

**NOTICE OF A REGULAR MEETING  
OF  
THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

***PLEASE TAKE NOTICE** that a regular meeting of the Friedman Memorial Airport Authority shall be held Tuesday, January 3, 2012 at 5:30 p.m. at the **old Blaine County Courthouse Meeting Room, Hailey, Idaho.** The proposed agenda for the meeting is as follows:*

**AGENDA  
January 3, 2012**

- I. APPROVE AGENDA**
- II. PUBLIC COMMENT (10 Minutes Allotted)**
- III. FMAA FINANCIAL STATEMENTS & OTHER FINANCIAL INFORMATION  
YEAR ENDED SEPTEMBER 30, 2011 – Attachments #1** ACTION
- IV. UNFINISHED BUSINESS**
  - A. Replacement Airport
    - 1. City of Hailey Report DISCUSSION
    - 2. Blaine County Report DISCUSSION
    - 3. Airport Manager Report
      - a. Capital For A Day – Attachments #2 - #5 DISCUSSION
    - 4. Alaska Airlines/Horizon Air Meeting – Attachment #6, #7 DISCUSSION
    - 5. GE Presentation - Required Navigation Procedure (RNP)  
Wide Area Augmentation System (WAAS) – Attachment #8 DISCUSS/DIRECT
    - 6. Airport Communication & Outreach Facilitator – Attachment #9 ACTION
    - 7. Airport Redevelopment Plan and  
Feasibility Analysis Update DISCUSSION
- V. NEW BUSINESS**
  - A. Sun Commercial Passenger Survey Results (FSVA) DISCUSS/DIRECT
  - B. Sustain Blaine Presentation Request ACTION
- VI. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
  - A. December 6, 2011 Regular Meeting – Attachment #10 ACTION
- VII. AIRPORT STAFF BRIEF**
  - A. Noise Complaints
  - B. Parking Lot Update
  - C. Profit & Loss, ATCT Traffic Operations Count  
and Enplanement Data – Attachments #11 - #14
  - D. Review Correspondence – Attachment #15
  - E. Fly Sun Valley Alliance Update – Attachments #16, #17
  - F. Airport Weather Interruptions
  - G. TSA Request for Break Room/Training Facility Update
  - H. Airport/FSVA Marketing/Alliance Meeting
- VIII. PUBLIC COMMENT**
- IX. ADJOURNMENT**

**III. FMAA FINANCIAL STATEMENTS & OTHER FINANCIAL INFORMATION  
YEAR ENDED SEPTEMBER 30, 2011 – Attachment #1**

Attachment #1 is the draft *Friedman Memorial Airport Authority Financial Statements and Other Financial Information for the Year Ended September 30, 2011*. Pages 3 – 8 of the Financial Statements are the *Management Discussion and Analysis (MD&A)* letter prepared by Staff.

Ms. Mary Kay Petersen and Mr. Brad Hodges, Simmons and Clubb and Ms. Laurie Harberd, Rexroat, Harberd & Associates will be available to present and answer any questions the Board may have. Ms. Petersen prepared the audit and Ms. Harberd prepared the financial statements.

BOARD ACTION: 1. Approve the draft financial statements and direct Staff/Auditor to finalize for distribution to appropriate government agencies.

**IV. UNFINISHED BUSINESS**

**A. Replacement Airport**

**1. City of Hailey Report**

BOARD ACTION: 1. Discussion

**2. Blaine County Report**

BOARD ACTION: 1. Discussion

**3. Airport Manager Report**

**a. Capital For A Day – Attachments #2 - #5**

Wednesday December 21<sup>st</sup>, Sun Valley hosted the Governor's *Capital For a Day*. Attachment #2 is a copy of the event agenda. As you know, the FMAA was asked to update the Governor and his staff on the status of FMA. Attachment #3 is the PPT that was presented. Also included for the Board's information and review is the PPT presented by FSVA, Attachment #4 and the PPT presented by Sustain Blaine, Attachment #5.

BOARD ACTION: 1. Discussion

**4. Alaska Airlines/Horizon Air Meeting – Attachments #6, #7**

Airport Staff and consultant team met with Alaska Airlines/Horizon Air, December 22. Attachment #6 is the meeting agenda and Attachment #7 is a summary of the meeting, prepared by Dave Mitchell and Tony Tesla. Dave Mitchell will discuss the meeting with the Board.

BOARD ACTION: 1. Discussion

**5. GE Presentation - Required Navigation Procedure (RNP)  
Wide Area Augmentation System (WAAS) – Attachment #8**

Attachment #8 is a press release that was an interesting discussion item in the Valley a few months ago. Airport Staff has been in contact with Mr. Ken Shapero from GE Aviation since the press release became public knowledge. Airport Staff is very pleased that Mr. Shapero will be at the Board meeting and will deliver a presentation. Part of the presentation will be an explanation of Required Navigation Procedures (RNP). Mr. Shapero will also talk about the information that GE has already gathered regarding the question, "... Can reliability be improved at FMA..." Mr. Shapero may also discuss studies for possible future consideration.

BOARD ACTION: 1. Discuss/Direct

**6. Airport Communication & Outreach Facilitator – Attachment #9**

Last month, the Board authorized development of a Scope of Services and Draft Agreement for Board consideration during the January Board meeting. Attachment #9 is a Draft Letter Agreement which includes a Scope of Services for Board consideration. When appropriate, the Board should authorize action related to the Draft Agreement.

BOARD ACTION: 1. Action

**7. Airport Redevelopment Plan and Feasibility Analysis Update**

At about the same time the EIS was suspended, Staff and the Program Management team were putting the final touches on the Airport Redevelopment Plan and Feasibility Analysis (FMAA/Mead & Hunt, Inc. work order 5). All elements of the project had been completed but some Element 9 deliverables had not been reviewed in final form by the Board. During the meeting, Staff will provide each Board member a desk-top binder with all deliverables included. The desk-top binder is provided for a final review before Staff closes this work order. Staff will include Board member comments received prior to January 20<sup>th</sup>. Staff then will work with the FAA to close the project. Total negotiated cost of the project was \$362,284. Element 9 did not include FAA participation. The cost of Element 9 was \$39,440. All elements of the project were completed according to the negotiated budget.

BOARD ACTION: 1. Discussion

**V. NEW BUSINESS**

**A. SUN Commercial Passenger Survey Results (FSVA)**

This past summer & fall, FSVA conducted intercept surveys with a sample of 634 commercial air travelers departing SUN. These surveys were designed in conjunction with the professional research firm RRC Associates, who has conducted commercial air traveler surveys in many of our competing Rocky Mountain resort destinations for years. The results of the Summer 2011 survey have been combined with the results of the Winter Passenger Survey that FSVA and RRC Associates conducted in 2009/10 in order to provide an annual, detailed view of SUN commercial air travelers and their impact on the local economy.

BOARD ACTION: 1. Discuss/Direct

**B. Sustain Blaine Presentation Request**

Sustain Blaine Executive Director Harry Griffith will be proposing that FMAA participate in a community-wide endeavor to acquire electronic, handheld polling devices for use in public meetings.

BOARD ACTION: 1. Action

**VI. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**

**A. December 6, 2011 Regular Meeting – Attachment #10**

BOARD ACTION: 1. Action

**VII. AIRPORT STAFF BRIEF**

**A. Noise Complaints:** No Noise Complaints to report. However Staff did receive one call from a Chantrelle resident who believes that the “approved approach flight path” has been “shifted” west, to directly over Chantrelle. This caller is also of the opinion that air carrier flight crews are flying lower on approach, over Chantrelle, to make some form of “statement” on current affairs. The Ops Chief had a pleasant conversation with the caller and attempted to clarify the expressed concerns, to no avail.

**B.**

**B. Parking Lot Update**

**The Car Park Gross/Net Revenues**

	<b>FY 2010 Gross</b>	<b>FY 2010 Net</b>	<b>FY 2011 Gross</b>	<b>FY 2011 Net</b>	<b>FY 2012 Gross</b>	<b>FY 2012 Net</b>
November	\$12,698.16	\$5,148.71	\$15,987.25	\$6,939.80	\$12,294.99	\$4,303.25

**C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #11 - #14**

Attachment #11 is Friedman Memorial Airport Profit & Loss through October 2011. Attachment #12 is Air Traffic Control Tower traffic operations data for November 2011. Attachment #13 is 2001 - 2011 Air Traffic Control operations data comparison by month. Attachment #14 is 2008 - 2011 enplanement data including non-revenue passengers. The following revenue and expense analysis is provided for Board information and review:

**October 2010/2011**

Total Non-Federal Revenue	October, 2011	\$207,975.22
Total Non-Federal Revenue	October, 2010	\$206,192.13
Total Non-Federal Revenue	FY '12 thru October	\$207,975.22
Total Non-Federal Revenue	FY '11 thru October	\$206,192.13
Total Non-Federal Expenses	October, 2011	\$221,755.81
Total Non-Federal Expenses	October 2010	\$203,093.22
Total Non-Federal Expenses	FY '12 thru October	\$221,755.81
Total Non-Federal Expenses	FY '11 thru October	\$203,093.22
*Net Income to include Federal Programs	FY '12 thru October	\$-48,311.92
*Net Income to include Federal Programs	FY '11 thru October	\$-43,572.93
*Difference in net income is related to federal transactions.		

**D. Review Correspondence - Attachment #15**

Attachment #15 is information included for Board review.

**E. Fly Sun Valley Alliance Update – Attachments #16, #17**

Attachment #16 is the November 14, 2011 Fly Sun Valley Alliance Meeting Minutes. Attachment #17 is the December 12, 2011 Fly Sun Valley Alliance Meeting agenda.

**F. Airport Weather Interruptions – As of 12/22/11**

Airport Weather Interruptions			
Airline	Month	Flight Cancellations	Flight Diversions
SkyWest	December 2011	0	8
Horizon Air	December 2011	0	4

#### **G. TSA Request for Break Room/Training Facility Update**

Pending Board approval, TO-Engineers anticipate preparation of a project RFP in January. A flexibly-envisioned timeline for the project includes publication of the RFP in March with proposals anticipated in April and results reported to the Board in May.

#### **H. FMAA/FSVA/Marketing Alliance Meeting**

These three entities each have separate, but related missions and all share a common goal, which is to provide, support and market air travel in the Wood River Valley. All three groups meet on a monthly basis, but never together formally. It has been proposed that the three groups begin sharing a monthly meeting. The first such meeting, to be attended initially by the administrators of the three organizations, is scheduled in January. The goal of the meeting will be to cultivate discussion on how each group can complement and support one another's success.

### **VIII. PUBLIC COMMENT**

### **IX. ADJOURNMENT**

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**FINANCIAL STATEMENTS  
AND  
OTHER FINANCIAL INFORMATION**

**September 30, 2011**

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## INDEPENDENT AUDITOR'S REPORT

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

We have audited the accompanying financial statements of Friedman Memorial Airport Authority as of and for the years ended September 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Friedman Memorial Airport Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friedman Memorial Airport Authority as of September 30, 2011 and 2010, and the results of its operations and cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated January 5, 2012, on our consideration of Friedman Memorial Airport Authority's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Friedman Memorial Airport Authority's financial statements as a whole. The statement of revenue, expenditures and changes in net assets – budget and actual and the reconciliation of budgetary basis to GAAP are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The statement of revenue, expenditures and changes in net assets – budget and actual, the reconciliation of budgetary basis to GAAP and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Simmons and Clubb  
Certified Public Accountants

January 5, 2012

## **Management's Discussion and Analysis**

The following Management's Discussion and Analysis (MD&A) of the Friedman Memorial Airport Authority's (the Authority) financial performance provides an introduction to the financial statements for the fiscal year ended September 30, 2011. The information contained in this MD&A should be considered in conjunction with information contained in the Authority's financial statements.

Friedman Memorial Airport is located in the City of Hailey, within Blaine County. Blaine County is located in central Idaho in an area known as the Wood River Valley. The Big Wood River runs north and south between the Smoky, Pioneer and Boulder Mountains. Friedman Memorial Airport is located immediately south of the central business district of Hailey and approximately two miles north of the City of Bellevue. State Highway 75 runs directly adjacent to the east side of the Airport, southeast to northwest through the cities of Bellevue and Hailey, with Ketchum 11 miles to the north and Twin Falls 75 miles to the south.

For the last five years, the Authority has been working in partnership with the FAA to improve air service and safety to the Wood River Valley by siting and constructing a replacement airport. In August 2011, the Authority encountered a significant impediment to this effort. The FAA, after what was described as "thoughtful deliberation and analysis", indefinitely suspended any further work on the draft environmental impact statement (DEIS). The decision resulted from new data arising from the study, suggesting significant higher-than-anticipated project costs and problematic impacts to wildlife. The purpose of this suspension is to gather community input and technical information in order for the Authority to make the best informed decisions about a future replacement airport and allow for investigation, with cooperation from air carriers and the FAA, into any possible shorter term solution for increased reliability at the existing airport while a permanent solution is explored.

In early spring of each year, the Authority prepares a budget for the upcoming fiscal year. That preparation is dominated by attempts to forecast future revenue and future operational capital needs and expenses. As with any organization, predictions and assumptions are based on information that is known and historical data. This task is particularly difficult during a recession that has lasted longer than expected and impacts that are larger than were anticipated. The Financial Statement Comparison of Budget to Actual Results clearly demonstrates that the Authority's conservative and comprehensive approach to establishing and implementing a functional budget is effective.

The fiscal year ending September 30, 2011, also included the acquisition of a rotary plow. The rotary plow was delivered in February, 2011.

### **Overview of the Financial Statements**

The Authority's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

Following this MD&A are the basic financial statements of the Authority, together with the notes, which are essential to a full understanding of the data contained in the financial statements. The Authority's basic financial statements are designed to provide readers with a broad overview of the Authority's finances.

The *Statements of Net Assets* present information on all the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of the Authority's financial position.

The *Statements of Revenue, Expenses and Changes in Net Assets* present information showing how the Authority's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in future periods.

The *Statements of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in this statement. A reconciliation is provided at the bottom of the *Statements of Cash Flows* to assist in understanding the difference between cash flows, operating activities and operating income.

In addition to the basic financial statements and accompanying notes, this report also presents the *Schedule of Revenue, Expenditures and Changes in Net Assets Budget Basis* and the *Reconciliation of Budgetary Basis to GAAP*.

#### Financial Position Summary

The changes in net assets over time serve as a useful indicator of the Authority's financial position. The Authority's assets exceeded liabilities by \$39.3 million as of September 30, 2011, an increase of \$1.4 million from September 30, 2010.

A condensed summary of the Authority's financial position at September 30 is shown below.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>% Change 2011/2010</u>	<u>% Change 2010/2009</u>
ASSETS:					
Current Assets	5,844,570	6,194,991	6,320,136	-5.7%	-2.0%
Capital Assets	<u>33,847,683</u>	<u>32,278,047</u>	<u>31,434,888</u>	4.9%	2.7%
Total Assets	<u>39,692,253</u>	<u>38,473,038</u>	<u>37,755,024</u>	3.2%	1.9%
LIABILITIES:					
Current liabilities	264,548	429,131	520,216	-38.4%	17.5%
Noncurrent Liabilities	<u>159,553</u>	<u>135,459</u>	<u>107,970</u>	17.8%	25.5%
	<u>424,101</u>	<u>564,590</u>	<u>628,186</u>	-24.9%	10.1%
NET ASSETS:					
Invested in capital assets	33,847,683	32,278,047	31,434,888	4.9%	2.7%
Unrestricted	<u>5,420,469</u>	<u>5,630,401</u>	<u>5,691,950</u>	-3.7%	-1.1%
Total Net Assets	<u>39,268,152</u>	<u>37,908,448</u>	<u>37,126,838</u>	3.6%	2.1%
Total Liabilities & Net Assets	<u>39,692,253</u>	<u>38,473,038</u>	<u>37,755,024</u>	3.2%	1.9%

The largest portion of the Authority's net assets is invested in capital assets (e.g. land, buildings, improvements and equipment). No outstanding debt is attributable to these assets. The Authority uses its capital assets to provide services to its aviation partners, passengers and fixed-base operators. This requirement includes the obligation to preserve and maintain airport facilities in a safe and serviceable condition and includes the responsibility to operate the aeronautical facilities and common use areas for the benefit of the public. Consequently, these assets are not available for future spending.

The Authority's unrestricted net assets are available to meet current and future obligations. The Authority anticipates that these funds will be needed to pay future capital expenditures and maintain adequate levels of working capital.

The noncurrent liability increased due to an increase in accrued compensated absences.

### **Summary of Operations and Changes in Net Assets**

Aircraft operations for the fiscal year ending September 30, 2011 decreased approximately 8.9% from 33,536 to 30,552. Staff attributes this decline to continued unstable economic factors.

Enplaned passengers for the fiscal year ending September 30, 2011 decreased approximately 3.3% for the same period from 54,611 to 52,803. Horizon Air enplanements increased by 8.3% while Skywest Airlines experienced a 8.2% decrease. The increases/decreases could be attributed to the number of flights, weather and again, economic factors.

A condensed summary of the Authority's revenue, expenses and changes in net assets for the fiscal year ending September 30 is shown below.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>% Change 2011/2010</u>	<u>% Change 2010/2009</u>
Operating Revenue	2,227,328	1,999,623	2,181,600	11.4%	-8.3%
Operating Expenses	<u>3,701,028</u>	<u>3,602,801</u>	<u>3,655,211</u>	2.7%	-1.4%
Operating (income/loss)	-1,473,700	-1,603,178	-1,473,611	8.1%	-8.8%
Non Operating Revenue (Expenses)	412,175	213,713	232,200	92.9%	-8.0%
Capital Contributions	<u>2,421,229</u>	<u>2,171,075</u>	<u>1,414,190</u>	11.5%	53.5%
Changes in net assets	1,359,704	781,610	172,779	74.0%	352.4%
Beginning net assets	<u>37,908,448</u>	<u>37,126,838</u>	<u>36,954,059</u>	2.1%	0.5%
Ending net assets	<u>39,268,152</u>	<u>37,908,448</u>	<u>37,126,838</u>	3.6%	2.1%

Operating revenue increased 11.4% from the prior fiscal year. Highlights of the revenues are as follows:

- Air Carrier Landing Revenue increased 7%. This is primarily due to an increase in landing fee rates.
- Automobile rental revenue increased approximately 3.8%. Auto rental representatives have indicated the economic factors are improving for them and that they also benefit from passengers opting to rent a vehicle instead of participating in the airline busing operations. The auto rental concession leases are scheduled to expire on April 30, 2012.

- Rents, fees, commissions and leases increased approximately 17.5%. The increase is a combination of increased transient landing fees and hangar land lease rent equalization. The rent equalization increase is reflective of a hangar donation. A portion of that donation was recorded and considered payment for rent equalization as the hangar owner did not participate in the 2006 lease renegotiation process, but requested use of the hangar be allowed to continue beyond the lease expiration date. The airport accepted donation of the hangar and entered into a rental agreement to allow for the requested use. It should also be noted that the annual land lease adjustments (CPI) were slightly higher than those used in the previous fiscal year.
- Tiedown fees decreased 36.3%. This decrease is attributed to hangar rental or acquisition availability and again, economic factors.

Operating expenses increased 2.7% over the prior fiscal year. Highlights of expenses are as follows:

- Travel decreased 47.1%. In the previous fiscal year there was a significant amount of travel associated with the relocation project. In FY '10 those fees were allocated to travel and in FY '11 those expenses were allocated to the project directly.
- Office/Computer Supplies increased 116.7%. This increase is due to the acquisition of software, computer and office equipment.
- Dues/Membership/Publications increased 40.5%. This increase is attributed to the need for additional public notices related to meetings, workshops and policy amendments.
- Education/Training-ARFF increased 99.8%. This increase is the result of expenses associated with an FAA requirement to conduct a Tri-Annual live exercise.
- Service Provider – Internet/ISP increased 99.5%. This increase is due to the upgrades and the modifications made to the airport's broadband service.
- Professional Services IT decreased 162.8%. This decrease is attributed to the expenses associated with aging computer equipment and repairs in FY '10.
- Contracts-FMAA increased 42.2%. This increase is attributed to an adjustment made to the airport governing board compensation.
- Contracts-Atlantic Fee Collection increased 25.8%. This increase is related to a renegotiated contract with Atlantic Aviation to collect landing and fuel flowage fees. This contract was established and has not been increased or adjusted since October, 2002.
- Supplies/Equipment–Deicer decreased 27.2%. This decrease is attributed to weather conditions and the acquisition of broom equipment that allows for less product to be utilized.
- Fuel/Lubricants increased 27.2%. This can be directly attributed to fuel rate increases and weather conditions.

- Utilities increased 14.4%. This increase is attributed to natural gas and electricity rate increases and new fees associated with internet and the air traffic control weather station.
- Repairs/Maintenance Building decreased 47.5%. This decrease is primarily due to roof repairs made to an airport owned hangar and the terminal building in FY '09.

### **Comparison of Budget and Actual Results**

No amendments were made to the Authority's *Budgeted Revenue, Expenses and Changes in Net Assets* during the fiscal year ending September 30, 2011. A summary of operating revenue and expenses based on the actual budgetary basis is shown below.

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Total Operating Revenue	2,369,875	2,227,328	-142,547
Total Operating Expenses	<u>2,162,760</u>	<u>1,895,315</u>	<u>-267,445</u>
Operating Income (loss)	<u>207,115</u>	<u>332,013</u>	<u>124,898</u>

Actual results reported above may differ from the actual results as reported in the *Statement of Revenue, Expenses and Changes in Net Assets* for the following reasons:

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a non-cash item and therefore not budgeted.
3. Passenger Facility Charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs are budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are an asset instead of an expense for GAAP.

The Authority's budget philosophy is to conservatively estimate revenue while, at the same time, making certain that budgeted operating expenses are not understated. The FY '11 budget process was a direct reflection of the economy and the Authority's conscientious approach to estimating revenues and expenses.

### **Capital Acquisitions and Construction Activities**

The increase to *Buildings and Improvements* includes the donation of an aircraft hangar and the installation of a new drain and gutter on the passenger terminal.

The increase to *Airfield and General Improvements* includes rehabilitation of taxiways and aprons; and grading and paving of the operations equipment parking lot.

The increase to *Office Equipment* includes the acquisition of software, refurbishing the air traffic control voice switch and equipment related to providing wi-fi at the passenger terminal.

There was an increase to *Maintenance Equipment/Vehicles* which is related to the acquisition of snow removal equipment, large equipment tires, acquisition of a snow plow truck and a large storage container.

At fiscal year end, the Authority was in the process of completing a replacement airport Environmental Impact Study (EIS) Phase I/II. This project is reflected under *Construction in Progress*.

### **Long-term Liabilities**

The only long-term liability is for compensated absences, which represents vacation, comp time and 25% of sick leave, which has been accrued but will be paid in future periods as used or on termination of employment. The total liability at September 30, 2011, was \$159,553. Currently, the Authority has no other long-term debt outstanding nor are there any plans to incur any long-term debt.

### **Requests for Information**

This financial report is designed to provide the Authority's Board, management, investors, creditors and customers with a general view of the Authority's net assets and results of operations. Questions concerning any information contained in this report may be directed to the Airport Manager, P.O. Box 929, Hailey, ID 83333.



**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF NET ASSETS  
ENTERPRISE FUND  
September 30, 2011 and 2010**

<b>ASSETS</b>	<b>2011</b>	<b>2010</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 5,650,150	\$ 5,483,046
Operating accounts receivable	132,247	180,274
Receivable for sale of equipment	-	4,960
Due from other governments	39,776	521,587
Interest receivable	1,144	1,169
Prepaid expenses	4,399	3,955
Restricted cash and cash equivalents - Passenger Facility Charges	16,854	-
Total Current Assets	<u>5,844,570</u>	<u>6,194,991</u>
<b>Noncurrent Assets:</b>		
Capital assets:		
Land	6,712,067	6,712,067
Construction in progress	7,671,572	5,266,585
Airfield, buildings, equipment, improvements, plans and studies	39,251,347	38,301,401
	<u>53,634,986</u>	<u>50,280,053</u>
Accumulated depreciation	(19,787,303)	(18,002,006)
Total Capital Assets	<u>33,847,683</u>	<u>32,278,047</u>
Total Assets	<u>\$ 39,692,253</u>	<u>\$ 38,473,038</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Trade accounts payable	\$ 26,326	\$ 23,264
Payable City of Hailey	27,553	26,679
Accounts payable for capital improvements	122,013	306,686
Accrued payroll and benefits	3,280	3,102
Customer deposits	2,800	-
Accrued compensated absences	65,722	69,400
Deferred revenue - Passenger Facility Charges	16,854	-
Total Current Liabilities	<u>264,548</u>	<u>429,131</u>
<b>Noncurrent Liabilities:</b>		
Long-term accrued compensated absences	159,553	135,459
Total Liabilities	<u>424,101</u>	<u>564,590</u>
<b>NET ASSETS</b>		
Invested in capital assets	33,847,683	32,278,047
Restricted net assets	-	-
Unrestricted net assets	5,420,469	5,630,401
Total Net Assets	<u>39,268,152</u>	<u>37,908,448</u>
Total Liabilities and Net Assets	<u>\$ 39,692,253</u>	<u>\$ 38,473,038</u>

See Accompanying Notes to Financial Statements

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
ENTERPRISE FUND**

**For the Years Ended September 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>Operating Revenue:</b>		
Airlines	\$ 185,462	\$ 172,709
Automobile rental	360,251	347,080
Auto parking	85,277	78,396
Rents, fees, commissions and leases	1,320,415	1,124,189
Fuel flowage fees	149,254	144,814
Other operating revenue	126,669	132,435
Total Operating Revenue	<u>2,227,328</u>	<u>1,999,623</u>
<b>Operating Expenses:</b>		
Employee wages, benefits and taxes	1,128,519	1,080,929
Supplies	106,147	86,867
Utilities	82,657	72,225
Services and contracts	371,704	372,913
Repairs and maintenance	92,055	95,209
Insurance	64,910	65,860
Other operating expense	69,739	65,416
Depreciation	1,785,297	1,763,382
Total Operating Expenses	<u>3,701,028</u>	<u>3,602,801</u>
Operating Income (Loss)	<u>(1,473,700)</u>	<u>(1,603,178)</u>
<b>Nonoperating Revenue (Expenses):</b>		
Passenger Facility Charges	196,755	202,303
Net proceeds from insurance reimbursement	-	421
Gain (loss) on equipment disposition	-	(2,851)
Interest income	15,420	13,840
Contribution income	200,000	-
Total Nonoperating Revenue and (Expenses)	<u>412,175</u>	<u>213,713</u>
Income (Loss) before Capital Contributions	<u>(1,061,525)</u>	<u>(1,389,465)</u>
<b>Capital Contributions</b>	<u>2,421,229</u>	<u>2,171,075</u>
Change in Net Assets	1,359,704	781,610
<b>Total Net Assets, Beginning of Year</b>	<u>37,908,448</u>	<u>37,126,838</u>
<b>Total Net Assets, End of Year</b>	<u>\$ 39,268,152</u>	<u>\$ 37,908,448</u>

See Accompanying Notes to Financial Statements

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF CASH FLOWS  
ENTERPRISE FUND**

**For the Years Ended September 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 2,208,155	\$ 2,003,913
Cash payments for employees' services and benefits	(1,107,925)	(1,065,327)
Cash payments to suppliers for goods and services	(778,760)	(768,423)
Net cash provided (used) by operating activities	<u>321,470</u>	<u>170,163</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Net proceeds from insurance reimbursement	<u>-</u>	<u>421</u>
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>421</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(3,269,606)	(2,683,287)
Grants and other amounts received for the purchase of capital assets	2,903,040	2,023,837
Passenger facility charges received for the purchase of capital assets	<u>213,609</u>	<u>202,303</u>
Net cash provided (used) by capital and related financing activities	<u>(152,957)</u>	<u>(457,147)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipts of interest	<u>15,445</u>	<u>13,744</u>
Net cash provided (used) by investing activities	<u>15,445</u>	<u>13,744</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>183,958</u>	<u>(272,819)</u>
<b>Balances - beginning of the year</b>	<u>5,483,046</u>	<u>5,755,865</u>
<b>Balances - end of the year</b>	<u>\$ 5,667,004</u>	<u>\$ 5,483,046</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	<u>\$(1,473,700)</u>	<u>\$ (1,603,203)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,785,297	1,763,382
Non-cash transactions	(65,040)	-
Change in assets and liabilities:		
(Increase) decrease in trade accounts receivable	48,027	4,290
(Increase) decrease in prepaid expenses	(444)	330
Increase (decrease) in accounts payable trade	3,936	(10,263)
Increase (decrease) in accrued payroll and benefits	178	(8,094)
Increase (decrease) in customer deposits	2,800	-
Increase (decrease) in accrued compensated absences	20,416	23,696
Total Adjustment and Changes	<u>1,795,170</u>	<u>1,773,341</u>
Net cash provided (used) by operating activities	<u>\$ 321,470</u>	<u>\$ 170,138</u>

**NONCASH TRANSACTIONS:**

- A. During the year ended 9/30/10, a truck was sold for \$4,960 in exchange for the provision of future services. Those services were provided to the Authority during the year ended 9/30/11.
- B. During the year ended 9/30/11, the Authority received property valued at \$270,000 which was allocated between \$200,000 as a contribution and \$70,000 as hangar fees.

## FRIEDMAN MEMORIAL AIRPORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2011

#### **Note 1. Summary of Significant Accounting Policies**

##### 1-A. Organization and Reporting Entity

###### Organization

Effective October 1, 1994, Blaine County, Idaho and the City of Hailey, Idaho entered into a Joint Powers Agreement creating the Friedman Memorial Airport Authority for the purpose of operating and managing airport activities in Blaine County, Idaho. The Authority is a public entity of the State of Idaho and therefore the Authority's income is exempt from Federal and Idaho income taxes. The Authority is governed by a five-member board with two members representing Blaine County, two members representing the City of Hailey and one member who is unanimously selected by the other four members. The Authority has hired employees to provide for the day-to-day operations and management.

Pursuant to the Joint Powers Agreement, all buildings, improvements, facilities, equipment, and personal property used by the Authority were conveyed by Blaine County and the City of Hailey to the Authority for use and benefit of the Authority, and title thereof shall be held by the Authority. Upon termination of this Agreement, title to all buildings, improvements, facilities, equipment and personal property held by the Authority shall vest jointly in Blaine County and the City of Hailey.

###### Reporting Entity

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financial accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the Authority does not have component units. Accordingly, the accompanying financial statements include only the operations of the Friedman Memorial Airport Authority.

##### 1-B. Measurement Focus, Basis of Accounting

The Friedman Memorial Airport Authority's financial statements have been prepared using the accrual basis of accounting. Under this method, revenue and receivables are recognized when services are provided and expense and liabilities are recorded at the time goods and services are received.

The Authority's accounting policies conform to generally accepted accounting principles applicable to proprietary funds of governmental units. Proprietary funds use the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net assets.

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2011

### Note 1. Summary of Significant Accounting Policies (continued)

#### 1-B. Measurement Focus, Basis of Accounting (continued)

Proprietary operating revenue, such as charges for services, result from exchange transactions associated with the principal activity of the operating unit. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as interest or capital contributions, result from nonexchange transactions or ancillary activities. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) value in exchange, include grants, donations and passenger facility charges (PFC's). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. PFC's along with related interest earnings are recorded as deferred revenue until authorized for matching payments on construction projects under an FAA approved Application to Use. Once authorized to use, PFC receipts are recognized and recorded as nonoperating revenue in the year collected.

The Authority applies all applicable pronouncements of the Financial Accounting Standards Board (FASB) issued on or before November 30, 1989, that are not in conflict with applicable GASB pronouncements.

#### 1-C. Assets, Liabilities and Equity

##### Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash in bank accounts and funds deposited in the State Treasurer's Local Government Investment Pool. Because the State Treasurer's Local Government Investment Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is deemed to be a cash equivalent. These funds are carried at cost which is not materially different than fair value.

##### Accounts Receivable

Based upon past experience, uncollectible receivables are deemed immaterial by management and no allowance has been provided.

##### Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

##### Capital Assets

Capital assets are stated at cost. Donated capital assets are recorded at their estimated fair market value when received. Only assets with a value over \$1,500 are capitalized. The Authority does include the cost of all infrastructure assets in capital assets. Assets held under capital leases are recorded at the lower of fair market value or the present value of future lease payments and amortized over the estimated life of the asset. Depreciation is calculated by the straight-line method over the estimated useful life of the depreciable property as follows:

Building and improvements	4 to 50 years
Airfield and general improvements	4 to 25 years
Office equipment	2 to 10 years
Maintenance equipment and vehicles	2 to 20 years
Assessments, plans and studies	4 to 20 years

FRIEDMAN MEMORIAL AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2011

**Note 1. Summary of Significant Accounting Policies (continued)**

1-C. Assets, Liabilities and Equity (continued)

Restricted Cash – Passenger Facility Charges Funds

This cash represents Passenger Facility Charges (PFC) collections based on an approved FAA application to "impose" such charges on enplaned passengers at the Airport. These funds are restricted to funding designated capital projects.

Use of Restricted Resources

The Authority's policy is to first apply restricted resources when an eligible expenditure is made for which both restricted and unrestricted net assets are available.

Budget

The Airport is required by state law to adopt an annual budget. The budgetary basis is accrual but differs from the basis of accounting used for the financial statements in the following ways:

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a non-cash item and therefore not budgeted.
3. Passenger Facility Charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs is budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are reported as an asset instead of as an expense for GAAP.

Compensated Absences

All employees receive 96 hours of sick leave per year with no maximum accrual. Vacation is received based on years of service. Those having one to two years of service receive 80 hours of vacation annually and the hours received increase 8 hours per year for every two years of service. Compensated absences consist of accrued vacation, comp time and 25% of accrued sick leave that would be paid upon termination of employment.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

1-D. Subsequent Events

Management has evaluated subsequent events through November 28, 2011, the date on which financial statements were available to be issued.

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2011

### Note 2. Deposits and Investments

The following is a reconciliation of the Authority's deposit and investment balances as of September 30, 2011 and 2010:

	2011	2010
Cash and undeposited funds on hand	\$ 50	\$ 13,443
Bank deposits	89,416	20,549
Repurchase agreement	544,674	330,682
State of Idaho Local Government Investment Pool	5,032,864	5,118,372
	<u>\$ 5,667,004</u>	<u>\$ 5,483,046</u>

The Authority invests in the State of Idaho Local Government Investment Pool. These funds can be liquidated at cost as needed and are carried at cost which is not materially different than fair value. The invested amounts at year end are as listed above.

#### Deposit and Investment Policy

The Authority's Investment Policy limits investments to interest-bearing accounts through approved and chosen financial institutions that included two banks and the State of Idaho Local Government Investment Pool. The accounts are to be reviewed monthly by the Board's financial review committee.

#### Credit Risk

The Authority's investment policy limits investment choices to interest-bearing accounts at approved banks or the State of Idaho Local Government Investment Pool. As of September 30, 2011 and 2010, the Authority's deposits and investment had the following credit ratings:

<u>Investment</u>	2011 <u>Fair Value</u>	2010 <u>Fair Value</u>	<u>Credit Rating</u>
Mountain West Savings	\$ 89,416	\$ 20,549	None
Mountain West repurchase agreement	544,674	330,682	None
State of Idaho Local Government Investment Pool	5,032,864	5,118,372	None

Investment by the Authority in State of Idaho Local Government Investment Pool is considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. The types of investments allowed is regulated by *Idaho Code* and oversight is provided by the Idaho State Treasurer's Office.

#### Custodial Credit Risk

The Authority's investment policy does not limit the amount of deposits in approved and chosen financial institutions.

As of September 30, 2011, the carrying amount of the Authority's bank deposits was \$634,090 and the respective bank balances totaled \$647,997. The Authority's deposits at September 30, 2011, were covered by \$250,000 of insurance from the Federal Depositary Insurance Corporation and \$575,582 of collateral. None of these deposits were unsecured or uninsured. The securities serving as collateral are held in the name of the financial institution and not that of the Authority.

As of September 30, 2010, the carrying amount of the Authority's bank deposits was \$351,231 and the respective bank balances totaled \$389,132. The Authority's deposits at September 30, 2010, were covered by \$250,000 of insurance from the Federal Depositary Insurance Corporation and \$331,645 of collateral. None of these deposits were unsecured or uninsured. The securities serving as collateral are held in the name of the financial institution and not that of the Authority.

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2011

**Note 2. Deposits and Investments (continued)**

Concentration Credit Risk

The Authority's investment policy does not place limits on amounts invested in any one issuer. Pooled investments and investments issued or explicitly guaranteed by the U.S. Government are not considered a concentration credit risk. On September 30, 2011 and 2010 the Authority had more than 5% of its deposits and investments with the following issuers:

	<u>2011</u>	<u>2010</u>
Mountain West repurchase agreement	9.6 %	6.0 %

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Authority's investment policy limits their investments and deposits to interest-bearing accounts at approved and chosen financial institutions. The Authority had the following deposits and investments as of September 30, 2011 and 2010:

<u>Investment</u>	<u>2011</u> <u>Fair Value</u>	<u>Weighted</u> <u>Average</u> <u>Duration</u>	<u>2010</u> <u>Fair Value</u>	<u>Weighted</u> <u>Average</u> <u>Duration</u>
Repurchase agreement	\$ 544,674	1 day	\$ 330,682	1 day
Investment pool	5,032,865	114 days	5,118,372	107 days
Demand deposits	89,416	not applicable	20,549	not applicable

**Note 3. Capital Assets**

Capital asset activity for the year ended September 30, 2011, was as follows:

	<u>Balance</u> <u>9/30/2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfer</u>	<u>Balance</u> <u>9/30/2011</u>
Nondepreciable capital assets:					
Land	\$ 6,712,067	\$	\$	\$	\$ 6,712,067
Construction in progress	5,266,585	2,453,123		(48,136)	7,671,572
Depreciable capital assets:					
Buildings and improvements	6,676,161	272,949			6,949,110
Airfield and general improvements	26,218,928	55,768			26,274,696
Office equipment	87,018	13,567			100,585
Maintenance equipment & vehicles	3,194,524	559,526		48,136	3,802,186
Assessments, plans & studies	<u>2,124,770</u>				<u>2,124,770</u>
	50,280,053	3,354,933	0	0	53,634,986
Accumulated depreciation	<u>(18,002,006)</u>	<u>(1,785,297)</u>	<u>0</u>	<u>0</u>	<u>(19,787,303)</u>
	<u>\$ 32,278,047</u>	<u>\$ 1,569,636</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,847,683</u>



**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2011

Capital asset activity for the year ended September 30, 2010, was as follows:

	Balance 9/30/2009	Increase	Decrease	Transfer	Balance 9/30/2010
Nondepreciating capital assets:					
Land	\$ 6,712,067	\$	\$	\$	\$ 6,712,067
Construction in progress	3,585,481	1,726,969		(45,865)	5,266,585
Depreciating capital assets:					
Depreciating capital assets:					
Buildings and improvements	6,676,161				6,676,161
Airfield and general improvements	25,982,514	227,532	(10,300)	19,182	26,218,928
Office equipment	87,531	5,266	(5,779)		87,018
Maintenance equipment & vehicles	2,637,966	654,585	(124,710)	26,683	3,194,524
Assessments, plans & studies	2,124,770				2,124,770
	47,806,490	2,614,352	(140,789)	0	50,280,053
Accumulated depreciation	(16,371,602)	(1,763,382)	132,978		(18,002,006)
	<u>\$ 31,434,888</u>	<u>\$ 850,970</u>	<u>\$ (7,811)</u>	<u>\$ 0</u>	<u>\$ 32,278,047</u>

**Note 4. Accounts Receivable**

The Airport manager, under the direction of the Airport, charges fees and rents for parking (aircraft and automobiles), landing of aircraft, fuel flowage, hangars and concession commissions. Landing fees are based on the weight of the aircraft while parking fees are based on the class and weight of each aircraft. Auto parking is on a commission basis. The Airport clerk posts these charges on a regular basis and bills each user.

Based upon past experience, uncollectible receivables are deemed immaterial by management.

The Authority's uncollected accounts as of September 30, 2011 and 2010, are as follows:

	2011	2010
Current	\$ 108,969	\$ 179,932
30-60 days	12,193	353
60-90 days	(34)	(40)
90 days and over	11,119	29
	<u>\$ 132,247</u>	<u>\$ 180,274</u>
Receivable for sale of equipment	<u>\$ -</u>	<u>\$ 4,960</u>
Government grants receivable	<u>\$ 39,776</u>	<u>\$ 521,587</u>

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2011

**Note 5. Long-term Liabilities**

Changes in long-term obligations for the year ended September 30, 2011, are as follows:

	<u>Balance at</u> <u>10/01/2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>9/30/2011</u>	<u>Amount due</u> <u>within 1 year</u>
Compensated absences	\$ <u>135,459</u>	\$ <u>24,094</u>	\$ <u>-</u>	\$ <u>159,553</u>	\$ <u>-</u>

Changes in long-term obligations for the year ended September 30, 2010, are as follows:

	<u>Balance at</u> <u>10/01/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>9/30/2010</u>	<u>Amount due</u> <u>within 1 year</u>
Compensated absences	\$ <u>107,970</u>	\$ <u>27,489</u>	\$ <u>-</u>	\$ <u>135,459</u>	\$ <u>-</u>

**Note 6. Pension Plan**

The Authority adopted a Simplified Employee Pension Plan (SEP) which became effective January 1, 1998. Vesting in the plan is immediate and all employees whose compensation exceeds \$450 and have performed services in at least one of the immediately preceding 5 years receive contributions. Plan contributions were \$92,655 for the year ended September 30, 2011, and \$92,754 for the year ended September 30, 2010.

**Note 7. Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Authority purchases commercial insurance. There has been no significant reduction in insurance coverage in the current year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**Note 8. Concentrations**

The Authority enters into contracts with service providers at the Airport. Because of physical space limitations at the airfield, there are limited facilities available for service providers. During the current year, there were two airlines that provide scheduled commercial service, one fuel supplier, one fixed-base operator, one gift shop, one car park and two rental car agencies.

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended September 30, 2011**

**Note 9. Lease Revenue**

The Airport leases its property to commercial airlines, car rental companies, concessionaires, fixed base operators who service the airline industry and hanger operations. The airlines have annual renewal dates and some concessionaires are month to month. The long-term leases can only be terminated by buying out the lease and vary from 3 to 20 years. Some of these leases are increased annually by an inflation factor based on the CPI. These inflation rates are unknown and have not been included in amounts calculated. The net book value of property held for operating lease as of September 30, 2011, is \$563,333, not including the value of the land leased by hangar owners/operators. No allocation of land values between leased and utilized land has been done. The projected lease revenue at current rates is as follows:

<u>Year Ended</u> <u>September 30</u>	
2012	\$ 777,923
2013	642,116
2014	562,337
2015	555,788
2016	554,040
2017 to 2021	668,746
2022 to 2026	395,266
2027 to 2031	-
Total	<u>\$ 4,156,216</u>

**Note 10. Passenger Facility Charges**

Passenger Facility Charges (PFC) at the rate of \$4.50 per enplaned passenger have been imposed by the Authority under a Federal Aviation Administration (FAA) approved application effective March 1, 2011, until the later of collecting \$505,918 or March 1, 2014. The total amount has been approved for use.

PFC revenue is used as matching funds for capital projects funded with Airport Improvement Project funds. There was no deferred revenue at September 30, 2010 and \$16,854 at September 30, 2011.

The following schedule shows the amounts collected and expended:

	<u>2011</u>		<u>2010</u>	
	<u>Receipts</u>	<u>Expenditures</u>	<u>Receipts</u>	<u>Expenditures</u>
PFC 07-06-C-00-SUN	\$ 89,683	\$ -	\$ 202,303	\$ 31,618
PFC 11-07-C-00-SUN	123,926	178,932	-	-

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2011

**Note 11. Capital Contributions**

During the years ended September 30, 2011 and 2010, the Authority received the following capital contributions:

	<u>2011</u>	<u>2010</u>
Federal grants	\$ 2,401,229	\$ 2,126,075
State grants	20,000	45,000
Other sources	-	-
	<u>\$ 2,421,229</u>	<u>\$ 2,171,075</u>

**Note 12. Commitments**

The Authority had seven open grants from the U.S. Department of Transportation Airport Improvement Program (AIP) as of September 30, 2011. A summary of these projects is as follows:

Project Description

AIP 33	Improve/modify the snow removal equipment (SRE) building; Acquire SRE (Phase I)
AIP 34	Acquire SRE (broom and plow) (Phase 2); Rehabilitate apron, parallel taxiway and taxilanes, design only (Phase 1)
AIP 35	Rehabilitate taxiways, taxilanes, and aprons
AIP 36	Acquire SRE truck and rotary plow
AIP 02	Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 2)
AIP 03	Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 3)
AIP 04	Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 4)

	<u>Total</u>	<u>Federal</u>	<u>Expenditures</u>
	<u>Budget</u>	<u>Awards</u>	<u>to date</u>
AIP 33	\$ 780,638	\$ 741,606	\$ 780,638
AIP 34	280,000	266,000	269,698
AIP 35	231,857	218,200	224,573
AIP 36	574,210	545,500	565,880
AIP 02	2,363,257	2,593,938	2,437,378
AIP 03	477,629	453,000	429,914
AIP 04	2,631,579	2,500,000	1,465,747
	<u>\$ 7,339,170</u>	<u>\$ 7,318,244</u>	<u>\$ 6,173,828</u>

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2011

### Note 13. Contingencies

The 2004 Master Plan adopted by the Friedman Memorial Airport (FMA) and accepted by the FAA on August 12, 2004, concluded that a new airport is the best long-term solution for aviation safety and for meeting the air transportation needs of the Wood River Valley and surrounding communities. The FMA agreed that new airport issues would be addressed in various future feasibility studies. Conclusions also indicated that interim improvements would need to be made to the current facility. Both safety and capacity improvements will continue to be made to FMA at the current site so that it may continue to function at the highest levels. AIP 32 thru AIP 04 are all projects developed to implement the 2004 Master Plan vision and to search for a new airport location to resolve aviation safety and air transport needs and to make interim improvements to FMA while the relocation is studied and implemented. On August 22, 2011, the FAA notified the Airport Authority that the Replacement Airport EIS was suspended indefinitely due to increased anticipated costs and potential impacts to wildlife. Specifically, the FAA was concerned that the replacement airport project may not be affordable for either the FAA or the local community. The FAA will now allow the Friedman Memorial Airport Board time to identify, in discussions with the community, what viable options should be further explored at the current site. They will also provide technical guidance to the Airport Authority and the community while the FAA and the Airport Authority respectively plan the next steps.

### Note 14. Related Party Transactions

The City of Hailey, Idaho is one of the entities that created the Authority by entering into a Joint Powers Agreement. The Authority contracts with the City of Hailey for certain security services and reimburses the City for the cost of these services. The Authority also pays the City of Hailey for sewer, water and garbage collection at the same rates as other customers. Other services may also be contracted for at comparable rates as others are charged. The amounts paid for these services is as follows:

	<u>2011</u>	<u>2010</u>
Security services	\$ 160,292	\$ 155,807
Utilities	8,316	8,138

The amount due to the City of Hailey at September 30, 2011, is \$27,553 and was paid within 30 days.

### Note 15. Prior Period Adjustment

During the current year, it was determined that prior year expenses were overstated by \$25 due to a check from the prior year being voided. To correct this error, the September 30, 2010 financial statements were restated to reflect an increase in cash and cash equivalents from \$5,483,021 to \$5,483,046; a decrease in expenses from \$3,602,826 to \$3,602,801; an increase in Change in Net Assets from \$781,585 to \$781,610 and an increase in Net assets from \$37,908,423 to \$37,908,448.

**SUPPLEMENTARY INFORMATION**

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN  
NET ASSETS - BUDGET AND ACTUAL  
For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u>	<u>Positive</u>
			<u>Basis</u>	<u>(Negative)</u>
<b>Operating Revenue:</b>				
Airlines	\$ 384,200	\$ 384,200	\$ 185,462	\$ (198,738)
Automobile rental	377,000	377,000	360,251	(16,749)
Auto parking	71,800	71,800	85,277	13,477
Rents, fees, commissions and leases	1,261,275	1,261,275	1,320,415	59,140
Fuel flowage fees	145,000	145,000	149,254	4,254
Other operating revenue	130,600	130,600	126,669	(3,931)
Total Operating Revenue	<u>2,369,875</u>	<u>2,369,875</u>	<u>2,227,328</u>	<u>(142,547)</u>
<b>Operating Expenses:</b>				
Employee wages, benefits and taxes	1,254,208	1,254,208	1,108,103	146,105
Supplies	125,000	125,000	106,147	18,853
Utilities	92,810	92,810	82,657	10,153
Services and contracts	403,100	403,100	371,704	31,396
Repairs and maintenance	133,000	133,000	92,055	40,945
Insurance	70,442	70,442	64,910	5,532
Other operating expense	84,200	84,200	69,739	14,461
Total Operating Expenses	<u>2,162,760</u>	<u>2,162,760</u>	<u>1,895,315</u>	<u>267,445</u>
Operating Income	<u>207,115</u>	<u>207,115</u>	<u>332,013</u>	<u>124,898</u>
<b>Nonoperating Revenue and (Expenses):</b>				
Passenger Facility Charges	-	-	213,339	213,339
Interest income	13,000	13,000	15,690	2,690
Contribution income	-	-	200,000	200,000
Total Nonoperating Revenue and (Expenses)	<u>13,000</u>	<u>13,000</u>	<u>429,029</u>	<u>416,029</u>
Capital Contributions	<u>4,418,500</u>	<u>4,418,500</u>	<u>2,421,229</u>	<u>(1,997,271)</u>
Capital Expenditures	<u>5,295,000</u>	<u>5,295,000</u>	<u>3,084,933</u>	<u>2,210,067</u>
Change in Net Assets	<u>\$ (656,385)</u>	<u>\$ (656,385)</u>	<u>\$ 97,338</u>	<u>\$ 753,723</u>

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**RECONCILIATION OF BUDGETARY BASIS TO GAAP  
For the Year Ended September 30, 2011**

	<u>Actual Budgetary Basis</u>	<u>GAAP Basis</u>	<u>Difference</u>	<u>Number of Explanation</u>
<b>Operating Revenue:</b>				
Airlines	\$ 185,462	\$ 185,462	\$ 0	
Automobile rental	360,251	360,251	0	
Auto parking	85,277	85,277	0	
Rents, fees, commissions and leases	1,320,415	1,320,415	0	
Fuel flowage fees	149,254	149,254	0	
Other operating revenue	126,669	126,669	0	
Total Operating Revenue	<u>2,227,328</u>	<u>2,227,328</u>	<u>-</u>	
<b>Operating Expenses:</b>				
Employee wages, benefits and taxes	1,108,103	1,128,519	20,416	1
Supplies	106,147	106,147	0	
Utilities	82,657	82,657	0	
Services and contracts	371,704	371,704	0	
Repairs and maintenance	92,055	92,055	0	
Insurance	64,910	64,910	0	
Other operating expense	69,739	69,739	0	
Depreciation	-	1,785,297	1,785,297	2
Total Operating Expenses	<u>1,895,315</u>	<u>3,701,028</u>	<u>1,805,713</u>	
Operating Income	<u>332,013</u>	<u>(1,473,700)</u>	<u>(1,805,713)</u>	
<b>Nonoperating Revenue and (Expenses):</b>				
Passenger Facility Charges	213,339	196,755	(16,584)	3, 4
Interest income	15,690	15,420	(270)	4
Contribution income	200,000	200,000	-	
Total Nonoperating Revenue and (Expenses)	<u>429,029</u>	<u>412,175</u>	<u>(16,854)</u>	
<b>Capital Contributions</b>	<u>2,421,229</u>	<u>2,421,229</u>	<u>-</u>	
<b>Capital Expenditures</b>	<u>3,084,933</u>	<u>-</u>	<u>3,084,933</u>	5
<b>Change in Net Assets</b>	<u>\$ 97,338</u>	<u>\$ 1,359,704</u>	<u>\$ 1,262,366</u>	

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a noncash item and therefore not budgeted.
3. Passenger facility charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs is budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are reported as an asset instead of as an expense for GAAP.



**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**OMB CIRCULAR A-133  
SUPPLEMENTARY FINANCIAL REPORT**

**September 30, 2011**

**OMB CIRCULAR A-133  
SUPPLEMENTARY FINANCIAL REPORT**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

We have audited the financial statements of Friedman Memorial Airport Authority as of and for the year ended September 30, 2011, and have issued our report thereon dated January 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Friedman Memorial Airport Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance**

As part of obtaining reasonable assurance about whether Friedman Memorial Airport Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than those specified parties.

Simmons and Clubb  
Certified Public Accountants

January 5, 2012

DRAFT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A  
DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

Compliance

We have audited the compliance of Friedman Memorial Airport Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2011. Friedman Memorial Airport Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Friedman Memorial Airport Authority's management. Our responsibility is to express an opinion on Friedman Memorial Airport Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Friedman Memorial Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Friedman Memorial Airport Authority's compliance with those requirements.

In our opinion, Friedman Memorial Airport Authority complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2011.

Internal Control Over Compliance

Management of Friedman Memorial Airport Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Friedman Memorial Airport Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal controls over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than those specified parties.

Simmons and Clubb  
Certified Public Accountants

January 5, 2012

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2011**

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation</u> Airport Improvement Program	20.106	<u>\$ 2,401,229</u>
Total Federal Financial Assistance		<u>\$ 2,401,229</u>

The accompanying notes are an integral part of this schedule

**FRIEDMAN MEMORIAL AIRPORT**

**Note to Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended September 30, 2011**

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Friedman Memorial Airport Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

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**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2011**

Summary of Auditor's Results

**Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes       X       No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       No
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes       X       No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ Yes       X       No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       None

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ Yes       X       No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.106	U.S. Department of Transportation Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?       X       Yes \_\_\_\_\_ No

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended September 30, 2011**

Findings Relating to the Financial Statements

There were no findings relating to the financial statements which were required to be reported in accordance with GAGAS.

Findings and Questioned Cost for Federal Awards

There were no findings and questioned cost for Federal award which we are required to report under § \_\_.510(a) of OMB Circular A-133.

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**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended September 30, 2011**

There are no audit findings of Friedman Memorial Airport Authority which were reported for the year ended September 30, 2010.

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**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**PASSENGER FACILITY CHARGE**

**September 30, 2011**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

We have audited the financial statements of Friedman Memorial Airport Authority as of and for the year ended September 30, 2011, and have issued our report thereon dated January 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Friedman Memorial Airport Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance**

As part of obtaining reasonable assurance about whether Friedman Memorial Airport Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than those specified parties.

Simmons and Clubb  
Certified Public Accountants

January 5, 2012

DRAFT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON THE PASSENGER FACILITY CHARGE PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE**

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

**Compliance**

We have audited the compliance of Friedman Memorial Airport Authority with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on its passenger facility charge program for the year ended September 30, 2011. Compliance with the requirements of laws and regulations applicable to its passenger facility charge program is the responsibility of Friedman Memorial Airport Authority's management. Our responsibility is to express an opinion on Friedman Memorial Airport Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about Friedman Memorial Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides reasonable basis for our opinion. Our audit does not provide a legal determination of Friedman Memorial Airport Authority's compliance with those requirements.

In our opinion, Friedman Memorial Airport Authority complied, in all material respects, with the requirements referred to above that are applicable to its passenger facility charge program for the year ended September 30, 2011.

**Internal Control Over Compliance**

Management of Friedman Memorial Airport Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations applicable to the passenger facility charge program. In planning and performing our audit, we considered Friedman Memorial Airport Authority's internal control over compliance with requirements that could have a direct and material effect on the passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with the Guide. Accordingly, we do not express an opinion on the effectiveness of the Organizations internal control over compliance.



A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal controls over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined above.

#### Schedule of Expenditures of Passenger Facility Charges

We have audited the financial statements of Friedman Memorial Airport Authority as of and for the year ended September 30, 2011, and have issued our report thereon dated January 5, 2012. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as specified in the Guide and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than those specified parties.

Simmons and Clubb  
Certified Public Accountants

January 5, 2012

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED AND EXPENDED – CASH BASIS  
For the Year Ended September 30, 2011**

<u>Description</u>	<u>Application Number</u>	<u>Total Grant Award</u>	<u>Accrued (Deferred) PFC Revenue 9/30/10</u>	<u>Cash Received 10/1/10 thru 9/30/11</u>	<u>Cash Transferred Between PFC's</u>	<u>Expenditures</u>	<u>Accrued (Deferred) PFC Revenue 9/30/11</u>
<u>U.S. Department of Transportation</u>							
Passenger Facility Charge	07-06-C-00-SUN	\$ 763,226	\$ 17,823	\$ 89,683	\$ (71,860)	\$ 0	\$ 0
Passenger Facility Charge	11-07-C-00-SUN	<u>505,918</u>	<u>0</u>	<u>123,926</u>	<u>71,860</u>	<u>178,932</u>	<u>(16,854)</u>
Total		<u>\$ 1,269,144</u>	<u>\$ 17,823</u>	<u>\$ 213,609</u>	<u>\$ 0</u>	<u>\$ 178,982</u>	<u>\$ (16,854)</u>

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The accompanying notes are an integral part of this schedule.

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**Notes to Schedule of Passenger Facility Charges Collected and Expended  
For the Fiscal Year Ended September 30, 2011**

**Note 1. Basis of Presentation**

The accompanying schedule of passenger facility charges collected and expended is presented on the cash basis of accounting. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the financial statements.

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**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**PASSENGER FACILITY CHARGES SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended September 30, 2011**

Findings Relating to Passenger Facility Charges

There are no audit findings for the year ended September 30, 2011.

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**PASSENGER FACILITY CHARGES SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended September 30, 2011**

**Prior Year Findings to Passenger Facility Charges**

There are no audit findings for the year ended September 30, 2010.

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## **ATTACHMENT #2**

Sun Valley Capital for a Day: Governor Butch Otter and Agency Directors, Sun Valley's 75<sup>th</sup> Anniversary

Wednesday, December 21, 2011, 9:00 am to 3:00 pm, Sun Valley Inn, Limelight Room B

8:45 75<sup>th</sup> Anniversary pictures

9:00 Opening: Flag Ceremony, Service Unit 21 of the Silver Sage Council; pledge, anthem solo sung by Erica Lynn accompanied by her father, Bob Lynn

Introductions of agency department heads by Governor Otter; recognition of Reps Pence, Jaquet; Senator Stennett

Welcome: Sun Valley Mayor Wayne Willich with Mayors Randy Hall, Ketchum; Rick Davis, Hailey; Chris Koch, Bellevue; Randy Patterson, Carey, County Commission Chair Angenie McCleary 9:15 – 9:30

Welcome from Sun Valley Resort, Tim Silva, General Manager

Presentation of Sun Valley's 75<sup>th</sup> Anniversary book, "The Sun Valley Story", signed for Governor: Van Gordon Sauter, author

Agenda for morning presenters

9:45 Update on airport: Friedman Airport Authority, Fly Sun Valley, and County

Commissioners: Commissioner Bowman, Airport Manager Rick Baird, Fly Sun Valley Chair Eric Seder and Administrator Carol Waller

10:15 Economic Impact of airport, Sustain Blaine Presentation, Harry Griffith

10:30 Break

10:45 Sun Valley Marketing Alliance, Arlene Schieven, Director and Greg Randolph, Chamber Manager

10:50 Other economic development: Ketchum Community Development Corporation, Jon Duval; Urban Renewal Agency, Mark Eshman and Gary Marks; Blaine County Recreation, Jim Keating; Blaine County Housing Authority and ARCH, David Patrie and Michelle Griffith; Wood River Arts Alliance, Denise Simone; Hailey City economic development Efforts, Mayor Davis; Mountain Rides, Jason Miller

11:10 Blaine County Commission Chair Angenie McCleary regarding county concern

11:30 Blaine County Schools, Steve Guthrie, Chair and College of Southern Idaho, President Jerry Beck

12:00 Idaho Potato Buffet hosted by Sun Valley Resort and City of Sun Valley, \$10 donation

12:15 Entertainment provided by Blaine County Schools: Colla Voce Women's Vocal Ensemble led by Max Stimac; student dance group

1:00 Capital for A Day resumes; 3:00 Capital for A Day ends

**Instructions for Mountain Rides to Knob Hill Inn:**

**Bus departs at 3:40 p.m. from Lodge bus departure point, arrives at Knob Hill stop at 3:50**

**Ribbon cutting at 3:30 approximatley, dress warmly**

**Tentative: Stop and visit with Lizzy's Coffee, a winner of American Express\Google, My Business Story Contest**

# FRIEDMAN MEMORIAL AIRPORT HISTORY AND STATUS

Capital For A Day  
Sun Valley Resort  
December 21, 2011



# BACKGROUND

- May 14, 1932 – Airport dedicated
- August 1, 1960 – First West Coast Airlines scheduled passenger service
- July 1966 – 50' wide runway paved
- 1994 – Completed an Airport Master Plan that established a policy:

“...as pressure for use reaches the physical limits of the facility, we need to look for alternatives away from the valley cities rather than expansion at the existing site.”

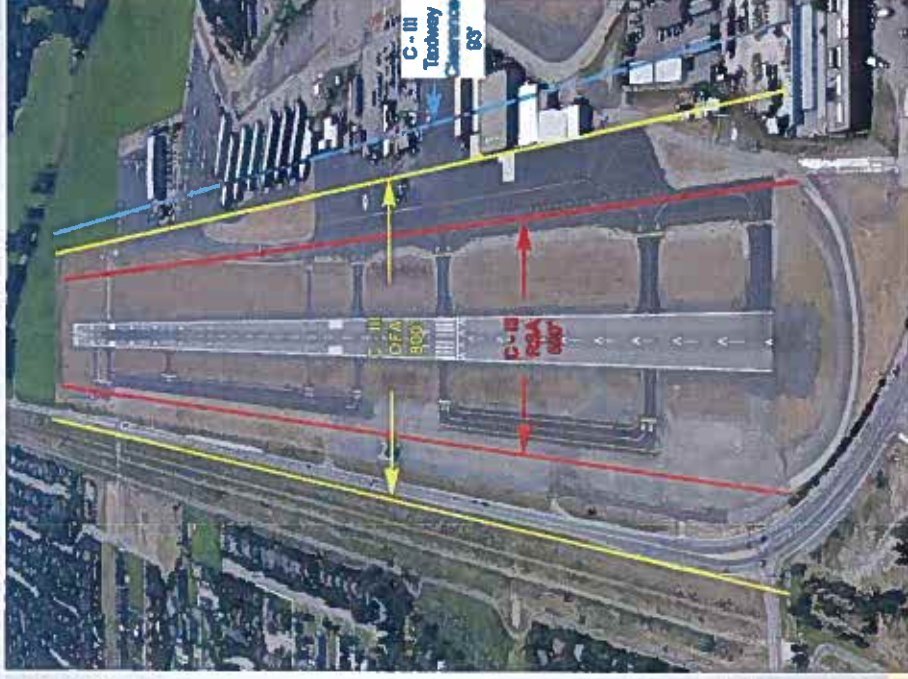
- Preamble, 1994 Master Plan Update

# BACKGROUND

- 2001 – Horizon Air began operating Q400s at FMA
  - Larger and faster than previous passenger aircraft
  - Initiated a new planning study
- 2004 – new Airport Master Plan completed
  - Initiated a new airport site selection process
  - Continued to make interim safety improvements at the existing airport site



# THE PROBLEM

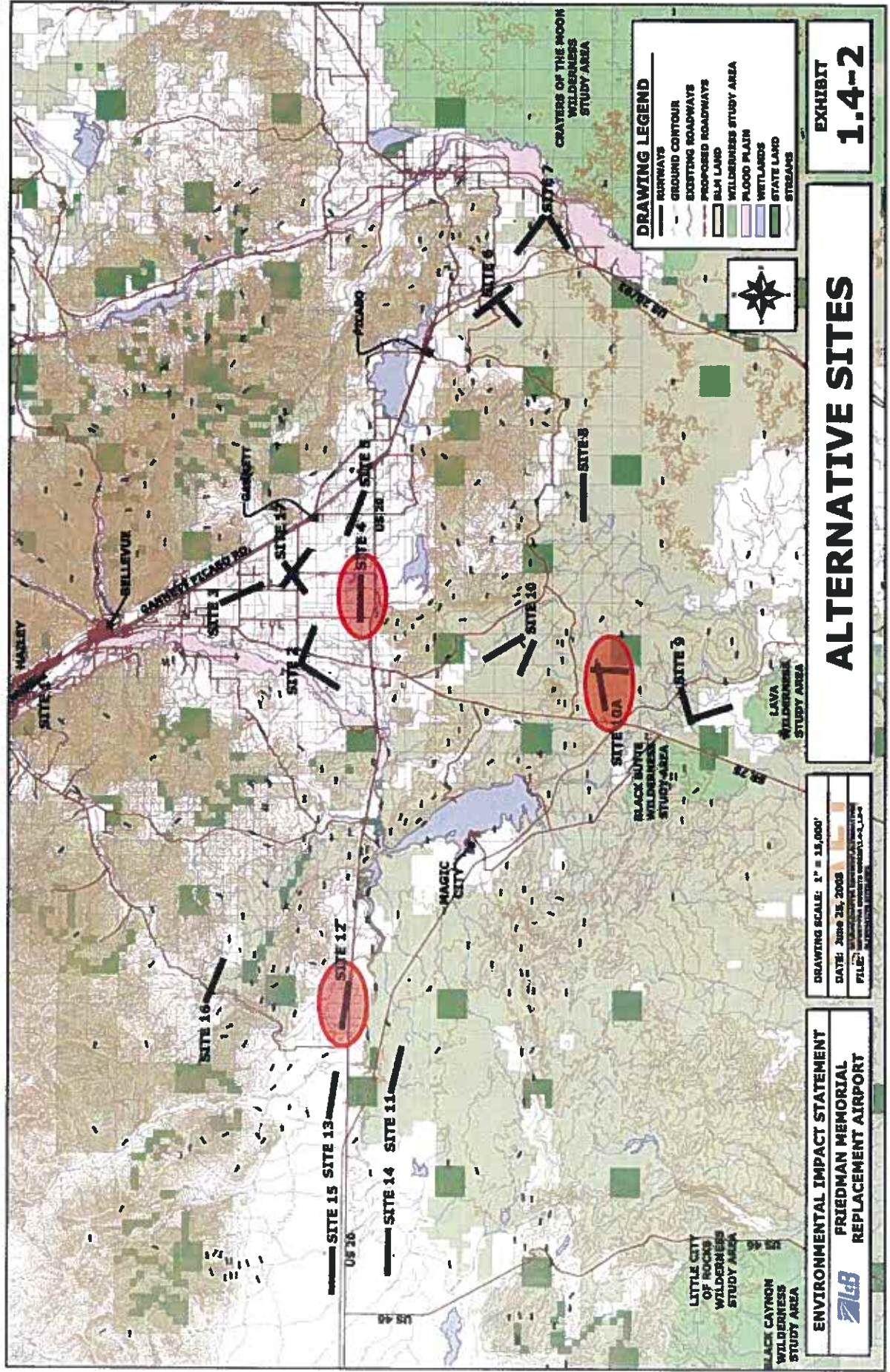


# BACKGROUND

- 2006 – Site Selection and Feasibility Study
  - Evaluated 16 sites
  - Selected a preferred alternative
- 2008 – FAA Initiated EIS for new airport
  - Evaluated 17 sites
- August 21, 2011 – FAA suspended EIS
  - Environmental concerns (Sage Grouse)
  - Costs (\$300M+)



# BACKGROUND





# CURRENT STATUS

- Policy states “...look for alternatives...”
  - FMAA and FAA have been doing that for 7+ years
- At this time, “...alternatives away from the valley...” presents substantial environmental and financial hurdles
- Exploration of interim measures is underway
  - This discussion includes public input
  - No decisions or conclusions at this time
  - Gathering information

# POSSIBLE DIRECTIONS

1. Do nothing
  - Difficult, due to changing airline industry and grant obligations
2. Expand at existing site
  - Expensive
  - Contrary to 17 years of policy direction
3. Continue toward relocating
  - A practical site and funding necessary
  - May require interim improvements at the existing site, including property adjustments

# WHY IS AIR SERVICE CRITICAL?

- Valley economy
  - Conservative Estimate of Commercial Service Visitor Expenditures: \$52.3 million
  - Commercial Service Visitor-Related Employment: 726 year-round jobs
  - Total Visitor Tax Impact: \$8.7 million/year

- *Idaho Division of Aeronautics  
2008 Airport System Plan  
developed by Wilbur Smith Associates*



# WHAT IS THE AIRPORT'S ECONOMIC IMPACT?

- Airport provides 1,550 jobs
- Total economic impact of \$143 – 374 million
- Friedman has the second-biggest economic impact of Idaho's commercial service airports, after Boise
- Per capita, the airport has the largest impact on the local economy

- *SustainBlaine Air Service Business Forum, November 30, 2011,  
Idaho Mountain Express, December 2, 2011  
The Times News (Twin Falls), December 2, 2011*

# SUMMARY

- Friedman Memorial Airport is critical piece of the Wood River Valley economy.
- Our efforts to relocate the airport have stalled.
- Our community is working to determine a path forward.

# CONCLUSION

- How can the governor's office help?
  - As you go about your daily duties, keep in mind how important commercial service is to the entire State of Idaho
- Questions/Comments?

## THANK YOU!



# Idaho Capital for A Day in Sun Valley

December 21, 2011

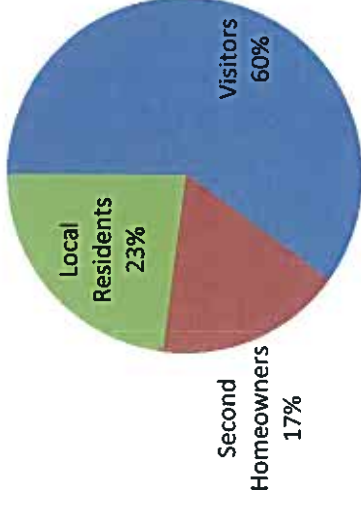


**MISSION: Improving Air Access to Sun Valley**

**Presented by: Carol Waller, Director**

# Economic Impact of SUN Commercial Air Travelers

## 2011/11 SUN Commercial Air Travelers

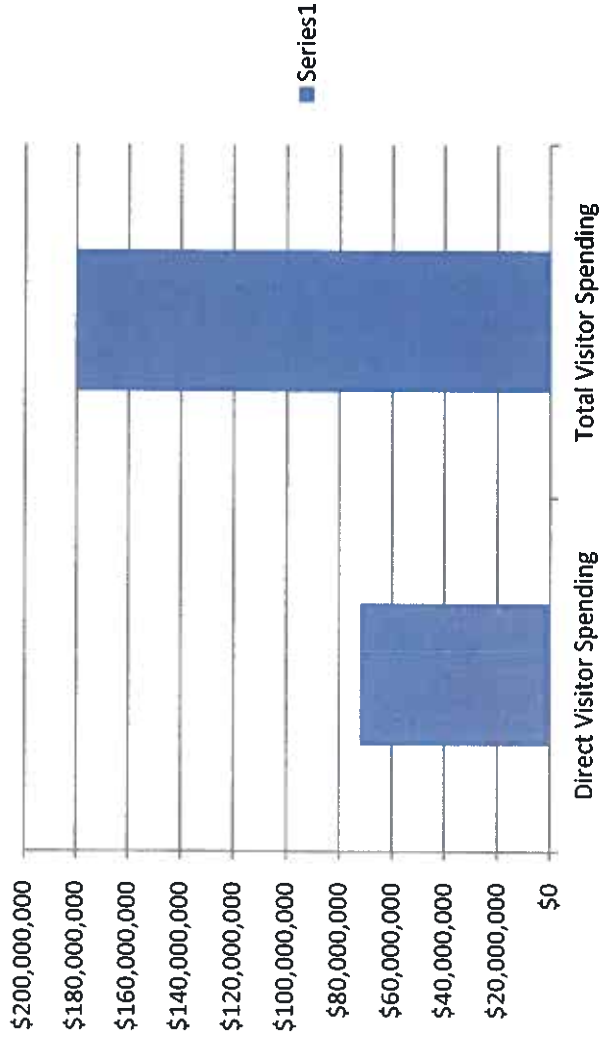


### **Visitor commercial air service travelers (includes second homeowner visitors)**

- ❖ Over 55% from the West Coast; 30% CA; 18% WA. (Los Angeles & Seattle largest markets)
- ❖ Average age is 48; average HHI: \$150,000+
- ❖ Average travel party size is 1.9. Only 16% of parties were families
- ❖ 71% said availability of flights to SUN was important in their decision to visit

# Economic Impact of SUN Commercial Air Travelers

- **2010 Total Enplanements: 54,319** SkyWest/Delta (70%) Alaska Airlines (30%)
- **2010 Visitor Enplanements: 41,871** (77% of total)



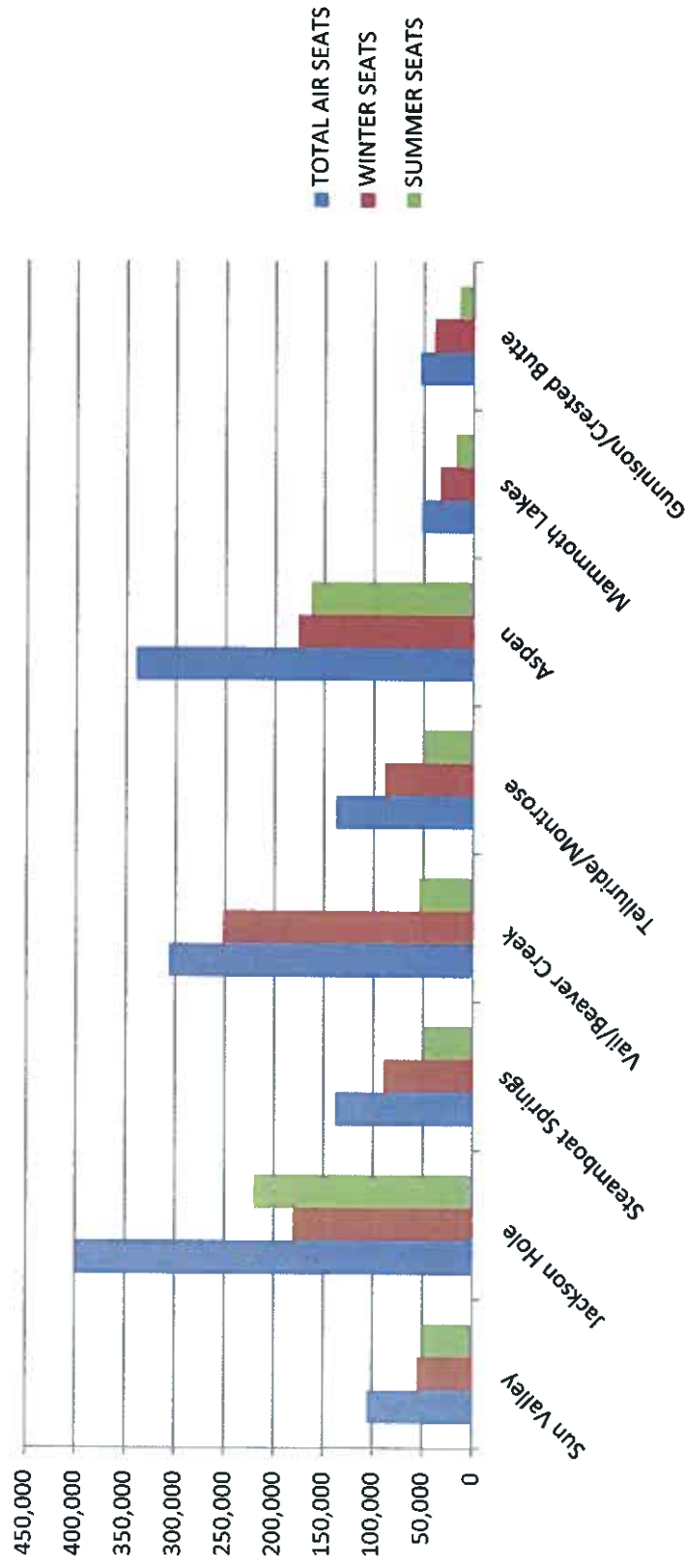
**EACH VISITOR AVG SPEND DURING A VISIT TO SUN VALLEY: \$1720**

**TOTAL DIRECT SPEND IN 2010 BY VISITOR SUN AIR TRAVELERS: \$72 MILLION**

**TOTAL ECONOMIC IMPACT OF VISITOR AIR TRAVELERS: \$180 MILLION**

# Air Service Competitive Set Comparisons

## Seats by Season – NonStop Cities – Airlines Served



### DESTINATION

Sun Valley

Jackson Hole

Steamboat Springs

Vail/Beaver Creek

Telluride/Montrose

Aspen

Mammoth Lakes

Gunnison/Crested Butte

### NON STOP CITIES

Los Angeles, Seattle, Salt Lake City

Dallas, Chicago, Atlanta, Denver, LA, Salt Lake City

Dallas, Chicago, Houston, Atlanta, Newark, Denver, SLC

Dallas, Chicago, Houston, Atlanta, Denver, Newark

Mpls, New York, Miami, LA, Cincinnati

Dallas, Chicago, Houston, Atlanta, Newark, Denver,

Los Angeles, Phoenix

Dallas, Houston, Chicago, LA, San Francisco, Denver

Los Angeles, San Jose, San Francisco

Dallas, Houston, Denver

### AIRLINES SERVED

SkyWest, Alaska/Horizon

American, United, Delta, Frontier, UALExp, SkyW

American, Delta, SkyW, United, UALExp, Frontier

American, Delta, United

American, Delta, United, Great Lakes

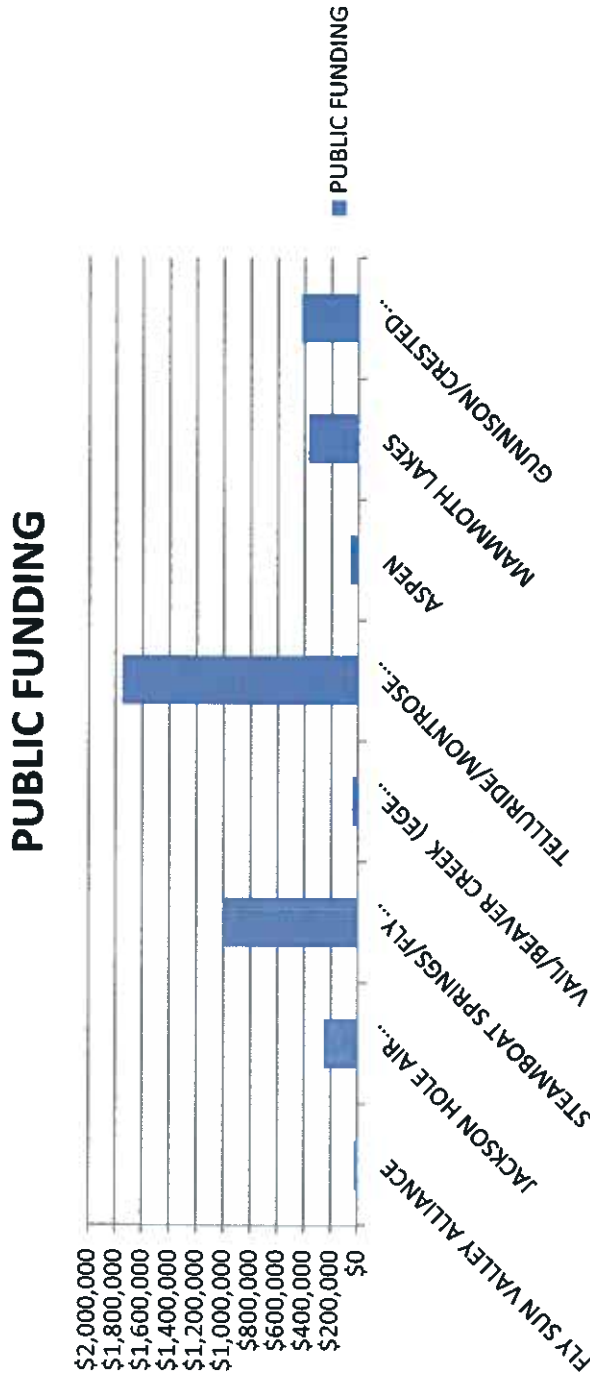
United, Frontier

Alaska/Horizon, United

American, United, United Express

# Air Service Competitive Set Comparisons

## Public Funding for Air Service Support Programs



- Most destinations secure seasonal air service through MRGs; contracts run \$1M - \$3.5M annually. **Non-stop air service drives business, especially tourism.**
- Managed by non-profit air service org with public & private sector funding.
- Most programs in place 10-25+ years





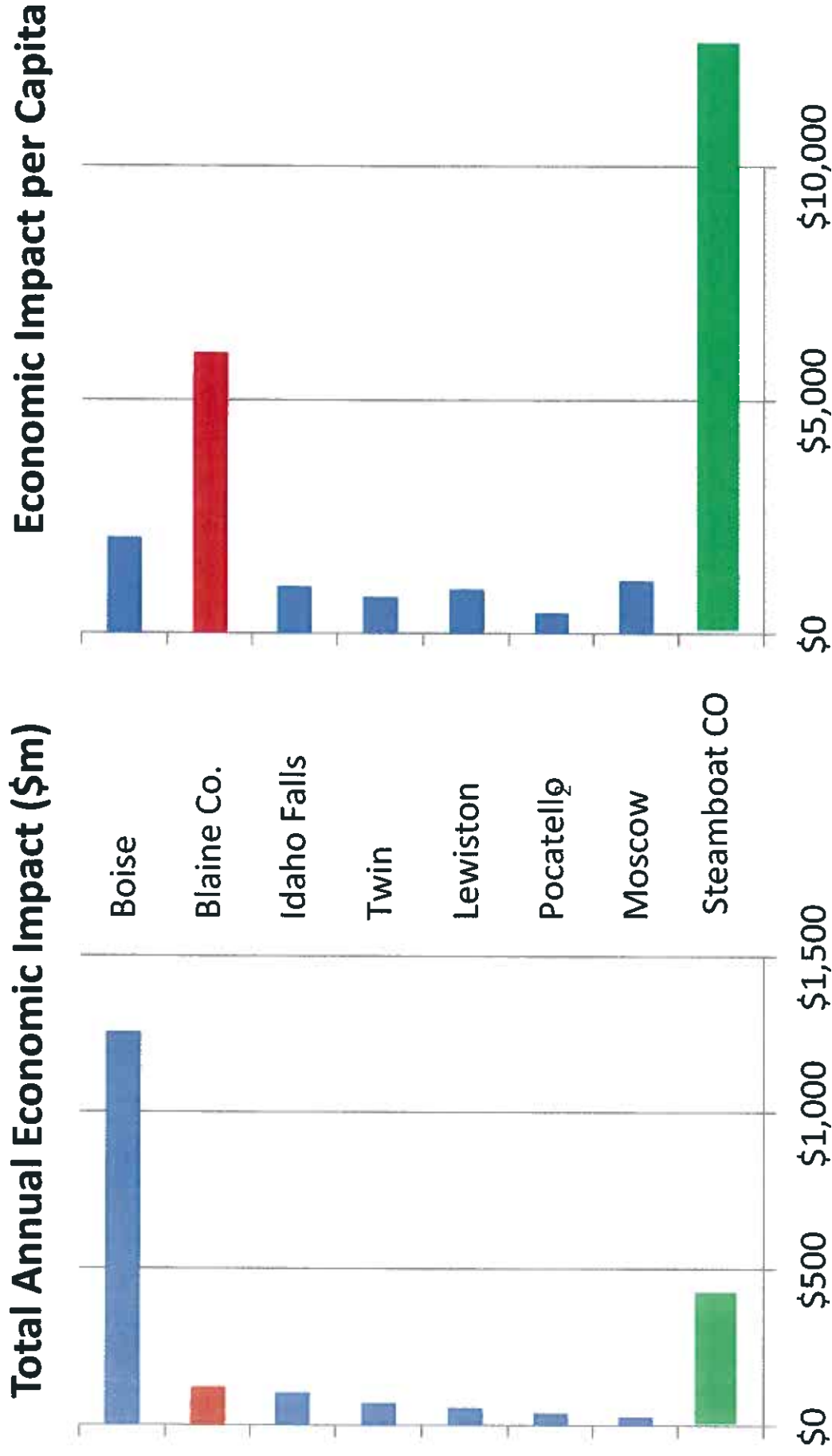
# Sun Valley “Capital for a Day”

*SustainBlaine*

**Harry Griffith, Executive Director**

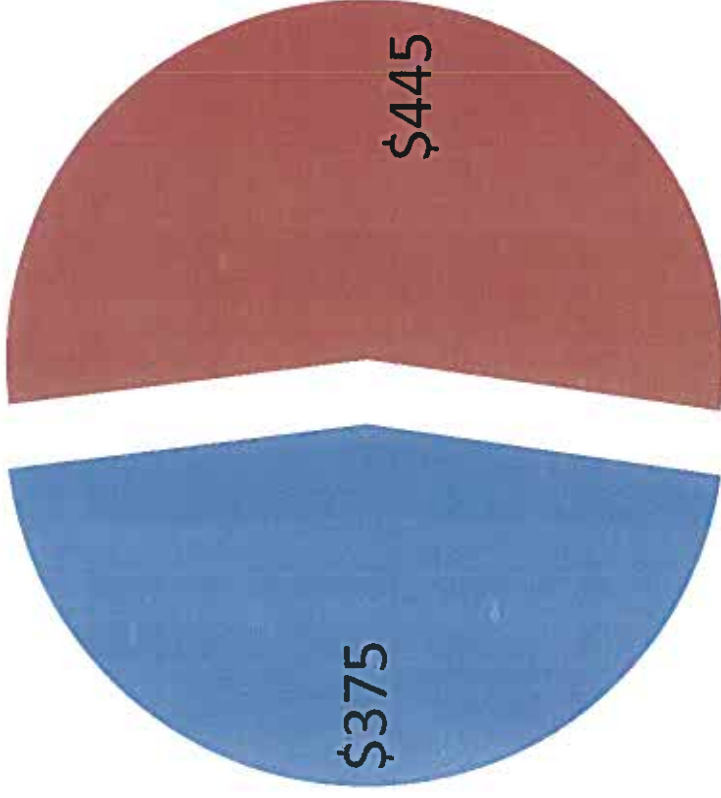
December 21, 2011

# Air Services Project - Idaho's #2 Commercial Airport



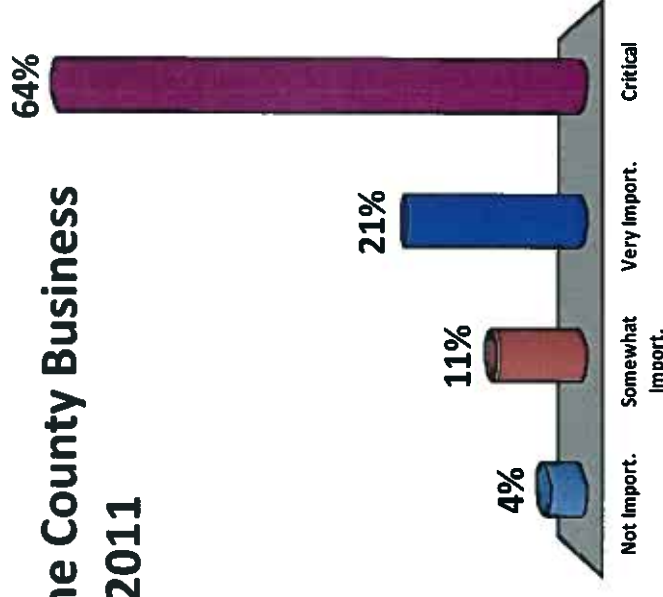
# Air Services Project – Significant Economic Impact

Blaine County 2010 GDP (\$m)



■ Heavily Air Services Dependent ■ Other

Blaine County Business Poll 2011



- 45% of current \$820 m GDP
- 4,000+ direct & indirect jobs (Blaine Co. total 11,000)
- Critical or Very Important to 85% of local businesses

# Other Key Projects – Implications for Idaho

Project	Nordic Olympic & Paralympic Training Site	Culinary Institute
Objective	Certification Contract with U.S. Olympic Committee	New educational facility and programs
Current Status	USOC Site Visit end-Jan	Business plan preparation
Potential	+ 30 new direct jobs	+10 new direct jobs
Economic Impact	+ \$30m in new GDP	+\$10m in new GDP
Benefits for Idaho	<ul style="list-style-type: none"> <li>• New athletes, events &amp; tourists</li> <li>• Linkage with other regional recreational offerings</li> <li>• International recognition</li> </ul>	<ul style="list-style-type: none"> <li>• Unique culinary tourism destination</li> <li>• Linkage with agricultural &amp; food service industries</li> <li>• National food culture market entry</li> </ul>



# AGENDA

ATTACHMENT #6

## FRIEDMAN MEMORIAL AIRPORT (SUN) RELIABILITY IMPROVEMENTS



### HORIZON AIR, SEATTLE, WASHINGTON

DECEMBER 22, 2011

#### 1. INTRODUCTIONS

- Rick Baird, Airport Manager
- Dave Mitchell, T-O Engineers, Inc.
- Tony Tezla, Mead and Hunt, Inc.
- Horizon Participants

#### 2. PURPOSE AND GOAL – To discuss the potential for improvements to minimums at the existing SUN airport location.

#### 3. AIRPORT UPDATE

- Replacement airport EIS is suspended.
- FMAA is evaluating all options, including the existing site.
- Improvements to reliability are a key consideration.

#### 4. QUESTIONS

- Horizon policy/procedures relative to use of existing RNP approach:
  - Missed-approach climb gradient: 350 FT/NM, max.?
  - Secondary navigation system to GPS = inertial?
  - What can be done to make RNP a better option (either existing or a different approach), if anything?
- Airport-specific improvements that might reduce cancellations due to forecast weather and weather-related diversions
  - Ground based nav aids, dual-localizer/DME? (front and back)
  - Weather reporting improvements (dealing with prevailing visibility)?
  - Airport lighting improvements (ALS)?
  - RVR?
  - What would radar do?
- Thoughts on reducing instrument approach minimums
  - How would lower approach minimums impact airline operating and business decisions?
  - What are the targets?
  - What work has your airline done here?
- Runway Length Opinions
  - Fleet outlook: any discussion of changes to your fleet that serves SUN?
  - Implications of runway length of 7,500 feet?

#### 5. GENERAL DISCUSSION

## Horizon Air Reliability Discussion

### Summary

#### Sea-Tac Airport/T-O Boise

**December 22, 2011**

Representatives from the airport and consultant team met with Horizon Air via conference call and in person to discuss possible improvements to reliability at Friedman Memorial Airport (SUN), from Horizon's perspective. The following individuals attended the meeting:

- Rick Baird, FMAA Manager (at T-O's office in Boise)
- Dave Mitchell, T-O Engineers (at T-O's office in Boise)
- Tony Tezla, Mead & Hunt (at Sea-Tac)
- Perry Solmonson, Horizon Air (at Sea-Tac)

#### ***Key Discussion Points:***

- ❖ Rick gave a brief update on the status of the EIS process for the replacement airport.
- ❖ Horizon's policies on approaches and back-up navigation systems:
  - RNP approaches are unique and have unique requirements to consider the approach in normal, non-normal and rare-normal conditions. (Other types of approaches generally assume that the aircraft is operating in normal conditions.)
  - For RNP, the approach analysis assumes that at the missed approach point, the aircraft simultaneously loses one engine and its primary navigation (GPS). The missed approach must be written in a way that the aircraft can follow it safely in that situation.
  - Horizon operates with the following navigation systems:
    - Primary: Wide Area Augmentation System (WAAS) – a navigation system that uses GPS augmented with ground-based stations.
    - Back-Up: Inertial – a stand-alone system in the aircraft that uses accelerometers and gyroscopes to navigate. Without the WAAS system active, the accuracy of this navigation method decays over time. Within 5-10 minutes, it no longer will provide the accuracy necessary to fly within the RNP criteria for an approach at SUN.
  - Horizon will not consider a climb gradient steeper than the single-engine climb gradient of their aircraft.
- ❖ In considering an RNP approach at SUN, Horizon has used the following performance characteristics for the Q400:
  - Climb gradient of 350 ft/nautical mile (single-engine performance).

- 60,000 lbs maximum landing weight (maximum for the Q400 = approximately 62,000 lbs).
- No lower temperature limit for the approach. The FAA's RNP-Y approach at SUN has a lower limit of -25°C (-13°F), but Horizon's flight management systems account for temperature while navigating.
- An upper limit of 10°C (50°F). RNP-Y limits to 37°C (99°F), but at temperatures above 50°F, the climbing performance of the Q400 begins to suffer, which limits the missed approach.
- ❖ The merits of the following alternatives relative to cancellations were discussed:
  - Ground-based NAVAIDs: They do not see a significant advantage to their operations by installing ground-based NAVAIDs. The primary concern is the missed approach, unless the approach is from the north, in which case ground-based NAVAIDs could help.
  - Weather Reporting: The main problem from a weather standpoint in their opinion is the use of prevailing visibility for weather reporting. The installation of transmissometers (Runway Visual Range) could help, though these devices are limited to approximately 6,000 feet and the minimums at SUN are 3 miles for visibility.
  - Approach Lighting: Some advantage, but no specific benefit was discussed.
  - Radar: Multi-lateration would be much more helpful than radar.
- ❖ They are not comfortable with the RNP-Y approach, due to the long missed approach and the fact that the missed approach requires many turns within a dangerous mountain environment.
- ❖ GE has analyzed an alternative approach that modifies the missed approach from RNP-Y to alleviate these problems.
  - GE's analysis shows that this approach can get to minima of approximately 800'/2.25 miles. Note: this is based on some assumptions and significant survey and further analysis will be necessary to validate those assumptions. This survey and analysis will require funding, and Horizon is not willing to fund this effort, at this time.
  - Based on Horizon's analysis of five years of weather data, this would reduce cancellations/diversions by 15 flights per year. Currently, Horizon operates approximately 730 flights per year to SUN.
  - Minima of 1,000'/3.0 may be more likely, after GE completes the full analysis and reviews with FAA. At these minima, Horizon would reduce cancellations by 10+ flights per year.
- ❖ If minima could be lowered to 300'/1.0, reliability for Horizon would go to 99%. This is not possible under current criteria to Runway 31.
- ❖ It is possible to greatly improve minima if an approach to Runway 13 is considered, due to the much cleaner missed approach. This would require an environmental process, however.

- ❖ Whatever RNP-based solution is found, it is important that it not require site-specific training, as this will require a significant investment by the airlines, which they likely would not spend for a limited market like SUN. To avoid this, the approach must be written to closely follow FAA criteria (no waivers, etc.).
- ❖ In Perry's opinion, RNP is an excellent solution for SUN.

DRAFT



## **GE Study Identifies Potential Navigation Improvements for Sun Valley Airport**

**Seattle – October 28, 2011** A GE study of airspace around Sun Valley Airport has identified significant improvements in airport access that could be achieved during periods of inclement weather with the deployment of new, advanced instrument approach procedures. The study found that new procedures, using Required Navigation Performance (RNP) technology, would allow Bombardier Q400 passenger turboprops, like the ones operated by Horizon Air, to operate at Sun Valley on days of low ceiling and visibility that currently force diversions and cancellations.

In addition to lowering decision heights and visibility requirements for commercial carriers, new RNP procedures could also provide benefits to general aviation and business aircraft operators at Sun Valley, depending on aircraft type, crew training and performance capabilities.

Based on study findings, the deployment of new optimized RNP approach paths would allow Q400 Turboprops to land at Sun Valley on days during the year when weather conditions currently prevent them from operating. Unlike other possible alternatives for improving access at Sun Valley airport, the deployment of advanced RNP procedures would require no additional ground infrastructure, either on or off the airport property.

“The beauty of RNP is that it relies on performance characteristics of the aircraft itself, incorporating GPS, advanced instrumentation and computer-based navigation capabilities, to define a very precise trajectory,” said GE Aviation Technical Fellow Steve Fulton. “The technology frees the aircraft from the constraints of ground-based radio-navigation infrastructure,” Fulton said. “That means we can continuously improve the procedures without the need to add additional ground-based equipment.”

After the RNP procedures are deployed, over time, they could be optimized to further lower decision heights, reduce visibility requirements, and allow RNP operations by multiple aircraft types.

GE Aviation’s study was conducted in cooperation with Horizon Air and general aviation operators, and was underwritten by airport users who value reliable air service into the Wood River Valley.

GE Aviation develops and implements technologies that provide significant economic and environmental benefits to airlines, airports and the communities they serve. GE Aviation’s PBN Services unit is a world leader in the design and deployment of PBN and is working with aircraft operators and air traffic management providers in China, South and Central America, the United States, Australia, New Zealand, Canada and Europe to implement PBN solutions. Its RNP Services is an eomagination qualified product. Learn more about GE’s PBN Services at: [www.naverus.com](http://www.naverus.com) or [www.geaviation.com](http://www.geaviation.com)

###

**Contact:** Ken Shapero + 1 206-779-9064 (cell)

[ken.shapero@ge.com](mailto:ken.shapero@ge.com)

**Candice Pate  
Marketing & Communications**

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Mr. Rick Baird  
PO Box 929  
Hailey, ID 83333

December 22, 2011

Dear Rick,

This letter serves as our agreement to provide Strategic Communications & Marketing services to the Friedman Memorial Airport Authority, reporting to airport manager, Rick Baird.

1. Relationship of the parties

The parties agree that their relationship created under this agreement is that of an independent contractor only. Candice Pate is not to be considered as an agent or employee of FMAA for any purpose and FMAA is interested only in the results obtained; the manner means of performing services are subject to Candice Pate's self control. Candice Pate shall be responsible for all local, state and federal taxes and employment reporting.

2. Scope of work

In general, Candice Pate will work with the Airport Manager and the FMAA to define their communications needs, working concurrently on a long-term communications plan and on short-term communications efforts. The proposal for this work is attached as exhibit A.

3. Period Covered

This agreement commences on Jan. 3, 2012 and extends until either party, with 30 days written notice, serves notice that it intends to modify or terminate the consulting relationship.

4. Compensation

For the first 50 hours of work, as Candice Pate immerses herself in the project and effectively gets up to speed, the FMAA agrees to pay Candice Pate half of her usual \$75 per hour rate (\$37.50). Once the 50 hour threshold has been met, the full \$75/rate will take effect.

Candice Pate will bill the authority for expenses at the close of each month, tracking hours through a monthly timesheet with billable hours attributable to specific agreed upon projects/tasks. Expenses incurred for travel, entertainment, materials and services in pursuit of the scope of work will be documented and billed monthly.

#### 5. Billing Procedure and Terms

Candice Pate will provide the Authority with an invoice, typically about the 5<sup>th</sup> day, following each month in which it provides services. The FMAA agrees to pay in 15 days or less from the invoice date, or pay 1% per month interest on unpaid balances of more than 30 days.

#### 6. Conflicts of interest

Candice Pate declares she has no conflict of interest between the work she performs for existing clients and the work contemplated by this Agreement. Candice Pate agrees it will consult with the FMAA before accepting any future work that could pose a potential conflict of interest with the interests of the FMAA covered in this Agreement.

#### 7. Accuracy and Indemnification

The FMAA agrees to indemnify, defend or hold harmless Candice Pate from and against any and all losses, claims, suits, damages, expenses or liabilities that are asserted against Candice Pate based upon information, representations, reports, or data furnished by the FMAA to the extent that such materials are furnished or reviewed by the FMAA for use by Candice Pate.

#### 8. Confidentiality

Candice Pate will maintain strict confidentiality concerning information on presentations, reports or data supplied by the FMAA for use by Candice Pate in the performance of her responsibilities under this Agreement. No information will be released by Candice Pate to any person, except under compulsory process, without express prior approval of the FMAA.

#### 9. General Provisions

Each of Candice Pate and the FMAA hereby represent and warrant to the other that they have the power and authority to execute and deliver on this Agreement.

This Agreement will apply to, be binding in all respects on, and inure to the benefit of successors and permitted assigns of each of Candice Pate and the FMAA.

The prevailing party in any action or proceeding relating to this agreement shall be entitled to recover from the non-prevailing parties, reasonable attorney's fees and other costs incurred with or without trial, in bankruptcy or on appeal, in addition to any other relief to which such prevailing party may be entitled.

This Agreement may be executed in one or more counterparts, each of which shall be deemed the original, but all of which together by be delivered via facsimile, with the intention that they shall have the same effect as an original executed counterpart hereof.

Agreed to terms and conditions:

-----  
Candice Pate

-----  
Date

-----  
The Friedman Memorial Airport Authority

-----  
Date

## Exhibit A Scope of Work

Undertake actions necessary to quickly get up to speed on basic history and current state of the union regarding the FMAA and the issues surrounding air service and the Wood River Valley. These actions include:

- Reviewing documentation such as FMAA related websites, newspaper articles
- Attendance at FMAA Board Meetings, relevant City Council and/or County Commissioner meetings, meetings with Consultants, relevant local organizations (FSVA, Sustain Blaine)
- Meetings with other key stakeholders/influencers

Utilize learnings to concurrently execute on two primary things:

- Short term "low hanging fruit" opportunities to facilitate or improve communication
- Development of a longer term communications strategy, including recommendations on a job description for roles relating to such strategy

**MINUTES OF A REGULAR MEETING  
OF THE ATTACHMENT #10  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**December 6, 2011  
5:30 P.M.**

**IN ATTENDANCE:**

**BOARD MEMBERS:** Chairman – Tom Bowman, Vice-Chairman – Martha Burke, Secretary – Susan McBryant, Board – Lawrence Schoen, Don Keirn, Angenie McCleary, Ron Fairfax  
**FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer; Contracts/Finance Administrator – Lisa Emerick, Administrative Assistant – Cecilia Vega, Administrative Assistant/IT Systems Maintenance Coordinator – April Dieter  
**AIRPORT LEGAL COUNSEL:** Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;  
**CONSULTANTS:** T-O Engineers – Dave Mitchell; Chuck Sundby  
**AIRPORT TENANTS/PUBLIC:** Atlantic Aviation – Mike Rasch, BCPA – Jim Perkins; COB – Janet Duffy, Avis – Peter Scheurmier; Tori Emerick, Marc Reinemann, John Strauss, Dick Fenton, Mike Penrose, Bonnie Leighton, Felicity Roberts, Donna Serrano, Eric Seder, Susan Cutter, Len Harlig  
**PRESS:** Idaho Mountain Express – Kate Wutz

**CALL TO ORDER:**

The meeting was called to order at 5:37 p.m. by Chairman Bowman.

**I. APPROVE AGENDA**

The agenda was approved with the following changes:

**II. AIRPORT STAFF BRIEF**

**A. Employee of the 3<sup>rd</sup> Quarter (See Brief)**

**IX. VIII. AIRPORT STAFF BRIEF**

**B. A. Noise Complaints**

**C. B. Parking Lot Update**

**D. C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)**

**E. D. Review Correspondence (See Brief)**

**F. E. Fly Sun Valley Alliance Update (See Brief)**

**G. F. Airport Weather Interruptions**

**G. Employee of the 3<sup>rd</sup> Quarter (See Brief)**

**MOTION:**

*Made by Board Member McBryant to move the Employee of the 3<sup>rd</sup> Quarter agenda item under Airport Staff Brief as the first order of business. Seconded by Board Member McCleary.*

**PASSED UNANIMOUSLY**

**II. AIRPORT STAFF BRIEF**

**A. Employee of the 3<sup>rd</sup> Quarter (See Brief)**

Airport Manager Baird announced that Peter Scheurmier of Avis Rent-A-Car has been selected for Employee of the 3<sup>rd</sup> Quarter for the calendar year 2011. He congratulated Mr. Scheurmier and thanked him for his efforts on behalf of the Board.

**III. II. PUBLIC COMMENT**

No public comment was made.

**IV. III. DISCUSS ELECTION OF OFFICERS**

Attorney Luboviski briefed the Board that if the Board is uncomfortable electing officers at this time, the Board has the option to amend the FMAA Bylaws to reschedule the election of officers for a different time.

The Board discussed whether or not postponing the election of officers is appropriate at this time. They decided that it would be appropriate to postpone the election of officers for six months to allow the Board time to work through issues related to the replacement airport process.

**V. IV. ELECTION OF OFFICERS**

**MOTION:**

***Made by Board Member McBryant to defer the election of officers for the Friedman Memorial Airport Authority to the June 2012 Regular Board meeting. Seconded by Board Member Keirn.***

**PASSED UNANIMOUSLY**

**VI. V. UNFINISHED BUSINESS**

**A. Replacement Airport (See Brief)**

Vice-Chairman Burke reported that the City will hold a town hall meeting on December 8, 2011 to discuss the status of the replacement airport project, which will include a presentation from Airport Manager Baird.

Board Member McCleary reported that the Board of Blaine County Commissioners discussed the Airport Communications & Outreach Project, Sustain Blaine Economic Forum and the letter to the FMAA from the City of Bellevue. She reported that the BCC began organizing a meeting with the City of Ketchum and the City of Sun Valley to brief them on replacement airport-related issues.

Board Member Schoen added that Chairman Bowman has drafted a response letter to the City of Bellevue. He suggested that the FMAA also draft a letter to Bellevue assuring them that the relocation of the runway to the south is no longer an option and emphasize that safety is the FMAA's highest priority.

Vice-Chairman Burke commented that she would hesitate to make any pronouncements related to the current site until the FAA has discussed reliability issues and/or improvements with the Board.

The Board agreed that drafting a follow-up letter to the City of Bellevue is not appropriate at this time.

Airport Manager Baird briefed the Board on the meeting with the Idaho Department of Commerce/Boise Airport and the Sustain Blaine Business Forum.

Fly Sun Valley Alliance Chairman Eric Seder commented that a representative from the Governor's office and the Boise Economic Development group also attended the meeting with the Idaho Department of Commerce/Boise Airport.

Board Member McBryant asked if Airport Manager Baird could find out if the statistics included in Harry Griffith's presentation at the Sustain Blaine Business Forum were inflated.

Airport Manager Baird answered that the Sustain Blaine did inflate three numbers in the stated report, which included visitor spending, general aviation spending and average pay per Airport employee. Sustain Blaine's justification for inflating the numbers was that the state numbers were conservative and were rounded up to a reasonable figure based on the economic realities of Blaine County.

Board Member Schoen commented that Sustain Blaine did not inflate the numbers but extrapolated the numbers using state numbers as a baseline. He commented that Sustain Blaine explained the extrapolation in detail and the information they presented had a rational nexus.

T-O Engineers Consultant Dave Mitchell commented that he was impressed with the presentation Sustain Blaine put together and the numbers presented did not seem unreasonable. He also indicated that T-O Engineers was involved in the preparation of the state's study and confirmed the numbers were conservative.

Chairman Bowman briefed the Board on the status of the Airport Communications & Outreach Facilitator project and suggested that the Board hire Sustain Blaine Marketing Consultant Candice Pate on an interim basis while the Board is seeking direction on a Request for Qualifications or job description for an Airport Communication & Outreach Facilitator.

Attorney Luboviski asked if the Board would preclude Ms. Pate from applying for the facilitator position.

Chairman Bowman answered that he would not preclude Ms. Pate from applying for the facilitator position if she chose to do so.

Vice-Chairman Burke asked the Board to consider what information will be shared with the public immediately and if this project will further increase the workload for Airport Manager Baird.

Board Member Keirn suggested that the Board hire Ms. Pate on a trial basis to find out how the position would affect Airport Manager Baird and Staff.

Board Member McCleary commented that the position would be beneficial to the Board. She agreed with Chairman Bowman's suggestion to hire Ms. Pate on an interim basis to help develop and implement a communications strategy.

Board Member Schoen reminded the Board that one of the central ideas behind this is that the Board agreed a local communications facilitator was needed and would be of value. He agreed with Chairman Bowman's suggestion.

Board Member McBryant commented that before she could agree with hiring Ms. Pate, she would need to know what the Board would pay for her consulting services, if she would be considered an employee or an independent contractor and how she will work with Gallatin if the Board decides to keep them as a political relations consultant. She commented that she has not yet determined the need for the Airport Communications and Outreach Facilitator position and suggested that the Board draft a payment plan before a selection is made.

Board Member Fairfax agreed that the Board needs to know the cost of hiring Ms. Pate and how her work will affect the Board's contract with Gallatin Group.

The Board further discussed options for moving forward with the Airport Communications & Outreach Facilitator project.



Airport Manager Baird commented that he is concerned about the attempts to hire a contractor to change the way the Board communicates as it could further increase his workload. He commented that the Board should however consider that it needs help to effectively communicate locally and he is confident that Ms. Pate has the qualifications to help the Board in the direction it wants to go regarding local public relations.

Attorney Luboviski answered that Ms. Pate would be hired as an independent contractor if the Board chose to accept her consulting services.

Chairman Bowman asked the Board to consider if he and the Airport Manager should pursue negotiations to develop a scope of work and contract to be approved at the January Board meeting.

The Board agreed to pursue negotiations of a scope of work and contract for Ms. Pate's consulting services to be reviewed for approval at the January Board meeting.

Board Member McBryant commented that she would like the opportunity to meet with Ms. Pate between now and the next Board meeting. Chairman Bowman agreed and indicated he will arrange a meeting.

Airport Manager Baird requested that the Board consider scheduling a meeting with the Idaho delegation in Washington D.C. at the beginning of January. He commented that this meeting will be attended by himself, Chairman Bowman and Vice-Chairman Burke. The Board concurred with Airport Manager Baird's suggestion.

Airport Manager briefed the Board on the SkyWest Airlines meeting that took place on November 22, 2011 in St. George Utah.

Board Member McBryant asked if scheduling a meeting with Frontier to discuss potential improvements to reliability at the Airport should be considered.

Airport Manager Baird indicated he would be communicating with additional airlines.

Board Member Schoen asked Airport Manager Baird to acknowledge that SkyWest believes it's possible to improve minimums at the existing site.

Airport Manager Baird confirmed that SkyWest validates the statements already made by Airport Engineers that there is a possibility that minimums can be improved at the existing site.

Board Member Keirn commented that it appears SkyWest is interested in working with the Airport to initiate RJ 700 service at the Airport.

Vice-Chairman Burke asked if SkyWest is looking at utilizing the Q-400 model in the future.

Airport Manager Baird answered that they did not express an interest in operating Q-400s.

Atlantic Aviation General Manager Mike Rasch commented that Delta has been decreasing their use of regional jets due to the increased fuel costs. He indicated that Delta will most likely be looking at all options in regard to what type of aircraft would be most cost effective to utilize at FMA.

## **VII. VI. NEW BUSINESS**

### **A. Safety Management Systems (SMS) (See Brief)**

Airport Engineer Mitchell gave the Board a brief presentation and answered questions regarding the definition and explanation of the Safety Management Systems (SMS) process.

Mr. Rasch requested that the Board include Atlantic Aviation to be represented as a stakeholder on the Safety Risk Management panel if one is developed as a result of a SMS process.

Mike Penrose commented that the SMS process will assess the most basic of operations to the most complex.

### **B. Letter of Agreement Between Air Traffic Manager, Hailey FCT and Airport Manager, Friedman Memorial Airport – Subject: Non-standard Hold Lines**

Airport Manager Baird requested that the Board authorize Staff to forward a letter to the FAA requesting a modification of the Letter of Agreement between Air Traffic Managers, Hailey FCT and the Airport Manager (LOA), which will initiate a Safety Risk Management Assessment.

The Board asked questions regarding the modifications Airport Manager Baird requested and discussed the details of the LOA modifications needed in order for RJs to operate at FMA.

John Strauss, Glass Cockpit, requested that the Board also include a general aviation representative to be a part of the panel as they are stakeholders as well.

Mr. Rasch suggested that the Board consult with the current Air Traffic Controllers at FMA to see if the inclusion of RJs to FMA operations would be acceptable to them.

The Board agreed that sending the FAA a letter requesting a modification to the current LOA is an appropriate action at this time.

#### **MOTION:**

***Made by Board Member Schoen to authorize Staff to send a letter to Northwest Mountain Region Airports Division Manager Donna Taylor requesting modifications to the existing operational Letter of Agreement. Seconded by Board Member Keirn.***

***PASSED UNANIMOUSLY***

The Board authorized Chairman Bowman to review the letter to the FAA with Airport Engineers and Airport Manager Baird prior to distribution.

### **C. 2012 PFC Application**

Airport Manager Baird requested the Board authorize Staff to submit a 2012 PFC application designed to fund replacement airport projects and to acquire snow removal equipment.

#### **MOTION:**

***Made by Vice-Chairman Burke to process the 2012 PFC Application as presented. Seconded by Board Member McCleary.***

***PASSED UNANIMOUSLY***

**D. Acquisition of Telecommunications System for Airport Management Offices (See Brief)**

Airport Manager Baird recommended that the Board approve the selection of the proposal submitted by DataTel Communications in the amount of \$7,590.50 as the responsive proposal.

**MOTION:**

***Made by Board Member McBryant to approve the acquisition of a Telecommunications System for Airport Management Offices for \$7,590.50 and select DataTel Communications as the responsive bidder. Seconded by Vice-Chairman Burke.***

**PASSED UNANIMOUSLY**

**~~VIII.~~ VII. APPROVED FMAA  
MEETING MINUTES**

**A. October 4, 2011 Regular Meeting (See Brief)**

**MOTION:**

***Made by Board Member Schoen to approve the October 4, 2011 Friedman Memorial Airport Authority Regular Meeting Minutes as presented. Seconded by Board Member Keirn.***

**PASSED UNANIMOUSLY  
BOARD MEMBER FAIRFAX ABSTAINED**

**B. October 26, 2011 Special Meeting (See Brief)**

**MOTION:**

***Made by Board Member Schoen to approve the October 26, 2011 Friedman Memorial Airport Authority Special Meeting Minutes as presented. Seconded by Board Member Keirn.***

**PASSED UNANIMOUSLY  
BOARD MEMBER FAIRFAX ABSTAINED**

**C. November 1, 2011 Regular Meeting (See Brief)**

**MOTION:**

***Made by Board Member Schoen to approve the November 1, 2011 Friedman Memorial Airport Authority Regular Meeting Minutes as presented. Seconded by Board Member Keirn.***

**PASSED UNANIMOUSLY  
BOARD MEMBER FAIRFAX ABSTAINED**

**~~IX.~~ VIII. AIRPORT STAFF  
BRIEF (cont.)**

**~~B.~~ A. Noise Complaints**

**~~C.~~ B. Parking Lot Update**

**D. G. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)**

**E. D. Review Correspondence (See Brief)**

**F. E. Fly Sun Valley Alliance Update (See Brief)**

**G. F. Airport Weather Interruptions**

**G. Employee of the 3<sup>rd</sup> Quarter, 2011 (See Brief)**

**H. TSA Request for Break Room/Training Facility Update**

**X. IX. PUBLIC COMMENT**

No public comment was made.

**XI. X. EXECUTIVE SESSION  
– I.C. §67-2345 (1)(d)**

**MOTION:**

***Made by Vice-Chairman Burke to enter Executive Session under federal code I.C. §67-2345 (1)(d).  
Seconded by Board Member McBryant.***

**ROLL CALL VOTE:**

<b><i>Board Member Fairfax</i></b>	<b><i>YES</i></b>
<b><i>Board Member McCleary</i></b>	<b><i>YES</i></b>
<b><i>Board Member McBryant</i></b>	<b><i>YES</i></b>
<b><i>Chairman Bowman</i></b>	<b><i>YES</i></b>
<b><i>Vice-Chairman Burke</i></b>	<b><i>YES</i></b>
<b><i>Board Member Schoen</i></b>	<b><i>YES</i></b>
<b><i>Board Member Keirn</i></b>	<b><i>YES</i></b>

***PASSED UNANIMOUSLY***

**XII. XI. ADJOURNMENT**

The December 6, 2011 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 8:34 p.m.

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Susan McBryant, Secretary

\* Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.

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Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

Ordinary Income/Expense	Oct 11	Budget	\$ Over Budget	% of Budget
Income				
4000-00 · AIRCARRIER				
4000-01 · Aircarrier - Lease Space	7,043.37	84,600.00	-77,556.63	8.3%
4000-02 · Aircarrier - Landing Fees	4,058.34	96,500.00	-92,441.66	4.2%
4000-03 · Aircarrier - Gate Fees	100.00	1,200.00	-1,100.00	8.3%
4000-04 · Aircarrier - Utility Fees	30.00	7,600.00	-7,570.00	0.4%
4010-05 · Aircarrier -11 PFC Application	15,521.22	205,000.00	-189,478.78	7.6%
Total 4000-00 · AIRCARRIER	26,752.93	394,900.00	-368,147.07	6.8%
4020-00 · TERMINAL AUTO PARKING REVENUE				
4020-01 · Automobile Parking - Terminal	6,231.09	92,500.00	-86,268.91	6.7%
Total 4020-00 · TERMINAL AUTO PARKING REVENUE	6,231.09	92,500.00	-86,268.91	6.7%
4030-00 · AUTO RENTAL REVENUE				
4030-01 · Automobile Rental - Commission	18,783.67	312,000.00	-293,216.33	6.0%
4030-02 · Automobile Rental - Counter	592.78	7,500.00	-6,907.22	7.9%
4030-03 · Automobile Rental - Auto Prkng	11,590.00	28,000.00	-16,410.00	41.4%
4030-04 · Automobile Rental - Utilities	0.00	500.00	-500.00	0.0%
Total 4030-00 · AUTO RENTAL REVENUE	30,966.45	348,000.00	-317,033.55	8.9%
4040-00 · TERMINAL CONCESSION REVENUE				
4040-01 · Terminal Shops - Commission	119.45	3,500.00	-3,380.55	3.4%
4040-02 · Terminal Shops - Lease Space	710.42	8,300.00	-7,589.58	8.6%
4040-03 · Terminal Shops - Utility Fees	0.00	725.00	-725.00	0.0%
4040-10 · Advertising - Commission	931.25	33,000.00	-32,068.75	2.8%
4040-12 · Terminal ATM	7.70			
Total 4040-00 · TERMINAL CONCESSION REVENUE	1,768.82	45,525.00	-43,756.18	3.9%
4050-00 · FBO REVENUE				
4050-01 · FBO - Lease Space	16,874.10	223,220.00	-206,345.90	7.6%
4050-02 · FBO - Tiedown Fees	10,274.40	193,000.00	-182,725.60	5.3%
4050-03 · FBO - Landing Fees - Trans.	9,160.54	197,000.00	-187,839.46	4.7%
4050-04 · FBO - Commission	1,001.45	17,000.00	-15,998.55	5.9%
Total 4050-00 · FBO REVENUE	37,310.49	630,220.00	-592,909.51	5.9%
4060-00 · FUEL FLOWAGE REVENUE				
4060-01 · Fuel Flowage - FBO	6,024.48	168,600.00	-162,575.52	3.6%
Total 4060-00 · FUEL FLOWAGE REVENUE	6,024.48	168,600.00	-162,575.52	3.6%
4070-00 · TRANSLANT LANDING FEES REVENUE				
4070-02 · Landing Fees - Non-Comm./Gov't	0.00	500.00	-500.00	0.0%
Total 4070-00 · TRANSLANT LANDING FEES REVENUE	0.00	500.00	-500.00	0.0%

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Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
<b>4080-00 · HANGARS REVENUE</b>				
4080-01 · Land Lease - Hangar	71,050.00	477,512.00	-406,462.00	14.9%
4080-03 · Land Lease - Hangar/Utilities	0.00	1,300.00	-1,300.00	0.0%
4080-20 · Land Lease - Government Revenue	1,711.13			
<b>Total 4080-00 · HANGARS REVENUE</b>	72,761.13	478,812.00	-406,050.87	15.2%
<b>4090-00 · TIEDOWN PERMIT FEES REVENUE</b>				
4090-01 · Tiedown Permit Fees (FMA)	17,390.00	30,000.00	-12,610.00	58.0%
4090-02 · Tiedown - Gov. Fire Support	0.00	5,000.00	-5,000.00	0.0%
<b>Total 4090-00 · TIEDOWN PERMIT FEES REVENUE</b>	17,390.00	35,000.00	-17,610.00	49.7%
<b>4100-00 · POSTAL CARRIERS REVENUE</b>				
4100-01 · Postal Carriers - Landing Fees	719.94	8,900.00	-8,180.06	8.1%
4100-02 · Postal Carriers - Tiedown	2,970.00			
<b>Total 4100-00 · POSTAL CARRIERS REVENUE</b>	3,689.94	8,900.00	-5,210.06	41.5%
<b>4110-00 · MISCELLANEOUS REVENUE</b>				
4110-06 · Misc. - Security-Prox. Cards	16,940.00	25,000.00	-8,060.00	67.8%
<b>Total 4110-00 · MISCELLANEOUS REVENUE</b>	16,940.00	25,000.00	-8,060.00	67.8%
<b>4120-00 · GROUND TRANSP. PERMIT REVENUE</b>				
4120-01 · Ground Transportation Permit	4,160.00	25,000.00	-20,840.00	16.6%
<b>Total 4120-00 · GROUND TRANSP. PERMIT REVENUE</b>	4,160.00	25,000.00	-20,840.00	16.6%
<b>4400-00 · TSA</b>				
4400-01 · LEO Expense Reimbursement	11,173.95	135,000.00	-123,826.05	8.3%
4400-02 · Terminal Lease	754.47			
<b>Total 4400-00 · TSA</b>	11,928.42	135,000.00	-123,071.58	8.8%
<b>4500-00 · IDAHO STATE GRANT PROGRAM REV.</b>				
4500-12 · SUN-12	0.00	20,000.00	-20,000.00	0.0%
<b>Total 4500-00 · IDAHO STATE GRANT PROGRAM REV.</b>	0.00	20,000.00	-20,000.00	0.0%
<b>4520-00 · INTEREST INCOME</b>				
4520-05 · Interest Income - '11 PFC	6.68			
4600-00 · Interest Income - General	1,219.94	14,000.00	-12,780.06	8.7%
<b>Total 4520-00 · INTEREST INCOME</b>	1,226.62	14,000.00	-12,773.38	8.8%
<b>4702-00 · AIP 02 New Airprt. EIS Phs. II</b>				
4702-01 · AIP 02	0.00	100,000.00	-100,000.00	0.0%
<b>Total 4702-00 · AIP 02 New Airprt. EIS Phs. II</b>	0.00	100,000.00	-100,000.00	0.0%
<b>4703-00 · AIP 03 FMA/FAA</b>				
4703-01 · AIP 03	0.00	40,000.00	-40,000.00	0.0%
<b>Total 4703-00 · AIP 03 FMA/FAA</b>	0.00	40,000.00	-40,000.00	0.0%

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Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV				
4704-01 · AIP '04 - FAA	73,625.00	1,000,000.00	-926,375.00	7.4%
Total 4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV	73,625.00	1,000,000.00	-926,375.00	7.4%
4705-00 · AIP 05-New Arpt. EIS-Phs.				
4705-01 · AIP '05 - FAA	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 4705-00 · AIP 05-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
4706-00 · AIP 06-New Arpt. EIS-Phs.				
4706-01 · AIP 06-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 4706-00 · AIP 06-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
4737-00 · AIP 37 - TBD				
4737-01 · AIP '37	0.00	500,000.00	-500,000.00	0.0%
Total 4737-00 · AIP 37 - TBD	0.00	500,000.00	-500,000.00	0.0%
Total 4737-00 · AIP 37 - TBD	310,775.37	6,061,957.00	-5,751,181.63	5.1%
Total Income	310,775.37	6,061,957.00	-5,751,181.63	5.1%
Gross Profit				
Expense				
5000-00 · A EXPENDITURES				
5000-01 · Salaries - Airport Manager	10,616.90	127,403.00	-116,786.10	8.3%
5010-00 · Salaries -Contracts/Finance Adm	6,874.40	82,500.00	-75,625.60	8.3%
5010-01 · Salaries - Office Assist.	13,448.98	159,195.91	-145,746.93	8.4%
5020-00 · Salaries - ARFF/OPS Chief	6,874.40	82,500.00	-75,625.60	8.3%
5030-00 · Salaries - ARFF/OPS Specialist	24,921.84	294,193.00	-269,271.16	8.5%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Assi	4,884.54	57,523.00	-52,638.46	8.5%
5050-00 · Salaries - Temp.	0.00	15,000.00	-15,000.00	0.0%
5050-02 · Salaries - Merit Increase	0.00	14,816.45	-14,816.45	0.0%
5060-01 · Overtime - General	0.00	2,000.00	-2,000.00	0.0%
5060-02 · Overtime - Snow Removal	0.00	10,000.00	-10,000.00	0.0%
5060-04 · OT - Security	0.00	2,500.00	-2,500.00	0.0%
5100-00 · Retirement	7,850.80	98,410.00	-90,559.20	8.0%
5110-00 · Social Security/Medicare	5,035.27	64,843.80	-59,808.53	7.8%
5120-00 · Life Insurance	151.88	2,000.00	-1,848.12	7.6%
5130-00 · Medical Insurance	11,649.70	155,000.00	-143,350.30	7.5%
5160-00 · Workman's Compensation	0.00	15,000.00	-15,000.00	0.0%
Total 5000-00 · A EXPENDITURES	92,308.71	1,182,885.16	-1,090,576.45	7.8%
6000-00 · TRAVEL EXPENSE				
6000-01 · Travel	207.26	15,000.00	-14,792.74	1.4%
Total 6000-00 · TRAVEL EXPENSE	207.26	15,000.00	-14,792.74	1.4%

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Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
<b>6010-00 · SUPPLIES/EQUIPMENT EXPENSE</b>				
6010-01 · Supplies - Office	1,497.39	13,500.00	-12,002.61	11.1%
6010-03 · Supplies - Computer	155.00			
<b>Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE</b>	<b>1,652.39</b>	<b>13,500.00</b>	<b>-11,847.61</b>	<b>12.2%</b>
<b>6020-00 · INSURANCE</b>				
6020-01 · Insurance - Liability	16,500.00	18,500.00	-2,000.00	89.2%
6020-02 · Insurance - Public Officials	12,215.00	13,600.00	-1,385.00	89.8%
6020-03 · Insurance-Bldg/Unlic.Veh./Prop	25,834.00	29,600.00	-3,766.00	87.3%
6020-04 · Insurance - Licensed Vehicles	4,878.00	5,900.00	-1,022.00	82.7%
6020-05 · Insurance - Crime	519.00	550.00	-31.00	94.4%
<b>Total 6020-00 · INSURANCE</b>	<b>59,946.00</b>	<b>68,150.00</b>	<b>-8,204.00</b>	<b>88.0%</b>
<b>6030-00 · UTILITIES</b>				
6030-01 · Utilities - Gas/Terminal	238.27	13,000.00	-12,761.73	1.8%
6030-02 · Utilities - Gas/Maintenance	125.67	8,500.00	-8,374.33	1.5%
6030-03 · Utilities - Elect./Runway&PAPl	488.93	6,000.00	-5,511.07	8.1%
6030-04 · Utilities - Elec./Office/Maint.	507.67	9,000.00	-8,492.33	5.6%
6030-05 · Utilities - Electric/Terminal	619.75	7,500.00	-6,880.25	8.3%
6030-06 · Utilities - Telephone	824.53	17,000.00	-16,175.47	4.9%
6030-07 · Utilities - Water	50.40	1,200.00	-1,149.60	4.2%
6030-08 · Utilities - Garbage Removal	635.75	6,000.00	-5,364.25	10.6%
6030-09 · Utilities - Sewer	111.33	1,500.00	-1,388.67	7.4%
6030-10 · Utilities - Elec./Sewer	12.57	500.00	-487.43	2.5%
6030-11 · Utilities - Electric/Tower	238.72	4,000.00	-3,761.28	6.0%
6030-15 · Utilities - Elec/AWOS	59.57	900.00	-840.43	6.6%
6030-16 · Utilities - Elec. Wind Cone	13.58	210.00	-196.42	6.5%
6030-17 · Utilities - Elec. - Rosenberg	4.23			
6040-01 · Service Provider - Weather	0.00	2,500.00	-2,500.00	0.0%
6040-02 · Service Provider - Term. Music	136.00	1,000.00	-864.00	13.6%
6040-03 · Service Provider - Internet/ISP	535.77	7,000.00	-6,464.23	7.7%
6040-04 · Service Provider - AWOS NADN	0.00	8,000.00	-8,000.00	0.0%
<b>Total 6030-00 · UTILITIES</b>	<b>4,602.74</b>	<b>93,810.00</b>	<b>-89,207.26</b>	<b>4.9%</b>
<b>6050-00 · PROFESSIONAL SERVICES</b>				
6050-01 · Professional Services - Legal	2,479.20	27,500.00	-25,020.80	9.0%
6050-02 · Professional Services - CPA	0.00	24,000.00	-24,000.00	0.0%
6050-03 · Professional Services - Engineer	1,456.47	27,000.00	-25,543.53	5.4%
6050-04 · Professional Services - ARFF	0.00	4,000.00	-4,000.00	0.0%
6050-07 · Professional Services - Archite	0.00	1,000.00	-1,000.00	0.0%
6050-08 · Professional Services - Securit	0.00	4,000.00	-4,000.00	0.0%
6050-10 · Prof. Svcs.-IT/Comp. Support	540.00	12,000.00	-11,460.00	4.5%
6050-11 · Professional Services - Wildlif	0.00	2,000.00	-2,000.00	0.0%
<b>Total 6050-00 · PROFESSIONAL SERVICES</b>	<b>4,475.67</b>	<b>101,500.00</b>	<b>-97,024.33</b>	<b>4.4%</b>



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Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
<b>6060-00 · MAINTENANCE-OFFICE EQUIPMENT</b>				
6060-01 · Maint.-Office Equip./Gen.	0.00	10,000.00	-10,000.00	0.0%
6060-04 · Maintenance - Copier	537.22			
<b>Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT</b>	537.22	10,000.00	-9,462.78	5.4%
<b>6070-00 · RENT/LEASE OFFICE EQUIPMENT</b>				
6070-02 · Rent/Lease - Postage Meter	0.00	1,500.00	-1,500.00	0.0%
<b>Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT</b>	0.00	1,500.00	-1,500.00	0.0%
<b>6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E</b>				
6080-01 · Dues/Memberships/Publications	4,021.92	15,000.00	-10,978.08	26.8%
<b>Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E</b>	4,021.92	15,000.00	-10,978.08	26.8%
<b>6090-00 · POSTAGE</b>				
6090-01 · Postage/Courier Service	349.00	2,700.00	-2,351.00	12.9%
<b>Total 6090-00 · POSTAGE</b>	349.00	2,700.00	-2,351.00	12.9%
<b>6100-00 · EDUCATION/TRAINING</b>				
6100-01 · Education/Training - Admin.	-50.00	30,000.00	-30,050.00	-0.2%
6100-06 · Education - Security	375.00			
<b>Total 6100-00 · EDUCATION/TRAINING</b>	325.00	30,000.00	-29,675.00	1.1%
<b>6110-00 · CONTRACTS</b>				
6110-02 · Contracts - FMAA	2,800.00	24,000.00	-21,200.00	11.7%
6110-03 · Contracts - SVA/Fee Collection	4,900.00	58,800.00	-53,900.00	8.3%
6110-04 · Contracts - COH LEO	13,174.65	145,000.00	-131,825.35	9.1%
6110-05 · Contracts - Janitorial	0.00	10,000.00	-10,000.00	0.0%
6110-06 · Electronic Filing System	1,150.00	13,800.00	-12,650.00	8.3%
6110-08 · Contracts - Eccles Tree Lights	0.00	30,000.00	-30,000.00	0.0%
6110-09 · Contracts - Website	0.00	750.00	-750.00	0.0%
6110-10 · Security - Badge Automation	0.00	36,000.00	-36,000.00	0.0%
<b>Total 6110-00 · CONTRACTS</b>	22,024.65	318,350.00	-296,325.35	6.9%
<b>6130-00 · MISCELLANEOUS EXPENSES</b>				
6130-01 · Misc. - General	748.65	6,500.00	-5,751.35	11.5%
6130-04 · Misc. Green Program	0.00	2,500.00	-2,500.00	0.0%
6140-00 · Bank Fees	33.50			
<b>Total 6130-00 · MISCELLANEOUS EXPENSES</b>	782.15	9,000.00	-8,217.85	8.7%

9:40 AM

12/21/11

Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
<b>6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>				
6500-01 · Supplies/Equipment - General	36.89	10,000.00	-9,963.11	0.4%
6500-02 · Supplies/Equipment - Tools	1,888.83			
6500-03 · Supplies/Equipment - Clothing	44.99			
6500-04 · Supplies/Equipment - Janitorial	894.50			
6500-05 · Supplies/Equipment - Deice	28,945.00	35,000.00	-6,055.00	82.7%
6500-06 · Supplies/Equipment - ARFF	0.00	5,000.00	-5,000.00	0.0%
<b>Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>	<b>31,790.21</b>	<b>50,000.00</b>	<b>-18,209.79</b>	<b>63.6%</b>
<b>6510-00 · FUEL/LUBRICANTS</b>				
6510-01 · Fuel/Lubricants - General	0.00	50,000.00	-50,000.00	0.0%
6510-02 · Fuel	2,223.09			
<b>Total 6510-00 · FUEL/LUBRICANTS</b>	<b>2,223.09</b>	<b>50,000.00</b>	<b>-47,776.91</b>	<b>4.4%</b>
<b>6520-00 · VEHICLES/MAINTENANCE</b>				
6520-01 · R/M Equipment - General	1,332.06	27,000.00	-25,667.94	4.9%
6520-02 · R/M Equip. '93 Schmidt Snow	11.98			
6520-23 · R/M Equip. - '97 Ford Exped.	7.49			
6520-30 · R/M Equip.-'05 Ford F-350	112.25			
<b>Total 6520-00 · VEHICLES/MAINTENANCE</b>	<b>1,463.78</b>	<b>27,000.00</b>	<b>-25,536.22</b>	<b>5.4%</b>
<b>6530-00 · ARFF MAINTENANCE</b>				
6530-01 · ARFF Maint. General	1,784.90	5,000.00	-3,215.10	35.7%
6530-04 · ARFF Maint. - Radios	140.00			
<b>Total 6530-00 · ARFF MAINTENANCE</b>	<b>1,924.90</b>	<b>5,000.00</b>	<b>-3,075.10</b>	<b>38.5%</b>
<b>6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>				
6540-01 · R/M Bldg. - General	185.21	29,000.00	-28,814.79	0.6%
6540-02 · R/M Bldg. - Terminal	2,188.12			
6540-03 · R/M Bldg. - Shop	1,919.78			
<b>Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>	<b>4,293.11</b>	<b>29,000.00</b>	<b>-24,706.89</b>	<b>14.8%</b>
<b>6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>				
6550-01 · R/M - General	0.00	15,000.00	-15,000.00	0.0%
6550-02 · R/M - Airfield	64.69			
6550-04 · R/M - Lights	637.97			
6550-05 · R/M - Grounds	95.00			
<b>Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>	<b>797.66</b>	<b>15,000.00</b>	<b>-14,202.34</b>	<b>5.3%</b>
<b>6560-00 · SECURITY EXPENSE</b>				
6560-01 · Security	855.00	20,000.00	-19,145.00	4.3%
6560-00 · SECURITY EXPENSE - Other	350.00			
<b>Total 6560-00 · SECURITY EXPENSE</b>	<b>1,205.00</b>	<b>20,000.00</b>	<b>-18,795.00</b>	<b>6.0%</b>

9:40 AM

12/21/11

Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equip - NDB/DME	0.00	22,000.00	-22,000.00	0.0%
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	0.00	22,000.00	-22,000.00	0.0%
66900 · Reconciliation Discrepancies	-0.01			
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	0.00	20,000.00	-20,000.00	0.0%
7000-04 · Office Equip.-Telephone	0.00	8,000.00	-8,000.00	0.0%
7000-05 · Computer Equipment/Software	0.00	12,000.00	-12,000.00	0.0%
7000-33 · Passenger Terminal Carpet	0.00	50,000.00	-50,000.00	0.0%
7000-34 · Security Upgrades/Equipment	0.00	14,500.00	-14,500.00	0.0%
Total 7000-00 · MISC. CAPITAL EXPENDITURES	0.00	104,500.00	-104,500.00	0.0%
7500-00 · IDAHO STATE GRANT PROGRAM				
7500-12 · '12 ITD (SUN-12 ITD/FMA)	1,940.50	40,000.00	-38,059.50	4.9%
Total 7500-00 · IDAHO STATE GRANT PROGRAM	1,940.50	40,000.00	-38,059.50	4.9%
7502-00 · AIP 02 EXPENSE				
7502-01 · AIP '02 - New Arpt. EIS-Ph.II	0.00	105,264.00	-105,264.00	0.0%
Total 7502-00 · AIP 02 EXPENSE	0.00	105,264.00	-105,264.00	0.0%
7503-00 · AIP 03 EXPENSE				
7503-01 · AIP '03 - New Arpt. EIS-Ph. III	0.00	42,106.00	-42,106.00	0.0%
Total 7503-00 · AIP 03 EXPENSE	0.00	42,106.00	-42,106.00	0.0%
7504-00 · AIP 04 EXPENSE				
7504-01 · AIP '04-New Arpt.EIS-Phs.III/IV	77,500.00	1,052,632.00	-975,132.00	7.4%
7504-02 · AIP '04 - Non-eligible	750.00			
Total 7504-00 · AIP 04 EXPENSE	78,250.00	1,052,632.00	-974,382.00	7.4%
7505-00 · AIP '05 EXPENSE				
7505-01 · AIP '05-New Arpt. EIS-Phs.	0.00	1,052,632.00	-1,052,632.00	0.0%
Total 7505-00 · AIP '05 EXPENSE	0.00	1,052,632.00	-1,052,632.00	0.0%
7506-00 · AIP '06 EXPENSE				
7506-01 · AIP '06-New Arpt. EIS-Phs.	0.00	1,052,632.00	-1,052,632.00	0.0%
Total 7506-00 · AIP '06 EXPENSE	0.00	1,052,632.00	-1,052,632.00	0.0%
7537-00 · AIP '37 EXPENSE				
7537-01 · AIP '37 - TBD	0.00	526,316.00	-526,316.00	0.0%
Total 7537-00 · AIP '37 EXPENSE	0.00	526,316.00	-526,316.00	0.0%

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12/21/11

Accrual Basis

# Friedman Memorial Airport

## Combined Profit & Loss Budget vs. Actual

### October 2011

	Oct 11	Budget	\$ Over Budget	% of Budget
8000-00 - Replacement Airport				
8000-02 - Project Manager	0.00	50,000.00	-50,000.00	0.0%
8000-03 - Financial	0.00	50,000.00	-50,000.00	0.0%
8000-04 - Public Outreach	1,425.55	60,000.00	-58,574.45	2.4%
8000-06 - Legal	2,168.69	50,000.00	-47,831.31	4.3%
8000-07 - General	40,258.10	200,000.00	-159,741.90	20.1%
8000-00 - Replacement Airport - Other	114.00			
Total 8000-00 - Replacement Airport	43,966.34	410,000.00	-366,033.66	10.7%
Total Expense	359,087.29	6,465,477.16	-6,106,389.87	5.6%
Net Ordinary Income	-48,311.92	-403,520.16	355,208.24	12.0%
Net Income	-48,311.92	-403,520.16	355,208.24	12.0%

FAA CONTRACT TOWER - AIRPORT OPERATIONS COUNT RECORD

Facility Name: Hailey/Friedman Memorial Airport FCT										Location: Hailey, ID				Facility Operating Hours				Total Airport Operations	
Airport Operations Count										Facility Operating Hours				Total Airport Operations		Total Airport Operations			
ITINERANT										LOCAL				Total Airport Operations		Total Airport Operations			
IFR										VFR				Total Airport Operations		Total Airport Operations			
Day	AC	AT	GA	M/I	Total IFR Inherent Ops	AC	AT	GA	M/I	Total VFR Inherent Ops	Civil	Military	Total Local Ops	Total Airport Operations	Total Airport Operations				
01		15	6		21		3	9		12				33					
02		9	6		15		2	28		30	20		20	65					
03		16	3		19		4	17		21	4		4	44					
04		18	10		28		1			1				29					
05		21	4		25			1		1				26					
06		13	6		19		1			1				20					
07		9	2		11			5		6				17					
08		16	7		23		5	7		12		2	2	37					
09		11	6		17		3	21		24				41					
10		15	8		23		1	38		39	10		10	72					
11		13	8		21		2	12		14				35					
12		7	9		16		1	2		3				19					
13		7	10		17			6		6	6		6	29					
14		9	6		15		2	9		11				26					
15		11	5		16		1	9		10				26					
16		9	6		15		2	10		12				27					
17		2	2		4		1			1				5					
18		5	8		13						2		2	15					
19		23	2		25			16		16	10		10	51					
20		12	8		20		1	2		13	8		8	41					
21		9	8		17		2	8		10				27					
22		5	6		11		1	2		3				14					
23		15	44		59		3	13		16				75					
24		10	1		11			4		4	1		1	16					
25		10	3		13		2	1		3				16					
26		11	11		22		1	20		21				43					
27		17	51		68			21		21	2		2	91					
28		18	15		33		6	10		16				49					
29		10	2		12		2	6		8				20					
30		15	2		17		2	4		6				23					
31																			
Total		361	265		526		48	292		341	63	2	65	1032					

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2010

# FAA CONTRACT TOWER OVERFLIGHT SUMMARY RECORD

Facility Name Hailey/Friedman Memorial Airport FCT	Location: Hailey, ID	Mo. 1	Yr. 1	Loc Ident. S U N
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OVERFLIGHT COUNT											
IFR OVERFLIGHTS						VFR OVERFLIGHTS					
Day	AC	A	GA	Ml	Total	AC	AT	GA	Ml	Total	Total Overflights
01								5		5	5
02								8		8	8
03											
04											
05		6			6						6
06											
07											
08								4		4	4
09								1		1	1
10								10		10	10
11								8	2	10	10
12											
13											
14								2		2	2
15								4		4	4
16								4		4	4
17											
18			6		6						6
19								8		8	8
20											
21											
22											
23								2		2	2
24											
25								2		2	2
26								6		6	6
27											
28								4		4	4
29											
30											
31											
Total			6	6	12			68	2	70	82

2010

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ATCT TRAFFIC OPERATIONS RECORDS 2009 - 2016								
FMA ATCT TRAFFIC OPERATION RECORDS	2009	2010	2011	2012	2013	2014	2015	2016
January	2,070	2,379	2,408					
Febuary	2,244	2,647	2,117					
March	2,145	2,709	1,813					
April	1,724	1,735	1,604					
May	2,280	1,891	1,891					
June	2,503	3,019	2,898					
July	4,551	5,005	5,004					
August	4,488	4,705	4,326					
September	3,376	3,128	3,359					
October	2,145	2,012	1,886					
November	1,901	1,309	1,114					
December	2,272	1,811						
Total	31,699	32,350	28,420	0	0	0	0	0

**ATCT TRAFFIC OPERATIONS RECORDS**  
**2001 - 2008**

<b>FMA ATCT TRAFFIC OPERATIONS RECORDS</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>January</b>	3,622	3,893	3,912	2,600	3,028	2,787	4,547	2,520
<b>Febuary</b>	4,027	4,498	3,073	3,122	3,789	3,597	3,548	2,857
<b>March</b>	4,942	5,126	3,086	4,097	3,618	2,918	4,677	3,097
<b>April</b>	2,494	3,649	2,213	2,840	2,462	2,047	2,581	2,113
<b>May</b>	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293
<b>June</b>	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334
<b>July</b>	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704
<b>August</b>	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570
<b>September</b>	3,871	4,636	4,162	4,124	4,609	3,760	4,311	2,696
<b>October</b>	3,879	3,656	3,426	2,936	3,570	3,339	3,103	2,134
<b>November</b>	3,082	2,698	2,599	2,749	2,260	2,912	2,892	1,670
<b>December</b>	3,401	2,805	3,247	3,227	2,722	3,834	2,699	1,848
<b>Total</b>	<b>50,848</b>	<b>55,897</b>	<b>44,739</b>	<b>45,032</b>	<b>43,607</b>	<b>43,002</b>	<b>50,712</b>	<b>33,836</b>

TRAFFIC\ATC.OPS.01-08



**ENPLANEMENT FIGURES INCLUDING NON-REVENUE PASSENGERS**  
**2008 - 2011**  
**HORIZON AIRLINES**

MONTH	2008			2009			2010			2011		
	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total
January	2,192	70	2,262	1,436	90	1,526	2,059	48	2,107	2,592	68	2,660
February	2,942	116	3,058	2,124	77	2,201	2,549	53	2,602	2,356	63	2,419
March	3,574	129	3,703	2,229	110	2,339	1,853	62	1,915	1,429	37	1,466
April	1,031	102	1,133	511	42	553	0	0	0	0	0	0
May	724	70	794	533	44	577	67	4	71	280	22	302
June	1,215	86	1,301	693	38	731	944	91	1,035	1,873	139	2,012
July	2,761	125	2,886	1,075	21	1,096	3,014	111	3,125	3,362	93	3,455
August	3,031	108	3,139	1,303	39	1,342	3,613	131	3,744	3,757	116	3,873
September	1,421	74	1,495	236	8	244	551	24	575	498	10	508
October	949	39	988	0	0	0	0	0	0	0	0	0
November	510	35	545	0	0	0	0	0	0	0	0	0
December	590	62	652	862	19	881	681	13	694			0
<b>Total</b>	<b>20,940</b>	<b>1,016</b>	<b>21,956</b>	<b>11,002</b>	<b>488</b>	<b>11,490</b>	<b>15,331</b>	<b>537</b>	<b>15,868</b>	<b>16,147</b>	<b>548</b>	<b>16,695</b>

**SKYWEST ENPLANEMENT DATA INCLUDING NON-REVENUE PASSENGERS**

MONTH	2008			2009			2010			2011		
	Revenue SUN/SLC	Non- Revenue SUN/SLC	Total	Revenue SUN/SLC	Non- Revenue SUN/SLC	Total	Revenue SUN/SLC	Non- Revenue SUN/SLC	Total	Revenue SUN/SLC	Non- Revenue SUN/SLC	Total
January	3,033	64	3097	2,881	117	2998	2,750	73	2,823	2,966	106	3072
February	3,691	120	3811	2,994	126	3120	2,786	103	2889	2,675	116	2791
March	4,982	130	5112	3,489	129	3618	3,680	107	3787	2,999	96	3095
April	2,790	133	2923	2,252	113	2365	2,517	133	2650	2,272	94	2366
May	2,572	139	2711	2,248	150	2398	2,064	138	2202	1,942	108	2050
June	3,841	149	3990	3,241	130	3371	2,888	174	3062	2,362	126	2488
July	5,019	224	5243	4,736	183	4919	4,336	183	4519	4,078	135	4213
August	5,739	179	5918	5,650	161	5811	5,511	144	5655	4,615	139	4754
September	3,962	134	4096	3,779	135	3914	3,768	115	3883	3,477	127	3604
October	2,937	163	3100	2,673	113	2786	2,975	132	3107	2,495	131	2626
November	2,215	100	2315	2,100	81	2181	1,963	100	2063	1,693	75	1768
December	1,799	74	1873	2,035	84	2119	1,766	45	1811			0
Total	42,580	1,609	44,189	38,078	1,522	39,600	37,004	1,447	38,451	31,574	1,253	32,827



- Jeremy Swanson / Aspen Skiing Co.

## Runway extension making a difference

Flights already seeing an increase in capacity this winter

DECEMBER, 28 2011

[JANET UROUHART](#)

THE ASPEN TIMES

ASPEN CO COLORADO

is already making an impact.

ASPEN – The extra 1,000 feet of runway space at the Aspen-Pitkin County Airport

The \$15.4 million runway extension project, completed in early November, was aimed largely at helping ease weight restrictions that forced commercial airlines to leave seats empty in order to take off. The problem was most acute during the summer, when higher temperatures are an issue.

The added runway length, however, has proven beneficial this winter, as well.

SkyWest Airlines, which operates United Express service to and from Aspen, has gained capacity for an additional eight to 10 passengers on some of its outgoing flights this winter, according to Marissa Snow, spokeswoman for the airline.

“We did anticipate the greatest gains being in the summer with the higher temperatures,” she said.

The combination of higher temperatures and altitude affects an aircraft's efficiency, explained Jim Elwood, aviation director at the airport. Air molecules become less dense as temperatures rise and as altitude increases (Aspen is at 7,900 feet), impacting engine operation and the overall lift capability of the aircraft's wings. Pilots need to account for the performance capability of the aircraft under those conditions by cutting weight – carrying fewer passengers, less fuel or less baggage.

Even United Express flights to Denver, a relatively short distance, realize benefits from the longer runway, as ski vacationers carry a lot of baggage that can now be accommodated, Snow said.

Airlines tried to anticipate weight restrictions by leaving seats unsold, but if it came down to bumping passengers or baggage, the latter went first.

“More often than not, it was the bags that got left behind,” said Bill Tomcich, president of reservations agency Stay Aspen Snowmass and the resort's liaison to the airline industry.

Increasing the runway length from about 7,000 feet to 8,000 feet was key to American Airlines' decision to start service to Aspen this winter, said an official with the airline when the American Eagle service was announced over the summer. American is offering nonstop service in winter and summer between Aspen and both Los Angeles and Dallas.

The extra runway space makes those long-distance flights, which require more fuel weight, feasible, according to Tomcich.

“We couldn't make the numbers work prior to that 1,000 feet,” said Gary Foss, vice president of planning and marketing for American Airlines in announcing the airline's entry into the local market.

In the past, SkyWest has left an average of eight seats empty in the wintertime to fly United Express flights nonstop from Aspen to Chicago, according to Tomcich. The flight hasn't been doable in the summer without a stop in Denver to refuel. The United Express flight to Los Angeles left at 8 a.m. over the summer to take advantage of lower morning temperatures.

When Delta served Aspen, with connections to Salt Lake City and Atlanta during the winter, it was leaving 15

seats empty in order to take off for the long-distance haul to Atlanta, Tomcich said. Delta pulled out of the local market at the close of the 2009-10 ski season.

The airport's now-longer runway doesn't open the airport to larger jets — weight and wing-span limits are unchanged — but resort officials have long hoped the project would attract more regional service by making flights financially feasible for the airlines.

The Federal Aviation Administration paid for the bulk of the runway project; the airport's share was \$2.4 million.

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<http://www.aspentimes.com/apps/pbcs.dll/article?AID=/20111229/NEWS/111229860/1077&ParentProfile=1058&template=printart>

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## Allegiant To Terminate Service In Magic Valley

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Allegiant To Terminate Service In Magic Valley

By Ben Botkin - [bbotkin@magicvalley.com](mailto:bbotkin@magicvalley.com) | [Magicvalley.com](http://Magicvalley.com) | Posted: Saturday, December 3, 2011 2:00 am | (0) Comments

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Ashley Smith / Times-News

A pilot with Allegiant Air inspects an aircraft Thursday morning before its departure for Las Vegas from Joslin Field, Magic Valley Regional Airport in Twin Falls. Allegiant will end its twice-weekly air service between Twin Falls and Las Vegas on Jan. 1.

### Related Galleries



Gallery: Air Travel

(7) Photos

### Allegiant's Twin Falls Timeline

April 26, 2010: Allegiant announces twice-weekly flights from Twin Falls to Las Vegas.

June 17, 2010: First Allegiant flight touches down at Joslin Field, Magic Valley Regional Airport.

April 5, 2011: Facing a downturn in passengers, Allegiant announces it will suspend Twin Falls flights between Aug. 15 and mid-November. Flights are suspended in September.

November: Allegiant's Twin Falls flights resume.

Friday: Allegiant announces it will permanently stop Twin Falls flights on Jan. 1, 2012.

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**TWIN FALLS** • For Allegiant Air, offering flights between Twin Falls and Las Vegas will end as a bad business gamble.

Allegiant will permanently stop its twice-weekly air service between Twin Falls and Las Vegas on Jan. 1, Twin Falls airport officials said Friday.

The airline has already informed Joslin Field, Magic Valley Regional Airport, of its plans to discontinue flights, said Airport Manager Bill Carberry.

"Their last flight will be Sunday, January 1," Carberry said.

Carberry said that while the airline's flights have been popular, his understanding is that Allegiant wasn't getting the ticket prices it would have liked from its Twin Falls flights.

"It has been a difficult time for them to initiate a new route in this recession," he said.

The company bills itself as a provider of direct flights to underserved regions. Allegiant announced its Twin Falls flights in April 2010 to much fanfare, bringing in a Las Vegas showgirl for an announcement aimed at drawing leisure travelers. Flights began in June.

Even before Allegiant's decision to pull out, its Magic Valley service saw interruption. Citing a seasonal decrease in passengers, Allegiant suspended its Twin Falls flights in September, bringing them back in mid-November.

Between June 2010 and August 2011, Allegiant counted 14,993 enplanements in Twin Falls, according to airport data. Enplanements count the number of times a passenger boards a plane, not individual passengers.

"Unfortunately, due to lack of market demand, we will end our service between Twin Falls and Las Vegas. We apologize for any inconvenience this may cause our customers," Allegiant President Andrew C. Levy said in a written statement. "Magic Valley Regional Airport has been a great partner for Allegiant and we thank its staff for their support and professionalism."

Allegiant said it would directly contact travelers who have booked flights for beyond Jan. 1 and give them a full refund.

Carberry said he heard from the airline with the news at about 4:30 p.m. Thursday.

Allegiant's decision was closely guarded, even within the company. Kristine Cooper, an Allegiant spokeswoman, said Friday she wasn't aware of the change when the Times-News interviewed her Wednesday about the airline's future in the region.

She called the airline's departure from Twin Falls "sad news."

Joslin Field still has three daily flights to Salt Lake City through SkyWest, a Delta carrier.

Ben Botkin may be reached at 735-3238.

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Posted in Twin-falls, Local on *Saturday, December 3, 2011 2:00 am* Updated: 6:34 am. | Tags: Twin Falls, Allegiant Air, Airport

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Posted on Mon, Dec. 05, 2011

## Business jet market expected to start picking up in 2012

By Molly McMillin  
The Wichita Eagle

The worst of the downturn in the business jet market is over, according to a new forecast by Forecast International.

The market for business jet production is expected to show some minor improvement next year, signaling the start of a gradual — but potentially long-lasting — market recovery, the forecast said.

"Business jet production in 2012 will show some minor improvement over 2011, but more substantial growth in build rates will have to wait until 2013," Raymond Jaworowski, Forecast International senior aerospace analyst, said in a statement.

The forecast projects demand for 10,907 business jets valued at \$230.3 billion in the 10 years from 2011 to 2020. Next year, production is expected to total 728 planes.

But production isn't expected to return to 2008 levels, a record for the market at 1,313 jets, until 2018.

Although the worst of the downturn is over, much of the market remains sluggish, especially in the light- and medium-jet segments of the market, Jaworowski said in his report. Demand is stronger in the large-cabin and long-range sectors.

"The tale of two markets will not continue indefinitely, however," he said in the report.

Still, business aircraft usage is up, the market for used business jets has stabilized and corporate profits are strong, the forecast said.

Business jet manufacturers have a number of new jets in development, such as Cessna's Citation M2 and Latitude, Bombardier's Global 7000 and 8000, and Gulfstream's G650. The manufacturers hope the new models will benefit from improved market conditions and will contribute to the recovery by stimulating demand, Jaworowski wrote in the report.

The forecast predicts that the top three producers of business jets in the next 10 years in terms of volume will be Cessna Aircraft, followed by Embraer and Bombardier. By value of production, the top three companies are expected to be Gulfstream, Bombardier and Dassault, all of which build larger, more expensive, business aircraft.

Honeywell Aerospace's annual forecast released in October forecasts similar numbers of jets. Honeywell also projects 2011 to be the trough for business jet deliveries, followed by modest growth for the next few years. The outlook projects demand for 10,000 business jets over 10 years, with half of them delivered in the next five years. It predicts that it will be the end of the decade before demand returns to pre-recession levels.

Honeywell projected deliveries for 2012 to reach about 700, up from 600 to 650 this year.

Reach Molly McMillin at 316-269-6708 or [mmcmillin@wichitaeagle.com](mailto:mmcmillin@wichitaeagle.com).

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## TSA Chief Disputes 'Thousands Standing Around' Jab at Agency

Julie Bykowitz, ©2011 Bloomberg News

Wednesday, December 7, 2011

(Updates with Broun letter in seventh paragraph.)

Dec. 7 (Bloomberg) -- U.S. Representative John Mica, who helped write the law creating the Transportation Security Administration, calls it "a bloated bureaucracy." TSA deserves the nickname "Thousands Standing Around," Representative Paul Broun says.

The agency's workforce grew 6 percent last year to a record 54,831 full-time equivalent positions, the fastest rate since at least 2005, according to budget documents. Administrator John Pistole requested another 3,570 positions for this fiscal year.

Congress created the TSA after the Sept. 11 attacks, giving it a virtual blank check to protect U.S. aviation from terrorists. Ten years later, the agency faces the competing demands of tighter budgets and labor-intensive mandates such as screening all passenger baggage and cargo. Congress hasn't passed President Barack Obama's proposal to increase fees on airline tickets to help pay more of TSA's costs.

"Those who say that we're inefficient or bloated -- I'd be glad to sit down and go through the books and say, 'OK, how would you staff this differently?'" Pistole said in an interview yesterday at Bloomberg's Washington bureau.

Airports are "optimally staffed," he said, while allowing that "there's something to" the argument by Mica, a Florida Republican, and Broun, a Georgia Republican, that TSA's administrative staff of 4,000 in the Washington area could be thinned.

### Pistole's Plan

Pistole, 55, said he's frozen hiring for some administrative positions and wants an unspecified number of people in the Washington area to leave through early retirement. He said he's combined



positions in information technology and training and will eliminate six out of 12 high-level management positions.

Broun, in a letter today to Pistole, wrote that he would "gladly accept your offer to sit down and go through" the TSA's records. The measures Pistole has taken to reduce administrative staff can't compensate for the "massive growth" of the agency over 10 years, Broun wrote.

Some airports are "insufficiently staffed," said Brian DeWyngaert, chief of staff at the American Federation of Government Employees, which won the right this year to bargain on behalf of the TSA's workforce.

"In some airports, the workforce is stretched too thin, and there's real anger and angst among employees," said DeWyngaert, who said he couldn't immediately provide names of understaffed airports.

### Risk-Based Security

The TSA says it has 20 layers of security to protect airplanes, most of which require people. Risk-based security measures that Pistole favors should allow the agency to reduce staff in the long run, said Kip Hawley, TSA administrator from 2005 to 2009.

Pistole describes risk-based security as focusing attention and resources on travelers who appear suspicious or are unknown rather than putting everyone through the same checks. The TSA workforce dedicated to one such effort, behavior detection, has grown to 3,000 in the past five years.

Trained officers rove airports, watching passengers and interviewing them at random. In Boston and Detroit, they interview each passenger at certain security checkpoints, watching for signs of deception and routing questionable passengers to extra security such as swabbing carry-ons for explosives.

### No Quick Shrinkage

Pistole this year began experimenting with separate security lines that enable pilots and certain pre-screened frequent fliers to pass through checkpoints at some airports without removing shoes or taking laptops and liquids out of carry-on bags. Through appropriations bills and legislation,

Congress has since the TSA's creation sought speedy screening of pilots and the development of a trusted traveler program.

"Logically, as fewer people need full screening, the TSA should require fewer employees, said Hawley, who's now a security consultant in California.

Congress, rather than agency leaders, likely will drive any resulting staff reductions, he said in an interview.

"It's not a natural instinct in government to wake up and say 'I want to cut 20 percent of my workforce,'" Hawley said, citing an arbitrary number.

The TSA is using existing employees in trials of the risk-based programs, Greg Soule, an agency spokesman, said in an e-mail. It's "too early" to know the number of employees that will be affected long-term, Pistole said.

### 'Mission Creep'

The use of checked-baggage-scanning technology enabled the agency to shift some employees to become behavior-detection officers, Pistole said. Airports outside the U.S. are asking for a larger TSA presence, he said.

"Mission creep" may result as fewer TSA employees are needed at checkpoints, Jeffrey Price, an aviation security consultant based in Denver, said in an interview. Passengers may start seeing screeners checking carry-ons at gates or patrolling airport perimeters, he said.

"When was the last time we saw bureaucracy get smaller?" Price asked. "If you need fewer people, the business answer is to get rid of them. The bureaucratic answer is to find something else for them to do."

Mica, chairman of the House transportation committee, said he wants the agency to become a regulatory body overseeing screeners employed by companies under contract.

"They need to get out of the personnel business," Mica said in an interview. "They need to go back to becoming a security agency" by setting policies for contractors and conducting audits, he said.

### What Congress Wants

Senator Roy Blunt, a Missouri Republican, said at a Nov. 9 hearing that more use of contract screeners, now at 16 U.S. airports, would help slim the workforce. "The overall philosophy that the government can do this better is not necessarily the right philosophy," Blunt told Pistole, who this year froze expansion of the private-screener program.

There are conflicting estimates on the cost of using private employees. U.S. taxpayers could save \$1 billion over five years if the 35 biggest airports used private screeners, Mica said in June. According to a TSA report to the Government Accountability Office, contract screeners cost at least 3 percent more. The TSA also can't reassign or move contract employees to respond to changing needs as it can with its own workforce, Pistole said.

### Screener Cap

Congress capped the number of federal screener positions from 2002 to 2009. The Republican-led House's appropriations bill for the Department of Homeland Security this fiscal year would reinstitute a cap, at 46,000. The Senate's version doesn't include that imposition.

The agency had 52,269 full-time-equivalent positions devoted to aviation security last fiscal year. It's unclear how many of those would fall under a congressional screener cap.

After an al-Qaeda operative tried to detonate an underwear bomb on a Christmas 2009 flight to Detroit, the U.S. accelerated plans to install full-body scanning machines at checkpoints. The TSA hired 5,000 screeners, or 3,000 full-time equivalents, to operate the machines, some of which require an employee to sit in a separate room and review revealing images of passengers' bodies.

If passengers decide not to go through the scanners, they can opt to be patted down. The TSA must have male and female employees available at checkpoints to perform the pat-downs.

### 'Not Sellable'

Senator Frank Lautenberg, a New Jersey Democrat on the appropriations committee, said he objects to staffing limits.

"Republicans have put arbitrary caps on the number of screeners and tried to limit funding, which would result in much longer lines for passengers and weaken the security of our system," he said in an e-mailed statement.

While no successful terrorist attack using a plane has occurred since Sept. 11, elected officials would be reluctant to decrease the amount of security in airports, Jeffrey R. Sural, a former congressional liaison to the TSA now with Alston and Bird LLP in Washington, said in an interview.

"If the mandates were repealed, and the TSA had a pure risk-based strategy, it would not need as many people," Sural said. "Politically, that's still not sellable."

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## TSA plans phone line for disabled, assisted travelers

By Mary Forgione

Los Angeles Times Daily Travel & Deal blogger

9:23 AM PST, December 12, 2011

After elderly passengers at JFK Airport complained about how they were treated by the [Transportation Security Administration](#), the agency said Sunday it would establish an information line that travelers who are disabled or need assistance can call before flying.

The [TSA blog post](#) written by blogger Bob Burns said in part:

"[W]e're in the process of establishing an 800 number dedicated to travelers with disabilities, medical conditions, or those who may require assistance during screening. Passengers will be able to call this number prior to flying to get guidance and information about screening, based on their needs." The agency also said TSA agents are regularly trained in how to screen such travelers.

The actions come after Lenore Zimmerman, 85, of Long Beach, N.Y., says she was "strip searched" by the TSA in late November. The agency says it never conducts strip searches. Her son Bruce Zimmerman told the [N.Y. Daily News](#) that his mother had to remove her blouse and underwear in front of a TSA agent.

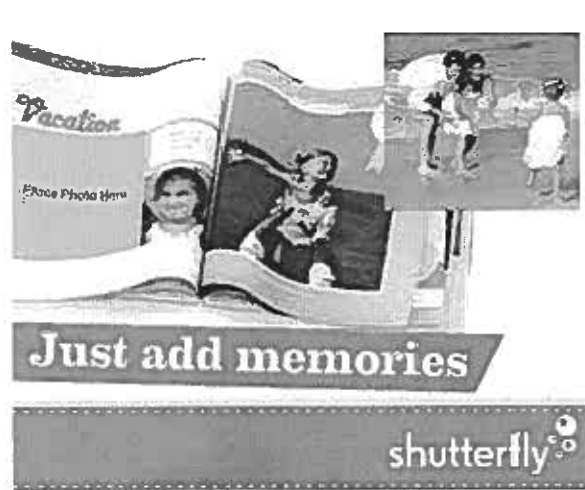
During the screening, Zimmerman's back brace was removed and X-rayed, an action the agency now says went against its own policy and resulted from a misunderstanding. The brace was mistaken for a money belt, the TSA says.

Ruth Sherman, 88, of Sunrise, Fla., says TSA agents pulled down her pants after seeing something concealed in the waistband, according to the N.Y. Daily News. Sherman has a colostomy bag and was "crying and very upset" when agents handled it, her son [Ralph Sherman](#) told the paper.

The complaints prompted Sen. Charles Schumer (D-N.Y.) and New York state Sen. Michael Gianaris (D-Queens) on Sunday to ask the TSA to create "passenger advocates" who know the rules but would be sensitive to the needs of passengers.

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## Overstuffed carry-on bags getting more scrutiny

By Samantha Bomkamp, AP Airlines Writer

Updated 2h 36m ago

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**NEW YORK**—Before you board a flight this holiday season, think twice about stuffing that carry-on full of gifts to avoid a checked bag fee. You might get charged anyway.

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Already armed with an exhaustive list of checked bag fees, some airlines are stepping up their enforcement of weight limits for carry-ons. This may lead to aggravation if an airline agent weighs your bag at the gate and then charges you.

Although weight limits for carry-on bags are mostly on international flights, George Hobica of [Airfarewatchdog.com](http://Airfarewatchdog.com) says charges on domestic flights may not be far behind.

**TODAY IN THE SKY:** Overstuffed carry-on bag? There may be a fee for that ...

One practical reason for weight restrictions is that they limit an airline's liability for accidents, such as when a

heavy bag falls from an overhead bin and hits someone. But they're also — you guessed it — a way for carriers to generate more fee income. Under congressional pressure, major U.S. airlines vowed earlier this year not to charge fees for carry-on bags. But they haven't ruled out widening their restrictions on the weight of those bags.

Although there are practical restrictions on their size, none of the major U.S. airlines puts a cap on the weight of a carry-on bag on domestic flights — but several do on

international flights. United, for example, sets a 44-pound limit for coach passengers flying within Asia or the Middle East. American Airlines puts a 50-pound limit on carry-on bags for trips to and from the Caribbean and Latin America. The airlines don't charge for the first bag on those routes, but you may get stung if your carry-on tops a limit and you've already checked one bag. A second checked bag fee could run as much as \$60 or \$70.

Big international airlines, such as British Airways and Lufthansa, have more widespread weight limits on carry-on luggage. Caps can range from as little as 18 pounds to as much as 50. But most of those airlines also let passengers check one bag for free, lessening the chance that passengers will get stuck paying an unexpected fee.

There are some airlines, however, that have a weight restriction on carry-ons and charge for a first checked bag. Hawaiian Airlines, which flies to the Western U.S. and plans to start flights to New York in June, sets a maximum carry-on weight at 25 pounds. It charges \$25 for a first checked bag for flights to and from North America.

While some weight limits seem high, Hobica notes that a bag full of heavy electronics can quickly add up.

Before U.S. airlines would consider implementing weight limits, they'd have to balance the possible backlash: An irate passenger at the gate, holding up the plane's departure. But other airlines have already put systems in place, including portable bag scales, to catch heavy bags at the gate. So it might not take long for these methods to catch on.

And especially during the holidays, airlines will ask passengers to check more bags as a way to clear the cabin — even if your bags aren't overweight. They usually won't charge a fee for this last-minute switch up, but travelers should heed this advice so they can comply with airlines' requests, while keeping their valuables within reach.

That means you should pack valuables in a smaller bag (like a purse or even a large Ziploc bag) within a carry-on. That way, if you have to check your bag, you can grab your important items and keep them with you on the flight. This will especially pay off if your checked bag is lost or stolen.

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## Airports court fliers with rewards programs

By Nancy Trejos, USA TODAY

Updated 3h 36m ago

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Laura Fuller has her choice of three Florida airports when she travels for her job at a software company. Jacksonville International and Orlando International airports offer more frequent and inexpensive flights. But only Gainesville Regional Airport has given her a Nook e-reader.

"It does encourage me to fly out of Gainesville," she says. Fuller is a member of Gainesville's Road Warrior Club, a loyalty program run by the airport. Passengers register online each time they fly, making them eligible for a gift at month's end.

Airlines, hotels and rental car agencies have offered loyalty programs for decades as a way to retain and attract customers. But now, many airports nationwide, realizing that fliers can drive to competing airports or simply drive to their destinations, are slowly adopting the strategy. The programs are typically free and offer fliers airline miles, prizes or discounts for parking, shopping, dining, or simply flying to and from the airport.

"Airports recognize that there is competition not only among airlines but also between airports," says Debby McElroy, executive vice president of policy and external affairs for Airports Council International-North America,

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By Don Ryan, AP

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which represents the governing bodies operating commercial airports in the United States and Canada.

"Loyalty programs can help an airport stand out among its competitors."

At Gainesville, which serves 300,000 passengers a year, 800 members have registered in the Road Warrior Club, which also gives them access to a private lounge.

Lafayette Regional Airport in Louisiana, which last year had 449,000 passengers, has the Fly Lafayette Club. Its 2,400 members are entered in a monthly drawing for hotel stays and gift certificates to local restaurants, spas, museums and retail stores.

More than 30 airports across the country, including Portland International and Cincinnati/Northern Kentucky International, have joined the Thanks Again program, which awards fliers airline miles for parking, shopping or dining at the airports. More than 100 other airports have merchants or parking garages that participate in Thanks Again, says Marc Ellis, chief executive officer and co-founder of the company.

Other airports focus their programs on parking. Nashville International Airport, for instance, has a frequent-parker program that allows travelers to earn free parking, use designated lanes in parking lots and make payments online. Members initially pay either \$20 or \$60 for a parking pass.

"I think people fly where they can get the cheapest fares, but if the fares are close and we're doing things here that the passenger finds value in, then customers will come to our airport," says Terry Slaybaugh, director of aviation for Ohio's Dayton International Airport, which has about 2.5 million passengers a year and is part of the Thanks Again network. "It definitely helps us keep the customers we have."

**Growing expectations**

Loyalty programs have been part of American consumer culture since the late 1800s, but it wasn't until the early 1980s that airlines brought them to the travel industry, says Michael McCall, a professor and chair of marketing and law at the Ithaca College School of Business who studies loyalty programs. Since then, customers have come to expect airlines, hotels and other segments of the travel industry to offer them a chance to reap rewards.

But McCall says few loyalty programs give customers rewards they want or value. When it comes down to it, the main goal of generating loyalty is hard to accomplish, and probably will be more so for airports, McCall says.

"Are (passengers) choosing that airport for reasons of convenience and/or price? And if so, that will make it very hard to generate loyalty on the part of the airport," he says.

That's not stopping many airports from trying.

Robert Callahan, a marketing consultant for Lafayette Regional Airport, was inspired by casino rewards programs when designing the Fly Lafayette Club, which replaced an earlier, much smaller loyalty program in March. Travelers simply swipe their membership cards or driver's licenses at a kiosk after the security checkpoint and automatically become eligible for the prizes. "We know they have choices elsewhere to fly, but we want to reward them for choosing us," he says.

Ellis helped start Thanks Again in 2004 with merchants such as dry cleaners and non-airport restaurants in several cities and expanded it to airports nationwide in November 2009.

Members register a credit card on the Thanks Again website. When they use them at participating airports, they automatically earn up to one mile per dollar spent. If they spend a certain amount over a 90-day period, they can earn up to five miles per dollar. Participating airlines include Delta, American, United/Continental, US Airways, Alaska and, starting next month, Frontier.

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At Cincinnati/Northern Kentucky International, which had about 8 million passengers last year, more than 4,000 passengers have signed up for CVGfirst Rewards, its version of Thanks Again, since it was launched in September 2010. Barbara Schempf, an airport spokeswoman, says the airport has five competing airports within a five-hour drive. "This provides us with another way to engage with our customers," she says.

#### Rewards pile up

In addition to the Nook, Laura Fuller has won restaurant gift certificates, theater tickets and Best Buy gift cards from the Gainesville airport. "I bought Christmas gifts one year from some of the stuff I've won," she says. Each month, the Road Warrior who has flown the most gets the top prize. Additional rewards go to randomly selected members who have flown at least once.

Craig Brister flies about twice a month for his job as an oil field salesman, mostly to international destinations. He has the choice of driving to Houston's airport to catch an international flight but he'd rather stick with Lafayette's airport, even if it's smaller.

He and his wife recently dined out with a gift card from the airport. "You know how it is with travel," he says. "You're always looking for a perk."

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Dean Peng

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**From:** Gwen Papineau Basaria <gwen.papineau@aaa.org>  
**Sent:** Tuesday, November 01, 2011 10:28 AM  
**To:** rick@flyfma.com  
**Subject:** Airport Alert: Senate Passes FY 2012 DOT/FAA Spending Bill With \$3.5 Billion for AIP



 AIRPORT LEGISLATIVE ALLIANCE **AIRPORT ALERT**

**Senate Passes FY 2012 DOT/FAA Spending Bill With \$3.5 Billion for AIP**

The Senate has just approved a \$128 billion "minibus" appropriations bill - H.R. 2112 - that proposes funding for a number of federal departments and agencies including DOT and FAA for the fiscal year (2012) that began on October 1. Importantly, the Senate-approved measure includes a proposed **\$3.515 billion** in funding for the Airport Improvement Program. The House version of the DOT/FAA spending bill - which stalled following subcommittee consideration in early September (see [Alert](#)) - proposes \$3.35 billion for AIP.

The measure approved by the Senate also addresses funding levels for other key programs and airport priorities including the FAA's use of space in airport facilities, ATC modernization and NextGen programs, Essential Air Service, the Small Community Air Service Development Program, the Contract Tower and Contract Tower cost-share program, and FAA research and development. A more detailed summary and comparison of the Senate DOT/FAA funding levels - which were unchanged on the Senate floor following committee consideration - with those included in the pending House version of the bill can be viewed [here](#). The funding bill does not address PFCs or other longer-term policy issues that are being considered separately as part of FAA reauthorization legislation.

During Senate debate on the "minibus" appropriations bill, discussion of aviation issues was minimal. Senator Tom Coburn (R-OK) offered an amendment that would have eliminated the \$6 million in funding included in the bill for the Small Community Air Service Development Program, but the amendment was rejected on a vote of 41 to 57.

**What's Next?**

Differences between the House and Senate versions of the DOT/FAA funding bills and other annual appropriations measures must be reconciled and agreed to by both the House and Senate. That process is expected to play out in the days and weeks ahead as lawmakers

try to complete work on the DOT/FAA spending bill and the eleven other annual appropriations bills funding the federal government for FY 2012. While there is a bipartisan desire to wrap up the FY 2012 process as quickly as possible, significant differences remain between the two parties on how to best accomplish that goal.

To date, Congress has yet to approve a single annual spending bill for the year, leaving federal departments and agencies operating under the terms of a temporary, continuing funding resolution that is set to expire on November 18. While leaders had hoped to have all appropriations work for the year done in advance of the November 18 date, it is all but certain that another temporary funding extension - likely well into December - will be necessary.

Despite the dismal overall budget situation and tight fiscal constraints, airports are faring well to this point in the FY 2012 budget process, particularly on the AIP front. While the news is good so far on a number of airport priorities given the dismal overall budget situation and tight fiscal constraints, AIP and other key programs remain targets as Congress tries to abide by the funding constraints in the debt agreement approved this summer that apply to FY 2012 and as the "supercommittee" looks to develop a plan by November 23 that reduces the deficit by an additional \$1.5 billion between 2012 and 2021.

Stay tuned for further updates. For more information, contact [Joel Bacon](#) at 703-575-2478.

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**FLY SUN VALLEY ALLIANCE MEETING MINUTES**  
 Thursday, November 14, 8:00am – 10am, Sun Valley Resort

**Board Members Present:** Eric Seder, Jack Sibbach, Maurice Charlat, Rick Baird, Patrick Buchanan, Arlene Schieven, Peter Scheurmier, DeWayne Briscoe, Deb Fox, Warren Benjamin. Staff: Carol Waller.  
**Board Members Absent:** . Martha Burke, Lisa Horowitz, Dick Fenton

**TOPIC DISCUSSED:**

**Consent Items:**

- **October Board Minutes:** Warren moved to approve, Maurice seconded VOTE: All in favor
- **October FY12 Financials:** Maurice moved to approve, Warren seconded. VOTE: All in favor
- **Proposed FY 2012 Budget:** Maurice approved, Warren seconded.

**Air Service Initiatives/Research/Promotions:**

- **Alaska Airlines MRG performance update from Mead & Hunt:** Winter bookings for all months (Dec – March) currently running behind YTD last year, although fare sale in progress should help stimulate bookings. SkyWest has added additional flights on peak days during the holiday period.
- **Airport Update:** FMA continuing to be involved with various city/public meetings for outreach and input on current situation and potential options. Airport to meet with SkyWest on 11/22 and with Alaska in early December.
- **Potential new service:** Waiting for certain airport issues to be resolved/clarified before proceeding with next steps.
- **Air Service Marketing Update:** SV Resort, SVMA launching winter air service marketing in SEA and LAX and promotional tie-ins with Alaska's winter campaigns.
- **Research:**
  - Summer 2011 passenger research completed, report due shortly, will provide to board when received.
  - SUN Leakage Study: Airport has contracted with M&H, study should be done in December.
  - Rocky Mountain Air Service News (compilations of articles related to air service in competitive set) provided.

**Sun Valley Express Boise-SUN Shuttle Service:**

- Sun Valley Express opted for no management contract for 2011/12 but would appreciate marketing support from all partners. Will adjust schedule to meet demand - likely to run 2 shuttles daily throughout the season instead of 3 except for peak periods.

**Committee Reports:**

**1. Funding Committee**

**MRG Legal Assessment:** Eric reported that MRG legal assessment work from HT is still in progress. FSVA coordinating a meeting re: air service in Idaho with IDOC and BOI city/airport officials on 11/18 in Boise. FSVA Board members encouraged to continue to reach out to elected officials and other stakeholders on importance of air service and funding.

**2. Program Committee**

**ACCESS SUN VALLEY CARD:** Update included in board packets;

**Transferable Ski Passes:** Update included in board packets, strong sales for October compared to previous year.

**Monthly Directors Report**

Provided for review.

*Respectfully Submitted, Carol Waller, FSVA Director*



# ACCESS SUN VALLEY CARD & TRANSFERABLE BUSINESS SKI PASS MONTHLY REPORT

## ACCESS SUN VALLEY CARD PROGRAM

DATE	# CARDS SOLD	BUSINESS JOINED	MARKETING
NOVEMBER			
NEW CARDS	3	Clarion Inn	<ul style="list-style-type: none"><li>Secure 100% AC participation from board members</li><li>Develop 2011/12 marketing strategy/plan; continue co-promotion with realtors</li></ul> Attend Local Business Showcase, sell card with "show bonus", sell Transferable Passes <ul style="list-style-type: none"><li>Survey members and businesses for program feedback, do program review/analysis</li><li>Research mobile app; continue email/sm mktg of deals, flight info, etc.</li></ul>
RENEWING CARDS	2	The Picket Fence	
REFERRED CARDS	12	The Open Room	
TPASS CARDS	34	Premier Cleaners	
TOTAL NOV	51	4	
OCTOBER			
NEW CARDS	1	Hertz Rental Car	<ul style="list-style-type: none"><li>Secure 100% AC participation from board members</li><li>Launch co-promotion with SV Board Realtors for AC and Holiday Baskets</li></ul> <i>(Refer A Friend bonus changing to \$25 for referrer and referred)</i> <ul style="list-style-type: none"><li>Continued email and social media marketing of deals, Refer-A-Friend, flight info, etc</li><li>Research potential for short-term (7 day) Visitor ACCESS SUN VALLEY CARD to launch Dec</li></ul>
RENEWING CARDS	2	Grumpys	
REFERRED CARDS	4	The Toy Store	
TPASS CARDS	19		
TOTAL OCT	26	3	

## FSVA TRANSFERABLE BUSINESS SKI PASS SALES

DATE	#Passes Sold	TOTAL SALES	MARKETING
<b>Oct-11</b>			
ALL WEEK	12	\$31,200	Email/PR/direct outreach campaign to: past pass purchasers,
LONG WEEKEND	1	2,600	Email & PR campaign to other local businesses, via Chambers, biz license list
GOLD	1	5,000	Direct outreach to businesses in region - ski shops, hospitals, major employers
<b>TOTAL SALES OCT</b>	<b>14</b>	<b>\$38,800</b>	
<b>Nov-11</b>			
ALL WEEK	27	\$70,200	
LONG WEEKEND	7	18,200	
<b>TOTAL SALES NOV</b>	<b>34</b>	<b>\$88,400</b>	
<b>Dec-11</b>			
ALL WEEK	1	\$2,600	
<b>TOTAL SALES YTD</b>	<b>48</b>	<b>\$129,800</b>	9 New Businesses Bought Passes; 7 Businesses dropped pass purchase this year
		<b>TOTAL TP SALES IN 2010/11 = \$128,000</b>	



## COMMUNITY SKI EVENT “Ski For Air Service”

### EVENT GOALS:

1. Increase revenue for FSVA towards MRG’s
2. Create awareness and visibility for the issue(s) of air service to The Wood River Valley
3. Involve the local community and raise positive perceptions for increased air service

### EVENT OVERVIEW: “Ski for Air Service”

- **Sunday: January 22, 2012.** A full day of skiing along with an Apres Ski Event at River Run Lodge from 4-6pm will take place to raise money for FSVA/MRGs and educate locals/key stakeholders on importance of air service to SUN.
- **Tickets: 1000 discounted \$35 all-day lift tickets will be sold, provided to FSVA by SV Resort.**
- **Ticket sales:** SV Resort will provide FSVA with 1000 printed tickets, and FSVA will arrange with local ski shops to sell. *Outlets in Ketchum: Sturtevant's, Pks, Formula Sports, Ski-Tek, Sun Summit. Outlet in Hailey: Sturtevant's.*
  - Each participating store will get a set number of tickets to sell and will sign an agreement with FSVA re: Terms & Conditions identified, including cooperative marketing of themselves as ticket outlets.
  - Tickets will be sold on a **CASH ONLY** basis, and sales will run from **January 12-21. NO SALES on the 22<sup>nd</sup>.**
  - FSVA will monitor ticket sales at each of the locations throughout the sales period.
  - FSVA will be responsible to collecting all ticket sales monies from outlets and providing final accounting for sales.
- An Apres Ski Party will occur from 4:00pm-6:00pm at River Run Lodge and will feature a FSVA raffle drawing, and music. FSVA will sell \$5 PER RAFFLE TICKET, 5 FOR \$20. One free raffle ticket will be also be included in “Ski for Air Service” lift ticket purchase. **FSVA Board members will be responsible for securing raffle items.**
- FSVA staff, board members and volunteers will manage and work all aspects of the event in co-ordination with SVC
- **Marketing/Education:**
  - FSVA will advertise and promote the event locally/regionally through email, social media, advertising, and cooperatively with ticket sales outlets and SV Resort through same. (Ideas: radio tx promo/giveaways, possibly sell for one day, limited hours, at Claude Sports in Twin Falls, etc.)
  - FSVA will have a table at River Run Lodge on the event day to provide information on air service and FSVA.
  - FSVA will provide SV chairlift staff with various Air Service “Fun Facts” or “Questions” to be posted on boards at chair lifts throughout the day – contest winners receive???
  - Each participant will receive a “reasons why” informational handout/postcard on the importance of air service to Sun when they purchase their “Ski for Air Service” ticket.

### EVENT BUDGET

#### INCOME

- “Ski For Air Service” tickets: 1000 @ \$35.00 = \$35,000
- Raffle proceeds \$1,000
- **Total= \$36,000**

#### EXPENSE

- Advertising/Info postcard \$1,500
- Taxes & Fees: \$2,500
- **Total: \$4,000**

**ESTIMATED NET TO FSVA for MRGs: \$32,000**



# \$25 all day lift tickets

All proceeds benefit Bend La Pine and  
Redmond Education Foundations

Tickets can be  
used any day  
November 28  
through  
December 2

TICKETS ON SALE  
THROUGH NOV. 25 AT

Four Seasons Recreational Outfitters

Great Outdoors by Altrec.com

High Desert Vision Center

Jody's

La-Z Boy

McDonald's in Redmond

Mid Oregon Credit Union

Mountain Supply

Office of Dr. Scot Burgess

Pine Mountain Sports

Powder House

R.E.I.

RHS Athletic Department

Side Effect

Skjersaa's

Vanilla

Zydeco



Mt   
Bachelor  
SKI FOR SCHOOLS



## Monthly Director's Report November, 2011

### 1. TRANSPORTATION SERVICES

#### AIR SERVICE PROGRAM

- Received/reviewed Alaska Airlines booking/MRG projection reports. Followed up with SUN AS station manager on diversion bussing contract negotiations for winter. Promoted various new AS flight deals offered via media, FSVA outreach channels, shared with lodging properties and other local businesses, etc. Pursued potential for sponsorship for SV Nordic Festival. Corresponded with SkyWest re: promotional assistance and with SkyWest scheduling re: holiday flight schedule.
- Ongoing communication/work with M&H consultant re: proforma & potential new service, scheduled vs. actual season/diversion & cancellation stats, enplanement reports, etc.
- Organized meeting with IDOC, City of Boise, Boise airport and local representatives to discuss air service issues. Attended various meetings re: air service, local officials, FMAA, Sustain Blaine Economic Forum, etc. Prepared for presentation at Dec. 21 Capitol for A Day in Sun Valley.
- Continue work on compiling/tracking relevant comparative data and information of air service re: SUN and within competitive set of ski resorts. Worked with FMAA staff on updating historical seats/enplanement data.
- Updated air service schedules on FSVA website.

#### BOISE SHUTTLE SERVICE

- Continued negotiations with Sun Valley Express – they elected to run with no mgmt contract for 2011/12.
- Assisted SVE with contacts for media and local stakeholder outreach to help promote new winter schedule. Updated new SVE winter schedule on FSVA website.

### 2. FUNDRAISING

#### ACCESS SUN VALLEY CARD

- Continued implementation of marketing; co-promotion with SV Board of Realtors as tie-in with Holiday Baskets campaign. Promoted new Refer-A-Friend program and new *Get It Now! Hot Deals* program on website, through email and social media. Participated in Zion's Bank Business Showcase Nov 9. Continued to solicit new biz to join.
- Created/sent ENews updates – updated database of customers and businesses on ongoing basis. Continued promotion of deals, business participants and other air service news via FSVA Facebook.
- Processed 26 new card orders (2 new, 4 new referrals, 2 renewal, 18 from TP) and added 2 new businesses. Answered customer and business questions, handled customer & business issues as needed. Updated website.

#### STATE/LOCAL FUNDING OPTIONS:

- Continued follow-up with legal counsel on pursuit of options on assessment of MRG funding

#### TRANSFERABLE SKI PASSES

Continued marketing outreach of TP to local and regional businesses through emails, social media, calls, etc. Sold & processed 13 basic passes and 1 GOLD TP pass YTD in October 2011 – 0 in 10/10.

#### FSVA COMMUNITY SKI DAY

Worked with FSVA Program committee to develop outline for proposed new fundraising event in January.

### 3. BOARD/ADMIN BUSINESS

- Developed/compiled/distributed all materials for monthly Board Packets; prepared minutes from meeting. Prepared Monthly Report.
- Reviewed Financials, approved invoices/signed & processed checks, reviewed payables list, presented to President for review/approval. Made deposits as needed. Prepared/revised FY 12 budget for board review/approval.

### 4. RESEARCH/OTHER

- Received/reviewed final 2011 summer air passenger survey results; began summarizing key points for distribution.



## Flight Cost Comparison - Delta Airlines 2011-12 Winter

Airport Beginning Destination		SUN	TWF	BOI		SUN	TWF	BOI
December 23 - December 26	Atlanta, GA (ATL)	\$1,173.10	\$1,051.40	\$853.80		\$535.40	\$452.30	\$350.80
	Anchorage, AK (ANC)	\$1,030.90	\$1,211.49	\$977.69	January 20 - January 23	\$530.30	\$675.69	\$537.70
	Baltimore, MD (BWI)	\$1,183.40	\$1,064.10	\$1,098.80		\$604.10	\$448.40	\$258.80
	Boston, MA (BOS)	\$1,482.30	\$1,292.30	\$1,274.80		\$642.80	\$585.80	\$432.80
	Chicago, IL (ORD)	\$1,053.40	\$903.40	\$901.50		\$624.40	\$585.10	\$300.80
	Cincinnati, OH (CVG)	\$1,078.90	\$971.90	\$874.70		\$548.90	\$481.90	\$459.30
	Dallas, Texas (DFW)	\$1,074.90	\$875.10	\$833.30		\$425.40	\$418.40	\$290.80
	Denver, CO (DEN)	\$784.40	\$614.40	\$759.80		\$475.40	\$297.40	\$246.80
	Detroit, MI (DTW)	\$1,123.40	\$973.40	\$887.80		\$660.40	\$683.40	\$432.70
	Hartford, CT (BDL)	\$1,355.80	\$1,185.80	\$1,155.50		\$710.80	\$670.80	\$518.80
	Honolulu, HI (HNL)	\$1,552.50	\$1,756.23	\$1,357.89		\$681.21	\$752.20	\$578.89
	Indianapolis, IN (IND)	\$1,123.40	\$1,035.10	\$1,113.80		\$628.40	\$449.40	\$328.80
	Las Vegas, NV (LAS)	\$742.40	\$572.40	\$649.80		\$423.10	\$359.40	\$293.80
	Los Angeles, CA (LAX)	\$761.40	\$707.40	\$852.80		\$379.40	\$375.40	\$312.80
	Miami, FL (MIA)	\$1,359.30	\$1,209.30	\$1,125.50		\$454.80	\$588.80	\$500.20
	Minneapolis, MN (MSP)	\$1,079.40	\$889.40	\$718.40		\$500.40	\$572.40	\$351.40
	Nashville, TN (BNA)	\$1,136.60	\$990.30	\$960.00		\$609.90	\$529.60	\$361.30
	New Orleans, LA (MSY)	\$1,106.90	\$1,050.60	\$1,133.20		\$664.10	\$451.40	\$388.80
	New York, NY (JFK)	\$1,407.10	\$1,151.10	\$997.80		\$530.80	\$558.80	\$488.50
	Newark, NJ (EWR)	\$1,297.10	\$1,127.10	\$1,223.83		\$709.10	\$669.10	\$371.80
	Phoenix, AZ (PHX)	\$797.40	\$687.40	\$726.80		\$360.78	\$317.40	\$280.80
	Pittsburgh, PA (PIT)	\$1,093.80	\$943.80	\$947.80		\$702.80	\$510.80	\$360.80
	Portland, OR (PDX)	\$919.40	\$771.40	\$327.40		\$390.40	\$336.40	\$141.40
	Raleigh-Durham, NC (RDU)	\$1,271.80	\$1,188.80	\$1,159.20		\$667.80	\$579.80	\$458.80
	Salt Lake City, UT (SLC)	\$352.00	\$372.00	\$280.40		\$292.00	\$252.00	\$247.40
	San Francisco, CA (SFO)	\$1,048.78	\$903.10	\$1,039.80		\$460.40	\$360.40	\$297.80
	Seattle, WA (SEA)	\$924.40	\$775.40	\$902.80		\$364.40	\$298.40	\$171.80
	St. Louis, MO (STL)	\$1,031.40	\$861.60	\$837.80		\$555.40	\$383.40	\$332.80
	Washington, D.C. (DCA)	\$1,352.40	\$1,167.40	\$1,275.80		\$712.80	\$521.30	\$430.80

RED - Top 10 highest fares

GREEN - Top 10 lowest fares

YELLOW - TWF fares higher than SUN

BLUE: TWF fares are at least \$200 lower than SUN

PURPLE: BOI fares are at least \$200 lower than SUN





**FLY SUN VALLEY ALLIANCE MEETING**  
**Monday, December 12, 8:00am – 10:00am – Friedman Airport**

**AGENDA:**

**1. Consent Items:**

- Approval of November Meeting Minutes (*attached*)
- November financials (*attached*)
- Monthly meeting day – change

**2. Committee Reports:**

**Funding Committee:**

- Long-term funding update - strategic planning
- Recap of Meeting with IDOC & BOI airport officials 11/18; follow up mtg in SV on 12/15

**Programs Committee:**

- Access Sun Valley Card & Corporate Transferable Ski Pass sales update; (*attached*)
- Other Fundraising – “Ski for Air Service” Community Ski Day in January (*attached*)

**3. Air Service Initiatives/Research/Promotion**

- Alaska Airlines winter booking update from Mead & Hunt (*attached*)
- Discussions with SkyWest; re – holiday flight capacity, bookings, winter upcoming
- Passenger Leakage Study/Analysis update - Rick
- Airport update/FAA Meetings update – Rick
- Sustain Blaine Airport Economic Forum; Nov 30 – recap
- FSVA presentation to state officials at Capitol for a Day in SV – Dec 21
- Summer/Fall Air Passenger Survey - completed; results being reviewed/condensed before distribution. Will make presentation of findings to FMA at January meeting.
- Winter air service promotion update – Jack & Arlene

**Other attachments:**

- November Director Report
- December Flight News
- Airfare comps (SUN-TWF-BOI)