

**MINUTES AT THE SPECIAL CALLED MEETING OF THE COLUMBUS
AIRPORT COMMISSION HELD AT THE COLUMBUS AIRPORT
MONDAY, MAY 16, 2022**

The following commission members were present for the entire meeting:

<u>NAME</u>	<u>EXPIRES</u>
Mr. James Barker, Chairman	December 31, 2023
Mr. Art Guin, Vice Chairman	December 31, 2025
Mr. Carl Rhodes, Jr., Secretary	December 31, 2024
Ms. Dannell Marks	December 31, 2026

Staff Members Present:

Amber Clark, C.M., Airport Director
Monica Stone, HR Manager
Anna Phillips, Administrative Coordinator
Pam Knight, Director of Finance

BUSINESS OF THE MEETING

Mr. James Barker called the May 16, 2022, Special Called Commission Meeting to order at 12:30 p.m.

CLOSED SESSION

Mr. Barker asked to move into a closed session.

Motion by Mr. Art Guin to move into a closed session; seconded by Ms. Dannell Marks and unanimously approved by the Commission. Ayes: 4 / No: 0

Mr. Barker asked to move into a regular session.

Motion by Ms. Marks to move into a regular session; seconded by Mr. Guin and unanimously approved by the Commission. Ayes: 4 / No: 0

DISCUSSION OF THE PROPOSED FY2023 BUDGET

Mrs. Pamela Knight Presented the proposed FY23 budget:

FY23 PROPOSED BUDGET by EXPENSE CATEGORY

FY23 PROPOSED BUDGET		% of Total FY23 Budget w/o COGS
TOTAL LABOR COST W/ BENEFITS	\$ 2,555,400	
SECURITY CONTRACT	\$ 196,560	
TOTAL LABOR COST W/ BENEFITS	\$ 2,751,960	50.9%
GENERAL ADMIN, INSURANCE & MARKETING EXPENSES	\$ 458,104	8.5%
CSG UTILITIES, COMMUNICATIONS, & MEDIA EXPENSES	\$ 575,300	10.6%
CONTRACTUAL SERVC/ INSPECTIONS OF FACILITIES, EQUIP	\$ 484,595	9.0%
AIRFIELD GROUNDS MAINTENANCE CONTRACT	\$ 208,546	3.9%
OPERATING SUPPLIES & FUELS	\$ 100,168	1.9%
CAPITAL IMPROVEMENTS/ OUTLAY (HANGERS INCLUDED)	\$ 257,000	4.7%
TRAVEL & EDUCATION (INCLUDES AIR SERVC DEVELOPMENT)	\$ 109,500	2.0%
PROFESSIONAL FEES (Legal, Audit, Design/ engineers)	\$ 352,000	6.5%
BANKING CHARGES & MERCHANT FEES	\$ 113,586	2.1%
TOTAL FY PROPOSED EXPENSES W/O COGS	\$ 5,410,759	
COST OF FUEL/ GOODS SOLD	\$ 1,044,808	
TOTAL OPERATING EXPENSES ALL DEPARTMENTS W/ COGS	\$ 6,455,567	
Operating DEFICIT BEFORE DEBT PAYMENTS & DEPRECIATION	(441,031)	
PERCENTAGE OF PROPOSED BUDGET W/O COGS	-8.2%	
Operating DEFICIT BEFORE DEBT PAYMENTS & DEPRECIATION	(441,031)	
PERCENTAGE OF PROPOSED BUDGET W/COGS	-6.8%	
TOTAL LABOR COST W/ BENEFITS	(208,290.48)	8.2% CUT
ADD THE PROPOSED 4% INFLATION INCREASES FOR EMPLOYEES ADJUSTED LESS THAN 10% THROUGH COMPENSATION PLAN ADJUSTMENTS	\$ 85,000	
ADJUST FY23 BUDGET BY FUEL FARM EXPENSE IF COMPLETED IN FY22	\$ (65,000)	
PROPOSED FY23 DEFECIT W/ INFLATION INCREASES & FUEL FARM ADJ	\$ (461,031)	
PROPOSAL TO ADOPT FY23 BUDGET W/ DEFICIT FUNDED BY ARPA GRANT REVENUE AWARDED IN FY22: DESIGNATE REVENUE OF \$1,000,000 FOR FY23 & FY24 ESTIMATED POST-COVID OPERATIONAL REVENUE SHORTFALLS	\$ 1,258,021	

PROPOSED FY23 BUDGET: COLUMBUS AIRPORT COMMISSION	
Operating Revenue Fiscal Year 2023	
AIRLINE RENT & FEES	713,645
CORPORATE HANGAR RENTAL -CMA (built on hanger)	175,070
Air Service Development Local Contributions	75,000
OTHER LANDING FEES	92,600
OFFICE RENTAL: FAA, TSA	193,848
LAND RENTAL	151,959
CAR RENTAL FEES & CHARGES	906,400
GROUND TRANSPORTATION INCOME	1,200
ADVERTISING	9,000
Total PARKING & HOSPITALITY INCOME:	467,800
CSG REVENUE	2,786,522
NONOPERATING REVENUE-UNDESIGNATED	77,700
FLIGHTWAYS- FBO	3,150,314
Total Undesignated Revenue	6,014,537

Operating Expenses Fiscal Year 2023 (w/ Aifid & security Contract)	
Administration (\$285,000 Professional/ Legal)	1,005,903
Marketing/ Public Relations	354,922
Human Resources	108,592
Public Safety/AARF	1,096,538
(Hospitality)Housekeeping/Parking Lot	321,934
Facilities& Public Grounds (\$200,000 utilities)	856,447
Airfield Costs (with Contracted Airfield Mtn)	325,441
Hangers (with \$100,000 capital maintenance)	235,825
Flightways-FBO (w/ over \$1 mil COGS)	2,149,966
Total Expenses before Depreciation	6,455,567
Operating DEFICIT BEFORE DEBT PAYMENTS & DEPRECIATION	(441,031)
Debt Payments: FUNDED BY PFC/ CFC REVENUE	240,000
Airport Improvement- Local Share: COVERED BY PFC/ CFC FOR FY23	173,816
706060-20- Depreciation (NON CASH ITEM)	2,033,218

OTHER FUNDING SOURCES & CAPITAL PROJECTS	
Restricted Grant/ Capital Contributions Fiscal Year 2023	
FACILITY CHGS-CAR RENTAL AGENCIES	264,000
PASSENGER FACILITY CHARGE	240,000
FAA AIP	1,075,550
Local Air Services Grant Revenue	750,000
Local Air Service Community Contributions Designated	100,000
Air Service Grant Reimbursements	(850,000)
GDOT	676,952
Total Restricted Grant Revenue	2,256,502
CRRSA Grant - Undesignated (Designate to cover FY23 & 24 deficits)	1,258,021

Mrs. Knight presented the projected revenues, expenses, and explained the methodology of the projected numbers. Mrs. Knight explained two areas of larger expenses contributing to the deficit presented were significant hangar repairs and increases in labor costs due to the presented pay scale study and discussed pay increases for many of our staff. The discussed four percent increase to address the cost of inflation was also a factor. On the revenue side we have been very conservative in projecting parking revenues as well as all revenues pertaining to the American Airlines service.

We are looking into our Maintenance department and Public Safety department. Due to the difficulty with staffing Police Officers and maintaining staff and the appropriate equipment to maintain the 300 acres of grass, we have budgeted to use contractors to fill the Terminal Police Officer positions and the Airfield Maintenance and Landscaping Technicians positions. We have also looked at right sizing our staffing in the Public Safety department.

We will have a little over \$1 million dollars in covid relief monies left which we plan to use to pay some of the terminal renovation debt down as well as

use as a funding mechanism to cover the deficit for this year's budget and any anticipated deficit for the following year.

Again, we have been very conservative with our revenues and have been very critical of the proposed expenses. Our goal is to budget our expenses to our anticipated revenues. However, these hangar repairs and pay increases have been identified by Amber Clark, our Airport Director, and me as necessities to fulfill our promises to the GA tenants to get the hangars in better condition and to pay our employees a fair wage based on the completed pay study.

After this year, we anticipate our revenues will increase through mechanisms to be put in place at our FBO, non-aeronautical revenue opportunities, and American Airlines if they should continue service. American would begin to pay landing fees, and terminal rents in August of 2023. The significant expenses for hangar repairs should subside by FY 2025 budget.

Mrs. Knight asked for any questions?

Mr. Barker replied:

Thank you Mrs. Knight on your hard work to prepare this budget. I appreciate the simplicity of the presentation so that as Commissioner I can understand what is being proposed.

Mr. Art Guin had some questions:

So, Mrs. Knight you are presenting a \$441,000 deficit. And the factors contributing to this deficit are increases in pay and hangar repairs?

Mrs. Knight replied, yes.

Mr. Guin clarified that you are proposing to use the remaining covid grants to cover this deficit?

Mrs. Knight stated yes for this year's deficit and any possible deficit for the following year.

Mr. Guin was concerned regarding using grants to cover a deficit. If the Airport is not scheduled to receive any more grants due to the decline in covid, how are you proposing to fund the pay increases after the grant funding is used?

Mrs. Knight explained that the significant expenses associated with the hangars would decrease leaving only a small deficit which should be covered by increased revenues supported through the FBO sales, non-aeronautical revenues, and other business development opportunities like the selling of excess land etc.

Mr. Guin expressed his concern of a possible recession and how that would affect the Airport's revenues.

Mrs. Knight stated she understood his concerns and explained that we would adjust staffing accordingly if a recession were to occur as well as reassess all expenses and adjust the budget as necessary to include proposed revenues. Mrs. Knight felt that the budget was very conservative on both the expenses and revenue side and with the grant funding the pay increases would still be sustainable going forward.

Mr. Guin stated he would like to see in the future for Finance to budget to proposed revenues and have a five-year outlook to include preventative maintenance, equipment, staffing etc. This would allow for better understanding of the required resources and help set goals for budgeting from year to year.

Mrs. Knight responded she understood and would normally start with the revenues and work her way back with the expenses.

Ms. Clark added that her team is discussing what is necessary for preventive maintenance with the completion of the terminal and the new hangar repairs. That we could schedule a meeting within the next couple months to present this information to the Commission.

Ms. Dannell Marks commented that she could tell that a lot of effort had been made in creating this budget. She suggested it might be helpful to the Commissioners for Finance to present different columns with nice to haves, needs, and non-negotiables etc.

Mrs. Knight stated that this budget is representative of needs, that each department was very cognizant of their expenses. However, she agreed to use that format going forward.

With no further discussion Mr. Barker asked to adjourn the May 16th, 2022, Special Called Commission Meeting.

Motion by Mr. Guin to adjourn the meeting; seconded by Ms. Marks and unanimously approved by the Commission. Ayes: 4 / No: 0

The meeting adjourned at 3:00 p.m.

APPROVED:



Anna Phillips, Secretary



Mr. James Barker, Chairman