

Peachtree City Airport Authority (PCAA)
Regular Minutes
Thursday, March 13th, 2014
Aviation Center, Peachtree City-Atlanta Regional Airport
7:00 p.m.

Members Present: Richard Whiteley – Chairman, Vice-Chairman & Secretary/Treasurer - Bill Flynn, Bill Rial, Skip Barnette and Alternate – Tom Fulton. Airport Manager –Hope Macaluso, A.A.E., and Airport Attorney– Matt Ramsey (for Doug Warner).

I. CALL THE MEETING TO ORDER

Richard Whiteley called the meeting to order at 7:00 p.m.

II. APPROVAL OF MINUTES

Bill Flynn made a motion to approve the December 2013 Minutes, seconded by Skip Barnette.

Motion Carried, 4/0.

III. REPORTS

Airport Safety & Operations

No report.

Finance & Capital Budgeting - Bill Flynn

Bill Flynn commented that the monthly finance meeting went well and that the Audit for FY 2013 had been completed and submitted to the City.

Tenant & Community Relations - Bill Rial

No report.

Marketing – Skip Barnette

No report.

Operations –Manager of Operations, Mike Melton

Mike noted that we have brought Christina Fountain back on recently and have added an additional linemen to the roster as Justin Linville has taken on more hours at the front desk. He also said the front desk now has a need now for an additional Customer Service

Representative which will take Spencer McLennan's hours now that he has been hired on with Express Jet as a first officer. Congratulations to Spencer.

AIRSHOW – Additionally Mike noted that the airport reached out to the airshow and have setup our first formal meeting with them next week to discuss the plans for the 2014 airshow. Once we meet with them, we will report back to the board. Richard Whiteley asked Mike to keep the board up to date on any airshow activity or information. National Business Aircraft Association's Schedulers and Dispatchers Conference – Mike noted was a productive show and probably the best show to attend to gain additional customers. Many of the attendees he met with were familiar with our airport and planned to visit soon with their fuel discount cards we were giving out. Owens Corning and a number of other flight departments have already visited since. He commented on plenty of positive feedback from the dispatchers about the airport and reasonable fuel pricing.

LAV CART – Mike stated that after many inquiries from our transient customers about a lavatory service cart we have now purchased one and are in the process of training all of the linemen on the use of the new cart. We are currently advertising this service and can now assist all of our JET Transient customers with Lavatory Service.

OFFICE TENANT – Mike noted that recently one of the current tenants signed a MOU to expand their currently leased space that will add a few more classrooms. Danny Sorrells and Mark Turner of our maintenance department were in the process of sprucing up the office space. Any of expenses for the improvements we will see recouped in the first few months of rent.

OVERLAY – Mike commented that it appeared that the overlay construction will begin the week of April 28th. Although the date is not set in stone this is the "penciled in" date. Mike stated that we will email tenants as soon as we have a hard date for the overlay project. The Newnan airport will be returning the favor from their construction project in 2012 and will accommodate any tie down tenants that need to relocate to continue flying for that week.

GROUND CLEARING – Mike stated that the airport hired a contractor to address some of the overgrown areas that could lead to potential obstruction issues later down the road. With Hope keeping a close eye on maintenance, we still came in under budget on maintenance after paying for the services.

FAYETTE COUNTY WATER AUTHORITY – Danny Sorrells has been working closely with the folks over at the water authority to address the water leak onto our property. They have been very cooperative about assisting with the issues that have resulted from their leak.

CAMERA SYSTEM – Mike noted the airport recently installed a camera system similar to the one in the FBO Hangar here in the terminal building. The cameras in the hangar have proven their worth so far and we hope these cameras will assist in this building as well.

SAFETY PAGE – Mike said after a recent discussion with Ray Sluk from the flight school in December we have developed a Safety Page on the airport website. We currently have Doug Warner looking over the wording to make sure we are not exposing our self to any unforeseen liability.

IV. FINANCIAL REVIEW - Airport Manager – Hope Macaluso

Hope began by reviewing the month's Revenue Highlights. She noted there continues to be a T hangar waiting list and continued strong Jet A fuel sales.

December Revenue Highlights:

Revenue for the month of December fell 3.7% short of plan at \$71,286. However, for the first quarter of the fiscal year, we were up 6% over plan.

The primary drivers in December were:

- A miss of 2,796 gallons on AvGas due to 15 bad weather days in the month. There was a miss of only 189 gallons of Jet A, but the margin was also off due to based jets being given a better rate based on volume.

December Expense Highlights:

For the month of December, overall expenses exceeded budget by 2.7%. For the first quarter of the fiscal year

- We did not anticipate buying Auto fuel in the month, but because the loaner AvGas truck ran on diesel, we had to make a purchase in the month.
- There were 3 pay periods in the month. Although the payroll line itself is accrued, the other expenses associated with payroll (such as worker's comp, IRA, medical, taxes, etc.) are not.

December Net Operating Income Highlights:

Net Operating Income for the month was \$8,653, which was \$4540 below forecast.

Cash Position:

Hope reported that the cash position was down from the previous month. Some was due to capital repairs that have begun at the Toy Box (\$6,000 heaters) and the rest due to

having 3 pay periods in the month. We were still \$5,000 short for Air Show reimbursements in the month.

First Quarter Recap

For the first quarter of the fiscal year, revenues were up 6% over plan, expenses exceeded plan by 1.3%, and income was 23.6% better than plan landing us at 40% of the annual budgeted income in just the first 3 months.

January Financial Report

Hope began by reviewing the month's Revenue Highlights. She noted there continues to be a T hangar waiting list and continued strong Jet A fuel sales.

January Revenue Highlights:

Revenue for the month of January was 11.2% over plan at \$76,394.

The primary drivers in January were:

- Strong Jet fuel sales- 47.3% over budget despite the first weather event. The Pinewood opening gala and a Nascar meeting were contributors to this. There are also 3 based jets there were not here this time last year that are contributing about 8,000 total gallons per month.
- A 242% over budget number in FBO overnight hangar rental thanks to the first weather event.

There was a miss again on avgas by 11%, again primarily due to weather, but the jet fuel sales more than made up for the miss.

January Expense Highlights:

For the month of January, overall expenses exceeded budget by 5%.

The primary drivers were:

- Primarily the overage was associated with payroll.

January Net Operating Income Highlights:

Net Operating Income for the month was \$7,914, which was \$2,685 above forecast.

Cash Position:

Hope reported that the cash position was down from the previous month, again primarily due to payroll.

February Financial Report

Hope began by reviewing the month's Revenue Highlights. She noted there continues to be a T hangar waiting list and continued strong Jet A fuel sales.

February Revenue Highlights:

Revenue for the month of February exceeded plan by 11.1% at \$76,867.

The primary drivers in February were:

- Strong Jet fuel sales- 44.1% over budget despite the second weather event. In addition to our based jet aircraft, a local company that is not based here took almost 2100 gallons in the month.

February Expense Highlights:

For the month of February, overall expenses were 5.6% under budget.

The primary drivers in February were:

- We left some advertising dollars on the table.
- Insurance is under budget across the board to the tune of just under \$3300. Some of this is due to actual premiums coming in under budget, but almost half of this is one full time employee that opted out of medical coverage as of January 1. That employee was budgeted for coverage, but has gotten coverage elsewhere through a spouse.

January Net Operating Income Highlights:

Net Operating Income for the month was \$22,747, which was \$11,038 over forecast.

Cash Position:

Hope reported that the cash position was up from the previous months.

Look Ahead

As of this morning, we are exceeding fuels sales month to date in both fuel categories.

The a/c at the Toybox, original to 1992, has gone out. The replacement could cost up to \$4400.

Richard commented that the Year To Date numbers were looking strong.

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

14-02-01 Welcome New Board Member and Alternate

Richard noted that the newly appointed board member was to be Mr. Bryan LaBrecque and that the board felt comfortable with Bryan as he was previously the Aviation Director for the airport.

Richard also introduced Mr. Tom Fulton as the alternate. Tom mentioned that he was a life-long resident of the area who had worked with the airlines in corporate real estate and asset management. Tom commented that he was happy to be here. Richard welcomed Tom and encouraged him to speak up but reminded him that per the governing documents he was unable to vote.

14-02-02 Recognize Bryan LaBrecque and George Harrison

Richard commented that both Bryan and George were not able to attend the meeting due to prior commitments but that the airport had made plaques for the gentlemen with the airport diagram and their duration of service with the airport. Richard commented that Bryan originally accepted the position as alternate then eventually moved in to the interim Aviation Director and then Aviation Director. Bryan decided in December that he was ready to leave the airport in good hands with Hope and her team. Richard recognized him as exceeding expectations and was grateful to have him on the board. Richard also noted that Hope was happy to take on the additional responsibilities and the board has the complete confidence in her. Richard congratulated Hope in her new opportunity.

14-02-03 Election of Officers

Richard Whiteley called for nominations.

Bill Rial nominated Richard Whiteley as Chairman, seconded by Bill Flynn.

Motion carried 3/0

Richard Whiteley nominated Bill Flynn as Secretary/Treasurer, seconded by Skip Barnette.

Motion carried 3/0

Richard Whiteley appointed Bill Flynn as Vice Chairman.

Richard also stated that the following members will be responsible for heading up these areas:

Bryan LaBrecque for Safety and Operations

Bill Rial for Tenant and Community Relations

Bill Flynn for Finance and Capital Budgeting

Skip Barnette for Marketing

14-02-04 Appoint of PCCA Representative to CVB

Richard suggested that the board make Hope the CVB representative so there was a representative who was more tuned in with the matters of the day in day out operations. Bill Rial commented that the airport representative was set up by a previous mayor and understood that it would need to be a member. Hope stated that it could also be a designee of the Airport Authority.

Richard Whitley moved to make Hope Macaluso the CVB representative for the airport, seconded by Bill Rial.

Motion Carried 4/0

14-02-05 Elimination of Aviation Director Position

Richard commented eliminating the Aviation Director Position would streamline things organizationally. Matt Ramsey stated that the reorganization would not need to a formal decision.

Richard Whiteley stated that the Aviation Director Position was officially abolished March 13th, 2014.

14-02-06 Consider Signature Authority of Airport Manager

Hope stated that now she was only able to sign month to month agreements and would like to possibly be able to sign at least a slightly longer term lease, for example a three year lease. Bill Flynn stated that he understood where she was coming from and suggested we keep it the same way it is but with Bryan having oversight of any longer term lease signing. Bill Rial asked who Hope reported to and reminded the Authority that the airport manager does not report to an individual but instead, reports to the Authority.

Bill Flynn stated that Hope reported to Bryan. Bill Rial commented that the 5-member Authority is a single body and as such, the airport manager does not report to an individual. This chain of command would imply that the airport manager would

communicate with the Authority chairman and include all Authority members in the communication. Bill Rial further commented that it is not correct for a single authority member to make decisions for the Authority, that the Authority makes decisions together. He further stated he does not think it right for one member to make a decision without all Authority members being in the loop.

Skip stated that he agreed with Bill Rial on the issue. Richard suggested that Hope bounce the decision off of the board and that Bryan would be responsible for making sure that the decision was executed. Bill Rial stated that he did not have a problem with that recommendation as long as the individual Authority member designated the point of contact for a particular discipline made certain the entire board was fully informed about what was happening within that specific area or activity. He said this would ensure feedback from all members. Skip said he saw no harm in Bryan reviewing the leases before going to the board. Richard said that Bryan would serve as more of a unified voice to the board. Richard asked who would sign the physical documents. Bill Flynn stated that currently any checks under \$5,000 could be signed by Hope and anything above that would need to be signed by Richard, Bill or Bryan with two signatures. Richard asked to be reminded why two signatures. Bill Flynn stated that it was to ensure at least a board member was in the loop on the expense. Matt Ramsey commented that as a board, the board could decide and appoint signature authority. Bill Flynn moved that long term lease documents should be signed by the airport manager and must be approved by the chairman or designee and must have a second signature by the chairman or designee, seconded by Bill Rial.

Motion carried 4/0

VII. Adjournment

Prior to adjournment, Bill Rial thanked the new mayor for attending the meeting.

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

Motion Carried 4/0. Time 7:49pm (local)

Attest

Richard Whiteley, Chairman