

**MINUTES OF A REGULAR MEETING
OF THE
FRIEDMAN MEMORIAL AIRPORT AUTHORITY
January 7, 2025
5:30 P.M.**

IN ATTENDANCE:

BOARD MEMBERS:

Board Chair – Martha Burke, Vice Chair – Muffy Davis, Secretary – Angenie McCleary, Board Members – Dale Bathum, Sam Linnet, Jacob Greenberg, Lindsay Mollineaux, Treasurer – Ron Fairfax

FRIEDMAN MEMORIAL AIRPORT STAFF:

Airport Director – Chris Pomeroy, Deputy Director, Operations & Maintenance – Tim Burke, Deputy Director, Administration and Finance – Brian Blackburn, Business Operations Coordinator – Eliana Wolper, Administrative Coordinator II – Janice Hicks

AIRPORT LEGAL COUNSEL:

Lawson Laski Clark PLLC – Jim Laski

CALL TO ORDER: The meeting was called to order at 5:30 p.m. by Board Chair Burke

I. APPROVE AGENDA (0:35)

A motion to approve the agenda moving item 6 to after the minutes.

MOTION: *Made by Board Member Greenberg to approve the agenda moving item 6 to after the minutes and then following as presented. Seconded by Vice Chair Davis.*
PASSED UNANIMOUSLY

II. PUBLIC COMMENT (1:04)

None

III. APPROVE FMAA MEETING MINUTES (1:20)

A. December 3, 2024, Regular Meeting – Motion to Approve – **Attachment #1 ACTION ITEM**

MOTION: *Made by Board Member Greenberg to approve the minutes as presented. Seconded by Board Member Linnet.*
PASSED UNANIMOUSLY

B. December 12, 2024, Regular Meeting – Motion to Approve – **Attachment #2 ACTION ITEM**

MOTION: *Made by Vice Chair Davis to approve the minutes as presented. Seconded by Board Member Linnet.*
PASSED UNANIMOUSLY

IV. REPORTS (32:50)

A. Chair Report

Board Chair Burke thanked Staff for their snow clearing efforts.

B. Blaine County Report

Secretary McCleary welcomed Board Member Bathum.

C. City of Hailey Report

No report given.

D. Fly Sun Valley Report

Carol Waller of Fly Sun Valley Alliance reported the winter season had good traffic with minimal issues except for bad weather and that the summer schedule would be finalized soon.

E. Airport Team Reports (see PowerPoint Presentation) (34:50)

Airport Director Pomeroy welcomed Dale Bathum, the new independent board member, and Eliana Wolper the new Airport Business Operations Coordinator. Airport Director Pomeroy reported November passenger enplanements were up 2.7% from 2023. Year-to-date enplanements were up 11.2% versus 2023.

Operations for November were down 3.9% from November 2023. Overall operations were down 1.7% year-to-date from 2023. He stated that enplanements for 2024 were expected to be 122,000 – 123,000, which is a record. Operations for December were down 4% from December 2022. Overall operations were down 1.7% year-to-date 2023. He stated that there were 24,775 take-offs and landings for the calendar year 2024.

He stated that operations counts were steady for the last 10 years, except for the 2021 Covid operations bump. Operations have decreased 51% since 2001 and 41% since 2010. Decreases in general aviation activity at SUN follow national trends. He stated that the transition to larger capacity air carrier aircraft brought more passengers in fewer flights but that we have added more destinations. He stated that the recent holiday season saw record numbers of passengers in the terminal and gave credit to TSA and Airport Operations teams.

He stated that due to the new approach, there were no diversions or cancellations due to weather. Through January 6, 2025, there have been 390 saves with an estimated 21,000 passengers that were not bused due to cancellation or diversion. He reviewed changes in air traffic control, made with Consultant Greg Dyer.

Airport Director Chris Pomeroy stated that the airport is in a good financial position. He stated that Staff is still in the lease negotiation process with Clay Lacy Aviation. He stated that the ATCT replacement project is moving forward with an environmental review and design completion in 2025 and construction beginning in 2026. He stated the Terminal Renovation project is moving forward with design beginning in 2026. He stated that the rental vendor Quick-Turn facility project is still moving forward with Customer Facility Charge funds, but funding is not finalized. He stated that design for expansion of Snow Removal Equipment building will likely get underway in 2025. He stated that design and layout for wash-rack and general aviation lounge is near completion, there are issues with funding, but the project is eligible for BIL funding. He discussed issues with ground transportation availability and coverage, including a potential agreement with Turo rental cars and Uber. He stated that the Airport would need to replace some parking lot equipment and needs an additional high-capacity blower.

Board Member Bathum stated that performance metrics were amazing and asked if there is anything that is cause for concern.

Airport Director Pomeroy stated that the outlook for air traffic and financial position is good.

F. Treasurer's Report (01:01:10)

Ron Fairfax, Airport Treasurer discussed how the airport's operating net income compares to prior years. He pointed out there has been a fair amount of grant money.

He gave a report on budget year over year, accounting for one-time things including CARES act funding, interest, changes in airline revenue, and hangar transfer fees. He found that revenue went up 6.5% year over year.

He reported that salary and benefit expenses were up 7% and administrative and operating expenses went up 22% year over year due to utilities, professional services, and equipment costs. Fuel expenses and vehicle maintenance were down year over year. Expenses for vehicle and building maintenance was also up 20%. He concluded that the airport made approximately \$800,000 in the prior fiscal year.

He stated that revenue is necessary to match AIP funds and for core operational expenses and that the airport is doing a good job with overall revenue and is being run well.

Board Chair Burke complimented Treasurer Fairfax on his approach to this report.

Board Member Mollineaux stated that she is impressed with how the airport has been using one-time funding sources and asked for a indicators for future financial success of the airport.

Treasurer Fairfax stated that his only concern is the cyclical nature of aviation with frequent changes in traffic level and type but that he is comfortable with the reserves the airport keeps.

V. AIRPORT STAFF BRIEF

A. Noise Complaints in December.

1. None.

B. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data **(See Attachment #3-#5)**

1. None.

C. Review Correspondence

1. None.

VI. ACTION ITEMS

A. NEW BUSINESS

(2:40)

1. Annual Audit of Acceptance of FMAA Financial Statements and other Financial Information– **Attachment #6 and #7 ACTION ITEM**

Brian Blackburn, Deputy Director of Finance and Administration introduced Morgan Browning.

Morgan Browning with Harris & Company CPAs presented a PowerPoint prepared to summarize the annual audits. Please reference associated PowerPoint. He reviewed the Independent Auditor's Report, with a reporting of a clean opinion on the audit. He reviewed the Report on Internal Control over Financial Reporting and on Compliance, with no compliance or control findings on the audit. He reviewed the report covering Airport Improvement Program compliance, with no control findings on the audit. He reviewed the PFC Compliance report, with one non-compliance finding. The non-compliance finding was over-collection of PFC fees. Grants and federal awards were significant audit items along with operating revenues, the PFC program (which has its own compliance requirements), capital assets, salaries & wages, accounts payable, and fraud considerations.

Board members discussed PFC audit finding with Morgan and determined that non-compliance was due to application delay and that Staff has coordinated with the FAA to address the over-collection.

Brian Blackburn, Deputy Director of Finance and Administration introduced Lori Harberd.

Lori Harberd CPA with Rexroat, Harberd & Associates stated she is contracted with the airport to prepare the financial statements and related notes from financial records. Please reference associated PowerPoint. She discussed the end of year adjustments as well as the reasons for them. She went through Net Position, statements of cash flow and statements of revenue and expenses. She also referenced Budget to Actual.

Board Member Mollineaux asked about operating loss. Brian Blackburn, Deputy Director of Finance and Administration, explained that operating expenses change compared to budget and invited Board members to reach out to him for additional detail.

Board Member Bathum asked about employee wages, benefits and taxes being under budget. Brian Blackburn, Deputy Director of Finance and Administration, explained that multiple positions were not filled for several months because hiring for open positions is often difficult locally. Chris Pomeroy, Airport Director, stated that the airport is fully staffed as of last week, then corrected himself that there is one open operations position as of last week.

Board Member Linnet asked for assurance that the PFT audit finding had been corrected. Airport Director, Chris Pomeroy, explained the events that led to the non-compliance and the corrective action that had been taken to correct it. Board Member Greenberg inquired about the plan for future tracking of PFC data to prevent future non-compliance. Brian Blackburn, Deputy Director of Finance and Administration, answered that there are quarterly reports posted and that the application process was delayed.

MOTION: *Made by Board Member Linnet to approve Draft Financial Statements and direct Staff/Auditor to finalize for distribution to appropriate government agencies. Seconded by Board Member Mollineaux.*

PASSED UNANIMOUSLY

B. CONTINUING BUSINESS

1. None

VII. UPDATES AND DISCUSSION

(1:13:45)

A. NEW BUSINESS

1. None

B. CONTINUING BUSINESS

1. Miscellaneous
 - i. None.
2. Construction and Capital Projects
 - i. None.
3. Airport Planning Projects

i. None.

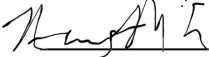
VIII. PUBLIC COMMENT

(01:13:58)

None

IX. ADJOURNMENT

The January 7, 2025, Regular Meeting of the Friedman Memorial Airport Authority was adjourned at 6:45 p.m.

Signed by:

E759543F3D014D4... Angenie McCleary, 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.*