

Commonwealth of Massachusetts
MARTHA'S VINEYARD AIRPORT COMMISSION
FINANCE AND BUDGET SUBCOMMITTEE MEETING
May 3, 2019 at 3:30 PM
MVAC Chambers

Notice of Such Meeting Having Been Posted as Required by Law

Present:

Subcommittee Members: Chair- Richard Knabel, Don Ogilvie, Norm Werthwein, Peter Wharton
Airport Staff: Denise Tawa (recorder), Edward Christofono- Controller, Christina Colarusso-
Water, Wastewater and Facilities.

Other: Ann Metcalf*- County Treasurer, Matt O'Brien- McFarland Johnson (skype), Kristin
Zern- Member of the public, Cindi Martin*

*Arrived late or departed early

I. CALL TO ORDER:

The Martha's Vineyard Airport Finance and Budget Subcommittee meeting was called to order at 3:31 PM.

II. MINUTES:

April 5, 2019 Finance Committee

WERTHWEIN made a Motion, WHARTON Seconded

APPROVED 4-0-0

III. INTRODUCTION OF EDWARD CHRISTOFONO:

KNABEL introduced Edward Christofono to the Finance Sub-Committee as the new Airport Financial Controller.

IV. REVIEW FINANCIAL REPORTS WITH ANN METCALF (COUNTY TREASURER)

WERTHWEIN presented an overview to the committee starting with March results. Operations actual for March ended with a \$223k deficit forecasted to end with \$190k deficit. Non- funded capital expenditures for March was \$150k, with a forecast of \$5k. Cash balance for 4/30 was \$264k actual with a forecast of \$297k. Reasons the forecast was off for the FBO was due to a large Avgas fuel order. Expenses for March were trending higher due to 3 payroll cycles in the month. Capitol cost ended with \$150k deficit, \$110k of it was due to the water filtration systems for PFAS, which was forecasted for April not March (timing difference). The remainder was the repair for the fire truck. Forecasting for cash balances thru the end of the fiscal year with nothing unusual happening, and operations coming in close to the forecasted, we should not have to use the line of credit through the County.

WERTHWEIN presented a FY19 Amended Budget based on what the airport is trending. The budget was approved by the County Advisory Board (CAB) last August. FY19 approved operating revenue for \$5.247m with a proposed amendment for \$4.864m. Total Operating expenses approved \$4.815m with proposed amendment for \$5.049m. Following the forecast the end result comes to an estimated \$250k deficit.

OGILVIE made a motion, WHARTON seconded, for recommendation to MVAC of the Amended FY2019 revised budget. 4-0-0 APPROVED

V. MCFARLAND JOHNSON UPDATES:

O'BRIEN presented a list of ongoing and up in coming projects with projected cost.

- Airfield marking (painting, removing some paint for preparation, cleaning the site) for the apron and parallel taxiway that are not eligible for FAA funding. O'BRIEN submitted a grant to Mass DOT but has not received confirmation of approval, approximate cost is \$55k (construction) and Mass Dot would cover \$44k. This is being requested now as this is the season.
- Obstruction Study, Traffic Study, and Public Relations a grant has been submitted to the FAA and Mass Dot for \$382k. It is broken out into three projects. Obstruction study and public relations can wait until a grant is awarded. The traffic study is to capture the increase of traffic in the summer. To date the cost has been \$12k (grant in place, setting up scope and fees and the sub-consultants) anticipating the data collection cost will be about \$13k. O'BRIEN was going to look into changing capturing the data collection to August instead of June.
- Well House closure is on track for cost and deadline.
- Runway 6-24 project is looking to be completed on time with anticipation of the construction cost to be below budget. When the airport went into contract with McFarland it was for half the construction time for what the project was bid as. O'Brien reconciled the numbers as of date and the airport has saved approximately \$215k in construction cost and is anticipating a request for a contract modification for \$174k. There was additional work that happened after the contract was signed. The contract was for 87 days vs. 165 days. O'BRIEN is not requesting any addition engineering cost because adjustments have been made to try and mitigate any cost incurred with this additional time. \$174k out of the \$215k construction savings is requested to be moved with closing the project out at \$40k under budget.

VI. FY2020 BUDGET DISCUSSION:

GEOFFREY FREEMAN (Assistant Airport Manager) has been working on monthly revenue projections based on experience, estimates and known changes, for the operations side (fuel and fbo fees & charges). KEVIN BRENNAN (Property Manager) is giving a schedule on monthly tenant rents. CINDI MARTIN and EDWARD CHRISTOFONO are gathering information for a far more detailed budget.

VII. ITEMS NOT ANTICIPATED BY CHAIR

COLARUSSO presented a grant opportunity including electrical charging stations and subsidies for electrical vehicles. Cape Light Compact has done an efficiency

study on the terminal this should give incentives for replacement of pumps in the basement and potentially incentive for the air handlers. MARTIN will coordinate with COLARUSSO as these items fall under the grant for the terminal.

VIII. CONFIRMATION OF NEXT MEETING DATE AND TIME:

June 7, 2019 3:30 PM

IX. ADJOURNMENT: 4:29 PM