

MINUTES

**KALAMAZOO COUNTY AERONAUTICS
BOARD OF TRUSTEES
REGULAR MEETING
JULY 15, 2010
10:30 am**

ITEM 1. Call to Order: Vice-chairperson Jim Woodruff called the meeting to order at 10:30 a.m.

ITEM 2. Roll Call: Members in attendance – Bill Duggan, John Jones, Greg Kurdys, Dave Tomko and Jim Woodruff.

Staff Present: Clifton Moshoginis, Ann Simmons, Linda Bunting and Lisa Bradshaw.

Also Present: County liaison Deb Buchholtz.

ITEM 3. Approval of the June 10, 2010 Board Minutes: On a motion made by Mr. Tomko, supported by Mr. Kurdys, the minutes were approved.

ITEM 4. Citizen Comments: There were no citizen comments presented.

ITEM 5. 2009 Financial Report: Ann Simmons, Airport Assistant Director of Finance distributed the 2009 Financial Report to the board and provided a summary. She stated that the net assets increased by \$3.2 million due to various capital grants and netted depreciation reflective mostly by obstruction clearing and runway work. Sixty-eight percent of the assets are land, building and machinery assets. There is \$7.1 million in construction progress at the end of 2009. The working capital decreased by \$405,000 or 6%. The new working capital at the end of the fiscal year is at \$6.2 million. She went over operating revenues, stating that there was a 16% decrease in enplanements from 2008 to 2009. She stated that due to the fact that revenue is activity based and due to general inflation, revenue did decrease. Forty percent of the operating revenue is the parking lot. For 2009 the airport was 2% over budget, primarily due to a change in the method of calculating depreciation by Kalamazoo County. She referenced an attachment for a detailed explanation. Ms. Simmons discussed non-operating, PFC revenue, which decreased in 2009 due to being an activity driven revenue collection source. She stated that the airport is cautiously optimistic for 2010. There is a \$5 million budget for 2010 and expectations are to be 10% under budget, with 8% under budget in operating expenses. Airport expenditures are being scrutinized very closely. The new terminal is fully funded and it is expected that it will come in 5% to 7% under budget. Discussions are starting regarding the 2011 budget and figures are very soft at this time. A draft budget will be presented in the fall of this year after review and concurrence by the Budget Committee. Some discussion followed regarding timing of information and the difficulty of determining the budget for 2011 in a time of real transition from the old terminal to the new terminal.

ITEM 6. For Consideration:

AIRPORT CONSENT AGENDA ITEMS

None

AIRPORT NON-CONSENT AGENDA ITEMS

A. FAA GRANT AGREEMENT – TERMINAL BID CATEGORIES 3F,3H AND 3J – Mr. Moshoginis explained that this is a request for authorization for the execution of a FAA grant agreement, which is part of the final package and final funding for the project.

B. MDOT CONTRACT – TERMINAL BID CATEGORIES 3F,3H AND 3J – Mr. Moshoginis stated that this contract ties in closely with the FAA Grant Agreement and is also part of the final funding package for the new terminal. On a motion made by Mr. Duggan, supported by Mr. Tomko, both motions were approved.

AERONAUTICS BOARD AGENDA ITEMS

A. DISCUSSION OF FORMING AN EXECUTIVE COMMITTEE – Mr. Moshoginis on behalf of Board Chair Collver explained the purpose of forming an executive committee and how by-laws allow for it. He stated that the committee could be subject to open meetings. Mr. Moshoginis has the need at times to discuss items with the board in between meetings that may not necessary to discuss with the full board. Much discussion followed and it was determined to table this agenda item until the next month.

ITEM 7. Unfinished Business: There was no unfinished business presented.

ITEM 8. New Business: There was no new business presented.

ITEM 9. Airport Director's Report: Mr. Moshoginis distributed an article in the "Welcome" magazine entitled "Flying High" about the airport's history and current status of the terminal project.

He mentioned that he distributed the monthly terminal project report to everyone.

He reminded everyone that he will be will be going to Washington, D.C. next week with the SW Michigan Alliance.

ITEM 9. Member's Time: There were no items presented.

ITEM 10. Adjournment: There being no further business, the meeting was adjourned at 11:00 a.m.