

# Peninsula Airport Commission Board of Commissioners Meeting Packet

*Lindsey Carney Smith, Chair*

*John Borden, Acting Executive Director*

Thursday, October 17, 2024

8:00 a.m.

Newport News Williamsburg International Airport

Commission Room

900 Bland Blvd.

Newport News, VA 23606

# AGENDAS

**PENINSULA AIRPORT COMMISSION**

**COMMITTEE MEETING AGENDA**

**FINANCE & AUDIT COMMITTEE**

**DATE: October 15, 2024**

**TIME: 8:00 a.m.**

- 1) Call to Order
- 2) New Business
  - a) September Financials
- 3) Old Business
- 4) Adjourn

**PENINSULA AIRPORT COMMISSION**

**REGULAR MEETING AGENDA**

**Date: October 17, 2024**

**Time: 8am**

**Location: Newport News / Williamsburg International Airport**

**Commission Room**

**900 Bland Blvd**

**Newport News, VA 23602**

- 1) Call to Order
- 2) Approval of Minutes from September 19, 2024
- 3) Read Instructions for Public Comment
- 4) Public Comment
- 5) Committee Reports
  - a) Finance & Audit Committee
  - b) Planning & Development Committee
  - c) Facilities Committee
- 6) Executive Director Report
- 7) Old Business
- 8) New Business
- 9) Closed Session §2.2-3711(A)(1): Personnel, §2.2-3711(A)(3): Acquisition & disposition of property, and §2.2-3711(A)(5): Prospective Business
- 10) Adjournment

# MINUTES

# Peninsula Airport Commission

## Board of Commissioners Meeting Minutes

September 19, 2024

### **Commissioners in Attendance:**

Chair, Lindsey Carney Smith

Vice Chair, Thomas Garner

Assistant Secretary John Lawson arrived at 8:07a.m.

Treasurer, James “Jay” Joseph

Assistant Treasurer, McKinley Price, DDS

### **Staff Members in Attendance:**

Interim Executive Director, John Borden

Office Manager, Barbara Rumsey

Director of Finance, Mark Adams

Fabio Bendana, Passero Associates, Architect

### **Public Officials Present:**

None

### **Counsel:**

L. Scott Seymour

### **Public Attendees:**

John Sodor, Citizen

Josh Janney, Daily Press/Virginian Pilot

Dave Dober, ATAC

David Hause, Kiln Creek HOA

Tom O’Grady, City of Newport News

**Chair Smith called the meeting to order at 8:00 a.m.** She Thanked everyone in attendance. Chair Smith also thanked the host; Peninsula Pastoral Counseling Center and asked Mr. Borden to introduce them. Mr. Borden introduced Becky Glass and stated that PPCC is our 5K Charitable Partner this year and thanked the center for being great partners. Ms. Glass thanked everyone for moving the location of the meeting. She then introduced For McFall who manages the center's development. She stated that they are looking forward to the 5K and wanted to share that for which the funds will be used. Ms. Glass stated that the funds will be used for families unable to pay for services and that 40% of their patients are either covered under Medicare or Medicaid. The Center is focused overall, mind, body, and spirit. She thanked the Commission and attendees and stated that she loves the airport and will continue to use it.

**Amend Agenda.** Chair Smith asked for a motion to amend the agenda as we have some Commissioners that must be at another meeting at 9a.m. Mr. Garner moved a motion to amend the agenda. Dr. Price seconded the motion. All Commissioners in attendance agreed by voice vote.**4-0. Approved.**

Chair Smith introduced Tom O'Grady from the City of Newport News office of Development. Mr. O'Grady provided an update on the Air Commerce Park site readiness application. He stated that the application was submitted in January of 2024 to assist in getting industrial sites shovel ready. He then went over the different environmental and catex requirements needed for site readiness to include wetlands and jurisdictional determination. Newport News Development has created an RFP that is due September 23<sup>rd</sup>. The award will be announced October 4<sup>th</sup> and the notice to proceed will be announced Oct 7<sup>th</sup>. He added that all studies must be completed by September 2025 and the NNEDA requested separate delineation from the Army Corps of Engineers. Mr. O'Grady also added that this will require a Right of Entry agreement that will be forwarded to counsel. The PAC agreed that it would not require a vote and could be executed.

**Closed Session:** Chair Smith asked Mr. Seymour to read closed session statements for §2.2-3711(A)(1): Personnel, §2.2-3711(A)(3) Acquisition & disposition of real property, and §2.2-3711(A)(5): Prospective Business. Chair Smith asked for a motion. Dr. Price moved the motion. Mr. Garner seconded the motion. Roll call by voice vote. **5-0 approved. The PAC went into closed session at 8:10a.m.**

Chair Smith asked Mr. Seymour for open certification. Mr. Seymour read the required certification statement. Mr. Garner moved a motion; Dr. Price seconded the motion. Roll call by voice vote. **5-0. Open session began at 8:39a.m.**

**Approval of Minutes from August 15, 2024.** Chair Smith asked if everyone had time to review and if there were any comments or edits to the Minutes. There were none. Dr. Price moved a motion and Mr. Lawson seconded the motion. Voice vote by roll call. **5-0. Minutes approved.**

**Approval of Minutes from Special Meeting August 13, 2024.** Chair Smith asked if everyone had a chance to review the minutes from the special meeting. Everyone agreed with no edits. Dr. Price moved a motion; Mr. Garner seconded the motion. Roll call by voice vote. **5-0 Minutes approved.**

**Public Comment.** The Chair asked if there was anyone who signed up for Public Comment and Ms. Rumsey replied that there was none.

**Committee Reports:**

**Finance & Audit Committee.** Mr. Joseph stated that the financial results are good. He added that they are working on refining the balance sheet for readability and a better picture year over year. Mr. Joseph stated that we have been discussing a pending move and Mr. Adams has an update. Mr. Adams stated that our current Bank has agreed to raise our APR to 4%, which relieves some time pressure from staff. Chair Smith asked for a timeline. Mr. Adams replied that we would have a full report at the next Commission meeting. Chair Smith added that we would act in November.

**Executive Director Report:** Mr. Borden stated that our 139 Inspection showed zero deficiencies and that this was the fourth time this has occurred in his charge. Mr. Borden gave Kudos to the team for another outstanding job well done. He provided an update on the Windows Project of which the kick-off was postponed until Monday. Mr. Borden added that the 5K is on Saturday and tomorrow the team will focus on setting up. He added that Casey Auto Group is now renting eighty parking spaces for \$1K per month for 3 – 6 months and they are participating in the 5K. Chair Smith asked Mr. Bendena for the Windows timeline. Mr. Bendena stated that the project timeline was set at 180 days and the awarded vendor has agreed to the terms. The Kick-Off meeting is on Monday so a full schedule will be set at that time. Mr. Lawson asked if there were any supply chain issues. Mr. Bendena replied that during the interview, the vendor stated that there were no issues. Mr. Borden added that we should get the samples within 2-3 weeks.

**Old Business: Electronic Participation Policy.** Chair Smith introduced the policy. Mr. Seymour added that the code was amended so this needs to be adopted annually and that it is a straightforward policy. Dr. Price stated that his only concern is the possibility of another COVID situation which is medical. Chair Smith asked for a motion. Dr. Price moved a motion; Mr. Lawson seconded the motion. Roll call by voice vote. **5-0. Electronic Participation Policy Approved.**

**New Business:** Chair Smith stated that Mr. Lawson was re-appointed and that he has accepted. Thank you for your continued service.

Chair Smith asked if there was anything else for the good of the order.

**Chair Smith adjourned the meeting at 8:46 a.m.**



**Next Meeting Date:** Oct 17th at 8 a.m.

# FINANCIALS

## Peninsula Airport Commission

### Operating Income Statement results analysis

September 2024

#### Revenue:

Airline Fees Revenue over budget amount is consistent with the better than projected number of passengers. Passenger count increased by 207 over the previous month. These good passenger count numbers are expected to decline in the next few months due to normal seasonal swings.

Rental cars, parking lot and restaurant revenues follow the airline passenger counts. These areas will be watched closely as the seasonal trend returns to normal.

Property rental revenues are improving. Two of the four recently vacant hangars have new tenants, the rest have promising inquires. The loss of the TSA reimbursement program for Law Enforcement assistance is a difference to budget.

Fixed Based Operator revenues are above budget for the month due to the collections of some past due concession fees (based on a percentage of revenue calculation). This monthly revenue is expected to return to monthly budget amounts later in the year.

#### Expenses:

The utilities expense usage and price components continue to be difficult to anticipate.

Repair and maintenance expenses experienced fluctuation due to unpredictable items. The under-budget amount for the month is viewed as natural timing. Emergency repairs could result in unexpected expenses at any time.

Labor costs are in line with to the monthly amounts for the last half of the prior year. The budget amount includes expected positions to be added during the current year.

Office & Administration budget anticipates increases in consulting, training and travel to coincide with the addition of an Executive Director. The current expectation is this expense area will be under budget for the year.

Marketing and Advertising expenses is in line with the budget for the month and is projected to be in line with the total budgeted amount for the year.

#### Balance Sheet:

Unrestricted cash increased during the month due to the timing of receiving grant funds (both Federal and State) relative to the respective expenditures. The YTD difference between Net Loss and reductions in Unrestricted Cash is due to the collection of a prior year receivable for a Federal AIP construction grant. These are normal cash flow timing issues. The expectation is reported net losses will closely correspond to the reduction in unrestricted cash.

**PENINSULA AIRPORT COMMISSION  
SEPTEMBER 2024  
OPERATING INCOME STATEMENT**

DESCRIPTION	SEP 2024 ACTUAL	SEP 2024 BUDGET		YTD ACTUAL	YTD BUDGET		ANNUAL BUDGET	
<b>REVENUE</b>								
Airline Fees	44,155	37,523	117.7%	125,925	115,977	108.6%	457,441	27.5%
Fixed Based Operators	64,668	49,900	129.6%	184,081	152,385	120.8%	604,451	30.5%
Property Rental	95,521	106,865	89.4%	289,676	320,732	90.3%	1,282,638	22.6%
Rental Cars	200,052	153,541	130.3%	596,411	496,534	120.1%	1,918,090	31.1%
Parking Lot	71,155	62,562	113.7%	224,409	188,600	119.0%	752,676	29.8%
Restaurant Income	23,514	23,573	99.7%	70,226	76,318	92.0%	294,665	23.8%
<b>TOTAL REVENUE</b>	<b>499,065</b>	<b>433,964</b>	<b>115.0%</b>	<b>1,490,728</b>	<b>1,350,546</b>	<b>110.4%</b>	<b>5,309,961</b>	<b>28.1%</b>
<b>EXPENSES</b>								
Labor and Benefits	292,407	333,039	87.8%	884,650	969,117	91.3%	4,596,473	19.2%
Marketing & Advertising	5,548	6,089	91.1%	48,040	36,033	133.3%	90,838	52.9%
Office & Administration	20,477	49,220	41.6%	398,482	498,080	80.0%	968,973	41.1%
Utilities	68,105	65,116	104.6%	212,564	195,348	108.8%	887,479	24.0%
Repairs & Maintenance	34,732	63,024	55.1%	115,863	195,067	59.4%	762,588	15.2%
Restaurant Expense	21,279	24,346	87.4%	70,582	78,660	89.7%	304,121	23.2%
Bond Debt	55,100	55,100	100.0%	165,300	165,300	100.0%	661,200	25.0%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>497,648</b>	<b>595,934</b>	<b>83.5%</b>	<b>1,895,481</b>	<b>2,137,605</b>	<b>88.7%</b>	<b>8,271,672</b>	<b>22.9%</b>
<b>NET INCOME</b>	<b>1,417</b>	<b>(161,970)</b>	<b>-0.9%</b>	<b>(404,753)</b>	<b>(787,059)</b>	<b>51.4%</b>	<b>(2,961,711)</b>	<b>13.7%</b>
<b>OTHER ITEMS</b>								
Trailer Park	-	-		-	-		-	
Expense Subsidy	-	-		-	-		-	
Sale of Land/Fixed Assets	635	-		975	-		-	
<b>NET AFTER OTHER</b>	<b>2,052</b>	<b>(161,970)</b>		<b>(403,778)</b>	<b>(787,059)</b>		<b>(2,961,711)</b>	

**BALANCE SHEET**

	<u>Current mo</u>	<u>Prior mo</u>	<u>Current YTD</u>	<u>PY End</u>	<u>YTD Total</u>
Cash - Unrestricted	36,871	2,747,691	(191,470)	2,976,032	2,784,562
Cash - Restricted	97,969	14,485,181	95,775	14,487,375	14,583,150
Accounts Receivable	(41,470)	266,057	(33,029)	257,616	224,587
Other Current Assets	456	753,841	(225,936)	980,233	754,297
Fixed Assets (Net of Depreciation)	(89,073)	64,845,799	269	64,756,457	64,756,726
<b>TOTAL ASSETS</b>	<b>4,753</b>	<b>83,098,569</b>	<b>(354,391)</b>	<b>83,457,713</b>	<b>83,103,322</b>
Current Liabilities	(84,147)	1,565,542	(35,266)	1,516,661	1,481,395
Long Term Notes Payable - Restricted	-	-	-	-	-
Long Term Notes Payable - Unrestricted	-	4,255,649	-	4,255,649	4,255,649
OPEB	-	5,548,408	-	5,548,408	5,548,408
<b>TOTAL LIABILITIES</b>	<b>(84,147)</b>	<b>11,369,599</b>	<b>(35,266)</b>	<b>11,320,718</b>	<b>11,285,452</b>
Net Capital Beginning	-	72,136,995	-	68,827,056	72,136,995
Capital Contributions	86,848	(2,195)	84,653	3,309,939	84,653
YTD Earnings Current Year	2,052	(405,830)	(403,778)	-	(403,778)
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>4,753</b>	<b>83,098,569</b>	<b>(354,391)</b>	<b>83,457,713</b>	<b>83,103,322</b>

# AIR SERVICE REPORT

## Monthly Air Service Report Summary September 2024

- Load factors:
  - o 78% for American
  - o 88% for Charters/Diversions
  - o 83% Overall
- 4006 Flight Ops (landings & take-offs)

<u>FY25 Actual PAX</u> <u>(7/1/24 • 6/30/24)</u>	<u>FY 24 Actual PAX</u> <u>(7/1/23 - 6/30/24)</u>	<u>FY23 Actual PAX</u> <u>{7/1/22 - 6/30/23}</u>
Jul: 13,079	Jul: 13,283	Jul: 15,044
Aug: 14,420	Aug: 13,558	Aug: 14,280
Sep: 11,676	Sep: 14,153	Sep: 12,372
Oct:	Oct: 11,343	Oct: 13,649
Nov:	Nov: 11,864	Nov: 14,626
Dec:	Dec: 10,608	Dec: 14,860
Jan:	Jan: 11,668	Jan: 9,029
Feb:	Feb: 8,459	Feb: 10,879
Mar:	Mar: 8,847	Mar: 13,322
Apr:	Apr: 10,442	Apr: 11,596
May:	May: 10,797	May: 8,480
Jun:	Jun: 12,057	Jun: 12,623
<b>Total: 39,175 PAX</b>	<b>Total: 137,059 PAX</b>	<b>Total: 150,760 PAX</b>

RESOLUTION(S)