

**SUN VALLEY AIR SERVICE BOARD
MEETING MINUTES
December 2, 2020 at 2:00 PM**

Present: Neil Bradshaw - Mayor, City of Ketchum
Peter M. Hendricks – Mayor, City of Sun Valley
Martha Burke – Mayor, City of Hailey (attended virtually)
Jacob Greenberg, Blaine County Chairman (attended virtually)

Absent: None

Staff: Heather Dawson – Administrator, City of Hailey (attended virtually)
Walt Femling – Administrator, City of Sun Valley
Jade Riley – Administrator, City of Ketchum
Grant Gager – Treasurer, City of Ketchum

CALL TO ORDER

Mayor Hendricks called the meeting to order at 2:05 PM.

PUBLIC COMMENT

None.

REMARKS FROM THE CHAIR

None.

REMARKS FROM THE BOARD

None.

CONSENT AGENDA

- 1. Approval of Air Service Board Minutes of September 23, 2020**

Motion to approve the consent agenda.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Neil Bradshaw, Mayor of Ketchum
SECONDER:	Martha Burke, Mayor of Hailey
AYES:	Bradshaw, Burke, Hendricks

ACTION/DISCUSSION

- 2. Receive and File Financials:**

- a. 1% Local Option Tax Report – August and September 2020**

Mayor Bradshaw stated that it is worth talking about how we handle revenue shortfalls and how we address them. It should not be automatic to have it come from our reserve funds. Chairman Greenberg asked for clarification on the fund balance and whether a fund balance exists in Visit Sun Valley? Mayor Bradshaw thought it would be good for the two entities (Visit Sun Valley and Fly Sun Valley Alliance) to shed some light on their fund balances. The fund balance for the Air Service Board is around \$250,000.

He explained that under the contract, as it is currently written, we have a budget that we agree to pay but also in the contract, should there be a revenue shortfall, there is no obligation to pay the entire amount.

Carol Waller, Director of the Fly Sun Valley Alliance, was confused on why there is a budget shortfall. Her understanding is that every month the amount available for contracts is split between Fly Sun Valley Alliance and Visit Sun Valley and once the money is collected, it is done. So, if we are short of collections, we are short of receiving those collections – you're not obligated to pay those amounts in the contract.

Ketchum Director of Finance Grant Gager explained that the cities have taken in almost \$47,000 less in revenue. At the beginning of the fiscal year, we came up with a projected number. Mayor Hendricks explained the process of coming up with the contract amounts at the beginning of the fiscal year and if that projected number is more or less than what we projected, we wait until the last month to adjust everything.

Mayor Hendricks asked the question of do we ask the two entities to make some changes or do we take the budget shortfall out of the fund balance to live up to our projected obligations in the contract that we set a number of months ago? He asked each entity how difficult it would be to make adjustments and Waller explained it wouldn't be difficult. They have their own fund balance to take care of this shortfall but the invoices in your packets would have to be adjusted.

Chairman Greenberg asked what that the required reserve balance is, to which Gager responded that there is no required fund balance, and the level is at the discretion of the Board to be used to accomplish their future goals and future contractual needs. The balance is approximately \$250,000. Scott Fortner, Executive Director of Visit Sun Valley, mentioned that they have a fund balance of about \$225,000 currently.

Mayor Burke suggested that we share the expense between the three organizations as the shortfall was not due to any budgeting error, but due to COVID circumstances.

Mayor Bradshaw believes we need to set up the process going forward. The question is do we absorb it or split it among the entities? Mayor Hendricks mentioned that as nobody is currently cash strapped, maybe we split it up three ways at this time. Fortner and Waller said they would be ok with splitting it up in that manner. The decision was made to split it approximately \$15,000 for each entity. It sets a precedent on how we will handle these types of situations going forward.

Motion to pay the final installments to both Fly Sun Valley Alliance and Visit Sun Valley, less the amount of \$15,677.33 to each entity.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Neil Bradshaw, Mayor of Ketchum
SECONDER:	Martha Burke, Mayor of Hailey
AYES:	Bradshaw, Burke, Hendricks

3. Authorization of payment of bills on-hand through November 27, 2020.

Motion to approve the bills on-hand through November 27, 2020.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Neil Bradshaw, Mayor of Ketchum
SECONDER:	Martha Burke, Mayor of Hailey
AYES:	Bradshaw, Burke, Hendricks

4. Discussion and action regarding Resolution 2020-02 Setting the Sun Valley Air Service Board Meeting Dates for 2021.

Mayor Bradshaw pointed out a typo and then asked to change one of the meeting dates from May 12, 2021 to May 26, 2021, to which the others agreed.

Motion to approve Resolution 2020-02 Setting the Sun Valley Air Service Board meeting dates for 2021, as amended.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Neil Bradshaw, Mayor of Ketchum
SECONDER:	Martha Burke, Mayor of Hailey
AYES:	Bradshaw, Burke, Hendricks

5. Discussion and adoption of Contract Exhibit A – Scope of Services Visit Sun Valley under Sun Valley Marketing Alliance FY2021 Contract

Hailey City Administrator Heather Dawson mentioned that Exhibit B was adopted at the last meeting but there were some changes that needed to be done to the Scope of Services. Fortner stated that they have since made a few amendments to the contract to reflect current circumstances.

Motion to Adopt of Contract Exhibit A – Scope of Services Visit Sun Valley under Sun Valley Marketing Alliance FY2021 Contract

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Neil Bradshaw, Mayor of Ketchum
SECONDER:	Martha Burke, Mayor of Hailey
AYES:	Bradshaw, Burke, Hendricks

ADJOURNMENT

Motion to adjourn.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mayor Bradshaw
SECONDER:	Mayor Burke
AYES:	Bradshaw, Burke, Hendricks

Meeting adjourned at 2:32 PM.

Peter M. Hendricks, Chair

Neil Bradshaw, Secretary/Treasurer