

**AGENDA**  
**SUN VALLEY AIR SERVICE BOARD MEETING**  
Hailey City Hall  
115 South Main Street, Hailey, Idaho  
Wednesday, March 15, 2023 - 2:00 PM

Please join my meeting from your computer, tablet or smartphone.

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**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

**REMARKS FROM THE CHAIR**

**REMARKS FROM THE BOARD**

**CONSENT AGENDA** (action item). *All items listed under the Consent Agenda will be approved in one motion without discussion unless any Board Member requests that the item be removed for individual discussion and possible action.*

1. Approval of Sun Valley Air Service Board Meeting Minutes from January 18, 2023.
2. Acceptance of the FY2022 audited financial statements by Workman & Company (continued from the January 18, 2023 meeting).
3. Receive and file Allocation of Voting Rights Report for 2023 (continued from the January 18, 2023 meeting).
4. Receive and File Financials:
  - a. 1% Local Option Tax Report: December 2022– January 2023 Months of Service.

**ACTIONS/DISCUSSIONS/PRESENTATIONS**

5. Authorization for Payment of Bills on-hand through March 10, 2023. (action item)
6. Discussion and review of revised contracts with Fly Sun Valley Alliance and Sun Valley Tourism Alliance. (action item)
7. Fly Sun Valley Alliance Air Service update.
8. Sun Valley Tourism Alliance update.

**ADJOURNMENT**

*Please Note: The agenda is subject to revisions. Any person in need of assistance to attend or participate should contact Sun Valley City Hall prior to the meeting. Air Service Board Packets are online at [www.haileycityhall.org](http://www.haileycityhall.org); [www.sunvalleyidaho.gov](http://www.sunvalleyidaho.gov); and [www.ketchumidaho.org](http://www.ketchumidaho.org).*

**SUN VALLEY AIR SERVICE BOARD  
MEETING MINUTES  
January 18, 2023 at 2:00 PM  
Sun Valley City Hall**

**CALL TO ORDER**

Mayor Bradshaw called the meeting to order 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

**Absent:** Blaine County Commissioner Muffy Davis

**Staff:** Jade Riley – City Administrator, City of Ketchum (*via Zoom*)  
Shellie Rubel – City Treasurer, City of Ketchum (*via Zoom*)  
Walt Femling – City Administrator, City of Sun Valley  
Nancy Flannigan – City Clerk, City of Sun Valley

**PUBLIC COMMENT**

None.

**ELECTION OF OFFICERS FOR 2023**

1. The board discussed the various positions, and the decision was made to keep Mayor Bradshaw as the Chair and Mayor Hendricks as the Secretary/Treasurer.

**Motion to elect the officers for 2023**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

**REMARKS FROM THE CHAIR**

None.

**REMARKS FROM THE BOARD**

None.

**CONSENT AGENDA**

2. Approval of Air Service Board Minutes from December 14, 2022
3. Approve the Contract Amounts for FSVA (45%) and VSV (55%)
4. Receive and File Financials:
  - a. 1% Local Option Tax Report – November 2022 Months of Service

**Motion to approve the consent agenda, *in toto*.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

**ACTION/DISCUSSION/PRESENTATIONS**

5. Authorization for payment of bills on-hand through January 13, 2023.

**Motion to approve payment of bills on-hand through January 13, 2023.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

6. **Presentation and acceptance of the FY2022 audited financial statements by Workman & Company.**

Auditor Brady Workman presented the FY2022 audit and pointed out the main points. Mayor Hendricks pointed out a mistake that they need to fix, and it was recommended that the budget come back to a later meeting with the audit corrected.

**Motion to table to the next SVASB meeting acceptance of the FY2022 audit.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

7. **Discussion on renewing/extending the contracts with Fly Sun Valley Alliance and Sun Valley Tourism (f/k/a Marketing) Alliance.**

Mayor Hendricks pointed out that we want to clean up these contracts. We'll bring the drafts back to the next meeting for discussion. City Clerk Flannigan will speak with Attorney Matt Johnson to get recommended language.

**Motion to bring updated contracts back to the next meeting for discussion.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

8. **Receive and file allocation of voting rights report for 2023.**

City Administrator Riley pointed out that there is an updated number for the allocation of voting rights and that Ketchum has an updated number. It was decided to bring it back to the next meeting for approval.

**Motion to table the allocation of voting rights report for 2023 to the next meeting.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Peter Hendricks, Mayor of Sun Valley
<b>SECONDER:</b>	Martha Burke, Mayor of Hailey
<b>AYES:</b>	Bradshaw, Burke, Hendricks

**9. Fly Sun Valley Alliance air service update.**

Carol Waller pointed out that the airport finalized their stats for December and enplanements are up. We are having conversations with our airline partners with our summer service. People are looking to book flights. She pointed out an interesting article in the New York Times and MRG's that she recently shared.

**10. Sun Valley Marketing Alliance update.**

Scott Fortner gave some highlights and said that advanced reservations are relatively strong and pacing better than they were at the same time last year. We are seeing a lot of people from Utah and from Tahoe even though they have both received a lot of snow. It'll be interesting to see how summer will be.

**ADJOURNMENT**

**Motion to adjourn.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Martha Burke, Mayor of Hailey
<b>SECONDER:</b>	Peter Hendricks
<b>AYES:</b>	Bradshaw, Burke, Hendricks

Meeting adjourned at 2:31 PM.

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Neil Bradshaw, Chair

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Peter M. Hendricks, Secretary/Treasurer

**SUN VALLEY AIR SERVICE BOARD**

**BLAINE COUNTY, IDAHO**

**Financial Statements  
at September 30, 2022**

**SUN VALLEY AIR SERVICE BOARD  
BLAINE COUNTY, IDAHO  
For the year ended September 30, 2022**

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## INDEPENDENT AUDITOR'S REPORT

December 22, 2022

Members of the Board  
Sun Valley Air Service Board

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities of the Sun Valley Air Service Board, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Sun Valley Air Service Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Sun Valley Air Service Board, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sun Valley Air Service Board, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sun Valley Air Service Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

Report Continued—

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sun Valley Air Service Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sun Valley Air Service Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planning scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on page 11 be presented to supplement the basic financial statements. Management has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Workman & Company*

Certified Public Accountants  
Twin Falls, Idaho



**SUN VALLEY AIR SERVICE BOARD**  
**Statement of Net Position**  
**at September 30, 2022**

**ASSETS**

Cash in Checking	\$ 916,047	
Cash in LGIP	1,167,641	
Total Cash and Deposits		\$ 2,083,688
Local Option Tax Receivables:		
City of Sun Valley	0	
City of Ketchum	0	
City of Hailey	0	
Total Tax Receivables		0
<b>Total Assets</b>		<b>2,083,688</b>

**LIABILITIES**

Accrued Contracts Payable:		
Fly Sun Valley	0	
Sun Valley Marketing	0	
Total Contracts Payable		0
Other Accounts Payable		0
<b>Total Liabilities</b>		<b>0</b>

**NET POSITION**

Invested in Capital Assets - net of related debt	0	
Restricted for Local Aviation Services	2,083,688	
Unrestricted	0	
Total Net Position		<b>\$ 2,083,688</b>

The accompanying notes are a part of these financial statements.

**SUN VALLEY AIR SERVICE BOARD**  
**Statement of Revenue, Expenses,**  
**and Changes in Net Position**  
**for the year ended September 30, 2022**

**Operating Revenues:**

Local Option Tax Revenues:

City of Sun Valley	\$ 1,082,613
City of Ketchum	2,200,000
City of Hailey	<u>157,157</u>

Total Tax Revenues \$ 3,439,770

Interest Income 5,694

Total Operating Revenue: 3,445,464

**Operating Expenses:**

Fly Sun Valley Contract	1,200,000
Sun Valley Marketing Contract	1,605,075
Professional Fees	2,044
Insurance	
Administrative Expenses	<u>537</u>

Total Operating Expenses 2,807,656

**Operating Income** 637,808

**Total Net Position - Beginning** 1,445,880

**Total Net Position - Ending** \$ 2,083,688

The accompanying notes are a part of these financial statements.

**SUN VALLEY AIR SERVICE BOARD**  
**Statement of Cash Flows**  
**for the year ended September 30, 2022**

**Cash Flows From Operating Activities:**

Receipts from other governments	\$ 4,597,706	
Payments to suppliers and vendors	(2,807,656)	
Other receipts	<u>0</u>	

Net cash provided (used) by operations \$ 1,790,050

**Cash Flows From Capital Related Financing Activities:**

Payment of Debts and Interest	<u>0</u>	
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Net cash provided by capital and related financing activities 0

**Cash Flows From Investing Activities:**

Purchase of Capital Assets		
Interest Income	<u>5,694</u>	

Net cash used by investing activities 5,694

**Net Increase (Decrease) in Cash and Equivalents** 1,795,744

**Balances - Beginning of the year** 287,944

**Balances - Ending of the year** \$ 2,083,688

Displayed as:

Cash and Deposits		916,047
Cash in LGIP		<u>1,167,641</u>

**Balances - Ending of the year** \$ 2,083,688

**Reconciliation of Operating Income to Net Cash**

**Provided (Used) by Operating Activities:**

Operating Income	637,808	
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Net Interest Earnings/Expense	(5,694)	
Change in assets and liabilities:		
Local Option Taxes Receivable	1,157,936	
Accounts and Contracts Payable	<u>                    </u>	

**Net Cash Provided (Used) by Operating Activities:** \$ 1,790,050

The accompanying notes are a part of these financial statements.

**SUN VALLEY AIR SERVICE BOARD**  
**Balance Sheet**  
**Governmental Funds**  
**at September 30, 2022**

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>		
Cash and Deposits	\$ 2,083,688	\$ 2,083,688
City of Sun Valley LOT Receivable		0
City of Ketchum LOT Receivable		0
City of Hailey LOT Receivable		0
	<u>                    </u>	<u>                    </u>
Total Assets	\$ <u>2,083,688</u>	\$ <u>2,083,688</u>
<b>LIABILITIES:</b>		
Accounts Payable	\$ 0	\$ 0
Due To Other Funds	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>
<b>FUND BALANCE:</b>		
Non-spendable	0	0
Restricted	2,083,688	2,083,688
Committed	0	0
Assigned	0	0
Unassigned	<u>0</u>	<u>0</u>
Total Fund Balance	<u>2,083,688</u>	<u>2,083,688</u>
Total Liabilities and Fund Balance	\$ <u>2,083,688</u>	\$ <u>2,083,688</u>

The accompanying notes are a part of these financial statements.

**SUN VALLEY AIR SERVICE BOARD**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**for the year ended September 30, 2022**

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUE:</b>		
Sun Valley 1% Local Option Tax Revenues	\$ 1,082,613	\$ 1,082,613
Ketchum 1% Local Option Tax Revenues	2,200,000	2,200,000
Hailey 1% Local Option Tax Revenues	157,157	157,157
Interest Earned	5,694	5,694
	<u>3,445,464</u>	<u>3,445,464</u>
Total Revenue		
<b>EXPENDITURES:</b>		
Contracted Services - Fly Sun Valley	1,200,000	1,200,000
Contracted Services - Sun Valley Marketing	1,605,075	1,605,075
Administrative Services	537	537
Professional Fees	2,044	2,044
Insurance	0	0
	<u>2,807,656</u>	<u>2,807,656</u>
Total Expenditures		
<b>EXCESS REVENUE (EXPENDITURES)</b>	637,808	637,808
<b>OTHER FINANCING SOURCES (USES):</b>		
Due (to) from other funds	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCES</b>	637,808	637,808
<b>FUND BALANCE - BEGINNING</b>	<u>1,445,880</u>	<u>1,445,880</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 2,083,688</u></u>	<u><u>\$ 2,083,688</u></u>

The accompanying notes are a part of these financial statements.

**SUN VALLEY AIR SERVICE BOARD  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Sun Valley Air Service Board (the Board) was established on November 16, 2013, under a Joint Powers Agreement among the municipal corporations of the CITY OF KETCHUM, IDAHO, the CITY OF SUN VALLEY, IDAHO, and the CITY OF HAILEY, IDAHO. The Board was created for the purpose of collecting the 1% local option tax levied in each City by voter approval and appropriating said option tax to provide for local air service, including minimum revenue guarantees for air service providers.

The financial statements of the Sun Valley Air Service Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net position) report information on all of the non-fiduciary activities of the Board.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Board's activities and general administrative services are classified as governmental activities. The Board has no business-type activities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All other revenue items are considered to be measurable and available only when the Board receives cash.

The Board reports the following major governmental fund:

- The *General Fund* is the Board's operating fund. It accounts for all financial resources of the Board.

Capital Assets

The Board currently owns no property held for future uses nor does it anticipate any such ownership.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**SUN VALLEY AIR SERVICE BOARD  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

Continued—

**2. LOCAL OPTION TAXES**

Each City has legally adopted a 1% Local Option Sales Tax that is collected monthly. Each City collects said tax by the end of the calendar month following the collection period. Those collected taxes are conveyed to the Board by the end of the month following collection.

**3. CASH AND DEPOSITS**

*Deposits:* Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board has no deposit policy for custodial credit risk. At year end, \$ 387,230 of the Board's bank balance was exposed to custodial credit risk because it was not insured by the FDIC.

*Investments:* Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the Board held the following investments:

Investment Type

Idaho State Local Government Investment Pool     \$ 1,167,641.

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the Board voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the Board's position in the external investment pool is the same as the value of the pool shares.

*Credit Risk:* The Board's policy is to comply with Idaho State statutes which authorize the Board to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

*Interest rate risk and concentration of credit risk:* The Board has no policy regarding these two investment risk categories.

Cash and Deposits are comprised of the following at the financial statement date:

Cash on Hand		\$            0
Deposits with financial institutions:		
Demand deposits		916,047
State of Idaho Investment Pooled Cash		<u>1,167,641</u>
Total		<u>\$ 2,083,688</u>

**SUN VALLEY AIR SERVICE BOARD  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

Continued—

4. RESTRICTED NET POSITON

Under the Joint Powers Agreement, the Board is only to provide for the local air service activities. This restricts the available net position for that expressed purpose.

5. GENERAL FIXED ASSETS

The Board has no fixed assets.

6. CONTRACTS PAYABLE

The Board has entered into two contracts with local vendors to provide for its express purpose in the air service industry. These two contracts are between the Board and Fly Sun Valley Alliance, Inc. (an Idaho nonprofit corporation) and Sun Valley Marketing Alliance, Inc. (an Idaho nonprofit corporation.) Additionally, these two corporations have the express purpose of a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees (MRG's) or other inducements to providers; b) promoting and marketing the existing service and any future service to increase passengers; and c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service.

7. RETIREMENT PLAN

The Board has no employees and therefore no retirement plan.

8. LITIGATION

The Board, at the financial statement date, is not involved in any material disputes as either plaintiff or defendant.

9. RISK MANAGEMENT

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During the fiscal year, the Board contracted with Idaho County Risk Management Program (ICRMP) for property, crime, and fleet insurance. Under the terms of the ICRMP policy, the Board's liability is limited to the amount of annual financial membership contributions, including a per occurrence deductible. There has been no significant reduction in insurance coverage in the current year. Settlement amounts have not exceeded insurance coverage for the current year.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.



**REQUIRED  
SUPPLEMENTARY INFORMATION**

**SUN VALLEY AIR SERVICE BOARD**  
**Budgetary Comparison Schedule**  
**Government-Wide Statement of Activities**  
**for the year ended September 30, 2022**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Budget Positive (Negative)</b>
<b>REVENUES:</b>			
City of Hailey 1% Local Option Tax	\$ 115,000	\$ 157,157	\$ 42,157
City of Ketchum 1% Local Option Tax	1,900,000	2,200,000	300,000
City of Sun Valley 1% Local Option Tax	650,000	1,082,613	432,613
Earnings on investments	1,300	5,694	4,394
Total revenues	2,666,300	3,445,464	779,164
<b>EXPENDITURES:</b>			
Contracts for Services - Fly Sun Valley	1,200,000	1,200,000	0
Contracts for Services - Sun Valley Marketing	1,605,075	1,605,075	0
Administrative Costs	954	537	417
Professional	2,900	2,044	856
Insurance	1,546		1,546
Total expenditures	2,810,475	2,807,656	2,819
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(144,175)	637,808	781,983
<b>FUND BALANCE - BEGINNING</b>	1,445,880	1,445,880	
<b>FUND BALANCE - ENDING</b>	\$ 1,301,705	\$ 2,083,688	

The accompanying notes are a part of these financial statements.

# WORKMAN & COMPANY

Office of  
Accounting

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 22, 2022

Member of the Board  
Sun Valley Air Service Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Sun Valley Air Service Board, as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the Sun Valley Air Service Board's basic financial statements, and have issued our report thereon dated December 22, 2022.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sun Valley Air Service Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sun Valley Air Service Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sun Valley Air Service Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sun Valley Air Service Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Report Continued—

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Workman & Company*

WORKMAN AND COMPANY  
Certified Public Accountants  
Twin Falls, Idaho

**ALLOCATION OF SUN VALLEY AIR SERVICE BOARD VOTING RIGHTS - 2023**

6.2 Annual Allocation of Voting Rights.

The allocation of voting rights shall be determined on an annual basis beginning in January 2014, and continuing each and every January thereafter. Ninety percent (90%) of the voting rights shall be allocated to the voting members based on their respective annual 1% LOT contributions to the Board. The allocation shall use each city's year ending September 30 total fiscal year actual LOT revenue collection on taxable sales described in the each city's ballot question approved by each city's electorate. As set forth in the Joint Powers Agreement, the remaining ten percent (10%) of the voting rights shall be allocated to Hailey. For calendar year 2014, the voting rights shall be 49.86% for Ketchum, 35.10% for Sun Valley and 15.04 for Hailey. Voting rights for 2014 were calculated and for future calendar years shall be calculated as follows:

<u>Total LOT collected in FY13</u>	
Ketchum	\$1,774,378
Sun Valley	\$1,248,522
Hailey*	\$ 180,385
Total	\$3,203,285

\* (collected on lodging and car rentals)

Percent of total LOT collected

Ketchum	55.4%
Sun Valley	39.0%
Hailey	5.6%
Total	100%

Each city's percentage of total LOT multiplied by 90%

Ketchum	(.554 x .9) = 49.86%
Sun Valley	(.390 x .9) = 35.10%
Hailey	(.056 x .9) = 5.04%
Total	90.00%

Each city's voting rights (add 10% to Hailey's rights)

Ketchum	49.86%
Sun Valley	35.10%
Hailey	5.1% + 10% = 15.04 %
Total	100.00%

ns.

**2023 Voting Rights**

	<u>Total 1% LOT Collected in FY22</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$3,104,900	71.5% (.758 x .9) =	64.32%	64.32%
Sun Valley	\$1,082,612	24.9% (.213 x .9) =	22.43%	22.43%
Hailey	\$157,157	3.6% (.028 x .9) =	3.26%	13.26%
Total	\$4,344,669	100.0%	90.00%	100.00%

**2022 Voting Rights**

	<u>Total 1% LOT Collected in FY21</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$2,401,257	71.0% (.710 x .9) =	63.88%	63.88%
Sun Valley	\$847,745	25.1% (.251 x .9) =	22.55%	22.55%
Hailey	\$134,238	4.0% (.040 x .9) =	3.57%	13.57%
Total	\$3,383,240	100.0%	90.00%	100.00%

**2021 Voting Rights**

	<u>Total 1% LOT Collected in FY20</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$2,161,877	75.8% (.758 x .9) =	68.24%	68.24%
Sun Valley	\$608,188	21.3% (.213 x .9) =	19.20%	19.20%
Hailey	\$81,251	2.8% (.028 x .9) =	2.56%	12.56%
Total	\$2,851,315	100.0%	90.00%	100.00%

**2020 Voting Rights**

	<u>Total 1% LOT Collected in FY19</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$2,227,612	72.1% (.721 x .9) =	64.86%	64.86%
Sun Valley	\$756,721	24.5% (.245 x .9) =	22.03%	22.03%
Hailey	<u>\$106,729</u>	3.5% (.035 x .9) =	3.11%	13.11%
Total	\$3,091,062	100.0%	90.00%	100.00%

MOS		1% LOT Contribution				Expenses		Funds for Contracts
1% LOT Generated	1% LOT Received	Sun Valley	Ketchum	Hailey	TOTAL	Communities' Direct Costs	SVASB Administrative Fees	
Oct-22	Dec-22	56,018.60	191,688.62	10,519.42	258,226.64	(6,738.13)	(450.00)	251,038.51
Nov-22	Jan-23	43,721.66	201,664.55	5,814.28	251,200.49	(7,757.58)	(450.00)	242,992.91
Dec-22	Feb-23	137,785.76	435,061.72	12,794.53	585,642.01	(6,849.61)	(450.00)	578,342.40
Jan-23	Mar-23	100,889.40	302,992.62	20,252.25	424,134.27	(7,215.04)	-	416,919.23
Feb-23	Apr-23	-	-	-	-	-	-	-
Mar-23	May-23	-	-	-	-	-	-	-
Apr-23	Jun-23	-	-	-	-	-	-	-
May-23	Jul-23	-	-	-	-	-	-	-
Jun-23	Aug-23	-	-	-	-	-	-	-
Jul-23	Sep-23	-	-	-	-	-	-	-
Aug-23	Oct-23	-	-	-	-	-	-	-
Sep-23	Nov-23	-	-	-	-	-	-	-
Total		338,415.42	1,131,407.51	49,380.48	1,519,203.41	(28,560.36)	(1,350.00)	1,489,293.05

FY2022				Fly SV Alliance				SVMA					
				Budget Remaining	1,400,000			FY2022	Budget Remaining	1,689,110			
					729,818	52%				869,999	52%		
MOS 1% LOT Generated	1% LOT Received	Funds for Contracts	% of Available Funds Owed	Funds for Contract	Invoiced Amount	Paid	Check	% of Available Funds Owed	Funds for Contract	Invoiced Amount	Paid	Check	
Oct-22	Dec-22	251,038.51	45%	112,967.33				55%	138,071.18				
Nov-22	Jan-23	242,992.91	45%	109,346.81	222,314.14			55%	133,646.10	271,717.28			
Dec-22	Feb-23	578,342.40	45%	260,254.08				55%	318,088.32				
Jan-23	Mar-23	416,919.23	45%	187,613.65	447,867.73			55%	229,305.58	547,393.90			
Feb-23	Apr-23	0.00	45%	-				55%	-				
Mar-23	May-23	0.00	45%	-				55%	-				
Apr-23	Jun-23	0.00	45%	-				55%	-				
May-23	Jul-23	0.00	45%	-				55%	-				
Jun-23	Aug-23	0.00	45%	-				55%	-				
Jul-23	Sep-23	0.00	45%	-				55%	-				
Aug-23	Oct-23	0.00	45%	-				55%	-				
Sep-23	Nov-23	0.00	45%	-				55%	-				
Total				670,181.87	670,181.87	-			819,111.18	819,111.18	0.00		

Cash Flow Statement			
992,653.79	cash balance	3/9/2023	
(547,393.90)	SVMA		
(447,867.73)	Fly Sv Alliance		
-	Miscellaneous Bills		
100,189.40	Sun Valley Revenue	payment has not been received	
19,259.89	Hailey Revenue	payment has not been received	
297,469.94	Ketchum Revenue	payment has not been received	
-			
-			
414,311.39	ending cash balance		
LGIP #3358			
2,582,863.57	LGIP Investment Balance		

**SUN VALLEY AIR SERVICE BOARD  
INVOICES TO BE PAID**

**Through: March 10, 2023**

Vendor	Date	Invoice #	Description	Amount
Fly Sun Valley Alliance	12/31/2022	284	1% LOT - December 2022 collections (February services)	260,254.08
Fly Sun Valley Alliance	1/31/2023	285	1% LOT - January 2023 collections (March services)	187,613.00
Visit Sun Valley	2/22/2023	1511	1% LOT - December 2022 collections (February services)	318,088.32
Visit Sun Valley	3/1/2023	1514	1% Lot - January 2023 collections (March services)	229,305.58
Total Invoices to be paid:				\$ 995,260.98

Fly Sun Valley Alliance Inc.

PO Box 6316  
Ketchum, ID 83340

# Invoice

Date	Invoice #
12/31/2022	284

Bill To
Sun Valley Air Service Board Attn: Shellie Rubel & Jade Riley City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT - Dec 2022 collections – Feb 2023 FSVA services	260,254.08	260,254.08
		<b>Total</b>	\$260,254.08





## FSVA CONTRACT SERVICES RENDERED TO SUN VALLEY AIR SERVICE BOARD

**FEBRUARY 2023**

### **AIR SERVICE**

#### **AIR SERVICE DEVELOPMENT**

- Reviewed/monitored/analyzed SUN weekly flight booking reports, monthly airline performance reports
- Ongoing research/analysis of seat, enplanements, load factors, fares for SUN and other markets
- Ongoing communication & meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Met directly with key airline contacts at annual Mead & Hunt air service conference
- Began negotiations for summer/fall air schedule and contract
- Prepared materials for Air Service Board reports, invoices, other. Attended meetings as needed.
- Worked with VSV and other partners on air service marketing planning efforts
- Continued strategic plan implementation

#### **LOCAL AIR MARKETING/COMMUNITY OUTREACH**

- Provided information via monthly FSVA Enews, social media channels, website
- Created/coordinated/executed ongoing FSVA/FMA joint local public outreach campaign
- Created/executed ongoing FSVA local marketing & PR for air service (*print, digital*)
- Attended regular meetings of FMAA board, VSV board, Blaine County Economic Business Group, and other community/stakeholder meetings
- Provided information regarding air service to inquiries from local and other travelers

#### **RESEARCH/OTHER**

- Continued implementation of 2022-23 winter air passenger survey via SUN airport Wifi
- Continued compiling/tracking relevant news and comparative data and information on air service

Fly Sun Valley Alliance Inc.

PO Box 6316  
Ketchum, ID 83340

# Invoice

Date	Invoice #
1/31/2023	285

Bill To
Sun Valley Air Service Board Attn: Shellie Rubel & Jade Riley City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT - Jan 2023 collections – March 2023 FSVA services	187,613.65	187,613.65
		<b>Total</b>	\$187,613.65



## FSVA CONTRACT SERVICES RENDERED TO SUN VALLEY AIR SERVICE BOARD

**MARCH 2023**

### **AIR SERVICE**

#### **AIR SERVICE DEVELOPMENT**

- Reviewed/monitored/analyzed SUN weekly flight booking reports, monthly airline performance reports
- Ongoing research/analysis of seat, enplanements, load factors, fares for SUN and other markets
- Ongoing communication & meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Finalized negotiations for summer/fall air service schedule and contract
- Prepared materials for Air Service Board reports, invoices, other. Attended meetings as needed.
- Worked with VSV and other partners on air service marketing planning efforts
- Continued strategic plan implementation – began work on updating strategic plan
- Compiled and provided data and educational information on air service efforts

#### **LOCAL AIR MARKETING/COMMUNITY OUTREACH**

- Created and distributed 2023 summer/fall air service schedule and press release
- Provided information via monthly FSVA Enews, social media channels, website
- Created/coordinated/executed ongoing FSVA/FMA joint local public outreach campaign
- Created/executed ongoing FSVA local marketing & PR for air service (*print, digital*)
- Attended regular meetings of FMAA board, VSV board, Blaine County Economic Business Group, and other community/stakeholder meetings
- Provided information regarding air service to inquiries from local and other travelers

#### **RESEARCH/OTHER**

- Continued implementation of 2022-23 winter air passenger survey via SUN airport Wifi
- Continued compiling/tracking relevant news and comparative data and information on air service

Sun Valley Tourism Alliance dba Visit Sun Valley  
PO Box 4934  
Ketchum, ID 83340 US  
208-725-2104  
jessica@visitsunvalley.com  
www.visitsunvalley.com

# Invoice



BILL TO
Air Service Board PO Box 3801 Ketchum, ID 83340

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1511	02/22/2023	\$318,088.32	03/15/2023	Net 30	

ACTIVITY	QTY	RATE	AMOUNT
<b>Air Service Board</b> Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing   December 2022	1	318,088.32	318,088.32

BALANCE DUE

**\$318,088.32**

Sun Valley Tourism Alliance dba Visit Sun Valley  
PO Box 4934  
Ketchum, ID 83340 US  
208-725-2104  
jessica@visitsunvalley.com  
www.visitsunvalley.com

# Invoice



**BILL TO**

Air Service Board  
PO Box 3801  
Ketchum, ID 83340

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1514	03/01/2023	\$229,305.58	03/15/2023	Net 30	

ACTIVITY	QTY	RATE	AMOUNT
<b>Air Service Board</b> Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing   January 2023	1	229,305.58	229,305.58

BALANCE DUE

**\$229,305.58**



visit sun valley | 160 sun valley rd, ketchum, id 83340 | 208.725.2101

## **Sun Valley Air Service Board March 2023 Operational Highlights | Jan. 23'- Feb.23'**

### **Executive Summary**

January and February have come and gone in the blink of an eye. We faced a bit of a dry spell just after the Martin Luther King Jr. weekend, yet the lack of snow didn't deter people from showing up. Restaurants and shops were bustling, hotels had strong occupancy numbers and rates, and commercial airline flights were well utilized.

Looking back on our advertising efforts, we wanted to ensure that IKON & Mt. Collective pass holders were aware of Sun Valley's presence with the partners, a significant portion of our advertising messaging set out to reach those customers.

In addition to our core skier/snowboarder messaging, we launched a digital campaign that targeted 5 different winter personas. Advertising assets were designed to cut through the clutter in a sea of winter mountain town sameness. Viewers that engaged with the creative were directed to unique landing pages based on the persona delivered. At the end of the landing page experience, users were invited to download a unique itinerary filled with recommendations for their winter stay. We're hoping to capture email addresses for future first-party data collection and remarketing.

Early indicators pointed to an effective set of tools that delivered a greater than expected number of impressions and quality visitors to our website. The tourism indicators we follow give us some positive backing that our advertising efforts were productive. One let down to note was the minimal number of email addresses captured by the campaign. We also have begun to see some fatigue from the delivery of our assets due to the lack of variety and repeated viewing of the content. This is not a significant concern but something we want to note.

To compliment the advertising outlets, we had a variety of PR initiatives to earn media. We teamed up with the Limelight Hotel and ventured over to Jackson Hole to meet with a crew of freelance journalists on their home turf. This was the first time that we have done this sort of media event but won't be our last! Rounding out our PR highlights included the hosting of several top-tier journalists to show them a wide-ranging winter perspective of the greater Sun Valley area.

# VISIT SUN VALLEY

visit sun valley | 160 sun valley rd, ketchum, id 83340 | 208.725.2101

## Tourism Indicators

### Lodging Occupancy

<u>2022</u>		<u>2023</u>		<u>% Change</u>
January	46.49%	January	53%	30%
February	61.27%	February	66%	8%
March	53.74%	March		
April	23.05%	April		
May	26.16%	May		
June	52.04%	June		
July	66.22%	July		
August	59.00%	August		
September	51.92%	September		
October	40.39%	October		
November	23.53%	November		
December	39.47%	December		

### Lodging ADR

<u>2022</u>		<u>2023</u>		<u>% Change</u>
January	\$306	January	\$325.92	7%
February	\$357	February	\$381.35	7%
March	\$320	March		
April	\$193	April		
May	\$187	May		
June	\$307	June		
July	\$425	July		
August	\$36	August		
September	\$294	September		
October	\$228	October		
November	\$195	November		
December	\$457	December		

# VISIT SUN VALLEY

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## Organic Web Sessions

<u>2022</u>		<u>2023</u>		<u>% Change</u>
January	32,937	January	37,066	13%
February	31,187	February	31,952	2%
March	28,060	March		
April	19,164	April		
May	21,098	May		
June	32,735	June		
July	45,950	July		
August	45,503	August		
September	23,712	September		
October	20,236	October		
November	23,429	November		
December	34,628	December		

## Average Organic Web Session Duration

<u>2022</u>		<u>2023</u>		<u>% Change</u>
January	1:28	January	1:29	1%
February	1:36	February	1:29	-7%
March	1:35	March		
April	1:28	April		
May	1:36	May		
June	1:46	June		
July	1:37	July		
August	1:11	August		
September	1:28	September		
October	1:24	October		
November	1:33	November		
December	1:25	December		



# VISIT SUN VALLEY

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## Facebook Followers

<u>2022</u>		<u>% Change Month over Month</u>	<u>2023</u>		<u>% Change M.O.M.</u>
January	11,260	4%	January	11,437	1%
February	10,865	-4%	February	11,358	-1%
March	10,837	0%	March		
April	10,874	0%	April		
May	11,269	4%	May		
June	10,981	-3%	June		
July	11,324	3%	July		
August	11,346	0%	August		
September	11,233	-1%	September		
October	11,418	2%	October		
November	11,302	-1%	November		
December	11,306	0%	December		

## Instagram Fans

<u>2022</u>		<u>2023</u>		<u>% Change</u>
January	20,300	January	21,000	0%
February	20,500	February	21,000	0%
March	20,600	March		
April	20,700	April		
May	20,600	May		
June	20,600	June		
July	20,600	July		
August	20,600	August		
September	20,600	September		
October	20,500	October		
November	20,700	November		
December	21,000	December		

# VISIT SUN VALLEY

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## Enplanements

<u>2022</u>		<u>2023</u>		<u>% Change M.O.M.</u>	<u>Running total % Change</u>
January	11,945	January	12,060	87%	35%
February	11,483	February			
March	12,396	March			
April	2,658	April			
May	2,030	May			
June	8,090	June			
July	12,312	July			
August	12,428	August			
September	8,706	September			
October	6,385	October			
November	5,159	November			
December	8,901	December			

\*Note: Friedman Memorial airport was closed for a significant amount of time in May.

## General Aviation

<u>2022</u>		<u>2023</u>	<u>% Change</u>
January	2,250	1,986	-12%
February	2,362		
March	2,376		
April	748		
May	779		
June	2,580		
July	3,965		
August	3,286		
September	2,408		
October	2,236		
November	1,370		
December	1,851		

# VISIT SUN VALLEY

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## Ketchum Local Option Tax

<u>2022</u>		<u>2023</u>		<u>% Change Month to Month</u>	<u>Running total % Change</u>
January	329,250	January	\$361,530.19	-12%	10%
February	363,726	February			
March	365,048	March			
April	208,397	April			
May	197,726	May			
June	310,735	June			
July	398,565	July			
August	360,027	August			
September	331,246	September			
October	222,885	October			
November	215,561	November			
December	410,805.14	December			

## Social Media

The social media realm is an ever-evolving creature, and we are doing our best to stay up on the latest trends. Day to day activities include posting inspirational, in-the-moment content, fielding incoming questions, crafting blogs, and managing our weekly newsletter.

*As the State of Idaho and many other states have chosen banned TikTok on company issued devices, we have stepped away from any paid promotions on the platform. We will continue to maintain our current audience and organically post as necessary.*

### Touchpoints

- Continual content building and distribution of Visit Sun Valley Facebook page & Instagram account
- Internally composed, updated/edited and distributed a variety of blog pieces including:
  - [24hrs in Sun Valley – March – Mike Curry](#)
  - [Racing 'round the World: Haley Cutler](#)
  - [The Ultimate College Ski Trip](#)
  - [24hrs in Sun Valley – February – Riley Berman](#)
  - [Boulder Mountain Tour – What Not To Miss](#)
  - [Sun Valley's Next Generation of Skiers & Snowboarders](#)
  - [Winter Tips for Visiting Sun Valley](#)

## Promotions

# VISIT SUN VALLEY

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Winter advertising is nearing the end of its cycle. ski/snowboard front. Deliverables include video, audio, and display elements. We are beginning to see some fatigue with usage of the same videos over and over.

Live winter outlets included/include:

- Orgury (video)
- The Trade Desk (video & audio)
- Precise TV (video)
- YouTube (video)
- Google PMAX (all assets)
- Google Display (display)
- Google Discover (all assets)
- Flight Aware (display)
- Hemispheres Magazine (print)
- Flipboard (press articles)
- [Accidentally Wes Anderson](#)
- Open Snow

## PR

Ray Gadd and Meag de L'Arbre (Limelight Hotel) ventured to Jackson Hole to meet with locally based freelance journalists for a day of skiing and learning about the Sun Valley area. It was a highly successful and affordable approach to a media trip.

We have partnered with the local lodging properties to host a variety of journalists including:

- Amy Tara Koch | New York Times
- Johnny Motley | Matador Network
- Joel Barish | Deaf Nation
- Irwin Curtin | Evert Potter's Travel Report

Upcoming journalists include:

- Larry Olmstead: WSJ

Our messaging with publications seeks to explore the broader stories and activities found in the area.

Sun Valley Mentions & Features

- [The Infatuation](#) | The Best Restaurants in Sun Valley
- [SKI Magazine](#) | The Best Places to Stay in Sun Valley for SKIERS
- [Matador Network](#) | Idaho's Celebrity-Favorite Ski Resort is Just as Fun For Non-Skiers
- [New York Times](#) | Sun Valley Isn't the Place You Go to Party
- [Travel + Leisure](#) | The Small Town in Idaho is Known for Skiing – But It's Worth Visiting in All Four Seasons
- [BBC Music](#) | Musical Destination: Sun Valley, Idaho
- [My Family Travels](#) | The Sheep of Sun Valley
- [Local Freshies](#) | Farewell to Arms – All There Is to Skiing Bald Mountain Sun Valley
- [OntheSnow](#) | The Best Cross Country Ski Areas in North America
- [Phoenix Magazine](#) | 5 U.S. Winter Travel Destinations
- [Travel + Leisure](#) | 20 Most Beautiful Winter Towns in the U.S.
- [Lonely Planet](#) | 6 Great US Winter Resorts You Can Enjoy Even if You Hat Skiing
- [SKI Magazine](#) | 9 Resorts Where Beginners Can Ditch the Base Area and Enjoy Epic Mountain Views

## Stay Sunny

# VISIT SUN VALLEY

visit sun valley | 160 sun valley rd, ketchum, id 83340 | 208.725.2101

The Stay Sunny messaging and assets continue to be a part of our daily conversations, especially during the peak travel time. We have several winter items that we have or are currently reworking including buffs, ski straps, “4 of the Good Ones” beer partnership with Warfield, collapsible water bottles, and Friendship partners.

We were able to repurpose the Stay Sunny banner that had been located at the entrance to Ketchum and placed it down at the Christina Potter’s Ice Rink.

We will continue to offer the following assets this winter

- The Friend Chip
- [The Patience Pamphlet](#)
- Stay Sunny swag including t-shirts, stickers, and patches
- [Bus wraps](#)
- [Coasters, coffee sleeves & napkins](#)

## Visitor Center

The winter season has been great and busy for our Visitor Center team. The team continues to assist visitors and our local community in person, via phone and email/chat conversations. There has been a lot excitement with the snow conditions. Visitors are pleased with the dining offerings in town as well as with the non-ski/snowboard activities.

- Winter Hours of Operation are 9am – 5 daily.
- Visitors Stats:
  - January
    - 1020 visitors vs 242 in 2022 = 321%
    - 436 Inbound calls vs 436 in 2022 = 32%
    - 35 email/chat conversations vs 50 in 2022 = -43%
  - February
    - 1055 visitors vs 632 in 2022 = 67%
    - 348 Inbound calls vs 33 in 2022 = 4%
    - 42 email/chat conversations vs 53 in 2022 = -26%
- Frequently Asked Questions
  - Lift Tickets
  - Sleigh Rides
  - Snowshoeing
  - Galena
  - Ernest Hemingway
  - Dining & Shopping

## Community/Membership, Administration and Finance

- Membership
  - Paid members to date: 45 equating to \$8,400.00.
  - New (free) members: 0
- Attended Meetings
  - Lodging Association Meeting – bi-weekly
  - 'Long Term Recovery Committee' Meetings
  - Fly Sun Valley Alliance Board Meetings – bi-monthly
  - Air Service Board Meetings – bi-monthly
  - DestiMetrics DMO Roundtables – monthly
  - VSV Advisory Committee meeting – bi-monthly

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- Outdoor Recreation Group – summer & winter season
- Sun Valley Economic Development Board meeting – bi-monthly
- Idaho Travel Council meeting

**SUN VALLEY  
AIR SERVICE BOARD**

**CONTRACT FOR SERVICES  
BETWEEN THE  
SUN VALLEY AIR SERVICE BOARD AND  
FLY SUN VALLY ALLIANCE**

THIS CONTRACT FOR SERVICES, (hereinafter referred to as "Contract") made and entered into this day of \_\_\_\_\_, 2023, by and between the Sun Valley Air Service Board, an Idaho Joint Powers Authority (hereinafter referred to as the "ASB") and the Fly Sun Valley Alliance, Inc., an Idaho nonprofit corporation with an IRS 501 (c) (6) designation, (hereinafter referred to as "FSVA").

**RECITALS**

1. The ASB is a duly organized and existing Joint Powers Authority organized as a separate legal entity under Idaho Code §§ 67- 2328 *et seq.* The ASB is made up of the following entities (hereinafter referred to as "Component Members"):
  - a. The City of Sun Valley, Idaho
  - b. The City of Ketchum, Idaho
  - c. The City of Hailey, Idaho
  - d. Blaine County, Idaho [non-voting]
2. FSVA is an Idaho non-profit corporation with an IRC 501(c)(6) designation engaged in the business of commercial air service development for the Sun Valley, Idaho area.
3. Pursuant to Idaho Code §§ 67-2328, 50-301 and 50-302, the ASB is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the Component Members and their trade, commerce and industry. Accordingly, the ASB has the power as conferred by the State of Idaho, to provide directly for certain promotional activities to enhance the trade, commerce, industry, and economic well-being of the Component Members.
4. Ordinances have been adopted by certain Component Members (except Blaine County) for the purposes of a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees ("MRG's") or other inducements to providers; b) promoting and marketing the existing service and any future service to increase passengers; c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and d) direct costs to collect and enforce the tax, including administrative and legal fees,

SUN VALLEY  
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5. The primary reason for the ASB to enter this Contract is to effectuate the purposes of the local option taxes and Component Member ordinances.
6. FSVA's mission is to retain, develop and improve air service to the airport (SUN) in Blaine County.
8. It is the intention of the ASB to contract with FSVA to provide such services for consideration as hereinafter provided, subject to the tracking and reporting requirements described herein.
9. FSVA desires to enter into a contract with the ASB to retain, develop and improve air service as hereinafter provided.
10. ASB and FSVA intend to dedicate local option taxes to the payment of Air Service Contract Costs, defined as: 1) MRG's, 3) Letter of Credit fees and 4) any other applicable airline service costs, as well as other air service development efforts, as outlined in FSVA's budget and Scope of Work provided to ASB annually. FSVA has entered into contracts with commercial airlines which require the payment of Air Service Contract Costs. The contracts between FSVA and the airlines contain confidentiality provisions. ASB and FSVA intend to honor the confidentiality provisions in the airline contracts but verify the costs by examining the invoices and other documents related to Air Service Contract Costs in executive session.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, it is agreed by and between the ASB and FSVA as follows:

1. All Recitals above are incorporated herein by reference.
2. Services. FSVA agrees to make its dedicated professional best efforts toward retaining, developing and improving air service by securing, retaining, managing air service into the Blaine County airport (SUN); providing other air service support; and other air service development activities and to pay all applicable costs.
3. Expenses. FSVA agrees that it shall provide, at its sole expense, all costs of labor, materials, supplies, business overhead and financial expenses, liability insurance, fidelity bonds, and all necessary equipment and facilities required to provide the services as set for in this Contract.
4. Term. The term of this Contract shall commence upon the day of its execution and shall be automatically extended each year, unless notice is provided as set forth herein.



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**AIR SERVICE BOARD**

5. Consideration.

- A. Air Service Contract Costs and Air Service Development Reimbursement. During the term of this Contract, ASB shall pay FSVA, as reimbursement for Air Service Contract Costs and as payment for Air Service Development, a maximum sum not to exceed the total "FSVA Contract Expenses" as identified in the annual adopted ASB budget, payable on a monthly basis. Each monthly payment shall be calculated by multiplying the percentage so designated in ASB annual budget by the actual amount of local option taxes received by the ASB, less direct costs, administrative expenses, and fund balance, which is designated as "Funds Available for Contracts," in **ASB annual budget**. In the event the monthly payments derived during the fiscal budget year would exceed the "Fly SV Alliance Contract Expenses" budget amount, the last monthly payment(s) shall be reduced to ensure only a payment of the contract amount in the ASB annual budget. In the event the monthly payments derived during the fiscal budget year are less than the contract amount in the ASB budget FSVA shall not be entitled to the difference between the total of the monthly payments and the contract amount in the ASB budget.
  
- B. FSVA shall maintain a contract with SVC wherein SVC shall reimburse FSVA for 50% of Air Service Contract Costs. Said reimbursements shall include cash and/or in-kind (equivalent cash value) contributions totaling 50% of Air Service Contract Costs.
  
- C. Limitation of Funds. Funds paid by ASB to FSVA shall only be used for the purposes set forth in this Contract, and for no other purpose. In the event FSVA pays pursuant to the contracts described in Recital 10, above, less than the "Total FSVA Contract Amount" identified in FSVA annual budget presented to ASB the difference may be retained by FSVA as reserves but such amount shall only be used for payment of future Air Service Contract Costs or other air service development costs, if approved by ASB, subject to the same limitations set forth in this Contract.

6. Reporting Requirements. FSVA agrees to provide to the ASB:

- A. Written and in-person presentations and reports in January and July during the term of this Contract or as otherwise scheduled by the parties outlining program results and plans for the upcoming season and explaining annual performance based on goals outlined in annual budget presentation. Semi-

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**AIR SERVICE BOARD**

annual reports will be based on the government fiscal year of October 1st to September 30.

- B. The ASB has at all times the right to request an independent audit, at the sole cost of FSVA, under the provisions herein, and such audit obligation and cost on the part of FSVA shall survive any termination.
  - C. The ASB may request additional financial information it deems necessary or appropriate to assist the ASB in verifying the accuracy of the FSVA's financial records, and within a reasonable time period, FSVA shall submit such information or reports relating to its activities under this Contract to ASB in such form and at such time as ASB may reasonably require. Any duly authorized agents of the ASB shall be entitled to inspect and audit all books and records of FSVA for compliance with the terms of this Contract. Any record provided hereunder which would be covered by the confidentiality provisions described in Recital 11, above, shall not be disclosed unless ordered by a court of competent jurisdiction or unless consent is provided by the Sun Valley Company and the relevant airline. FSVA agrees to retain all financial records, supporting documents, statistical reports, contracts, minutes, correspondence, and all other accounting records or written materials pertaining to this Contract for three (3) years following the expiration or termination of this Contract.
  - D. Invoices and supporting documents from airlines for the Air Service Contract Costs to be paid by FSVA, and documentation of reimbursement of 50% of Air Service Contract Costs by SVC to FSVA. Such invoices and supporting documentation shall be presented to the ASB by FSVA in executive session. Such documents are proprietary and trade secrets.
7. Termination. The ASB may, at its sole discretion, terminate this Contract upon 90 days written notice to FSVA with or without cause. The ASB recognizes that the FSVA has made significant financial commitments (*e.g.*, vendor contracts) on behalf of the ASB and will need time to adjust its obligations. In the event of such termination, the ASB shall have no further responsibility to make any payment to FSVA under this Contract at the end of the 90-day period.
8. Equal Employment Opportunity. FSVA covenants that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin.

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**AIR SERVICE BOARD**

9. Independent Contractor Status. The parties acknowledge and agree that FSVA shall provide its services for the fee specified herein in the status of independent contractor, and not as an employee of the ASB. FSVA shall create, direct and control its own means and methods of performing this Contract. FSVA and its agents, members, employees and volunteers shall not accrue leave, retirement, insurance, bonding or any other benefit afforded to employees of the ASB. The sole interest and responsibility of the ASB under this Contract is to assure itself that the services covered by this Agreement shall be performed and rendered by FSVA in a competent, efficient and satisfactory manner.
  
10. Hold Harmless Agreement. FSVA hereby covenants and agrees to indemnify, defend and hold the ASB and the Component Members, and their officials, officers, employees and agents harmless from and against any and all claims, demands, causes of action, suits, losses, liabilities, damages, costs and expenses, including attorney fees, that may accrue, directly or indirectly, by reason of non-disclosure of information pursuant to Paragraph 6(D) of this Contract or by reason of any wrongful act or omission on the part of FSVA, its agents, employees, assigns or subcontractors, related to damages or bodily injury, property damage and personal injury that arise out of FSVA's actions or omissions associated with the services or obligations described in this Contract. FSVA shall have the duty to appear and defend any such demand, claim, suit or action on behalf of ASB and the Component Members, or tender the defense without cost or expense to ASB and the Component Members.
  
11. Non-Assignment. This Contract may not be assigned by or transferred by FSVA, in whole or in part, without the prior written consent of the ASB.
  
12. Mediation. In the event of any controversy, claim or dispute between the parties concerning this Contract or the breach of this Contract, including questions concerning the scope and applicability of this dispute resolution provision, the parties agree to participate in good faith in a mediation of any such dispute in Blaine County, Idaho. If mediation is unsuccessful, either party may pursue litigation with venue in the 5<sup>th</sup> Judicial District, Blaine County, Idaho.
  
13. Attorney's Fees. In the event of any dispute with regard to the interpretation or enforcement of this Contract, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees incurred therein, whether or not a lawsuit is actually filed, and on any appeals, and in any bankruptcy proceeding.
  
14. Appropriations. No commitment of public funds will be made prior to the approval of this Contract nor are any public funds committed beyond the current fiscal year. The terms of this Contract are contingent upon sufficient appropriations being made each fiscal year by the ASB for the performance of this Contract. If sufficient appropriations are not made, this Contract

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shall terminate subject to the conditions subsequent concerning notice. Termination pursuant to the terms of this Contract shall not result in any claim for payment or damages by FSVA. ASB's decision as to whether sufficient appropriations are available shall be accepted by FSVA and shall be final. FSVA HAS NO RIGHT TO COMPEL COMPONENT MEMBERS TO LEVY OR COLLECT TAXES TO MAKE ANY PAYMENTS REQUIRED HEREUNDER, OR TO EXPEND FUNDS BEYOND THE AMOUNT PROVIDED FOR IN THE THEN CURRENT FISCAL YEAR. In the event that this provision conflicts with any other provision in the Agreement, this provision shall prevail.

15. Miscellaneous Provisions.

- a. Paragraph Headings. The headings in this Contract are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Contract or any of the provisions of the Contract.
- b. Provisions Severable. Every provision of this Contract is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Contract.
- c. Rights and Remedies are Cumulative. The rights and remedies provided by this Contract are cumulative and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this Contract are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
- d. Successor and Assigns. This Contract and the terms and provisions herein shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
- e. Entire Contract. This Contract contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters.
- f. Governing Law. This Contract shall be construed in accordance with the laws of the State of Idaho.
- g. Preparation of Contract. No presumption shall exist in favor of or against any party to this Contract as a result of the drafting and preparation of the document.

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- h. No Waiver. No waiver of any breach by either party of the terms of this Contract shall be deemed a waiver of any subsequent breach of the Contract.
- i. Amendment. No amendment of this Contract shall be effective unless the amendment is in writing, signed by each of the parties.
- j. Notices. Notices hereunder shall be by personal delivery or US Mail Certified/Return Receipt and shall be deemed effective upon such personal delivery or two (2) business days after mailing, whichever is later. Notices shall be provided as follows:
  - a. ASB: P.O. Box 3801, Ketchum, Idaho 83340
  - b. FSVA: P.O. Box 6316, Ketchum, Idaho 83340
- k. Fiscal Year. For the purpose of this Contract, the fiscal year is considered a government fiscal year between October 1 and September 30 of the following year.
- l. No Third Party Beneficiaries. This Agreement shall not create any rights or interest in any third parties.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first set forth above.

Signatures:

Dated: _____	The Sun Valley Air Services Board, An Idaho Joint Powers Authority By: _____ Its: _____
Dated: _____	Fly Sun Valley Alliance, an Idaho Non-Profit Corporation By: _____ Its: President

**SUN VALLEY  
AIR SERVICE BOARD**

CONTRACT FOR SERVICES  
BETWEEN THE  
SUN VALLEY AIR SERVICE BOARD AND  
SUN VALLEY TOURISM ALLIANCE

THIS CONTRACT FOR SERVICES, (hereinafter referred to as "Contract") made and entered into this \_\_\_\_\_ day of March, \_\_\_\_\_, by and between the Sun Valley Air Service Board, an Idaho Joint Powers Authority (hereinafter referred to as the "ASB") and the Sun Valley Tourism Alliance, Inc., an Idaho nonprofit corporation with an IRS 501 (c) (6) designation, (hereinafter referred to as "SVTA").

**RECITALS**

1. The ASB is a duly organized and existing Joint Powers Authority organized as a separate legal entity under Idaho Code §§ 67- 2328 *et seq.* The ASB is made up of the following entities (hereinafter referred to as "Component Members"):
  - a. The City of Sun Valley, Idaho
  - b. The City of Ketchum, Idaho
  - c. The City of Hailey, Idaho
  - d. Blaine County, Idaho [non-voting]
2. SVTA is an Idaho non-profit corporation with an IRC 501(c)(6) designation engaged in the business of domestically marketing the Sun Valley, Idaho resort area.
3. Pursuant to Idaho Code §§ 67-2328, 50- 301 and 50- 302, the ASB is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the Component Members and their trade, commerce and industry. Accordingly, the ASB has the power as conferred by the State of Idaho, to provide directly for certain promotional activities to enhance the trade, commerce, industry, and economic well-being of the Component Members.
4. Ordinances have been adopted by certain Component Members (except Blaine County) for the purposes of a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees ("MRG's") or other inducements to providers; b) promoting and marketing the existing service and any future service to increase passengers; c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and d) direct costs to collect and enforce the tax, including administrative and legal fees.

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**AIR SERVICE BOARD**

5. The primary reason for the ASB to enter this Contract is to effectuate the purposes of the local option taxes and Component Member ordinances recited above.
6. SVTA is to provide air service marketing services to promote air travel to and from the airport in Blaine County (SUN).
8. It is the intention of the ASB to contract with SVTA to provide such services for consideration as hereinafter provided, subject to the tracking and reporting requirements described herein.
9. SVTA desires to enter into a contract with the ASB to provide air service marketing services as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, it is agreed by and between the ASB and SVTA as follows:

1. All Recitals above are incorporated herein by reference.
2. Services. SVTA agrees to provide air service marketing services to the ASB consisting of marketing goals and objectives: creative strategy; media purchase; campaign assets and public relations efforts in air service markets, including key monitoring and tracking of advertising efforts to ensure effectiveness ("Marketing Services").
3. Expenses. SVTA agrees that it shall provide, at its sole expense, all costs of labor, materials, supplies, business overhead and financial expenses, liability insurance, fidelity bonds, and all necessary equipment and facilities required to provide the services as set for in this Contract.
4. Term. The term of this Contract shall commence upon the day of its execution and shall be automatically extended each year, unless notice is provided as set forth herein.
5. Consideration. During the term of this Contract, ASB shall pay SVTA, as payment for Marketing Services, a maximum sum not to exceed the total "SVTA Contract Expenses" as identified in the annual adopted ASB budget, payable on a monthly basis. Each monthly payment shall be calculated by multiplying the percentage so designated in the SVTA annual budget by the actual amount of local option taxes received by the ASB, less direct costs, administrative expenses, legal reserves and fund balance, which is described as "Funds Available for Contracts." In the event the monthly payments derived during the fiscal budget year would exceed the "SVTA Contract Expenses" budget amount, the last monthly payment(s) shall be reduced to ensure only a payment of the contract amount in the SVTA annual budget. In the event the monthly payments derived during the fiscal budget year are less than the contract

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**AIR SERVICE BOARD**

amount in the ASB budget, SVTA shall not be entitled to the difference between the total of the monthly payments and the contract amount in the ASB budget.

6. Reporting Requirements. In consideration and as part of this Contract, SVTA agrees to provide to the ASB:
  - A. Written and in-person presentations and reports in November and May during the term of this Contract or as otherwise scheduled by the parties outlining program results and plans for the upcoming season and explaining annual performance based on goals outlined in the annual budget presentation. Semi-annual reports will be based on the government fiscal year of October 1st to September 30.
  - B. The ASB has at all times the right to request an independent audit, at the sole cost of SVTA, under the provisions herein, and such audit obligation and cost on the part of SVTA shall survive any termination.
  - C. The ASB may request additional financial information it deems necessary or appropriate to assist the ASB in verifying the accuracy of the SVTA's financial records, and within a reasonable time period, SVTA shall submit such information or reports relating to its activities under this Contract to ASB in such form and at such time as ASB may require. Any duly authorized agents of the ASB shall be entitled to inspect and audit all books and records of SVTA for compliance with the terms of this Contract. SVTA agrees to retain all financial records, supporting documents, statistical reports, contracts, minutes, correspondence, and all other accounting records or written materials pertaining to this Contract for three (3) years following the expiration or termination of this Contract.
7. Termination. The ASB may, at its sole discretion, terminate this Contract upon 90 days written notice to SVTA with or without cause. The ASB recognizes that the SVTA has made significant financial commitments (*e.g.*, vendor contracts) on behalf of the ASB and will need time to adjust its obligations. In the event of such termination, the ASB shall have no further responsibility to make any payment to SVTA under this Contract at the end of the 90-day period.
8. Equal Employment Opportunity. SVTA covenants that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin.



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9. Independent Contractor Status. The parties acknowledge and agree that SVTA shall provide its services for the fee specified herein in the status of independent contractor, and not as an employee of the ASB. SVTA shall create, direct and control its own means and methods of performing this Contract. SVTA and its agents, members, employees and volunteers shall not accrue leave, retirement, insurance, bonding or any other benefit afforded to employees of the ASB. The sole interest and responsibility of the ASB under this Contract is to assure itself that the services covered by this Agreement shall be performed and rendered by SVTA in a competent, efficient and satisfactory manner.
  
10. Hold Harmless Agreement. SVTA hereby covenants and agrees to indemnify, defend and hold the ASB and the Component Members, and their officials, officers, employees and agents harmless from and against any and all claims, demands, causes of action, suits, losses, liabilities, damages, costs and expenses, including attorney fees, that may accrue, directly or indirectly, by reason of any wrongful act or omission on the part of SVTA, its agents, employees, assigns or subcontractors, related to damages or bodily injury, property damage and personal injury that arise out of SVTA's actions or omissions associated with the services or obligations described in this Contract. SVTA shall have the duty to appear and defend any such demand, claim, suit or action on behalf of ASB and the Component Members, or tender the defense without cost or expense to ASB and the Component Members.
  
11. Non-Assignment. This Contract may not be assigned by or transferred by SVTA, in whole or in part, without the prior written consent of the ASB.
  
12. Mediation. In the event of any controversy, claim or dispute between the parties concerning this Contract or the breach of this Contract, including questions concerning the scope and applicability of this dispute resolution provision, the parties agree to participate in good faith in a mediation of any such dispute in Blaine County, Idaho. If mediation is unsuccessful, either party may pursue litigation with the venue 5<sup>th</sup> Judicial District, Blaine County, Idaho.
  
13. Attorney's Fees. In the event of any dispute with regard to the interpretation or enforcement of this Contract, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees incurred therein, whether or not a lawsuit is actually filed, and on any appeals, and in any bankruptcy proceeding.
  
14. Appropriations. No commitment of public funds will be made prior to the approval of this Contract nor are any public funds committed beyond the current fiscal year. The terms of this Contract are contingent upon sufficient appropriations being made each fiscal year by the ASB for the performance of this Contract. If sufficient appropriations are not made, this Contract shall terminate subject to the conditions subsequent concerning notice. Termination

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pursuant to the terms of this Contract shall not result in any claim for payment or damages by SVTA. ASB's decision as to whether sufficient appropriations are available shall be accepted by SVTA and shall be final. SVTA HAS NO RIGHT TO COMPEL COMPONENT MEMBERS TO LEVY OR COLLECT TAXES TO MAKE ANY PAYMENTS REQUIRED HEREUNDER, OR TO EXPEND FUNDS BEYOND THE AMOUNT PROVIDED FOR IN THE THEN CURRENT FISCAL YEAR. In the event that this provision conflicts with any other provision in the Agreement, this provision shall prevail.

15. Miscellaneous Provisions.

- a. Paragraph Headings. The headings in this Contract are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Contract or any of the provisions of the Contract.
- b. Provisions Severable. Every provision of this Contract is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Contract.
- c. Rights and Remedies are Cumulative. The rights and remedies provided by this Contract are cumulative and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this Contract are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
- d. Successor and Assigns. This Contract and the terms and provisions hereof shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
- e. Entire Contract. This Contract contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters.
- f. Governing Law. This Contract shall be construed in accordance with the laws of the State of Idaho.
- g. Preparation of Contract. No presumption shall exist in favor of or against any party to this Contract as a result of the drafting and preparation of the document.
- h. No Waiver. No waiver of any breach by either party of the terms of this Contract shall be deemed a waiver of any subsequent breach of the Contract.

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- i. Amendment. No amendment of this Contract shall be effective unless the amendment is in writing, signed by each of the parties.
  
- j. Notices. Notices hereunder shall be by personal delivery or US Mail Certified/Return Receipt and shall be deemed effective upon such personal delivery or two (2) business days after mailing, whichever is later. Notices shall be provided as follows:
  - a. ASB: P.O. Box 3801, Ketchum, Idaho 83340
  
  - b. SVTA: P.O. Box 6316, Ketchum, Idaho 83340
  
- k. Fiscal Year. For the purpose of this Contract, the fiscal year is considered a government fiscal year between October 1 and September 30 of the following year.
  
- l. No Third Party Beneficiaries. This Agreement shall not create any rights or interest in any third parties.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first set forth above.

Signatures:

Dated: _____	The Sun Valley Air Services Board, An Idaho Joint Powers Authority By: _____ Its: _____
Dated: _____	SVTA, an Idaho Non-Profit Corporation  By: _____ Its: President