

Morehead-Rowan County Airport Board Meeting Agenda

Thursday, 25 July 2024– 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 June 2024 Regular Meeting
- E. Receive Financial Report for June 2024
- F. Public Comment

- G. Reports
 - a. FBO Activity Report: Mr. Holley

 - b. Garver Report: Mr. Adams
 - 1. Apron Expansion Project
 - 2. AWOS Relocation Project

 - c. Building and Grounds: Mr. Oliver

 - d. Legal Report: Mr. Rogers

 - e. Chair Report: Dr. Mattingly

- H. Old Business:

- I. New Business:
 - a. Approval of 2023-24 Final (actual) Budget

- J. Adjournment

Next Regularly Scheduled Meeting – 6:00 pm 29 August 2024

Morehead-Rowan County Airport Board Meeting
Annual Meeting Minutes
June 27, 2024

Chairman Bruce Mattingly called the meeting to order at 6:00pm in the Airport Conference Room with board members David Perkins, Tim James, Bob Helton, Tom Fossett, and Porter Dailey. The members absent were Wes Holland, Shannon Murphy, Charles Derrickson, and Ron Oliver. The guest present via Zoom was Will Adams – PE, Garver. The guests present were Earl Rogers – Attorney, Campbell, Rogers & Stacy PLLC; Landon Ratliff – Holley Aviation LLC Lineman; and Barbara Marsh – Assistant Secretary/Treasurer. Shirt sizes were recorded also.

Dr. Mattingly presented the Minutes of the May 30, 2024, meeting. The motion to approve May 30, 2024, Meeting Minutes, was made by Mr. James, seconded by Mr. Helton, and approved unanimously.

Dr. Mattingly presented the May 2024 financial report consisting of Statements of Activity and Financial Position. The motion to approve the May financial report was made by Mr. Helton, seconded by Mr. Dailey, and approved unanimously.

Public Comment

None.

Reports

a. **FBO Report.** Mr. Holley reported on airport activities, maintenance, and fuel.

1. Fuel Report June. 900 gallons AvGas 100LL; 2200 gallons JETA.

2. Community Hangar/Tie Downs. Matt Oldham-Eagle Upholstery, Zane McGlade, Brandon Hamilton, and Brian Jones. Tie Downs: Charlie Hamilton, Johnnie Broughton, and Clark Aviation. There is a temporary hangar tenant, Helicopter Powerline Service, with two helicopters which are doing work for AEP.

3. Airfield Electrical Radio Interference. Eric Cowan installed the inductors last Wednesday and reported that all the progressive output is correct, except for runway high intensity, which was set ½ point low by a previous contractor to attempt to suppress the interference. Mr. Cowan also assessed the damage to one PAPI light due to an accident with a powered parachute. The pilot is willing to pay for those repairs.

4. Manlift. A manlift was picked up from United Rental in Huntington on June 13 for a total price of \$4800. It has already been of huge benefit to maintenance tasks.

5. Edge Lighting. The last remaining burnouts were returned to ADB and there have been no recent failures.

6. Landon Ratliff. Mr. Ratliff has passed his first written and is making plans for his practical test in Ohio. He is working with Mr. Riffle, A & P Mechanic, regularly as time permits. He has requested consideration for the Morehead-Rowan County Chamber of Commerce Leadership

Morehead Program, which aims to identify and nurture current and emerging community leaders. The motion to allow Mr. Ratliff to register and attend the Leadership Morehead Program, and pay for fees (if any), was made by Mr. James, seconded by Mr. Helton, and approved unanimously.

7. Rajant. Rajant has not returned yet to complete the installation, but we have gained permission to drop the trees to allow line of sight to the transmitter which we will start next week.

b. Garver Report. Mr. Adams

1. Airfield Electrical – Radio Interference. No update further than what Mr. Holley stated regarding the interference. He has not seen it return since the electrician installed inductors.

2. Apron Expansion Project.

- The grass stand is in a rough shape with fescue popping up. We will wait until fall to complete the grass seeding part of the contract.
- We will not make the last draw at this time. The last Garver draw will be the close out. The last contractor invoice will be the release of the seeding cost.
- Engineering came in under budget.

3. AWOS Project. Mr. Adams can submit the AWOS grant application for \$200,000 any time after the new fiscal year starts next Monday, July 1. We will wait to make sure the state funds the gap before submitting the grant application.

4. BIL (Bipartisan Infrastructure Law funded through FAA) Money. Dr. Mattingly

- We came out well with Apron project funds and we're not going to have to borrow more.
- We will still be able to have (estimated) \$144,000 FY 25 and \$144,000 FY 26. A grant application will have to be made for the next BIL money which is expected in October. We intend to use that to pay back our Apron loan from Frontier Housing (\$121,300). The grant will be submitted for \$144,000.
- Applying the \$144,000 to the loan amount of \$121,300 will leave a balance of \$22,700 for future development.
- Mr. Adams reported the only stipulation for BILs is that we fund 5% of the construction cost.
- Mr. Adams commented that AIP and BIL for 2026 partially could be put towards building our own box hangars.

Box Hangar Documents. Mr. Dailey suggested looking over all the box hangar documents again. Mr. Helton recommended putting together box hangar marketing documents and forming a welcoming group.

c. Buildings & Grounds Report. Mr. Oliver, Dr. Derrickson

Dr. Mattingly reported the committee is working with Morehead State University for hay mowing and considering fertilizer needs for the grounds.

d. **Legal Report.** Mr. Rogers
None.

e. **Chair Report.** Dr. Mattingly, Chair
None.

H. **Old Business**
None.

New Business

Conflict of Interest Policy. Board members signed and dated the annual acknowledgement.

Doublewide. The doublewide trailer is empty. Mr. Holley inspected and reported it is in bad shape, needing cleaning, possible paneling, and the refrigerator is in poor condition. Anderson Commercial Cleaning contact will be forwarded to Mr. Holley, who will oversee repairs. Airbnb aspects were discussed.

- a. Ratify Contract with Morehead Utility Plant Board to Install Water and Sewer Infrastructure for New Apron. MUPB surveyed the Apron area and made an estimate to install utilities and agreed to a contract in June. The area to install will be from the road to a central point near Apron. Box hangar tenants will pay for a hook up. The motion to ratify the action of the Executive Board with MUPB (\$17,740) was made by Mr. Perkins, seconded by Mr. Dailey, and approved unanimously.
- b. Approval of Ms. Barbara Marsh as Administrative Assistant to the Board. Ms. Marsh's current title is Assistant Secretary-Treasurer. She manages and helps the chairman with a broad array of services and maintains the functions of the board. The motion to change the title of Ms. Marsh from Assistant Secretary-Treasurer to Administrative Assistant to the Board was made by Dr. Fossett, seconded by Mr. Helton, and approved. Mr. Dailey recused himself.
- c. Approval of 2023-24 Amended Budget. Dr. Mattingly reported that our income was higher than budgeted. Good news also that we didn't need to borrow \$435,000 for the Apron project. We got a late start on the project and had our BIL money of \$144,000, so we only needed to borrow \$121,300 instead of \$300,000. Due to the Apron project liquidated damages and change orders, we can pay off our loan and be in the black. We only owe about \$4,000 remaining on the Apron project. There is one more vehicle to sell (old JETA) fuel truck. The motion to approve the 2023-34 amended budget was made by Mr. Dailey, seconded by Mr. Perkins, and approved unanimously.
- d. Approval of 2024-25 Budget. Dr. Mattingly reported we have \$173,500 coming from the FAA in AIP and BIL money; \$87,000 from the state; and \$200,000 from the KY General Assembly Appropriations via KDA. The FBO stipend was increased to \$40,000 and the Administrative Assistant fee was increased to \$15,000. The AWOS Relocation capital outlay is budgeted at \$275,000. The motion to approve the 2024-25 budget was made by Dr. Fossett, seconded by Mr. Perkins, and approved. Mr. Dailey recused himself due to the Administrative Assistant being his sister-in-law.

- e. Approval of Financial Institutions. The airport board has banking accounts at The Citizens Bank and asset accounts at Edward Jones. The motion to maintain the financial institutions The Citizens Bank and Edward Jones was made by Mr. Perkins, seconded by Mr. Helton, and approved unanimously.
- f. Approval of Secondary Signature Authority for Administrative Assistant: Ms. Barbara Marsh. The motion to approve second signature authority for Administrative Assistant Ms. Barbara Marsh was made by Dr. Fossett, seconded by Mr. Helton, and approved. Mr. Dailey recused himself.
- h. Approval for Administrative Assistant (Ms. Barbara Marsh) to Access Financial Records. The motion to approve Administrative Assistant (Ms. Barbara Marsh) to access financial records was made by Dr. Fossett, seconded by Mr. Helton, and approved. Mr. Dailey recused himself.
- i. Nominating Committee Report: Mr. James. The airport board nominating committee consisting of Dr. Derrickson, Dr. Fossett, and Mr. James, committee chair, made the following recommendation.

Chairman: Dr. Mattingly has agreed to serve another term as chairman of the board.

Vice Chair: Mr. Oliver would like to step down as vice chairman but plans to remain an active member of the board. Mr. Helton has agreed to accept the position of vice chairman should he be elected.

Secretary/Treasurer: Mr. Perkins has agreed to continue to serve as secretary/treasurer.

Election of 2024-25 Officers. Dr. Mattingly opened the floor to nominations for people who wish to be recognized or considered. Hearing no other nominations from the floor, Mr. James recommended adopting the named slate of officers for the 2024-25 fiscal year. Officers for the 2024-25 fiscal year are Chairman – Dr. Bruce Mattingly; Vice-Chairman – Mr. Bob Helton; Secretary/Treasurer – Mr. David Perkins.

Eastern Light Distillery Groundbreaking. Mr. Helton reported the groundbreaking will occur next Tuesday, July 2, at 10am on Rodney Hitch Boulevard near the airport. Governor Beshear will be part of the dignitaries.

J. Adjournment.

The meeting was adjourned at 7:09pm.

MRCA BUDGETS

Date approved/Amended	Approved			Amended			Actual			Proposed
	6.30.22	6.29.23	7.27.23	6.29.23	6.30.24	7.8.24	6.27.24			
	2022-23	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25			
REVENUES										
UNRESTRICTED FUNDS										
London Calling Movie Fees										
Hangar Rentals	49,500	51,445	52,351	53,500	53,700	53,738			53,500	
Investment income	700	9,547	9,679	4000	9500	9577			500	
Residence Rental	6,000	6,000	6,000	6600	4300	4300			0	
Transfer from Facilities Reserve Fund		72,997	70,648	0						
Intergovernmental Revenues (SPGE plage)										
City Contribution	40,000	40,000	40,000	45,000	45,000	45,000			45,000	
County Contribution	53,000	53,000	53,000	53,000	53,000	53,000			53,000	
Vehicle Surplus sale					3,000	3,000			3,000	
Total Unrestricted Revenues	149,200	232,989	231,678	\$ 162,100	\$ 168,500	\$ 168,615			\$ 155,000	
RESTRICTED FUNDS										
Fuel *										
FAA - AIP & BIL					1,242,496	1,242,496			173,500	
Government Grants-FAA - AIP	152,169	153,639	153,639	691,000						
Government Grants-FAA - BIL				449,000						
Government Grants-State		6,000	6,000	789,617	627,401	627,401			87,000	
Transfer from Walker Carry-over Fund		144,868	144,868	30,000	30,000	30,000				
Transfer to Walker Carry over Fund		(30,000)	(30,000)							
Transfer from Construction/Local Match Reserve				366,929	413,283	414,576				
Cares Act and ACRGP Grant		-								
KY Gen. Assembly Appropriation via KDA	200,000	200,000	200,000						200,000	
Morehead Rowan Tourism /Econ Development		60,000	60,000							
Construction Loan - FHI				435,000	121,300	121,300				
Transfer to Local Match/Construct. Reserve		(260,000)	(260,000)							
Total Restricted Revenues	352,169	274,507	274,507	\$ 2,761,546	\$ 2,434,480	2,435,773			\$ 460,500	
Total All Revenues	501,369	507,496	506,185	\$ 2,923,646	\$ 2,602,980	\$ 2,604,388			\$ 615,500	
EXPENSES										
Contracted Services										
Airport Development Plan - Self Funded	3,000	-		0						
Web Management	500	500	500	500	500	500			500	
AWOS Maintenance	3,600	3,228	3,228	3600	3228	3228			3600	
Legal	1,500	1,100	1,100	1500	2083	2083			2000	
Attestation/Audit Fee	6,000	5,500	5,500						6000	
Virtower Services		6,000	6,000	6000					0	
FBO Support	36,000	36,000	36,000	36000	36000	36000			40000	
Administrative	9,000	9,000	9,000	10,000	10,000	10,000			15000	
Subtotal Contracted Services	59,600	61,328	61,328	57600	51811	51811			67100	
Facilities Support										
Facility repair and maintenance	12,000	7,200	7,311	10,000	5,034	5,111			10,000	
Equipment Expense/Purchase	20,000	1,100	1,095	8,400	443	487			8000	
Vehicle Expenses	3,000	5,036	5,036	7000	-1306	-1306			6000	
Facilities Improvement Fund	5,150	3,644	3,644	5000	0	0			5000	
Subtotal Facilities Support	40,150	16,980	17,086	30,400	4,171	4,292			29,000	
Insurance										
Property/Liability	18,000	16,224	16,224	18000	17,677	17,677			25,000	
Surety Bond	200	154	154	200	167	168			200	
Subtotal Insurance	18,200	16,378	16,378	18200	17,844	17,845			25,200	
Utilities										
Electricity	14,000	11,000	10,160	12,000	10,234	10,233			12,000	
Sewer/Water/Solid Waste	2,400	1,800	1,555	2,400	2,023	2,023			2,500	
Telecom	4,000	3,000	3,035	4,000	2,672	2,676			5000	
Subtotal Utilities	20,400	15,800	14,750	18,400	14,929	14,932			19,500	
General Administration										
Bookkeeping/Software Expense	1,200	1,796	1,796	1,800	1,442	1,441			2,000	
Postage and mailing	350	375	\$ 347	400	437	437			500	
Printing and Copying	100	100	\$ 45	100	-	-			200	

Materials and Supplies	500	250	\$ 135	500	287	287	500
Promotions and advertising	200	422	\$ 288	500	92	92	300
Banking Fees	100	150	\$ 135	200	65	65	200
Memberships	700	735	\$ 735	800	400	386	500
Events, Ceremonies, Meetings	500	600	\$ 600	600	500	500	1000
Travel and Meetings	3,600	60	\$ 60	3,600	1,477	1,477	4,000
Subtotal Admin	7,250	4,488	4,141	8,500	4,700	4,685	9,200
Fuel Expenses							
Fuel Expenses	3,600	3,245	3,245	3500	2709	2709	3,500
Capital							
Apron Expansion project		11,000	11,000	2,587,046	2,445,097	2,445,097	35,000
Apron Project Water/Sewer Extention					17,741	17,741	
Apron Construction Loan Interest				25,000	7,482	8,080	8000
Apron Construction Loan payment				145,000	0		144,000
AWOS Relocation					1,696	2,396	275,000
Runway Rehab Design							
Capital Purchase Equipment		109,750	109,750		4800	4800	
KDA Runway Rehab Phase 1 - Repairs		114,868	114,868	30,000.00	30,000.00	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	153,639				
Subtotal Capital	152,169	389,277	389,257	2,787,046	2,506,816	2,508,114	
Total Estimated Expenses	301,369	507,496	506,185	\$ 2,923,646	\$ 2,602,980	\$ 2,604,388	\$ 153,500
Total Estimated Revenues	501,369	507,496	506,185	\$ 2,923,646	\$ 2,602,980	\$ 2,604,388	\$ 615,500
Estimated Revenues over Expenses	200,000	-	-	\$ -	\$ -	\$ -	\$ 462,000
Transfers to Depreciation/Reserve Funds							
Local Match & Construction Fund	(200,000)						
Depreciation Reserves							
Total Transferred to Reserves	(200,000)						

Notes:

24-25 FAA BILS (\$144,000) + FAA Carry-over

24-25 State: AWOS (\$75,000) + Carry-over
(\$12,000)

Depreciation Reserves		Local Match	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	\$543,708
Trucks 2023	<u>-\$78,187</u>			
Balance	\$73,313	\$337,230.00	\$54,978.00	\$465,521
Walker Carry-Over: .	\$144,868			
2023 - payment	<u>\$114,858</u>			
Carry - Over Balance	\$30,000			

Morehead-Rowan County

Airport Board

Statement of Activity

July 2023 - June 2024

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	53,000.00
43440 City Operating Support	45,000.00
Total 43400 Direct Public Support	98,000.00
44500 Government Grants	
44520 Federal Grants	1,242,496.00
44540 State Grants	627,400.82
Total 44500 Government Grants	1,869,896.82
45000 Investments	
45030 Interest-Savings, Short-term CD	6,401.20
45031 Interest, checking account	356.19
45040 Interest Income, savings account	2,819.52
Total 45000 Investments	9,576.91
46400 Other Types of Income	
46430 Miscellaneous Revenue	
46461 Bridge Loan for Apron Expansion Ph 1	121,300.00
46481 Vehicle Surplus Sale	3,000.00
Total 46430 Miscellaneous Revenue	124,300.00
Total 46400 Other Types of Income	124,300.00
47500 Rentals	
47520 T-Hangars	53,418.12
47550 Late Fee	320.00
47570 Residence	4,300.00
Total 47500 Rentals	58,038.12
Transfer from Construction/Local Match Reserve	444,735.35
Unapplied Cash Payment Revenue	-162.00
Total Revenue	\$2,604,385.20
GROSS PROFIT	\$2,604,385.20
Expenditures	
62100 Contract Services	
62112 AWOS Maintenance	3,228.00
62120 Web Fees	500.00
62140 Legal Fees	2,082.96
62150 FBO	36,000.00
62170 Administrative	10,000.00
Total 62100 Contract Services	51,810.96
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	5,111.15
62840 Equipment, Repair, and Maintenance	486.97

	TOTAL
62870 Vehicle Registration/Repair/Mainte	-1,306.31
Total 62800 Grounds and Facility Support	4,291.81
63000 Insurance	
63010 Insurance - Property, Er/Omis	12,930.39
63040 Surety Bond	167.97
63050 Liability Insurance	4,745.91
Total 63000 Insurance	17,844.27
64400 Utilities	
64410 Electric	10,232.53
64420 Telecommunications	1,974.18
64430 Waste Disposal	355.78
64440 Water and Sewer	1,666.29
64450 TV	702.84
Total 64400 Utilities	14,931.62
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	1,441.00
65020 Postage, Mailing Service	436.55
65040 Material & Supplies	287.27
65110 Promotions and Advertising Expenses	92.00
65130 Business Registration Fee	50.75
65140 Bank Fees	64.94
65150 Memberships and Dues	335.00
65890 Events, Ceremonies, & Meetings	1,976.82
Total 65000 General Administration	4,684.33
65200 Fuel Expenses	2,708.60
80100 Capital Purchases	
80130 Capital Purchase Equipment	4,800.00
80188 AWOS Relocation	2,396.00
80189 Apron Expansion Project	2,445,096.95
80187 Apron Expansion Loan Documents	8,080.17
Total 80189 Apron Expansion Project	2,453,177.12
80197 2019 Runway Rehab Phase I CONSTRUCTION ONLY	30,000.00
80198 Capital Purchase for Apron Project Water Extention	17,740.49
Total 80100 Capital Purchases	2,508,113.61
Total Expenditures	\$2,604,385.20
NET OPERATING REVENUE	\$0.00
Other Expenditures	
Transfer From Reserves	444,735.35
Total Other Expenditures	\$444,735.35
NET OTHER REVENUE	\$ -444,735.35
NET REVENUE	\$ -444,735.35

Morehead-Rowan County

Airport Board

Statement of Activity

June 2024

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	4,416.63
43440 City Operating Support	3,750.00
Total 43400 Direct Public Support	8,166.63
44500 Government Grants	
44520 Federal Grants	98,430.00
44540 State Grants	35,954.15
Total 44500 Government Grants	134,384.15
45000 Investments	
45031 Interest, checking account	42.10
45040 Interest Income, savings account	5.94
Total 45000 Investments	48.04
47500 Rentals	
47520 T-Hangars	2,405.00
Total 47500 Rentals	2,405.00
Transfer from Construction/Local Match Reserve	444,735.35
Total Revenue	\$589,739.17
GROSS PROFIT	\$589,739.17
Expenditures	
62100 Contract Services	
62140 Legal Fees	125.00
62150 FBO	3,000.00
62170 Administrative	833.37
Total 62100 Contract Services	3,958.37
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	223.77
62840 Equipment, Repair, and Maintenance	191.99
62870 Vehicle Registration/Repair/Mainte	575.49
Total 62800 Grounds and Facility Support	991.25
64400 Utilities	
64410 Electric	787.52
64420 Telecommunications	157.79
64440 Water and Sewer	154.57
64450 TV	60.28
Total 64400 Utilities	1,160.16
65000 General Administration	
65890 Events, Ceremonies, & Meetings	100.00
Total 65000 General Administration	100.00

	TOTAL
80100 Capital Purchases	
80130 Capital Purchase Equipment	4,800.00
80188 AWOS Relocation	700.00
80189 Apron Expansion Project	214,652.92
80187 Apron Expansion Loan Documents	598.20
Total 80189 Apron Expansion Project	215,251.12
80198 Capital Purchase for Apron Project Water Extention	17,740.49
Total 80100 Capital Purchases	238,491.61
Total Expenditures	\$244,701.39
NET OPERATING REVENUE	\$345,037.78
Other Expenditures	
Transfer From Reserves	444,735.35
Total Other Expenditures	\$444,735.35
NET OTHER REVENUE	\$ -444,735.35
NET REVENUE	\$ -99,697.57

Morehead-Rowan County

Airport Board

Statement of Financial Position

As of June 30, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .25%	7,633.95
Citizens Bank Construction Account NOW .25%	56,255.65
Citizens Bank Operating Account NOW .25%	23,556.31
Total Bank Accounts	\$87,445.91
Other Current Assets	
Edward Jones CD 2 mo 5.15% 6.5.23 matures 8.14.23	0.00
Edward Jones CD 1 mo 5.1% 8.17.23 matures 9.18.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.11.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.6.23	0.00
Edward Jones CD 3 mo 5.35% matures 10.27.23	0.00
Edward Jones Money Market	3,214.65
Total Other Current Assets	\$3,214.65
Total Current Assets	\$90,660.56
Fixed Assets	
15000 Furniture and Equipment	760.90
Total Fixed Assets	\$760.90
TOTAL ASSETS	\$91,421.46
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
30000 Opening Balance Equity	321,613.58
32000 Unrestricted Net Assets	214,543.23
Net Revenue	-444,735.35
Total Equity	\$91,421.46
TOTAL LIABILITIES AND EQUITY	\$91,421.46