

Commonwealth Of Massachusetts
County Of Dukes County, S.S.
MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
March 29, 2000 5:30 pm
Martha's Vineyard Airport

Notice of Such Meeting having been Posted as Required by Law.

Present: Airport Commissioners: Chairman Robert Wasserman, Marc Villa, Tim Carroll, Frank Daly, Linda Sibley, Dan Flynn

* Late arrival or early departure (see * in text)

The meeting was called to order.

1. Airport Bond Procedure

Chairman Robert Wasserman opened the meeting which was called to discuss and implement the formal steps necessary for the upcoming Airport bond sale on July 15, 2000. A reserve fund was originally planned for the second supplementary budget, however, Dukes County has requested that this fund be established by May 1st for submittal to the banks.

Tim Carroll explained the issues involved in the bonding process. The airport is authorized to bond for \$1,200,000 over 30 years. He met with Dukes County Manager Carol Borer, County Treasurer Noreen Mavro Flanders and the County Financial Advisor to ask about Standards & Poor ratings, its effect on bond rating and how much was needed for the reserve fund. The financial advisor suggested the Airport put aside money in the amount of one and one half times the annual bond payments. It was also suggested that 30 year bonds were unrealistic and unmarketable, while the Airport Commissioners feel 10 years is too short. It was further reported that the State requires that principal pay down begin after 3 years. The Airport would need to fund two tracks in FY00 and FY01.

1) A stabilization fund must be established, outside of the budget, equaling one and a half times the annual bond payments. This year (FY00) that sum would be \$50,000. The funds must be committed by May 12 (with the funding source clearly shown) and the money must be in the established account by the end of the fiscal year, June 30, 2000. In FY01 an additional \$150,000 must be added bringing the Stabilization Fund total to \$200,000.

2) In FY01 payments to the actual debt service will begin. The first year payment would equal half the debt \$32,880 (if the bonds are for 12 years) and plus a short term payment of \$75,900.

The necessity of funding the Stabilization Account and the debt service will make FY01 a difficult year. There was a brief discussion on possible funding sources for the stabilization account. ***Mr. Dan Flynn moved to commit to putting \$50,000 into a stabilization fund for the terminal debt for his fiscal year, by the end of this fiscal year; Mr. Marc Villa seconded; MOTION PASSED.***

Ms. Linda Sibley proposed an amendment to the motion that the line item currently set aside for wastewater pipe at \$32,337 and the line item currently set aside for construction of a shed at \$25,000 together totaling approximately \$57,337 not be spent until some other source of funds is identified for the above proposed stabilization fund; Mr. Villa seconded; MOTION PASSED.

Ms. Sibley moved to adjourn; Mr. Flynn seconded; MOTION PASSED.