



Town of Montague
Department, Board, Committee, Commission
BUDGET NARRATIVE

FY 23

Complete this form electronically! Be clear and concise!

Department: AIRPORT Submitted by: BRYAN CAMDEN

1. Please describe and provide the rationale for any substantial changes in your FY23 line-item budget submission.

FY23 budgeting will prove to be a challenge, as we do not have a full year of historical data for the Pioneer Aviation property. The majority of the utility line items that have a large increase (electricity, internet, water, natural gas) are based upon a “best estimate” from the last 7 months of data. Notably, electricity is expected to increase overall 5%-7%, so we have budgeted a 10% increase across the board as a worst-case scenario. This same practice was used for calculating gasoline and diesel fuel costs for FY23 increasing the line item from \$5,500 to \$7,500. Additional increases of notable amounts include a modest \$3,281 for the full-time airport manager and the increase in hours of the Operations Manager from 19 to 30 hours a week, creating a benefited position. Additional expenses with this position include \$12,776 in wages and \$11,892 for related benefits. Insurance continues to be the largest single item cost outside of payroll for the Airport. It is estimated that in FY23 insurance costs will total or exceed \$16,000. The “Buildings and Grounds” line continues to be the funding line for all equipment and buildings maintenance, repairs, upgrades, and purchases. Of the \$15,000 in this line items, it is expected the \$5,500 is directly related to equipment maintenance (oil, filters, blades, minor repairs). An additional \$5,000 of this line item will be allocated to building upkeep (janitorial services, consumables, minor repairs). The remaining \$4,500 is non-allocated funds, to be used as needed for such things as unexpected or emergency repairs.

2. To this point in FY22, has your department experienced any notable successes, such as improving or providing new programs or services, or implementing new technologies? If so, please describe.

Our success so far in FY22 is based upon the purchase of Pioneer Aviation. Revenues have met or exceeded in all areas of what we were expecting. In addition, overall airport operations have increased 29% over 2019 levels, and based aircraft now total 49. Fuel sales are continuing to exceed the predicted levels, creating a viable, self-funding program while offering competitive pricing for the aviation community.

3. Are there presently challenges to your department’s ability to meet its goals and objectives that are due to its FY22 operating budget? If so, offer your recommendation(s) for improving the situation.

At this time there are no major challenges that are stopping the airport from moving forward at the expected levels. Building materials and fuel costs are delaying some major planned work, however that is not within our control. Any deferred projects will not have a negative effect and can simply be moved to a later date when inflation allows for better use of funding.

4. Did you receive funding for any special articles in FY22? What is the status of those expenditures/investments? Does your department have any older special article appropriations that remain unspent?

The Airport continues to operate without any special articles. We do anticipate an article at annual town meeting, or potentially a fall FY23 special town meeting to return another \$12,000 to \$20,000 to the town as per the agreement for the FY21 budget increase for the purchase of Pioneer Aviation. It is expected that the airport may apply for CIP funding from the town in FY23 for the purchase and installation of a new heating system for the maintenance hangar totaling \$8,700.