



**MINUTES  
KALAMZOO COUNTY AERONAUTICS  
BOARD OF TRUSTEES  
REGULAR MEETING**

**JULY 10, 2014**

ITEM 1.            Call to Order: Aeronautics Board Chair Gil Collver called the meeting to order at 10:34 a.m.

ITEM 2.            Roll Call: Members in attendance – Gil Collver, Bill Duggan, Greg Hamelink John Jones, II, Greg Kurdys and Jim Woodruff. Trustee Mark Weiss arrived at 10.42 a.m.

Staff Present: Dave Reid, Linda Bunting, Chris Sieklucki, Jay Waalkes, Lisa Henthorn, Airport Intern Spencer Losinski and Heather Nelson.

Also Present: County Liaison Dave Buskirk, County Commissioner Mike Seals, County legal counsel Thom Canny and Deputy Finance Director Lisa Bradshaw.

ITEM 3.            Approval of the June 12, 2014 Board Meeting Minutes: On a motion made by Trustee Jones, supported by Trustee Duggan, the minutes were approved.

ITEM 4.            Citizen Comments: Aeronautics Board Chair Collver went over the Citizen Comments process stating that any citizen present at the board meetings can address the board on a non-agenda item. They should address the board at the podium and state their name and their address and limit their remarks to four minutes. If someone would like to address an item that is on the consent agenda, they may request that the item be removed from the agenda. There were no citizen comments presented.

ITEM 5.            Airport Financial Report: Assistant Director of Finance and Administration Lisa Henthorn provided the Board with a monthly report showing the airport's statement of revenues and expenses as of May 31, 2014, she stated however that some figures are through April 30. Total operating revenues are at 40.5%, total operating expenses are at 41.6% and the year to date target is 41.67%. She stated that enplanements and deplanements are up and parking, concessions and car rental revenues are reflecting this. She distributed a comparison chart showing parking lot figures from January through May 2012, 2013 and 2014. She stated the projection is for these numbers to remain strong. On the expense side there were many unexpected expenses due the hard winter, therefore further expenditures for the year are being watched very carefully. Total airport income loss is \$290,847.00. She added that Airport Administration is meeting with the Budget Committee today to review the 2015 budget and their intent is to bring the 2015 budget to the Board at the next Aeronautics Board meeting in August for the Board to adopt. The budget is due to go to the County Commission at their meeting on September 2, 2014.

ITEM 6. 2013 ANNUAL FINANCIAL REPORT – Ms. Henthorn distributed a 2013 Annual Year End financial statement. She stated that the financial statements include a Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets, Budget and Actual and a Cash Flow Statement. This report also contains a supplemental report on the acquisition of capital assets. Net assets may serve over time as a useful indicator of the Airport's financial position. The Airport's net assets decreased in the amount of \$1,788,966. The decrease is due to several factors including the planned use of carryover for operating costs of two terminal buildings, the Airport's accumulated depreciation of grant funded assets and actual operating revenues being lower than budgeted. The largest portion of the Airport's net assets, 90.4% for 2013, represents the investment in capital assets such as land, buildings, machinery and equipment, less any related debt used to acquire those assets still outstanding. Capital assets are not available for future spending. Although the Airport's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt are provided from Passenger Facility Charges (PFC). Airport Administration has received authority to fund the debt service payments through the use of PFC funds. The Airport maintains a comprehensive plan for capital projects, which is managed to prioritize the ongoing needs of the operation and uses of capital contributions. Unrestricted net assets have been categorized into committed and unreserved. Committed net assets are comprised of amounts for restricted assets PFC revenue and other non-current assets. Unreserved net assets are available for spending. Working capital as of December 31, 2013 was \$4,675,854, an increase of \$372,768, 8.7%, which reflects the purchase of equipment, vehicle equipment and projects currently in progress.

ITEM 7. For Consideration

**AIRPORT CONSENT AGENDA:** None were presented.

**AIRPORT NON-CONSENT AGENDA ITEMS:**

A. AGREEMENT WITH UNITED COMMERCIAL SERVICES – Airport Assistant Director of Operations and Maintenance Chris Sieklucki stated that this is a request for the Board to approve the 2014 terminal janitorial service contract and authorize the Chairperson to sign. It is a two-year janitorial agreement for the terminal and the airport's pilot's lounge. This service was competitively bid with a total of 11 bids and United Commercial Services was selected after narrowing the bids down to a total of three. The graduated expense for year one will be \$174,093.01 and the same cost for year two, three, and four. Landside (side walk) snow removal was also included into the bid. All snow removal bids were based on time and material only. UCS proposed an \$18.50 per hour charge. With the new contract KBIA will see a savings of \$2,363.23 per month from the previous contract. On a motion made by Trustee Woodruff, supported by Trustee Jones, the motion was approved.

**AERONAUTICS BOARD AGENDA ITEMS:** None were presented.

ITEM 8. Unfinished Business: None was presented.

ITEM 9. New Business: None was presented.

ITEM 10. Airport Director's Report: Airport Director Dave Reid introduced Matt Knight, a Western Michigan University student who is job shadowing in the airport administration office.

He thanked Ms. Henthorn for her work on the budget.

He stated that the market share report from May showed that enplanements were up 18% and up 33% for enplanements and deplanements. Preliminary numbers for June show enplanements were up 13% and total enplanements up 8% from last year.

Mr. Reid stated that he would like to get a committee formed to start going over options for the old terminal. Chairman Collver and Trustees Woodruff and Hamelink volunteered to be on the committee.

He stated that people may have seen in the news that the preliminary approval for the airports grant application is in place and the official approval of the FAA is the next step in the process. The biggest piece of this application is the Pfizer property, which can be closed on once the grant is officially approved.

He stated that the airport is partnering with Discover Kalamazoo to install a survey kiosk in the airport to gauge travelers, users and their experiences at the airport.

ITEM 11. Member's Time: Trustee Kurdys informed everyone that he has elected not to renew his term, however he will stay on board for as long as needed. He has enjoyed his time with the Board and will still be traveling through the airport quite a bit. Chair Collver thanked him for his service, especially with his work on the new terminal committee.

ITEM 12. Adjournment: The meeting adjourned at 11:11 a.m.