

List of Agenda Additions and Handouts for November 20, 2020

8. Year correction to '2021 Capital Plan Review'
2. Move PW-16 Equipment Replacement Policy under 8. Capital Plan Review
 - Equipment Replacement Request for Council Decision
6. c. Pembina Region Aerodrome Association 2021 Budget
 - Request for Council Decision

BRAZEAU COUNTY

REQUEST FOR COUNCIL DECISION



SUBJECT:	Pembina Regional Aerodrome Association 2021 Budget		
DATE TO COUNCIL:	November 20, 2020		
SUBMITTED BY:	Lee Chambers - Director of Community Services		
ENDORSED BY:			
REVIEWED BY CAO:	Jocelyn Whaley, CAO		
FILE NO:			
Report/Document	Attached <input checked="" type="checkbox"/>	Available <input type="checkbox"/>	Nil <input type="checkbox"/>

RECOMMENDED ACTIONS:

That Council approve the proposed 2021 airport budget as submitted by the Pembina Regional Aerodrome Association, bringing the County's cost shared amount to a maximum of \$68,000.

1. TOPIC DEFINED

Executive Summary/Key Issue(s)/Concepts Defined:

The Drayton Valley Airport is leased by the Town of Drayton Valley from the Province and is located in Brazeau County. The facility is equipped with hangars, an office, and a 5,000 foot runway, allowing most business jets and private planes to land safely. Until this year the facility was operated by the Town, with the County cost sharing the operational deficit as per the 1995 cost sharing agreement. This same agreement also states that "the annual operating budget will be approved by both Councils in advance." Past cost sharing amounts are as follows, with an average yearly cost being \$42,957.80:

	2019	2018	2017	2016	2015
Airport	\$ 32,701.00	\$ 40,164.00	\$ 30,930.00	\$ 49,941.00	\$ 61,053.00

In March 2020, the Pembina Regional Aerodrome Association (PRAA) took over operations of the local airport from the Town. This change has allowed for a truer picture of operating costs for the facility. Hangar lease payments are paid to the Town while taxes on the hangars are paid to the County. As such, the PRAA have provided a draft budget for 2021 and is seeking confirmation of the County's cost sharing commitment.

The proposed 2021 budget puts the total operating costs at \$136,000, proposed to be shared 50/50 with the Town of Drayton Valley, bringing Brazeau County's share to \$68,000. The 2020 budget allocation for airport cost sharing is \$52,087. Should Council determine to approve the proposed 2021 airport budget, this will be an increase of approximately \$16,000.

Relevant Policy:

None

Strategic Relevance:

Council goals #1, #2, and #3.

2. ANALYSIS OF RECOMMENDED ACTION

That Council approve the proposed 2021 airport budget as submitted by the Pembina Regional Aerodrome Association, bringing the County’s cost shared amount to a maximum of \$68,000.

Advantages	Disadvantages
<ul style="list-style-type: none">• Increased funding will allow the PRAA to ensure the facility is operating as per regulations• Increased funding will allow the PRAA to develop programs and services at the airport, promoting the region and• Maintains access to the facility by residents, corporations, and emergency services	<ul style="list-style-type: none">• Increased the 2021 County budget during an economic downturn

3. IMPLICATIONS OF RECOMMENDATION

Operational: None

Financial: Increased budget allocation as per the proposed budget, a net impact of approximately \$16,000.

Attachments:

- Correspondence from Pembina Regional Aerodrome Association
- Pembina Regional Aerodrome Association Proposed Budget

From: Jerry Greiner
Sent: Thursday, November 12, 2020 12:11 PM
To: Jocelyn Whaley <JWhaley@brazeau.ab.ca>
Subject: Airport Budget Proposal 2021 Operating

Hi Jocelyn, This year in March, the Pembina Regional Aerodrome Association took over the operation of the Airport from the Town. We are a volunteer organization, made up of pilots and others with an interest in the airport. I understand the County shares costs with the town on funding.

My concern is the actual costs of the Airport seem to be understated previously, as many of the costs such as equipment, fuel, Pavement repairs, summer student's cleaning and mowing were not always coded to the airport, but just to the different departments. As a club we all the expenses are born by us, with nothing hidden in extra departments.

As such the actual costs for the first 7 months of operation, and the operation budget for 2021 are attached. Our 2021 operating budget is \$136,000. I believe there is a 50% cost sharing agreement in place.

I trust you find this in order,

Feel free to contact me if further details are needed.

Jerry Greiner

President, Pembina Regional Aerodrome Association (PRAA)

Pembina Regional Aerodrome Association
Operations Budget 2021
And
Interim Report after 6 months of Airport Management
To September 30, 2020

	Actual Costs 6 month to Sep. 2020	Operations Budget 2021
Income		
Quarterly Operating Installment March	34,725	
Quarterly Installment - July	8,297	
Quarterly Installment- July	14,867	
<u>Total Income</u>	<u>57,889</u>	136,000
 Operating Expenses		
Runway Snow clearing/ Grass/ Tree	34,103	69,000
Accounting	1,191	3,300
Insurance	0	8,500
Management	18,000	36,000
Shop Supplies, Flags, Lighting	1,767	3,000
Office Supplies	111	274
Phone/ Answering Service	1,645	2,800
Bank charges and interest	69	150
Utilities- Propane, sewer	3,460	6,500
GST	3,420	6,476
<u>Subtotal: Operating Expenses</u>	<u>63,766</u>	<u>136,000</u>
 Capital Costs		
Taxiway, Roads- Gravel and repair	6,023	
Facility Repairs	2,109	
<u>Subtotal: Capital Costs</u>	<u>8,132</u>	
<u>Total Expenses</u>	<u>71,898</u>	
<u>Overage/ Shortfall</u>	<u>-14,009</u>	<u>0</u>