

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, NOVEMBER 12, 2014**

A meeting of the Finance, Budget and Audit Committee of the DuPage Airport Authority Board of Commissioners was convened at the DuPage Flight Center, 2700 International Drive, West Chicago, Illinois, First Floor Conference Room, on Wednesday, November 12, 2014. Chairman Huizenga called the meeting to order at 1:00 p.m. and all members were present.

Commissioners Present: Donnelly, Huizenga, Posch, Wagner

Commissioners Absent: None

DuPage Airport Authority Staff Present: Executive Director David Bird; Mark Doles, Director of Aviation Facilities and Properties; Patrick Hoard, Director of Finance; John Schlaman, General Manager, Prairie Landing Golf Club; Dan Barna, Procurement Manager; Pamela Miller, Executive Assistant and Board Liaison.

Others:

None

OLD BUSINESS

None

NEW BUSINESS

REVIEW OF FINANCIAL STATEMENTS

Patrick Hoard proceeded to review the Financial Statements:

Operating Revenues:

Airport Operations increased 6% over budgeted amount.

Flight Center Fuel Operations increased 12% over the budgeted amount.

Prairie Landing Golf Club is 11% below budget for the year.

Total Operating Revenues overall are up 7% actual versus budget.

Operating Expenses:

Airport Operations increased 2% from the budgeted amount for the year.

Flight Center Fuel Operations increased 7%.

Prairie Landing Golf Club is 8% below budget year-to- date.

Total Operating Expenses are up 3% actual versus budget.

Net Profit from Operations have increased significantly from the amount budgeted; 121%.

Total Non-Operating Revenues are up 5% actual versus budget.

Total Non-Operating Expenses increased 13% actual versus budget.

Net profit from Non-Operations up 4% actual versus budget. *Net Profit Excluding Depreciation* increased 15% actual versus budget.

Capital Development Program: Spending will continue to increase through the end of the year as more of the capital projects are completed.

Cash Ending Balance is at \$17.7 million; *Cash Balance at the beginning of the year* was \$27.3 million.

Discussion followed.

Ordinance 2014-278; An Ordinance of the DuPage Airport Authority Levying Taxes for the Fiscal Year Beginning January 1, 2014 and Ending December 31, 2014.

Mr. Hoard explained the Airport Authority will levy property taxes in 2014, payable to the Airport Authority in 2015. He continued that the same amount will be levied as in the previous two years; \$5,976,024. There was brief discussion regarding abatement for the 2015 budget year and Mr. Hoard related a tax levy abatement was not anticipated in the 2015 Budget and Appropriations.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Ordinance 2014-278; An Ordinance of the DuPage Airport Authority Levying Taxes for the Fiscal Year Beginning January 1, 2014 and Ending December 31, 2014. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (4-0).

Ordinance 2014-279; Adopting the Tentative Budget and Appropriations Ordinance for the DuPage Airport Authority for the Fiscal Year Beginning January 1, 2015 and ending December 31, 2015.

Mr. Hoard advised that no significant changes had been made since the Special Finance Committee Meeting held in October. He highlighted a formatting change adding a column for 2014 Forecast for comparative information. Mr. Hoard explained that the Employee Group Insurance Plan was increased 45% by the Airport Authority's current insurance provider and our brokers, Wine-Sergi, have been working to obtain additional quotes from various other companies. Mr. Hoard continued that staff is hopeful to receive a lower rate and a 25% increase in group insurance is anticipated in the 2015 Budget rather than 45% as originally stated. Discussion followed and staff recommended approval of the 2015 Tentative Budget and Appropriations.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Ordinance 2014-279; Adopting the Tentative Budget and Appropriations Ordinance for the DuPage Airport Authority for the Fiscal Year Beginning January 1, 2015 and Ending December 31, 2015. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1891; Approving the Use of Outside Auditors for the Year 2015.

Appointing the firm of Sikich LLP for auditing the Authority's 2014 financial statements for an all-inclusive maximum fee of \$37,000.

Mr. Hoard advised each year the Airport Authority Board approves outside auditors to be utilized by the Airport Authority for the annual audit. He reviewed that in October 2013, an RFP process was conducted and six proposals were submitted; Sikich was selected and approved by the Board for 2014 at a total cost of \$36,000. Discussion followed and Mr. Hoard review fees and advised this maximum fee has been reflected in the 2015 Tentative Budget and Appropriations.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2014-1891; Approving the Use of Outside Auditors for the Year 2015. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (4-0).

Other Business

None

A **MOTION** was made by Commissioner Donnelly to adjourn the Finance, Budget and Audit Committee; the **motion was seconded** by Commissioner Posch and was passed unanimously by voice vote. The meeting adjourned at 1:25 p.m.

Approved at the January 14, 2015 Board Meeting

**Peter H. Huizenga, Chairman
Finance, Budget and Audit Committee**