANCE FUND TOTAL REQUIREMENTS		3,328,060	3,328,060	3,416,924