

Peachtree City Airport Authority (PCAA)
Regular Minutes
Thursday, September 12th, 2013
Aviation Center, Peachtree City-Atlanta Regional Airport
7:00 p.m.

Members Present: Richard Whiteley, Chairman, Vice-Chairman & Secretary/Treasurer - Bill Flynn, George Harrison, Bill Rial and Alternate – Joe Woods. Aviation Director – Bryan LaBrecque, Airport Manager –Hope Macaluso, A.A.E., and Airport Attorney– Doug Warner.

I. CALL THE MEETING TO ORDER

Richard Whiteley called the meeting to order at 7:05 p.m.

II. APPROVAL OF MINUTES

George Harrison made a motion to approve the August Minutes, seconded by Bill Rial. Motion Carries, 4/0.

III. REPORTS

Airport Safety & Operations - George Harrison

George Harrison mentioned that the airport management has an open line of communication with the airshow and all seems to be in good order.

Finance & Capital Budgeting - Bill Flynn

Bill Flynn noted that the financial statements were in good order and mentioned the upcoming audit in November. Bill Rial mentioned to the board the benefits of board members attending the finance meetings each month.

Tenant & Community Relations - Bill Rial

Bill Rial mentioned the tenants should be happy will the tickets that will be given to them.

Marketing – Skip Barnette (Not Present)

None to report

Operations – Airport Manager, Hope Macaluso

Hope began by informing the board that the Consumer Price Index rate increases were put into place this month. For the airport's long term leases they were made retroactive to July. For the month to month customers, the rate goes into effect October 1. The rate increase was 7.15%. The airport's auditors did concur that rate is correct. Bryan added to Hope's comments on the CPI adjustment and stated that the board in years past had approved 3 year CPI adjustments versus the 1 year term mentioned in some of the leases. Hope also mentioned that looking over the leases gave them an opportunity to organize the folders for the upcoming audit. Hope reported that the funds for the Runway 13-31 Overlay Project have still not been released by the FAA. The contractor would not assure a quality product if there are weather factors such as rain or cold temperatures that affect the final product. There is a possibility that this project will slip to the spring. Bryan, Atkins (airport engineering firm), and Hope were meeting with GDOT the morning after the authority meeting, but it could be that the funding release will be too late to get the project done before colder temperatures set in. However, other projects that were set to go will be able to move forward when the funds are released. Hope noted that Ryan Greer has joined the airport again on staff. However, Jonathan Pannell had left to flight train full time at Middle Georgia College. Since the airport hired Ian Cutting last month to fill Ryan's spot, there is no need for another replacement. Hope continued that the playground project is still underway. The labor is being done by our staff. Pea gravel is being delivered next Monday. It will be presentable prior to the air show. Bryan also noted that the expenses had been coming out of the Jerry Cobb memorial fund. Hope mentioned that Monday of this week, Danny Sorrells and Jeremy Toney attended the training course "Excelling as a Manager or Supervisor". Both found the training to be interesting and informative. Hope mentioned NASCAR was once again a success. There were less airplanes but comparable gallons pumped as can be seen in the financials. The airport rented furniture for the pilot's lounge and a large screen TV for the lobby for the event. They were both utilized and appreciated by the flight crews. The airport was staffed until 12 pm on Saturday and 2 am on Sunday at no additional cost to NASCAR customers.

IV. FINANCIAL REVIEW - Aviation Director - Bryan LaBrecque

Bryan began by mentioning Revenue Highlights

Revenue Highlights:

The FBO hangar has continued to be occupied at capacity which resulted in approximately \$4,400 in revenue beyond plan. The month of August represented one of the best months of JetA fuel sales since Bryan has been at the airport with over 21,000 gallons of fuel pumped, significantly better than the 12,500 gallons budgeted for the month. While AvGas sales volume did not reach budgeted sales for the month, the mix of transient vs. tenant sales resulted in a minimal miss against plan. Commercial user fees

were up as well. A significant gain for the month also resulted from the filming industry on premises.

Overall for the month, revenue exceeded budget by 25%, ending the month at \$84,613.60 v. plan of \$67,568.00.

Expense Highlights:

Expenses for the month were slightly higher than plan for the month. The key drivers were training, maintenance and payroll. Training was higher than forecasted as we have experienced some attrition and the new hires required our standard training program to ensure that the new staff is prepared to complete jobs safely and professionally. Maintenance cost was slightly over budget for the month but not significantly. Utilities expenses were lower than planned but that was primarily the result of the air-conditioning system being inoperative for several days. Payroll was up \$2,100 due to primarily to accrual for the employee incentive plan and hours associated with the filming revenues.

Overall for the month, expenses exceeded budget by 3.8%, ending the month at \$69,346.73 versus plan of \$66,814.00.

Net Operating Income Highlights:

Net Operating Income for the month was \$21,808 versus budgeted NOI of \$7,755.00 – a gain of \$14,053.06 for the month.

Cash Position:

Cash position was reported by Bryan to be strong and improving to approximately \$834,758.

Year-to-date:

Year-to-date results indicate that Net operating Income, 11 months into the fiscal year – the operation is beating plan by nearly 14% at \$120,791.62.

Looking Forward:

September revenues have begun slowly but no concern at this point as the airport expects to realize significant benefit of upcoming filming on the airfield. Richard asked if the employee incentive plan was to be paid out after the November audit. Bryan noted that payout of the plan is contingent upon annual authority approval, which would be requested at the next monthly PCAA meeting, and that it is planned to be paid out after

the preliminary internal financial audit. Bill Flynn noted that the payout was based on airport and individual performance. Richard commended the staff for their hard work and was pleased that the opportunity for incentive compensation was available.

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

03-09-01 FY 2014 Budget Review and Consideration

Bryan began discussion by answering questions by the board regarding the proposed FY14 budget which the PCAA had received in advance of the meeting. Richard asked why the hangar lease numbers were reduced. Bryan responded that previous years forecast had considered 100% occupancy which actual has indicated that it has traditionally been somewhat less. As a result, the FY14 proposed budget utilized historical data and reduced planned occupancy by two T-hangars per month.

Richard noted that proposed Jet fuel sales were budgeted higher than FY13 and Avgas fuel sales were forecasted lower. He asked for an explanation. Bryan responded that the numbers were changed based on recent consistent trends and yearly averages.

Richard asked about advertising budget being increased. Bryan noted that some line items on the budget were adjusted to provide management with a better view of spending and the advertising line item absorbed some of the change. Other line items were reduced as a result of this adjustment with little to no overall budget impact. The same issue held true for the travel and training line items.

Bill Rial asked for clarification of the "toybox" rent budget line, noting that several months did not include revenues. Bryan stated that the current tenant had given proper notice that would not renew the current lease after May, but he was confident that we would have a replacement tenant within two months, hence the two month drop in collected rents.


Bill Flynn made a motion to approve the budget as written, seconded by George Harrison. Motion carried 4/0.

VII. Adjournment

Prior to adjournment George Harrison made a motion to formally express the PCAA desire and intention to extend the runway as long as possible within the airports legal limits, seconded by Bill Flynn. Motion carried 4/0

Bill Flynn made a motion to adjourn the meeting which was seconded by George Harrison. Motion Carried 4/0. Time 7:52pm (local)


Attest


Richard Whiteley, Chairman