

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
FINANCE & OPERATIONS COMMITTEE
THURSDAY, AUGUST 7, 2014, AT 11:00 AM
Bradley International Airport
Administration Conference Room
Windsor Locks, CT**

MEMBERS PRESENT:

Charles Gray, Chairman
Scott Guilmartin
Peter McAlpine

STAFF PRESENT BY STATUTE:

Kevin Dillon, CAA

STAFF PRESENT:

Michael Shea
Sharon Traficante
Robert Bruno
Alex Peterson

INVITED GUESTS:

Reed Risteen, BlumShapiro

1. Call to Order:

Committee Chairman Gray called the meeting to order at 11:00 a.m.

2. Approval of Minutes - May 8, 2014:

Mr. McAlpine requested that the fourth full paragraph on the second page of the minutes be revised to read, "CFC's have been conservatively excluded for purposes of forecasting compliance with the GARB Debt Service Coverage Requirements as it is anticipated that these revenues will eventually become released revenues to be used in support of a separate special facility bond issuance to fund the development of the Ground Transportation Center at BDL."

Mr. Guilmartin made a motion (Seconded: Mr. McAlpine) to approve the minutes from the May 8, 2014 Finance, Operations, & Governance Committee Meeting with Mr. McAlpine's change.
Voice Vote – motion passed unanimously.

3. Discussion Items:

(a) Preliminary Audit Discussion – Blum Shapiro.

Mr. Risteen from BlumShapiro provided a general presentation on the FY 14 audit, including a description of objectives, scope, approach, materiality, focus, recent industry developments, and responsibilities of BlumShapiro and CAA management in the audit process.

The committee discussed the audit further, including the primary differences from the FY 13 audit, distribution of expenses at the general aviation airports, cost allocations per airport, the alignment of the audit process with the new CAA financial management system, the CAA use of the CORE-CT system, a shift in approach from amortization to direct expensing, and the cost of the audit.

(b) Discussion of Committee Role and Mission.

Mr. Dillon began the discussion by highlighting the potential for overlap between the Finance & Operations Committee and the Economic Development Committee. Mr. Dillon suggested regular, quarterly meetings with the establishment of special meetings when necessary.

A general discussion ensued regarding the regular committee meeting schedule. Mr. Gray determined that regular Finance & Operations Committee meetings will be held on the morning of each CAA Board of Director's meeting moving forward. **Action Item - Mr. Gray requested the creation of a 2015 Board of Directors meeting calendar to help coordinate future Finance & Operations Committee meetings.**

The committee discussed its role, and determined that it would maintain all responsibilities held by the Finance, Operations, and Governance Committee, except for those duties related to governance issues.

(c) Discussion of Monthly Financial Statements – May 2014.

Mr. Shea provided a walkthrough of the May 2014 financial statements. There was a general discussion on the May 2014 finances, including the "Other Payroll" category, energy and utility expenses, total expenses, DOT – Bradley services, and debt service coverage.

Mr. Dillon provided a summary of recent leasing developments, air service changes, future passenger number projections, and the interplay between airline incentives and concession revenues.

4. Action Items:

(a) Consideration of and Action Upon Approval to Allocate Fiscal Year Capital Improvement Program Funds for the General Aviation Airports.

Mr. Dillon provided an overview of the CAA's responsibilities relating to the aviation system in the State of Connecticut, and the need for an updated statewide system plan.

The Committee discussed the system plan further, including the administration and allocation of funds relating to the state grant fund, CAA funding for the initiative, and FAA interest in the updated plan.

Mr. McAlpine made a motion (Seconded: Mr. Guilmartin) to accept and approve, and forward onto the full Board for approval, **Action Item (a) - Voice Vote – motion passed unanimously.**

(b) Consideration of and Action Upon Approval to Revise Resolution 2014-15, the Bradley International Airport FY 15 Budget, to Highlight Debt Service Coverage.

Mr. Dillon reported that this item had been requested by Mr. McAlpine to make a technical change on the previous CAA Resolution 2014-15 regarding the Bradley International Airport FY 15 Budget. Minor alterations have been made, and an additional chart and footnote will be attached to the resolution to highlight debt service coverage.

Mr. Guilmartin made a motion (Seconded: Mr. McAlpine) to accept and approve, and forward onto the full Board for approval, **Action Item (b) - Voice Vote – motion passed unanimously.**

(c) Consideration of and Action Upon Approval of a Term Sheet for the Lease of Space with Meredith Corporation d/b/a WFSB for the Doppler Radar Installation at Bradley International Airport.

Mr. Dillon reported that the Meredith Corporation d/b/a WFSB has drafted a term sheet with the CAA to relocate its Doppler radar equipment from Terminal B to another site on Bradley Airport property.

The Committee discussed the term sheet further, including the proposed area for the Doppler's relocation, responsibility for associated maintenance and costs, the CAA's ability to request the Doppler's relocation in the future, and possibly using Doppler data to update travelers on the Bradley Airport website.

Mr. McAlpine made a motion (Seconded: Mr. Guilmartin) to accept and approve, and forward onto the full Board for approval, **Action Item (c) - Voice Vote – motion passed unanimously.**

5. Executive Session:

At 12:02 p.m., Mr. Guilmartin made a motion (Seconded: Mr. McAlpine) to go into Executive Session for the purpose of holding a Discussion of Negotiating Strategy for Hangar Development – TAC Air and a Discussion of Negotiating Strategy for the Parking Lot Agreement. **Voice vote – motion passed unanimously.**

(a) Discussion of Negotiating Strategy for Hangar Development – TAC Air.

(b) Discussion of Negotiating Strategy for Parking Lot Agreement.

6. Call to Order:

The Committee came out of Executive Session at 12:55 p.m.

7. Adjournment:

Mr. Gray made a motion (Seconded: Mr. Guilmartin) to adjourn the Committee meeting at 12:56 p.m., **Voice vote – motion passed unanimously.**

Respectfully submitted,

Charles Gray
Chair