

Morehead-Rowan County Airport Board Meeting Agenda

Thursday, 29 June 2023– 6:00 PM

Morehead-Rowan County Clyde A. Thomas Regional Airport

1800 Rodney Hitch Blvd., Morehead, Kentucky

- A. Call to Order
- B. Confirmation of a Quorum
- C. Recognition of Guests
- D. Approval of Minutes from the 25 May 2023 Meeting
- E. Receive Financial Report for May 2023
- F. Public Comment
- G. Reports
 - a. FBO Activity Report: Mr. Holley
 - b. Garver Report: Mr. Sisemore
 - 1. Runway Rehab Phase I - Drainage
 - 2. Electrical Project – Radio interference
 - 3. Apron Expansion Project
 - c. Building and Grounds: Mr. Oliver/Dr. Derrickson
 - d. Legal Report: Mr. Rogers
 - 1. Conflict of Interest Policy
 - e. Chair Report: Dr. Mattingly
- H. Old Business:
- I. New Business:
 - a. Approval of surplus fuel and plow trucks
 - b. Approval of Residence Rental Rate Increase effective September 1, 2023
 - c. Approval of 2022-23 Amended Budget
 - d. Approval of 2023-24 Budget
 - e. Approval of Financial Institutions
 - f. Approval of Secondary Signature Authority for Assistant Secretary/Treasurer: Ms. Barbara Marsh
 - g. Approval for Assistant Secretary/Treasurer (Ms. Barbara Marsh) to access financial records.
 - h. Nominating Committee Report and Election of 2023– 2024 Officers
- J. Adjournment

Next Regularly Scheduled Meeting – 6:00 pm 27 July 2023

**Morehead-Rowan County Airport Board Meeting
Meeting Minutes
May 25, 2023**

Chairman Bruce Mattingly called the meeting to order at 6:04 pm in the Airport Conference Room with board members David Perkins, Charles Derrickson, Ron Oliver, Porter Dailey, and Tim James. Members present via Zoom were Shannon Murphy and newly appointed member, Bob Helton. The members absent were Tom Fossett and Wes Holland. Guests present via Zoom were Jack Holley, Jr. – FBO, Holley Aviation LLC and Will Adams – PE, Garver. The guest present was Barbara Marsh – Assistant Secretary-Treasurer.

A Resolution honoring Mr. Roberts on his eight years of service to the Airport Board and community was read by Dr. Mattingly.

THE MOREHEAD - ROWAN COUNTY CLYDE A. THOMAS REGIONAL AIRPORT

BOARD OF DIRECTORS

Adopts the following

RESOLUTION

Honoring

Aaron Roberts

WHEREAS, Aaron Roberts provided service to the County of Rowan and City of Morehead Kentucky as a member of the Morehead-Rowan County Clyde A. Thomas Regional Airport Board of Directors for eight years; and

WHEREAS, Aaron served as Chair of the Board's Communications and Security Committee during this time; and

WHEREAS, Aaron's leadership on this committee allowed us to maintain compliance with all radio licenses and Tier II Hazardous Chemical Inventory reporting requirements, as well as the development and placement airport signage; and

WHEREAS, Aaron is a private and commercial pilot, aircraft owner, and aviation enthusiast; now

THEREFORE, BE IT RESOLVED by the Morehead-Rowan County Regional Airport Board that Aaron Roberts be commended for the time, energy, and service he gave as a member of the Airport Board of Directors.

ADOPTED unanimously this twenty-fifth day of May, 2023.

Bruce A. Mattingly, Chair

ATTEST: _____
David Perkins, Secretary

Ron Oliver, Vice-Chair

Motion to approve the Aaron Roberts Resolution was made by Mr. Perkins, seconded by Mr. Dailey, and approved unanimously.

Dr. Mattingly presented the Minutes of the April 2023 meeting. Motion to approve the April 27, 2023, Meeting Minutes was made by Dr. Derrickson, seconded by Mr. James, and approved unanimously.

Dr. Mattingly presented the April 2023 financial report consisting of Statements of Activity and Financial Position. Motion to approve the April 2023 financial reports was made by Mr. Oliver, seconded by Mr. Dailey, and approved unanimously.

Public Comment

None

Reports

A. FBO Report. Mr. Holley

1. Fuel Report April. 727 gallons AvGas100LL; 2076 gallons JETA.
2. Community Hangar/Tie Downs. Matt Oldham-Eagle Upholstery; Wings of Grace; Zane McGlade; Brandon Hamilton. Tie Downs: Charlie Hamilton and Johnnie Broughton.
3. New Hangar Tenant A6. Jared DeAtley signed the lease in May for A6. He moved the Wings of Grace muscateer from the community hangar. Mr. James Stevens moved from A6 to A3.
4. Virtower, Airport Operations Tracking System. The cost for the first year to be covered by a grant from Kentucky Department of Aviation and installed in May.
5. Scissor Lift. Mr. Holley has had trouble securing a 20-foot scissor to change/repair lights.
6. One t-hangar tenant informed FBO they were giving up hangar B7 at the end of May. Said tenant subsequently paid the June lease payment indicating they are not vacating. Another person on the waiting list was to assume the lease for B7 beginning 6.1.23. Outcome TBD.
7. Radio Interference (Airfield Electrical). Radio interference related to the Airfield Electrical Project has not been detected lately.
8. Runway Rehab Phase I CONSTRUCTION. Walker Construction was at the airport yesterday seeding. Sprouting grass should appear within 14-21 days.
9. Memorial Day Parade Flyover. Butler RV Formation Flying Group agreed to do a flyover for the parade on Monday, May 29, 2023. Mr. Holley will have an ATV in the parade and will be throwing out toy airplanes.
10. EAA Scholarship. Dr. Murphy reported that Mr. James Taylor will receive a flight training scholarship. The value of the scholarship is \$6,000. He will be flying out of Fleming-Mason airport. Mr. James announced another scholarship will be awarded soon.

B. Garver Report. Mr. Adams

1. Airfield Electrical – Radio Interference. Mr. James reported no interference when he went out three times. Mr. Adams reported that everything is on separate regulators now. The amperage has been stepped back down from 6.6amps to 6 amps. ADB is waiting to hear about data on the interference.

2. Runway Rehab Phase I–Construction Drainage. Seeding will occur soon, (see FBO report).

3. Apron Expansion Project. The contractor, Shamrock, has received the contract and the bonds are in place. We are awaiting the grant notice. Start dates hinge on the FAA announcement dates. The contractor is getting the submittals ready. Estimated announcement date is the end of June or first of July, with the estimate start date of mid-July. The KDA (Mr. Brad Schwandt) and government officials would like to hold a groundbreaking.

AWOS design depends on tree mapping before construction. We have contacted a surveyor who will fly a drone over to take pictures of the trees.

Reimbursable funds include the Renderings by Garver (\$3,000) which are already in the engineering fees.

C. Buildings & Grounds Report. Mr. Oliver, Dr. Derrickson, Mr. James
Gravel Road. We will probably need a grader to upgrade the gravel road which we need to keep open. We will contact our magistrate to help with this project.

D. Legal Report. Mr. Rogers
None

E. Communication & Security.

The chair of this committee is no longer on the board. The committee will be dissolved and the FBO will handle security. Ms. Marsh has been involved in Communications and will assume that role.

F. Chair Report. Dr. Mattingly

KDA Local Airports Meeting. The Executive Committee met with KDA Commissioner Mark Carter and Mr. Shelby. The meeting was with all local airports in Mt. Sterling. The discussion centered around airport projects and needs. The KDA will act as an airport advocate for the next legislative session. They were quite complimentary of our airport. We emphasized the help needed for the AWOS relocation. The Apron Expansion Project will not be completely usable without moving the AWOS.

G. Old Business

Nominating Committee Report. Mr. James reported that the Nominating Committee will meet on May 31 at 9:00am. They will present a slate of officers at the June meeting.

Plow Truck. Mr. Dailey will check again with the Rowan County Fiscal Court about the old plow truck to see if they would like us to transfer it back.

H. New Business

a. T-Hangar Monthly Rental Rate Increase. The T-Hangar rate of \$170 per month has not been raised in 9 years. Given significant inflation, particularly in the last couple of years, Chair Mattingly proposed an increase in the T-hangar monthly rental from \$170 to \$185, an increase of less than 9%. The increase would be expected to go into effect on July 1st, 2023. A motion to approve this increase made by Mr. Dailey, and seconded by Dr. Derrickson, was approved unanimously.

I. Adjournment

The meeting was adjourned at 7:09pm.

Morehead-Rowan County Airport Board

Statement of Financial Position

As of May 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .25%	21,343.59
Citizens Bank CD - Fuel Reserves .20% Matures 12.21.22	0.00
Citizens Bank CD Fuel Reserves .20% Matures 11.14.21	0.00
Citizens Bank Construction Account NOW .25%	31,149.44
Citizens Bank Operating Account NOW .25%	10,556.99
LM&C Fund Offset	-77,230.00
Local Match & Construction Fund	0.00
LM&C June 2020	27,230.00
LM&C June 2022	50,000.00
Total Local Match & Construction Fund	77,230.00
Whitaker Bank CD 12.21.20 Fuel Res 12 mo .30%	0.00
Whitaker Bank CD Bldgs/Grds Res .25% - Matures 12.21.22	0.00
Total Bank Accounts	\$63,050.02
Other Current Assets	
Edward Jones CD 3 mo 4% matures 2.28.23	0.00
Edward Jones CD 3 mo 4.7% matures 6.5.23	202,000.00
Edward Jones CD 3 mo 5.3% matures 9.11.23	30,000.00
Edward Jones CD 3 mo 5.3% matures 9.6.23	204,000.00
Edward Jones CD 6 mo 4.4% matures 5.30.23	0.00
Edward Jones Money Market	458.52
Total Other Current Assets	\$436,458.52
Total Current Assets	\$499,508.54
Fixed Assets	
15000 Furniture and Equipment	643.94
Total Fixed Assets	\$643.94
TOTAL ASSETS	\$500,152.48
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
30000 Opening Balance Equity	321,613.58
32000 Unrestricted Net Assets	140,056.70
Net Revenue	38,482.20
Total Equity	\$500,152.48
TOTAL LIABILITIES AND EQUITY	\$500,152.48

Morehead-Rowan County Airport Board

Statement of Activity

July 2022 - May 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	48,583.37
43440 City Operating Support	36,666.63
43455 Local Match Reserve - Apron	30,000.00
43460 State Appropriations	200,000.00
Total 43400 Direct Public Support	315,250.00
44500 Government Grants	
44520 Federal Grants	153,639.00
Total 44500 Government Grants	153,639.00
45000 Investments	
45030 Interest-Savings, Short-term CD	6,509.46
45031 Interest, checking account	121.40
45040 Interest Income, savings account	471.14
Total 45000 Investments	7,102.00
47500 Rentals	
47520 T-Hangars	48,096.00
47550 Late Fee	379.91
47570 Residence	4,800.91
Total 47500 Rentals	53,276.82
Total Revenue	\$529,267.82
GROSS PROFIT	\$529,267.82
Expenditures	
62100 Contract Services	
62111 Attestation/Audit	5,500.00
62112 AWOS Maintenance	3,228.00
62120 Web Fees	500.00
62140 Legal Fees	1,100.00
62150 FBO	33,000.00
62170 Administrative	8,250.00
Total 62100 Contract Services	51,578.00
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	7,051.04
62833 Facilities Improvement Fund	3,644.00
62840 Equipment, Repair, and Maintenance	620.31
62870 Vehicle Registration/Repair/Mainte	5,035.92
Total 62800 Grounds and Facility Support	16,351.27

	TOTAL
63000 Insurance	
63010 Insurance - Property, Er/Omis	11,478.13
63040 Surety Bond	153.72
63050 Liability Insurance	4,745.91
Total 63000 Insurance	16,377.76
64400 Utilities	
64410 Electric	9,588.95
64420 Telecommunications	2,198.48
64430 Waste Disposal	178.58
64440 Water and Sewer	1,376.42
64450 TV	580.75
Total 64400 Utilities	13,923.18
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	1,710.89
65020 Postage, Mailing Service	346.39
65030 Printing and Copying	45.00
65040 Material & Supplies	134.49
65110 Promotions and Advertising Expenses	12.00
65130 Business Registration Fee	275.75
65140 Bank Fees	134.53
65150 Memberships and Dues	735.00
65890 Events, Ceremonies, & Meetings	600.00
65895 Travel	60.00
Total 65000 General Administration	4,054.05
65200 Fuel Expenses	3,245.04
80100 Capital Purchases	
80170 Capital Purchase Vehicle	109,750.00
80189 Apron Expansion Project	7,000.00
80194 Capital Purchase 2021 Runway Rehab - Phase II - Mill & Overlay	153,638.68
80197 2019 Runway Rehab Phase I CONSTRUCTION ONLY	114,867.64
Total 80100 Capital Purchases	385,256.32
Total Expenditures	\$490,785.62
NET OPERATING REVENUE	\$38,482.20
NET REVENUE	\$38,482.20

Morehead-Rowan County Airport Board

Statement of Activity

May 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	4,416.67
43440 City Operating Support	3,333.33
43455 Local Match Reserve - Apron	30,000.00
Total 43400 Direct Public Support	37,750.00
45000 Investments	
45030 Interest-Savings, Short-term CD	4,274.05
45031 Interest, checking account	11.94
45040 Interest Income, savings account	14.39
Total 45000 Investments	4,300.38
47500 Rentals	
47520 T-Hangars	3,907.00
47550 Late Fee	17.00
Total 47500 Rentals	3,924.00
Total Revenue	\$45,974.38
GROSS PROFIT	\$45,974.38
Expenditures	
62100 Contract Services	
62150 FBO	3,000.00
62170 Administrative	750.00
Total 62100 Contract Services	3,750.00
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	955.65
62870 Vehicle Registration/Repair/Mainte	56.18
Total 62800 Grounds and Facility Support	1,011.83
64400 Utilities	
64410 Electric	783.71
64420 Telecommunications	201.03
64440 Water and Sewer	388.57
64450 TV	55.15
Total 64400 Utilities	1,428.46
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	85.00
65020 Postage, Mailing Service	180.00
65150 Memberships and Dues	200.00
65890 Events, Ceremonies, & Meetings	150.00
Total 65000 General Administration	615.00

	TOTAL
65200 Fuel Expenses	1,820.04
Total Expenditures	\$8,625.33
NET OPERATING REVENUE	\$37,349.05
NET REVENUE	\$37,349.05

MOREHEAD-ROWAN COUNTY AIRPORT BOARD

CONFLICT OF INTEREST POLICY

ADOPTED SEPTEMBER 30, 2010

No member of the Board of Directors of the Morehead-Rowan County Airport Board (the Board), or member of any of its Committees, shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Board.

Each Board Member shall disclose to the Board any personal interest which he or she may have in any matter pending before the Board and shall refrain from participation in any decision on such matter.

Any Board Member, who as staff member or board member of a client organization or vendor to the Morehead-Rowan County Airport Board shall identify his or her affiliation with such organization or organizations and shall not participate in the decision affecting that organization.

A Board Member or Board Committee member, staff or contract consultant of the Board, shall refrain from obtaining any list of Board clients for personal or private solicitation purposes at any time during the term of their affiliation and for a period of one year after affiliation as Board or Committee member.

If an issue is to be decided by the Board that involves potential conflict of interest for a Board Member, it is the responsibility of the Board Member to:

1. Identify the potential conflict of interest to the Board.
2. Not participate in discussion of the program or motion being considered.
3. Not vote on the issue.

It is the responsibility of the Board to:

1. Only decide to hire or contract with a Board Member if they are the best qualified individuals available, and willing to provide the goods or services needed at the best price.
2. Record in the minutes of the Board Meeting the potential conflict of interest, and the use of the procedures and criteria of this policy.

Although it is not a conflict of interest to reimburse Board Members for expenses incurred (such as the purchase of supplies), Board Members are prohibited by law from being paid for serving on the Board. Generally, Board Members will not receive pass-through dollars for individual projects.

A copy of the Conflict of Interest policy shall be provided to each Board Member at its annual meeting which shall be signed, dated, and returned to the Secretary.

Tim James _____
Date

David Perkins _____
Date

Porter Dailey _____
Date

Bob Helton _____
Date

Bruce Mattingly _____
Date

Ron Oliver _____
Date

Charles Derrickson _____
Date

Wes Holland _____
Date

Tom Fossett _____
Date

Shannon Murphy _____
Date

MRCA BUDGETS

	Approved	Amended Actual	Proposed
Date approved/Amended	6.30.22 2022-23	6.29.23 2022-23 2022-23	6.29.23 2023-24
REVENUES			
UNRESTRICTED FUNDS			
London Calling Movie Fees			
Hangar Rentals	49,500	51,445	53,500
Investment income	700	9,547	4000
Residence Rental	6,000	6,000	6600
Transfer from Facilities Reserve Fund		72,997	0
City Contribution	40,000	40,000	45,000
County Contribution	53,000	53,000	53,000
Total Unrestricted Revenues	149,200	232,989	\$ 162,100
RESTRICTED FUNDS			
Fuel *			
Government Grants-FAA - AIP	152,169	153,639	691,000
Government Grants-FAA - BIL			449,000
Government Grants-State		6,000	789,617
Transfer from Walker Carry-over Fund		144,868	30,000
Transfer to Walker Carry over Fund		(30,000)	
Transfer from Construction/Local Match Reserve			366,929
Cares Act and ACRGP Grant		-	
KY Gen. Assembly Appropriation	200,000	200,000	
Morehead Rowan Tourism /Econ Development		60,000	
Construction Loan			435,000
Transfer to Local Match/Construct. Reserve		(260,000)	
Total Restricted Revenues	352,169	274,507	\$ 2,761,546
Total All Revenues	501,369	507,496	\$ 2,923,646
EXPENSES			
Contracted Services			
Airport Development Plan - Self Funded	3,000	-	0
Web Management	500	500	500
AWOS Maintenance	3,600	3,228	3600
Legal	1,500	1,100	1500
Attestation/Audit Fee	6,000	5,500	
Virtower Services		6,000	6000

FBO Support	36,000	36,000	36000
Administrative	9,000	9,000	10,000
Subtotal Contracted Services	59,600	61,328	57600
Facilities Support			
Facility repair and maintenance	12,000	7,200	10,000
Equipment Expense/Purchase	20,000	1,100	8,400
Vehicle Expenses	3,000	5,036	7000
Facilities Improvement Fund	5,150	3,644	5000
Subtotal Facilities Support	40,150	16,980	30,400
Insurance			
Property/Liability	18,000	16,224	18000
Surety Bond	200	154	200
Subtotal Insurance	18,200	16,378	18200
Utilities			
Electricity	14,000	11,000	12,000
Sewer/Water/Solid Waste	2,400	1,800	2,400
Telecom	4,000	3,000	4,000
Subtotal Utilities	20,400	15,800	18,400
General Administration			
Bookkeeping/Software Expense	1,200	1,796	1,800
Postage and mailing	350	375	400
Printing and Copying	100	100	100
Materials and Supplies	500	250	500
Promotions and advertising	200	422	500
Banking Fees	100	150	200
Memberships	700	735	800
Events, Ceremonies, Meetings	500	600	600
Travel and Meetings	3,600	60	3,600
Subtotal Admin	7,250	4,488	8,500
Fuel Expenses			
Fuel Expenses	3,600	3,245	3500
Capital			
Apron Expansion project		11,000	2,587,046
Apron Construction Loan Interest			25,000
Apron Construction Loan payment			145,000
Runway Rehab Design			
Capital Purchase Equipment		109,750	

KDA Runway Rehab Phase 1 - Repairs		114,868	30,000.00
FAA Trench Drain Repair			
KDA Lighting Replacement Project			
KDA Fuel Tank Refurbishing			
FAA Runway Rehab Phase II - Overlay	152,169	153,659	
Subtotal Capital	152,169	389,277	2,787,046
Total Estimated Expenses	301,369	507,496	\$ 2,923,646
Total Estimated Revenues	501,369	507,496	\$ 2,923,646
Estimated Revenues over Expenses	200,000	-	\$ -
Transfers to Depreciation/Reserve Funds			
Local Match & Construction Fund	(200,000)		
Depreciation Reserves			
Total Transferred to Reserves	(200,000)		

Depreciation Reserves		Local Match F Fuel Reserve	Total
June, 2018	\$50,853		
June, 2019	\$33,950		
June, 2020		\$27,230	
June, 2021	\$45,250		
June, 2022	\$21,447	\$50,000	
July 2022- KY Legislature		\$200,000.00	
July 2023-Tourism/Econ Dev.		\$60,000.00	
Balance	\$151,500	\$337,230	\$54,978
Trucks 2023	<u>-\$78,187</u>		
Balance	\$73,313	\$337,230.00	\$54,978.00
Walker Car	\$144,868		
2023 - payn	<u>\$114,858</u>		
Carry - Over	\$30,000		