

REGULAR MEETING - MINUTES

DATE: May 4, 2010

PLACE: Conference Room
Building #119
Kincheloe, MI 49788

MEMBERS PRESENT: Earl Kay, Chair
Patricia Benoit
Richard Brawley
Leisa Mansfield
Larry Palma
James Quinnell
Richard Timmer

MEMBERS ABSENT: Dan Dasho
Aaron Hopper

EDC STAFF PRESENT: Kathy Noel
Paula Adams
John Trembl

OTHER PERSONS: Phil Wolfe, CPA, Anderson Tackman & Company
Don McLean, County Commissioner
Judy Hendrickson, MI WORKS!

I. CALL TO ORDER - Meeting was called to order, by Chairman Kay, at 4:15 P. M., with a quorum in attendance.

PLEDGE OF ALLEGIANCE

II. PRESENTATION OF MINUTES - MOTION by Director Timmer, supported by Director Benoit, approving the minutes of the Annual Meeting of April 6, 2010 as presented. Motion carried.

III. PUBLIC COMMENTS - No public comments offered

IV. PRESENTATION OF AUDIT - Finance Committee Chair Benoit introduced Phil Wolf, Anderson, Tackman & Co. for a presentation of the 2009 EDC Audit.

Mr. Wolf described three types of audits: financial, fraud and performance. Mr. Wolf explained that the EDC's audit is a financial audit, which substantiates assets. Mr. Wolf explained that while the EDC audit is not a fraud audit, the financial audit does assess fraud risk - through a determination as to whether preventive measures and detection controls in place.

Mr. Wolf explained the five sections of the Audit Presentation, and provided a graphical presentation to further describe the financial statements section.

Mr. Wolf referred the Directors to page 20, "Employee Retirement and Benefit Systems Schedule of Funding Progress". Mr. Wolf explained that the Pension portion of the schedule addresses funding needs resulting through the EDC's participation in a defined benefit plan. The EDC's plan is overfunded, as of December 31, 2009, which is a very good thing. The Health Plan portion of the schedule addresses funding needs initiated through GASB 45 requirements. Mr. Wolf explained that contributions for health care, which were once "discretionary" may well become mandatory as a result of the recent Federal Health Care legislation. Mr. Wolf explained that both pension and health care figures are manageable; but Mr. Wolf cautioned that both are subject to recalculations through an actuarial every three years.

Mr. Wolf cautioned the Directors that, particularly since stimulus funds were made available, a volume of new financial regulations have been issued and existing regulations are being amended; and expect that this trend will continue.

The Directors thanked Mr. Wolf for his thorough and very informative presentation.

MOTION by Director Benoit, supported by Director Brawley, that the 2009 EDC Audit be accepted and approved. Motion carried unanimously.

V. COMMITTEE REPORTS -

A. Executive Committee - Chairman Kay reported that the committee had not met during the month of April.

B. Finance Committee - Committee Chair Benoit reported that the committee had met on two occasions during the month:

1) MOTION by Director Benoit, supported by Director Brawley, approving March financial statements, and payable vouchers, #149 - #213, totaling \$121,771.52. Motion carried unanimously.

2) MOTION by Director Benoit, supported by Director Brawley, approving an improvement project for buildings #413 and #435, including the purchase of a gas powered paint sprayer, in an amount not to exceed \$45,000.00, funded through the Building Fund. Motion carried unanimously.

3) MOTION by Director Benoit, supported by Director Quinnell, approving the report of the April 20th meeting of the Finance Committee. Motion carried unanimously.

4) MOTION by Director Benoit, supported by Director Brawley, approving wage increases as follows: an increase of \$0.25 per hour for winter overhires upon their return this winter; a 3% increase for year round staff, and a 4% increase for Kathy Noel - retroactive to January 1st. Motion carried unanimously.

5) MOTION by Director Benoit, supported by Director Timmer, approving the report of the April 27th meeting of the Finance Committee. Motion carried unanimously.

V. COMMITTEE REPORTS (cont'd)

C. Airport Committee - Committee Chair Brawley reported on matters discussed during the monthly meeting of April 21st; the workshop session of April 28th, and the Joint Advisory meeting of April 26th:

1) MOTION by Director Brawley, supported by Director Quinnell, approving a five (5) month, standard car rental lease with J.J.W. Ltd. Thrifty Car Rental, for 185 SF in the terminal building @ \$458.00 per month, and 15 parking spaces in the rental car lot @ \$875.00 per month. Motion carried unanimously.

2) MOTION by Director Brawley, supported by Director Timmer, approving the reports of the Airport Committee. Motion carried unanimously.

D. Joint Advisory Committee - reference Airport Committee report

E. Staff Report - Noel reported on items contained within the monthly report of staff undertakings:

1) MOTION by Director Benoit, supported by Director Timmer, authorizing immediate repairs to the EDC rail spur, by AJ's Railroad Contracting, in an amount not to exceed \$5,600.00. Motion carried unanimously.

2) Noel provided a handout (attached) and briefed on Federal grant opportunities through the Military Airports Program which are currently available to CIU. These projects are in addition to the two AIP programs the airport has pursuing for 2010 second round of funding, and to the five projects currently under grant.. In the event the airport pursues these grants, the airport must begin the process with a pre-application reflecting four projects totaling \$4,317,013.00 (projects currently in process total \$4,088,843.00). Noel stressed that pursuing these grants will mean a commitment as to an additional \$107,925.00 in local matching share - bringing us to a total of \$210,147.00 for the year. Significant discussion ensued. MOTION was made by Director Quinnell, supported by Director Timmer, that the airport approach the County for assistance in funding the local matching share required for Part C projects. Motion carried unanimously.

V. COMMITTEE REPORTS -

E. Staff Report (cont'd)

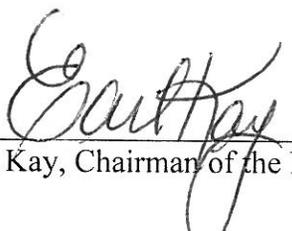
3) MOTION by Director Benoit, supported by Director Brawley, approving Memorandum of Agreement #DRFAGL-10-L1-00051, and authorizing Chairman Kay to execute the same on behalf of the corporation. Motion carried unanimously.

4) MOTION by Director Benoit, supported by Director Timmer, approving the staff report. Motion carried unanimously.

VI. NEW BUSINESS - None

VII. OLD BUSINESS - None

VIII. ADJOURNMENT - MOTION by Director Benoit, supported by Director Timmer that the meeting be adjourned. There being no further business before the group, Chairman Kay declared the meeting adjourned at 5:42 P. M.



Earl Kay, Chairman of the Board



Date Approved



Richard F. Brawley, Corporate Secretary