

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, JANUARY 13, 2016**

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, January 13, 2016. Committee Chairman Huizenga called the meeting to order at 1:15 p.m. and a quorum was present.

Commissioners Present: Donnelly, Huizenga, Ledonne, Posch, Sharp

Commissioners Absent: Wagner

DuPage Airport Authority Staff Present:

Executive Director David Bird; Mark Doles, Director of Aviation Facilities and Properties; Patrick Hoard, Director of Finance and 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 December 2015 Year End Financial Statements. Mr. Hoard related that this provides a first view of the final 2015 activities and staff is preparing for the annual audit process. He added that the Audit report will be completed by late April and presented to Commissioners for review prior to May meeting; an official presentation will be done at the May 18 Board Meeting.

Operating Revenues:

Airport Operations revenues decreased 5%; *Flight Center Fuel Operations* decreased 9% from the budgeted amount; *Prairie Landing Golf Club* revenues are on budget.

Total Operating Revenues are down 7%; actual versus budget.

Operating Expenses:

Total Operating Expenses decreased 16%; actual versus budget. Each of the Airport businesses are down.

Net Profit from Operations: The amount budgeted for this time period was \$256,378 through the end of December; Year-to-Date actual net profit from operations is \$1,954,843. This has been driven by margins in Flight Center Fuel Operations.

Total Non-Operating Revenues: Remains the same as reported in the last financial statements.

Total Non-Operating Expenses: Decreased 13% actual versus budget for the end of December.

Net Profit Excluding Depreciation: Actual Year-to-Date just over \$9.7 million versus the budgeted year-to-date amount of \$5,843,378.

Capital Development Program: The decrease in the Capital Development Program reflected are a result of the transient hangar construction project being deferred to 2016 and also the project to secure Avigation Easements which has been included year after year is still delayed due to the need for passage of legislation at the State level. He related that there are easements located in Kane County and to secure these easements without passage of the needed legislation could impact the makeup of the Airport Authority Board. Discussion continued.

Cash Ending Balance Ending: Year-to Date the amount budgeted at year end was \$4,000,209; Actual Year-to-Date Cash Balance through December is \$22,100,505.

Discussion followed.

PROPOSED ORDINANCE 2016-290; ADOPTING BUDGET AND APPROPRIATIONS ORDINANCE FOR THE DUPAGE AIRPORT AUTHORITY FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016.

Mr. Hoard advised this Ordinance will approve and adopt the final 2016 Budget and Appropriations. He related that the Tentative Budget was passed at the November 11, 2015 Board Meeting and this Tentative Budget was submitted to DuPage County Board Chairman Cronin for review; there were no comments or questions received from County Board Chairman Cronin or his staff. Mr. Hoard advised that a Public Hearing was held on January 11, 2016 to provide an opportunity for public comments or questions and there were no members of the public in attendance. The Airport Authority has now met all of the statutory requirements relating to passage of the 2016 Budget and Board approval is requested.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Ordinance 2016-290; Adopting Budget and Appropriations Ordinance for the DuPage Airport Authority for the Fiscal Year Beginning January 1, 2016 and Ending December 31, 2016. The **motion was seconded** by Commissioner Sharp and was passed unanimously by roll call vote (5-0).

PROPOSED ORDINANCE 2016-291; AN ORDINANCE OF THE DUPAGE AIRPORT AUTHORITY PROMULGATING REGULATIONS UNDER THE FREEDOM OF INFORMATION ACT.

Executive Director Bird advised passage each year of this Ordinance is required by Statute to update information relating to the availability and distribution of public records and procedures for obtaining these records in compliance with the Freedom of Information Act. Discussion followed.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Ordinance 2016-291; An Ordinance of the DuPage Airport Authority Promulgating Regulations

Under the Freedom of Information Act. The **motion was seconded** by Commissioner Sharp and was passed unanimously by roll call vote (5-0).

PROPOSED RESOLUTION 2016-1990; APPROVING THE USE OF OUTSIDE ATTORNEYS FOR THE YEAR 2016.

Approves utilizing the firms of Schirott, Luetkehans and Garner and SheppardMullin to provide legal services for the 2016 fiscal year.

Executive Director Bird advised that the Airport Authority is again looking to retain the firm of Schirott, Luetkehans and Garner as General Counsel. Schirott, Luetkehans and Garner have proposed an increase of \$10 per hour for the managing partners and \$5 per hour for the Associates and the Airport Authority is agreeable with this rate increase. Executive Director Bird continued that the firm of SheppardMullin will be retained for Human Resources and personnel matters and this firm has decreased the rate by \$5 per hour. Staff recommends Board approval and discussion followed.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2016-1990; Approving the Use of Outside Attorneys for the Year 2016. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

PROPOSED RESOLUTION 2016-1991; Authorizing the Execution of a Professional Services Agreement with Serafin & Associates Inc. for Marketing and Communication Services.

Approves an Agreement for providing marketing and communications support for the Flight Center, DuPage Business Center and Prairie Landing Golf Club at a total not-to-exceed cost of \$42,500.

Executive Director Bird stated that Serafin & Associates provides very valuable services for the Airport Authority for marketing and communication services. He continued this will be the final year of the contract with Serafin and a Request for Proposals (RFP) will go out in the summer to begin the process for 2017. Discussion followed and staff recommended Board approval.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2016-1991; Authorizing the Execution of a Professional Services Agreement with Serafin & Associates Inc. for Marketing and Communication Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

PROPOSED RESOLUTION 2016-1992; Authorizing the Procurement of One (1) 4 X 4 Pickup Truck from the State of Illinois Joint Purchasing Contract.

Approves the procurement of one (1) Ford F-250 pickup truck with plow from Morrow Brothers Ford under the State of Illinois Joint Purchasing contract for a total cost of \$33,764.

Dan Barna advised this Resolution will authorize the purchase of one 4 X 4 pickup truck under the State of Illinois Joint Purchasing Contract. This has proven to be an efficient method of procuring vehicles and discussion followed briefly on this process.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2016-1992; Authorizing the Procurement of One (1) 4 X 4 Pickup Truck from the State of Illinois Joint Purchasing contract. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

OTHER BUSINESS

None

A **MOTION** was made by Commissioner Ledonne 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 1:51 p.m.

Approved at the March 16, 2016 Board Meeting

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