

**CHARLOTTE COUNTY AIRPORT AUTHORITY**

**MINUTES OF BUDGET WORKSHOP – AUGUST 31, 2016 – 9:00 A.M.**

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**1. Call to Order**

Chair Andrews read the meeting notice into the record. (copy attached)

10 **2. Invocation**

Commissioner Herston gave the invocation.

**3. Pledge of Allegiance**

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**4. Roll Call**

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**Present:** Chair Andrews; Commissioners Coppola, Hancik, Herston and Seay; Executive Director Quill; Attorney Garrard; Assistant Executive Director Parish; Mrs. Cauley; Ms. Desguin; Mr. Laroche; Mr. Mallard; Mrs. Smith and Ms. Straw. **Others present:** Jim Kaletta, Mr. Mapstone and Mr. Gerhardt.

**5. Citizen's Input**

25 **6. Fiscal Year 2016/2017 Budget Presentation**

Mr. Quill went over the slide presentation and made the following comments:

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- Avgas sales the last few years have been steady
- Avgas distribution - the truck sales include top off Tuesday gallons
- Jet-A gallons are steady and jet engines are getting more efficient
- Jet-A fuel pumped - 95% is related to the airline and shows the impact on the airport
- Total fuel pumped - 93% is related to the airline and the Authority does not have the credit exposure and the airline buys their own fuel
- FBO fuel sales is gross profit and margin taking out the cost of fuel
- Enplanements by year and the Authority has projected a growth in enplanements
- Total enplanements by month and notice the growth in July
- Parking lot revenue is tied to the enplanement growth
- Car rental concession also tied to the enplanement growth
- Revenue per enplaned passenger the low is in December because a lot of revenue related fees do not come in until January. The Authority is grossing around \$10.00 per enplaned passenger
- Revenue vs. cost per enplaned passenger points out the difference in cost and revenue
- T-hangar occupancy rate - the Authority never thought they'd see a 100% occupancy rate and the Master Plan will address the need for additional hangars. There was discussion on not having raised the rents on hangar rentals.

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- Operating revenues net FY15/16
- Projected operating revenues for FY16/17 - airline revenue is higher than 15/16
- Operating expenses FY15/16 at a typical commercial service airport there would be a debt service of 25% to 35% and the Authority's is 8%.
- 5 • Projected operating expenses FY16/17 - the personnel expenses will drop but not too much difference from the year before.
- 2017 Projected fuel cost center - total sales are after the distribution of overhead
- 2017 Projected airline related cost center is what subsidizes the other departments
- 10 • 2017 Projected aviation lease cost center - the Authority comes out ahead. The T-hangars are paid off and this year money will be put into the hangar doors.
- 2017 Projected non-aviation lease cost center includes overhead and this cost center will change overtime because of the improvements that have been made to the commerce center.
- 20 Year operating revenue shows a lot of changes.
- 15 • Operating revenue vs. operating Expense 1990-2017 shows the distance between the revenue and expense has widened which is positive.
- Operating gain budget vs. actual shows the Authority is conservative when the budget is done.
- Salaries vs. revenues and expense shows salaries have tapered off.
- 20 • 2017 Projected salaries by department shows where the money is going by department
- Personnel in 2016 there are 68 employees and are projecting 82 employees for 2017 and there are around 60 full-time equivalents.
- 25 • Entitlements slide shows the growth in grants the Authority has received. Mr. Parish explained discretionary and entitlement funds, how the funds are distributed and some of the projects that will coming up in the future.

Mr. Quill commented on projects that were completed in the past year. He went over some of the numbers in the proposed budget which included at 3% raise for personnel. Commissioner Hancik asked if there were any projects on the shelf. Mr. Parish commented that design on north side of the airport will be started and that project would be funded with entitlements. He commented on some of the projects that were accomplished through the design/build program. There was discussion on PFC monies. Mr. Quill went over the budget numbers. Commissioner Coppola asked about the lobbyist. Mr. Parish explained that the numbers for professional services was increased in the budget to cover the cost of outside counsel, the lobbyist and a public relations firm. Commissioner Hancik asked about flexibility in the budget. Mrs. Cauley commented that at the year end the budget can be adjusted. Commissioner Coppola asked about Capital Improvements. Mr. Quill explained that there are new projects. Mr. Parish went over the list of new Capital Improvement Projects. He explained that in six months the first phase of the Master Plan should be completed and the Master Plan will address CIP projects that need to be completed. He went over the list of equipment and vehicles that need to be purchased. Commissioner Coppola commented on there not being anything listed for the rehabilitation of the helicopter float. Mr. Quill explained that helicopter is aging and there is an exhibit from the FAA that says airports can't fund parade

floats. Mr. Parish commented that he went to a conference that went over the things airports can't do and have been litigated as not proper use of airport funds and one of the items was parade floats. There was further discussion on the FAA ruling, the helicopter float and parades. Mr. Parish went over the list of meetings that are included in the travel budget. He commented that the regular meeting on September 15<sup>th</sup> has been changed to 3:00 p.m. and the Tentative Budget Hearing will be at 5:01 p.m. on the 15<sup>th</sup>. He asked if there are any questions or changes to let him or Mrs. Cauley know and it will be shown on the budget for the 15<sup>th</sup>. He commented that the final budget meeting will be on the 29<sup>th</sup>.

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**7. Citizen's Input**

**8. Adjournment**

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Meeting adjourned at 9:56 a.m.

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Paul Andrews, Chair

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Kathleen Coppola, Secretary/Treasurer