

**PEACHTREE CITY AIRPORT AUTHORITY  
MINUTES OF MEETING**

**August 8, 2001**

The August meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on August 8, 2001 at 7:00 p.m.

Those present were Chairman Catherine M. Nelmes; Secretary/Treasurer H.E. Buffington; Members: Jerry R. Cobb, Douglas A. Fisher and Mark H. Harris; Airport Manager James H. Savage; Assistant Manager Andrew Bolton and Authority Attorney Douglas B. Warner.

**I. ANNOUNCEMENTS**

Chairman Nelmes gave Mr. Stan Smith an opportunity to discuss an "Employee & Family Air Festival", sponsored by Delta Air Lines, to be held at the LaGrange, Georgia, airport on September 21 - 23, 2001.

Mr. Smith reviewed a brochure that outlines the event and asked the Authority if Peachtree City-Falcon Field would be interested in hosting the event in future years? Mr. Smith expressed the belief that because so many Delta employees live the Fayette County area that he felt this airport would attract a larger number of attendees than might LaGrange.

Mr. Savage commented that such an event would have to be scheduled at a major interval from the annual airshow so as not to interfere with the normal operation of the airport and the preparations for the current annual event.

Mr. Warner reminded those present that sponsoring a second such event might have a negative impact on attendance at the annual airshow, which should have priority.

Mr. Smith indicated that he will be contacting the Delta event coordinator to see if they are interested in holding the event at Peachtree City and will report back to the Authority for further consideration.

**II. APPROVAL OF MINUTES**

A motion to approve the minutes of the July 11, 2001, meeting as presented, was made by Mr. Cobb and seconded by Mr. Buffington.

The motion passed unanimously.

### III. REPORTS

Mr. Savage gave the following report:

#### **Airport Manager's Report** August 8, 2001

1. Peachtree National Bank has approved our loan for \$200,000 to build the Non-AIP infrastructure for Hangar Area "B". Plans call for the loan to be closed later this month so that the funds will be available prior to the start of construction, now scheduled for September 10, 2001.

The loan will be amortized over seven years at 85% of Prime Lending Rate, which is similar to our two existing loans. We will operate at interest only for six months and the Inter-Governmental Agreement with Peachtree City will provide for a fund transfer from the Hotel Tax equal to all loan payments due, plus the \$10,000 Operations Supplement.

Once we begin paying principal and interest, the new loan payment is estimated to be \$2,922 per month, for a total monthly debt service of \$18,727.

2. Preparations are now becoming fast and furious for the Fourth Annual Wings Over Dixie Airshow and Festival to be held September 8 - 9, 2001. We have been given permission by Hunting to use their hangars for aircraft storage during the event and with the decision not to start construction of the Hangar Area "B" project until after the airshow, the airshow committee will be using the Hangar Area "B" space to park cars.

As in the past, we will be issuing parking passes for airport tenants along with two tickets to the event. We will also be sending a letter to the tenants outlining airport access, auto parking and other issues, sometime next week. Hunting has requested that we have each owner, who's aircraft will be placed in Hunting's hangar, sign a letter of indemnification that will accompany the same letter that we must provide Hunting for use of their facilities.

Tickets and parking passes will be available at the service desk next week, along with an indemnification letter for signature by the owners so affected. We hope to start relocating aircraft on Wednesday, September 5, 2001.

3. We have received the grants from the FAA and GaDOT that have been expected regarding the Hangar Area "B" project, which require various signatures for those present this evening. I will be circulating them for execution. Chairman Nelmes was previously authorized to complete accept these grants, therefore no official action is required.

The FAA grant is for \$405,075 and the State's grant is for \$15,494, for a total of \$420,569.

4. Finally, would the Authority be interested in rescheduling the meeting in September, to the 19<sup>th</sup> rather than the 12<sup>th</sup>, so that staff can recover from the airshow and have a few more days to prepare for the meeting?

#### IV. FINANCIAL REVIEW

Mr. Savage gave a brief overview of the financial report for the month of July, noting that fuel sales for jet were somewhat below expected, but Avgas sales were better than budget, which contributed to a gross profit that was \$2,438 less than forecasted.

However, expenses were held to \$2,974 less than budget, so when combined with a better than expected Hotel tax revenue of \$14,851, the net cash flow calculation for the month ended a negative \$9,210 versus the expected negative cash flow of \$12,691.

July is one of two months throughout the year that have three payroll periods, which average approximately \$12,046 per period, and which is the major cause of the expected negative cash flow for the month.

#### V. OLD AGENDA ITEMS

None.

#### VI. NEW AGENDA ITEMS

- 01-08-01 Consider removing requirement for two signatures on all checks issued by the Authority, and replacing it with a policy allowing a single signature on all checks of \$5,000 or less.**

Chairman Nelmes commented that this item had been placed on the agenda at her request primarily because it was her opinion that under the present policy, no real "check and balance" of cash outflow occurs when four different people are signing checks on a "whoever is available at the moment" basis.

A discussion followed among the members and public gathered about the need to control expenditures but at the same time keep day-to-day operations as simple as possible. This would include the issuance of checks for items such as payroll and routine expenditures that are authorized in the budget.

Discussions continued on the fact that the Authority does not have a Capital Improvement Plan (CIP) nor does it provide for capital expenditures within the Operating Budget.

Mr. Savage commented that the Authority has never produced a CIP because it has had limited funds since assuming operation of the FBO in 1998, and has approved all capital expenditures on a case-by-case basis.

Mr. Harris asked what was the current limit establishing whether or not an item is considered a capital item, or an expense item? Mr. Savage stated that some years ago that number was set at \$500, however given inflation, it might be more appropriate to raise that limit to \$1,000.

Mr. Cobb expressed his view that he enjoyed looking at the payables on a check-by-check basis as a way for him to get a better understanding of the Authority's operation.

Mr. Warner stated that the Development Authority, of which he is a member, only requires one signature on each check, but provides a check detail report that summarizes all of the information needed to review such payables. Mr. Savage said that he could provide the same type of detail to any member that wished to review that information.

A motion was made by Mr. Fisher and seconded by Mr. Harris to authorize the Authority to issue checks requiring only a single signature, for operational items outlined in the Operating Budget, in the amount of \$5,000 or less, and for capital items in the amount of \$1,000 or less. Capital items of \$1,000 or less will be considered expense items.

The motion passed unanimously.

**01-08-02 Consider Operating Budget for the first half of FY 2002.**

Chairman Nelmes gave a brief review of the proposed budget stating that she and Mr. Savage had reviewed it in detail, and that she felt it reflected a realistic estimate of the operating revenues and expenses for the next six months. It is anticipated that expenses will increase by approximately \$2,000 per month.

Chairman Nelmes also pointed out that the proposed budget did not include any changes in payroll expenses from current levels, since personnel matters would be discussed in detail during the Executive Session later in the meeting.

Mr. Savage explained in greater detail some of the philosophies that went into the development of the budget numbers, calling it more of an educated guess at times, rather than pure science. He stated that the budget shows no anticipated growth in revenue, but instead, reflects the average fuel sales over the last three year's on a month by month basis, plus rents, pilot sales and other anticipated income items that are based on the current level of sales.

Regarding projected expenses, Mr. Savage stated that they are based on seasonal changes in some areas, the last six months in other areas and on annual averages for those items that vary little from month to month. He pointed out that a few extraordinary items such as an increase in lease payments for a new fuel truck, annual audit expenses, and certain quarterly insurance payments and others, are shown in the months due, rather than averaged over the six month period.

After a general discussion of the proposed budget by the members, a motion was made by Mr. Cobb and seconded by Mr. Fisher, to table further discussion and consideration of the proposed budget until the next meeting, so that they may discuss the personnel issues in Executive Session and determine what impact, if any, such discussions might have on the budget.

The motion passed unanimously.

## VII. EXECUTIVE SESSION

At 8:30 p.m., Chairman Nelmes called for a motion to recess for five minutes and reconvene in Executive Session to discuss personnel matters.

A motion to do so was made by Mr. Fisher and seconded by Mr. Cobb, and was passed unanimously.

During the Executive Session, Mr. Savage presented several documents pertaining to proposed salary adjustments, salary surveys, Consumer Price Index changes, and a proposed work schedule for the FBO. After his presentation, Mr. Savage excused himself so that the Authority could discuss the matter in private. Mr. Warner remained with the members during the discussions.

After considerable discussion, the Authority agreed by unanimous consensus that it was imperative that the Reserve Fund be increased to a minimum of \$100,000 as soon as possible and therefore chose not to make any adjustments in payroll at this time.

No formal actions were taken, and at 9:20 p.m. a motion was made by Mr. Cobb and seconded by Mr. Fisher to adjourn.

The motion passed unanimously.

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Attested by:

\_\_\_\_\_  
Catherine M. Nelmes, Chairman

**PEACHTREE CITY AIRPORT AUTHORITY**

**EXECUTIVE SESSION AFFIDAVIT**

The undersigned hereby states under oath, in the presence of a notary public, as subscribed below, that the undersigned presided over a meeting of the Peachtree City Airport Authority, in the capacity set forth below, on the meeting date set forth below.

A portion of this meeting was held in executive session and closed to the public, pursuant to motion duly made, seconded and passed by the Authority. The closed portion of such meeting, held in executive session, was devoted to matters within the exceptions provided by law, specifically as initialed below:

Discussing matters protected by the attorney-client privilege. O.C.G.A. §50-14-2(1).

Discussing the future acquisition of real estate. O.C.G.A. §50-14-3(4).

Discussing or deliberating the appointment, employment, compensation, hiring, disciplinary action or dismissal, or periodic evaluation or rating of a public officer or employee. O.C.G.A. §50-14-3(6).

The closed portion of the meeting was held in compliance with the law, based upon the advice of legal counsel for the Authority, and based upon observation of all members present.

In witness whereof, the undersigned has signed this affidavit on the date indicated below.

Sworn to and subscribed before me this date: AUGUST 8, 2001

[Signature]  
Notary Public

[Signature]  
Signature

CHAIRMAN  
Capacity

Date of meeting: 8/8/01

NOTARY PUBLIC, FAYETTE COUNTY, GEORGIA  
MY COMMISSION EXPIRES MARCH 8, 2004

**CONCURRENCE OF AUTHORITY MEMBERS**

The undersigned confirm that the statements contained in the above affidavit are true and correct.

[Signature]  
[Signature]  
[Signature]

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\_\_\_\_\_  
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**OPINION OF LEGAL COUNSEL**

The closed portion of the meeting of the Peachtree City Airport Authority referenced in the above affidavit was appropriate under Georgia law and was held pursuant to my advice and counsel.

[Signature]  
Legal Counsel

**PEACHTREE CITY AIRPORT AUTHORITY**

**RECORD OF ATTENDANCE AS OF:**

**August 31, 2001**

Members	Regular Meetings Last 12 Months	Meetings Attended	Regular Attendance %	Special Called Meetings Last 12 Months	Special Called Meetings Attended	Total Attendance %
H.E. Buffington	12	11	92%	3	3	93%
Jerry R. Cobb **	12	12	100%	3	3	100%
Douglas A. Fisher *	8	8	100%	3	3	100%
Mark H. Harris***	3	3	100%	0	0	100%
Catherine M. Nelmes	12	12	100%	3	3	100%

\* New member as of 1/1/01

\*\* New member as of 9/1/00

\*\*\* New Member as of 5/18/01

Members	Dates Absent	Type
H.E. Buffington	11/8/2000	Regular
Jerry R. Cobb		
Douglas A. Fisher		
Mark H. Harris		
Catherine M. Nelmes		

Meeting Dates	Type
1/10/2001	Regular
2/14/2001	Regular
3/14/2001	Regular
4/11/2001	Regular
4/19/2001	Special
4/25/2001	Workshop
5/9/2001	Regular
6/13/2001	Regular
7/11/2001	Regular
8/8/2001	Regular
9/13/2000	Regular
9/21/2000	Special
10/11/2000	Regular
11/8/2000	Regular
12/13/2000	Regular