

VIRGINIA HIGHLANDS AIRPORT AUTHORITY

REGULAR MEETING

Members Present: Stephen Lowe
Edward "Earl" Maine
John Matney
John White
Frank Buchanan, III
David G. Anderson
David Matlock

Guest Present: See Attachment

The Virginia Highlands Airport Authority Board of Directors met on Monday, May 14, 2012 at 6:00 P.M. in conference room A of the Terminal Building. Mr. Lowe, Chairman, determined that a quorum of the Board was present and called the meeting to order. Also present were Mickey Hines, Airport Manager, Jim Elliott, Airport Attorney, Ruth Denton Canter, Airport Secretary and Kristy Miller, Airport Assistant Secretary.

Mr. Lowe called for approval of the Minutes of the Regular Meeting of April 09, 2012.

Mr. Matlock moved to accept the Minutes of April 09, 2012. Mr. Anderson seconded the motion. The motion carried unanimously.

Mr. Lowe called for the Financial Report.

Mr. Buchanan gave the Financial Report.

Mr. Lowe asked Mr. Hines to contact Mr. Triplett at the Bristol Motor Speedway about advertising for the race in August.

Mr. Lowe called for the Manager's Report.

Mr. Hines gave Manager's Report.

Mr. White is going to contact Mr. Venable in regards to Hangar issues. A certified letter is to be sent if no response is received by June 01, 2012.

Discussion ensued.

Mr. Matney moved to counter Peoples, Inc offer on the rental rate of Hangar "A" with eight hundred dollars (\$800.00) a month plus utilities or to negotiate the rental rate no lower the seven hundred dollars (\$700.00) a month plus utilities. Mr. Buchanan Seconded the motion. The motion carried unanimously.

Mr. White moved to place signs up at the Wright Equipment Property to deter parking in that area. Mr. Matney seconded the motion. The motion carried unanimously.

Mr. Anderson moved to proceed with the Fencing Project in phases. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe called for the Operations Committee Report.

Mr. Lowe stated that the Operations Committee had met not met.

Mr. Lowe called for the Development Committee Report.

Mr. Buchanan stated that the Development Committee had met not met.

Mr. Lowe asked the Development Committee to meet with three insurance bidders.

Mr. Lowe called for Unfinished Business.

None

Mr. Lowe called for New Business.

Mr. Hines informed the Board about the Virginia Retirement System recent legislation requirements regarding employer and member retirement contributions. Resolution one (1) is the Employer Contribution Rates. Resolution two (2) is the Member Contributions by Salary Reduction – Employee paid five percent (5%) with the requirement that each current member's salary be increased by five percent (5%).

Discussion ensued.

Mr. Buchanan moved to accept both of the Virginia Retirement Systems Resolutions. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. White moved that this Airport Authority does not get involved in reporting an accident that is reportable to the NTSB and do not make any statement to the FAA unless it is solicited during an investigation.

Discussion ensued.

Mr. White amended his motion to say; to develop a written procedure that complies with the NTSB requirements for accident reporting and that no statement is made to the FAA until the after the accident investigation has commenced.

Discussion ensued.

Motion was tabled.

Mr. Lowe stated that he had asked Mr. Wright to poll the Pilots and to come up with some ideas for a Pilot appreciation function.

Mr. Lowe presented the Board with information on purchasing I-Pads.

Mr. White moved to proceed with the I-Pads through a stipend. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe called for Public Comments.

None

Mr. Lowe called for Closed Session.

Mr. Elliott read the motion that the Virginia Highlands Airport Authority conduct a Closed Session pursuant to Code of Virginia Section 2.1-344 for the purpose of Consultation with legal counsel and briefings by staff members, consultants or attorneys, pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of this Authority; requiring the provision of legal advice by such counsel.

Mr. Anderson moved to conduct a Closed Session in accordance with the items that was stated by Mr. Elliott. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Elliott took a roll call vote stating that no matter was discussed in Closed Session other than that are included in the motion to go into Closed Session and no other votes were taken in Closed Session other than to go out of Closed Session.

**Stephen Lowe - I so certify.
Edward "Earl" Maine - I so certify.
John Matney - I so certify.
John White - I so certify.
Frank Buchanan - I so certify.
David Matlock - I so certify.
David G. Anderson - I so certify.**

Mr. Maine moved to grant the Airport Manager the authority in the Mediation session with Mr. Phillips to negotiate a settlement on the behalf of the Airport Authority with the advice of Mr. Buchannan and the cooperation of the Federal Aviation Administration. Mr. Anderson seconded the motion. The motion carried unanimously.

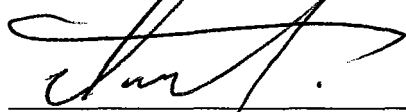
Mr. Elliott stated that ASGI has agreed to Mediate and that he would like the Authority to be able to select the Mediator in coordination with the Lawyer for the other side.

Mr. Lowe moved that the Authority be able to select the Mediator in coordination with the Lawyer for the other side. Mr. Maine seconded the motion.

Mr. Lowe amended his motion to say; to authorize Mr. Elliott to determine the Mediator in coordination with the Lawyer for the other side. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe moved to reimburse Mr. Elliott for his travel expenses from Charlottesville to the meeting and back. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Buchanan moved to adjourn. Mr. Maine seconded the motion and the motion carried unanimously. The meeting adjourned at 8:40 P.M.



David Matlock, Secretary



Stephen Lowe, Chairman

Resolution

BE IT RESOLVED, that the Virginia Highlands Airport Authority 55948 does hereby acknowledge that its contribution rates effective July 1, 2012 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the Virginia Highlands Airport Authority 55948 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2012:

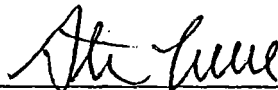
(Check only one box)

☒ The Certified Rate of 6.00%

☐ The Alternate Rate of 6.00%; and

BE IT ALSO RESOLVED, that the Virginia Highlands Airport Authority 55948 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

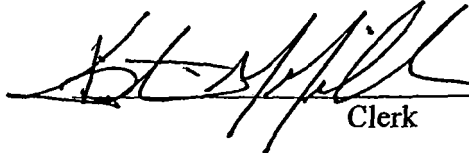
NOW, THEREFORE, the officers of Virginia Highlands Airport Authority 55948 are hereby authorized and directed in the name of the Virginia Highlands Airport Authority to carry out the provisions of this resolution, and said officers of the Virginia Highlands Airport Authority are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Virginia Highlands Airport Authority for this purpose.



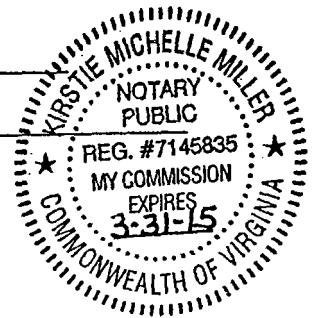
Governing Body/School Division Chairman

CERTIFICATE

I, Kirstie Michelle Miller, Clerk of the Virginia Highlands Airport Authority, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Virginia Highlands Airport Authority held at Abingdon, Virginia at 6 o'clock on May 14th, 2012. Given under my hand and seal of the Virginia Highlands Airport Authority this 14th day of May, 2012.


Clerk

This resolution must be passed prior to July 1, 2012 and received by VRS no later than July 10, 2012.



Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution

WHEREAS, the Virginia Highlands Airport Authority 55948 employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012 ("FY2013 Employees" for purposes of this resolution), shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the Virginia Highlands Airport Authority 55948 employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the Virginia Highlands Airport Authority 55948 may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2012, to each such employee in service on June 30, 2012, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the difference between five percent of the employee's total creditable compensation and the percentage of the member contribution paid by such employee on January 1, 2012.

BE IT THEREFORE RESOLVED, that the Virginia Highlands Airport Authority 55948 does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2012 (i.e., FY2013):

Type of Employee	Employer Paid Member Contribution	Employee Paid Member Contribution
Plan 1	%	5 %
Plan 2	%	5 %
FY2013 Employees	0%	5%

(Note: Each row must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the Virginia Highlands Airport Authority in lieu of member contributions; and


BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the Virginia Highlands Airport Authority under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the Virginia Highlands Airport Authority directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the Virginia Highlands Airport Authority shall be reduced by the amount of member contributions picked up by the Virginia Highlands Airport Authority on behalf of such employee pursuant to the foregoing resolutions.

NOW, THEREFORE, the officers of Virginia Highlands Airport Authority 55948 are hereby authorized and directed in the name of the Virginia Highlands Airport Authority to carry out the provisions of this resolution, and said officers of the Virginia Highlands Airport Authority are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Virginia Highlands Airport Authority for this purpose.



Governing Body Chairman

CERTIFICATE

I, Kirstie Michelle Miller, Clerk of the Virginia Highlands Airport Authority, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Virginia Highlands Airport Authority held at Abingdon, Virginia at 6 o'clock on May 14th, 2012. Given under my hand and seal of the Virginia Highlands Airport Authority this 14th day of May, 2012.


Clerk

This resolution must be passed prior to July 1, 2012 and received by VRS no later than July 10, 2012.

