

Peachtree City Airport Authority (PCAA)
Regular Minutes
Thursday, September 10, 2015
Aviation Center, Peachtree City-Atlanta Regional Airport
7:00 p.m.

Members Present: Richard Whiteley – Chairman, Bill Flynn – Vice Chairman and Treasurer, Tom Fulton - Member, Skip Barnette – Member, George Harrison – Alternate, Doug Warner – Airport Attorney and Airport Manager –Hope Macaluso, A.A.E.,

Not Present – Bryan LaBrecque - Member

I. CALL THE MEETING TO ORDER

Richard Whiteley called the meeting to order at 7:01 p.m.

II. APPROVAL OF MINUTES

Tom Fulton made a motion to approve the August 2015 Minutes, seconded by Skip Barnette. Richard Whiteley and Bill Flynn abstained from voting, having missed the August meeting.

Motion carried, 2/0.

III. REPORTS

Airport Safety & Operations (Bryan LaBrecque)

Not present

Finance & Capital Budgeting – (Bill Flynn)

A finance review of the August financials was held yesterday, including the upcoming fiscal year budget. Both reviews went really well. He deferred to Hope to take the authority through both the financials and upcoming budget.

Tenant & Community Relations – (Tom Fulton)

In reference to community relations, the Fayette County Development Authority (FCDA) CEO declined to renew his employment agreement effective at the end of the month. The Peachtree City Retention Manager has also resigned. This is the staff position that is focused on retaining business in Peachtree City and is funded by the City of Peachtree City. The FCDA is seeking an interim CEO to serve for a period of time in order to do a proper search.

National Rental Car continues to have some networking problems and computer issues. They are still paying rent and we hope to see them moved in soon.

The FBO hangar is still pretty much full although we still have a few spaces for a couple smaller aircraft and one jet.

We are still getting more questions about drone operations. We are updating the Safety Page on our website with links to the most current information released by the FAA regarding new guidelines.

The fuel farm three phase power installation is scheduled to begin next week. Installation of the other upgrades will begin shortly after the additional power is run. The cost for all upgrades is just over \$27,000. Hope reported that she and her staff had met with the Blue Angel fueling liaisons last week and they agreed that these items need to be addressed before the Air Show. Tom asked if there was any concern with making that schedule. Hope replied that it would be done. George Harrison noted that the worst case estimate was \$30,000, so this is good.

IV. FINANCIAL REVIEW - Airport Manager – (Hope Macaluso)

Hope Reported:

August Revenue Highlights:

Overall revenues were 6.6% above forecast for the month. The main drivers for this were:

- FBO Hangar rents remaining up.
- We had a very aggressive JetA budget for August. Although there was a miss on JetA, Avgas sales were greater than which more than made up the difference.

August Expense Highlights:

Total expenses were slightly above budget by less than 1%.

August Net Operating Income Highlights:

August's Net Operating Income was more than forecast by 27.5%. Year to date we are right on target after the through the fence overpayment is backed out. Richard noted that the annual budget has now been met a month in advance.

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

15-09-01 FY 2016 Budget Review and Consideration

Hope summarized the proposed budget. Operational revenues are anticipated to be down by about \$19,000 mainly due to fuel costs. Also, there is a loss in revenue due to a lower lease rate in the Toy Box and the through the fence access agreement overpayment. Bill noted that these two together had a \$26,000 negative impact on the year.

A new account had been added for Utility Reimbursement. She intends to go back six years to recoup utility costs that should have billed to certain D hangar tenants. This will be around \$5,000 in this fiscal year, but will be lower going forward once past costs have been recouped. She further explained that a similar situation has occurred for the B hangars, but it will require infrastructure to install separate meters for each of the five hangars and the hangar owner's expense.

Hope has reached out to all of the authority's insurance carriers and expects that most will be renewed as expiring. Health insurance is being budgeted as a 15% increase in December.

Hope noted that payroll was flat over last year's budget. There will be increases, but the annual number will not go up. The reasons are that the part time maintenance person will not be replaced until next mowing season and one of our higher paid hourly employees who had been working full time will be returning to part time hours in order to continue his education with his Master's degree. Training wages were brought down based on actuals from the current fiscal year, as was after hours call out wages for the same. With these savings, we are able to give the hourly employees an increase in April, as is usually done.

Overall, expenses are forecast to be about \$5,600 more than last year's budgeted expenses.

Budgeted utilities rose based on actuals from this fiscal year.

Hope highlighted that the intergovernmental agreement with the City of Peachtree City has its first step down in January of 10%.

Tom Fulton asked if the meter issue for the B hangars could be handled in the same manner as the D hangars. She replied that there is too much disparity in size and occupancy of these hangars to simply divide the bill by five. She further explained that the same issues with installing meters exist today as they did when the building were first built. She had reached out to the Fayette County Water System and found that it is cost

prohibitive to for the county to install separate meters. Their suggestion was to have a utility contractor install them individually and for us the read the meters annually.

There being no further questions, Bill Flynn moved to accept the FY 2016 budget as presented, seconded by Skip Barnette.

Richard commented that he had made some positive observations. He complemented Hope on excellent work on the budget and noted that it obvious that time had been invested in preparing the budget. Richard noted that when he began on the authority, the percentage of revenue from fuel was over 70%, and now we are at 64%, which is excellent progress, and that lease revenue is a full 29%, all of which is moving in the right direction. He also noted that as an airport not subsidized by a city or county, to run a 9% net margin is really excellent and the airport is being run like a business.

Motion Carried, 4/0.

VIII. Adjournment

Bill Flynn made a motion to adjourn which was seconded by Skip Barnette.

Motion Carried, 4/0. Time 7:31pm

Attest

Richard Whiteley, Chairman