



Tri-County Airport Authority
1983 Tri-County Airport Rd - Bonifay, FL 32425
Mail: PO Box 756 - Bonifay, FL 32425

May 12, 2023

Holmes County, Florida
Attn: Budget Committee
107 E Virginia Ave
Bonifay, FL 32425

hcadmin@holmescountyfl.org

RE: Budget Support, Tri-County Airport Authority

Holmes County Budget Committee:

The Tri-County Airport Authority is governed by F.S. Chapter 332 and was formed on July 9, 1969 via House Bill #2859, Florida Statute 69-534. We are a state-chartered municipal government but are restricted from imposing ad valorem taxes or assessments; however, we may receive and expend such funds as shall be appropriated from time to time by any of the three counties we represent. We are located in Holmes County and represent Holmes, Washington and Jackson Counties. Each County Commission appoints three Airport Authority Board Members, who serve staggered terms.

The airport consists of 304 acres aligned north and south with a 5,398 foot runway, a terminal, services and hangars. We service jet aircraft and propeller aircraft via self-service and assisted-serve fuel. Our terminal has conference rooms, a public lounge, restrooms, a conference room and airport office. We have both jets and large piston aircraft based on the field. We have two instrument approaches.

The Florida Department of Transportation Economic Impact Study of 2018 estimated the economic impact of our airport to be \$5,309,000. Since we have added several major tenants since then, we know that the positive impact to the local economy to be significantly higher than this figure.

A total of 43 aircraft are currently based at the airport. Recently \$2,238,545 was obligated in federal and Florida DOT grant funds for an extended taxiway, new box hangars, a new airport master plan, and revised security plan. An additional \$1.5 million was approved for terminal and security improvements (which are being completed next month), taxiway and runway re-marking, stormwater improvements, a new electrical vault project and for tree and obstacle removal.

The airport's website is <https://www.kbcr.gov>. We are in compliance with all FAA and FDOT inspections. The airport has one full-time employee (an Airport Manager who is a retired US Army veteran) and a part-time administrative assistant. Most of the other work is performed by the 9-member volunteer board.

The airport's sources of revenue for its \$397,412 annual budget are the sale of aviation fuel and hangar rental. From this we pay for accounting, legal advertising, our required annual audit, auto expenses, bank charges, continuing education, contract labor, dues and subscriptions (such as software licenses), garbage service, promotion, insurance, interest, internet services, legal and professional, office expenses, payroll and payroll taxes, postage, repairs and maintenance, supplies, telephone and utilities (which includes power to light our runway and taxiways at night). Details are enclosed.

Five years ago, it was brought to our attention that we needed to make significant changes in our operational procedures to bring the airport into full compliance. At that time the airport hired a new law firm (Nabors, Giblin & Nickerson, P.A., in Tallahassee, Florida); a new CPA firm (Thompson, Walker and Associates, CPA, in Bonifay, Florida and Enterprise, Alabama); and a new engineering firm (AVCON Engineers and Planners, Niceville, Florida). New volunteer board members who have a background in finance, regulatory compliance and governmental affairs were appointed.

While the airport is positively impacting the local economies of Holmes, Jackson and Washington Counties, we are seeking sustainable funding from the three-member counties to help offset some

of the annual costs of compliance, which have grown drastically beyond any of the mandatory requirements of the July 1969 creation.

We have identified the following budget items totaling **\$52,775.75** that are required for regulatory compliance; this amount comprises 13.3% of our total \$397,000 annual budget:

Hazardous Materials Insurance	\$765.00
Liability Insurance	\$3,172.00
Property and Casualty ¹	\$35,299.75
Legal Advertising	\$300.00
Bonding for Positions that handle funds	\$384.00
Annual Audit ²	\$7500.00
Compliance-compatible website ³	\$839.00
Fuel Handler Certification Course ⁴	\$147.00
Bookkeeping software and support	\$1,249.00
Annual calibration of fuel dispensing equipment ⁵	\$1800.00
Annual fire extinguisher inspection and recharge ⁶	\$100.00
Cleaning and re-certification of fuel storage ⁷	\$720.00
Total	\$52,775.75

We ask that you please consider supplying one-third of that amount, \$17,591.92, which makes up 4.4% of our budget. Myself, Chairman Jack Locke or Authority Treasurer Tommy Leuenberger would be honored to meet with you or speak by video conference or phone if you wish to seek clarification on anything discussed within this budget request.

Sincerely,



Ross E. Statham, Board Secretary
rstatham@kbcg.gov
Cell: (770) 329-5400

CC: Jack Locke, Chairman
Tommy Leuenberger, Treasurer

¹ One of our biggest budgetary challenges. Recent tornadoes in south Alabama and hurricanes in south Florida are causing insurance rates to skyrocket and we are finding our choice of carriers to be diminishing.

² Required by the State of Florida Sunshine Law.

³ The website is managed by a member of the Board, who is also a federal regulatory compliance contractor. The costs listed are for outside hosting, not for his labor, which he provides without cost to the airport authority.

⁴ Required every two years.

⁵ FDOT and Federal Aviation Administration requirement.

⁶ We are required to keep a fire extinguisher at the fuel farm and on each fuel truck and that they be inspected annually.

⁷ These are done every ten years; the last one was at a cost of \$7,200 in 2018.