



2008 – 2009 Proposed Budget --- Budget Summary Airport Maintenance Fund

2008 – 2009 Airport Maintenance Fund Budget Highlights

- Completed environmental and design work 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.
- Completed Fixed Base Operator Building (FBO) feasibility study to address 2006 City Council Goal.
- Includes tenant improvements to the FAA Flight Services Building, and construction of a 1,750 square foot shop building, to facilitate a 15-year lease agreement with the Oregon State Police financed by a 5-year loan from the Wastewater Capital Fund.

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.

- FAA regulations continue to change. Security measures will likely increase in the future putting additional strain on Airport Maintenance 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, Oregon State Police Building, runway, taxiways, lighting, and grounds.



In 2002, 82,000 gallons of jet fuel were sold.
In 2007, 157,915 gallons of jet fuel were sold.



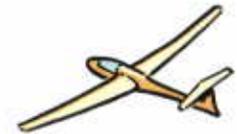
Airport Maintenance Fund --- Historical Highlights

- 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 Automated 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% Federal Aviation Administration – Airport Improvement Projects (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.
- 2007** Environmental and design work begin for major airport improvements.
- 2008** City and Oregon State Police reach agreement on lease terms on the former FAA Flight Services Station Building.

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.

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25 - AIRPORT MAINTENANCE FUND

2006 ACTUAL	2007 ACTUAL	2008 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2009 PROPOSED BUDGET	2009 APPROVED BUDGET	2009 ADOPTED BUDGET
RESOURCES						
<u>BEGINNING FUND BALANCE</u>						
0	0	0	4025 Designated Begin FB-Airport Fd	0	0	0
0	0	319,500	4025-05 Designated Begin FB-Airport Fd - Evergreen Aviation Estimated cash carryover at July 1, 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.	294,500	294,500	308,500
156,308	231,144	340,000	4090 Beginning Fund Balance Estimated July 1, 2008 cash carryover from the 2007-2008 fiscal year.	410,000	410,000	480,000
156,308	231,144	659,500	<u>TOTAL BEGINNING FUND BALANCE</u>	704,500	704,500	788,500
<u>INTERGOVERNMENTAL</u>						
0	0	0	4580 FAA Grant	0	0	0
0	92,019	413,250	4580-10 FAA Grant - Environmental Design & Const Svc	0	0	168,463
0	0	2,186,124	4580-15 FAA Grant - Runway/Taxiway Construction 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.	3,464,975	3,464,975	3,561,890
0	92,019	2,599,374	<u>TOTAL INTERGOVERNMENTAL</u>	3,464,975	3,464,975	3,730,353
<u>CHARGES FOR SERVICES</u>						
0	0	0	5400 Property Rentals	0	0	0
16,539	17,107	17,000	5400-05 Property Rentals - Crop Share & USDA	17,000	17,000	17,000
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Crop share airport farmland - presently Kauer & Eichler Farms	1	15,000	15,000
			Crop share farmland near airport - presently Van Holland Farms	1	1,500	1,500
			USDA payments	1	500	500

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42,750	43,954	44,000	5400-10 Property Rentals - Land Leases	44,000	44,000	44,000
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Hangars - land leases on newly constructed hangars	1	29,700	29,700
			Comcast building - land lease	1	6,100	6,100
			Cascade Soaring - using airport grounds for glider operations	1	1,200	1,200
			Yamhill County helicopter hangar - In-kind helicopter services	1	1,000	1,000
			Go Services LLC - presently using land improvement credit	1	6,000	6,000
88,333	95,000	23,750	5400-15 Property Rentals - AFSS Building	74,680	74,680	74,680
			Assumes Oregon State Police lease of the facility starting in the fall of 2008. Federal Aviation Administration (FAA) will also maintain a lease presence in the building.			
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Federal Aviation Administration - estimated monthly lease	12	900	10,800
			Oregon State Police - estimated November 1, 2008 occupancy	8	7,985	63,880
8,304	8,520	8,700	5400-20 Property Rentals - Fixed Base Operator Lease	9,000	9,000	9,000
			Fixed Base Operator (FBO) lease			
37,632	37,172	36,500	5400-25 Property Rentals - City Hangar	36,500	36,500	36,500
			Lease payment for older City-owned hangars.			
193,558	201,753	129,950	<u>TOTAL CHARGES FOR SERVICES</u>	181,180	181,180	181,180
			<u>MISCELLANEOUS</u>			
7,447	18,982	18,100	6310 Interest	21,300	21,300	21,300
0	325,000	0	6520 Public/Private Partnership	0	0	0
5,143	10,070	10,000	6600 Other Income	7,500	7,500	7,500
			Revenue generated by surcharge on fuel sales by the fixed base operator (FBO).			
12,590	354,052	28,100	<u>TOTAL MISCELLANEOUS</u>	28,800	28,800	28,800
			<u>TRANSFERS IN</u>			
0	0	0	6900-77 Transfers In - Wastewater Capital	350,000	350,000	350,000
			Loan from Wastewater Capital Fund to finance the Automated Flight Service Station Building remodel into rental space for Oregon State Police, McMinnville operations.			
			Budget Note: Separate City Council action will follow to establish the official loan with an approximate five-year payback.			
0	0	0	<u>TOTAL TRANSFERS IN</u>	350,000	350,000	350,000

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362,456	878,968	3,416,924	TOTAL RESOURCES	4,729,455	4,729,455	5,078,833

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REQUIREMENTS								
<u>MATERIALS AND SERVICES</u>								
4,900	6,100	10,700	7610	Insurance		0	0	0
0	0	0	7610-05	Insurance - Liability		6,600	6,600	6,600
0	0	0	7610-10	Insurance - Property		6,100	6,100	6,100
53	55	210	7620	Telecommunications		200	200	200
				Airport Manager telephone/pager.				
1,257	1,398	2,000	7660	Materials & Supplies		2,500	2,500	2,500
				Airport restroom, janitorial, and office supplies.				
0	0	0	7720	Repairs & Maintenance		0	0	0
10,830	33,119	30,000	7720-40	Repairs & Maintenance - Runway/Taxiway		31,000	31,000	31,000
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Airport miscellaneous repairs - minor asphalt, painting, etc.	1	15,000	15,000	
				Airport grounds weed spraying	1	8,000	8,000	
				Airport grounds mowing	1	8,000	8,000	
0	0	0	7740	Rental Property Repair & Maint		0	0	0
15,313	14,504	20,000	7740-05	Rental Property Repair & Maint - Building		21,500	21,500	21,500
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Miscellaneous repairs, maintenance, landscaping, etc.	1	20,000	20,000	
				Insurance - liability	1	1,500	1,500	
10,034	7,686	7,500	7740-10	Rental Property Repair & Maint - AFSS		11,100	11,100	11,100
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Miscellaneous repairs, maintenance, landscaping, etc.	1	7,500	7,500	
				Insurance - liability	1	400	400	
				Insurance - property	1	3,200	3,200	
14,180	14,215	45,400	7750	Professional Services		20,500	20,500	26,500
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>	
				Contract Airport Manager - Judy Newman	1	13,860	13,860	
				Miscellaneous consultant fees	1	5,390	5,390	
				Audit fee allocation	1	1,250	1,250	
				FBO Building Feasibility Study - carry-over	1	6,000	6,000	
0	0	0	7760	Professional Svcs - Plan/Study		0	0	0
5,530	0	0	7760-40	Professional Svcs - Plan/Study - Grant Feasibility Costs		0	0	0

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0	0	435,000	7760-45 Professional Svcs - Plan/Study - Environmental Design & Const Svc	0	0	177,329
0	0	0	7770 Professional Services - Projects	0	0	0
0	91,705	0	7770-51 Professional Services - Projects - FAA Runway & Taxiway Const	0	0	0
0	0	30,000	7770-52 Professional Services - Projects - AFSS Remodel Design and construction services for the Automated Flight Service Station (AFSS) remodel.	25,000	25,000	46,000
24,466	6,329	15,000	8215 Airport Lighting Runway, beacon, street, and parking area lighting maintenance and power costs.	15,000	15,000	15,000
86,563	175,110	595,810	<u>TOTAL MATERIALS AND SERVICES</u>	139,500	139,500	343,829
<u>CAPITAL OUTLAY</u>						
0	0	0	8800 Building Improvements Construction costs for the tenant improvement remodel of the former Automated Flight Service Station Building and the addition of a 1,500 square foot shop building to facilitate a 15-year lease by the Oregon State Police, McMinnville operations.	400,000	400,000	400,000
0	0	0	8920 Land Improvements	0	0	0
0	0	2,301,183	8920-10 Land Improvements - FAA - Runway & Taxiway Const 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 being 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.	3,647,343	3,647,343	3,749,359
0	0	2,301,183	<u>TOTAL CAPITAL OUTLAY</u>	4,047,343	4,047,343	4,149,359
<u>TRANSFERS OUT</u>						
0	0	0	9700 Transfers Out	0	0	0
44,076	28,189	27,418	9700-01 Transfers Out - General Fund	33,730	33,730	33,730
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Engineering, Admin & Finance personal services support transfer	1	32,970	32,970
			Street Fund support of Community Development Center operations	1	760	760
0	2,760	0	9700-31 Transfers Out - Improvements	0	0	0
673	0	0	9700-34 Transfers Out - Parks & Recreation	0	0	0
44,749	30,949	27,418	<u>TOTAL TRANSFERS OUT</u>	33,730	33,730	33,730
<u>CONTINGENCIES</u>						
0	0	120,000	9800 Contingencies	250,000	250,000	300,000

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0	0	120,000	TOTAL CONTINGENCIES	250,000	250,000	300,000
ENDING FUND BALANCE						
0	0	0	9925 Designated End FB - Airport Fd	0	0	0
0	320,415	137,250	9925-05 Designated End FB - Airport Fd - Evergreen Aviation Estimated cash carryover at June 30, 2009 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.	187,180	187,180	112,200
231,144	352,494	235,263	9999 Unappropriated Ending Fd Balance Budgeted cash carryover for July 1, 2009. Actual cash carryover will also include all remaining money from the Contingency account and the excess (deficit) of revenues over (under) expenditures from 2008-2009 operations.	71,702	71,702	139,715
231,144	672,909	372,513	TOTAL ENDING FUND BALANCE	258,882	258,882	251,915
362,456	878,968	3,416,924	TOTAL REQUIREMENTS	4,729,455	4,729,455	5,078,833

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362,456	878,968	3,416,924	<i>TOTAL RESOURCES</i>	4,729,455	4,729,455	5,078,833
362,456	878,968	3,416,924	<i>TOTAL REQUIREMENTS</i>	4,729,455	4,729,455	5,078,833