

**Susquehanna Area Regional Airport Authority**  
**Executive Committee**  
**November 18, 2022**  
**Minutes**

A meeting of the Executive Committee of the Susquehanna Area Regional Airport Authority (SARAA or the Authority) was called to order by Mr. Helsel on Friday, November 18, 2022 at 9:30 a.m. Members of the committee present were:

James Helsel  
William Leonard

Stephen Libhart  
Carolyn Van Newkirk

Also attending were: Timothy Edwards (Executive Director), Marshall Stevens (Deputy Executive Director), Michael Moskal (Deputy Director, Finance & Administration.), Scott Miller (Deputy Director, Marketing, PR and Advertising), Kevin Bryner (Deputy Director, Information Technology), Lou Pirozzi (Deputy Director, Engineering & Planning), Belinda Svrbely (Deputy Director, Operations, Security & Public Safety), Mick Burkett (Deputy Director, Human Resources) and Camille Springer (Executive Assistant).

Guest: Bob Whitmore, Senior Management Consultant, Strategic Planning Partners

**Public Comments:** None.

**Minutes:** The minutes of the October 21, 2022 Executive Committee were deemed approved.

**Financials & Dashboard (October 2022):**

Mr. Moskal reported that comparative statistics will be from the 2022 budget. Total YTD Revenues of \$22 million was above budget by \$1.2 million, or 5.5% above budget. Airline Revenue is under budget by \$118,000 or 1.5% below budget YTD. Parking Revenue is over budget by \$1.2 million, or 23.9% YTD. Rental Car Revenues are \$149,000, or 3.8% over budget YTD. Credit memo's offset revenue by \$136,000 to be drawn against CRRSA. Total cash receipts are over budget by \$285,000 or 7%. Concession revenue is under budget by \$278,000 or 71% YTD. Credit memo's offset revenue by \$448,000 to be drawn against concession relief. Total cash receipts are over budget \$170,000, or 44%. Overall expenses are \$183,000, or 1.2% under budget YTD. Personnel expenses are under budget by \$3,000. Parking expenses are \$334,000, or 24.4% under budget. When combined with revenue variance, total parking operations are \$1.5 million over budget. Utilities net of MS4 accrual @ \$288,000 YTD, are \$222,000 over budget. Net Operating Revenue is \$6.5 million YTD, which is over budget by \$1.3 million or 25.8%. Non-Operating Revenue and expenses total (\$10.1 million) resulting in a net variance to budget of (\$3.6 million). Concession Relief and CRRSA/ARPA grant draws of \$3.31 million are drawn to arrive at a net position balance YTD of (\$327,000) (debt service for October-December paid in October on 2012 bonds). The Debt Coverage Ratio of 1.41 on a 1.25 requirement which includes CRRSA and ARPA non-operating concession relief revenues. On the Sales and Revenue Summary, YTD enplanements are 26% above YTD 2021 enplanements. Food/Gift sales are 48% over YTD 2021 sales. Hotel sales are 44% over YTD 2021 sales. Car

Rental Sales were 23% above YTD 2021 sales. CFC days were 22% above 2021. YTD CPE @\$11.72, ARPA common use offset. On the Accounts Receivable summary, 60+ day outstanding balances applicable to 4 vendors (Frontier, Hertz, Skyport, United Airlines) comprise 84% of total due.

### **2023 Draft Budget:**

Mr. Moskal presented the 2023 SARAA Budget highlights, the 2023 Capital Development Plan for all four airports, the 2023 Revenue and Expense Overview, and the 2023 Rates & Charges. The 2023 budget will be presented to the Board for approval at the December 7<sup>th</sup> Board meeting.

The Budget Highlights include the following:

- All debt service paid; coverage ratios met
- 645,993 enplanements with an 85% load factor
- Airline rates and charges – rate setting methodology per the Airline Operating Agreement
- Parking – MMTF parking rates increase to \$16 on April 1<sup>st</sup>, 2023 (this will be revised to \$17 effective December 1<sup>st</sup>, 2022.)
- O&M expenses increased by \$3,511,593
- Health insurance premiums increased by 20%
- 3 new positions proposed
- CARES, CRRSA, ARPA – apply \$5.1 million, 2024 balance \$7.2 million

2023 Revenue and Expense Overview:

- Total Revenue: \$37,204,825
- Total Expense: \$37,179,866

There were no objections to forwarding this item to the full Board for approval.

### **Checkpoint Weapons Violations Ordinance:**

Mr. Edwards reported that this is for the Board to adopt the Checkpoint Weapons and Firearms Violation Ordinance. To ensure the continued safety and health of passengers, SARAA legal counsel developed the Checkpoint Weapons and Firearms Violation Ordinance. The Ordinance, to take effect on January 1, 2023, allows the Airport Police to cite and fine a passenger who brings a firearm, weapon, or other dangerous weapon through the TSA security checkpoint area. The citation would be a Summary Offense and subject to a \$350 fine. So far this year, TSA has stopped eight passengers with a weapon at the checkpoint. However, the Airport Police do not generally cite the passenger under Pennsylvania law because of the absence of an appropriate charge unless there is a significant disruption. SARAA adoption of the Checkpoint Weapons and Firearms Ordinance was developed with, and supported by, the Airport Police Department to provide the Airport Police with the power to assess a fine against those who bring a prohibited weapon or firearm through the Checkpoint area. No budget funds are required to support adoption of this Ordinance.

There were no objections to forwarding this item to the full Board for approval.

**Strategic Plan/Review Strategic Planning Strategy Map:**

Bob Whitmore, Senior Management Consultant with Strategic Planning Partners gave a presentation on the Strategic Plan and Strategic Planning Strategy Map. His presentation included an overview of the Strategic Planning Process. The Strategy Map includes the following:

- Revised Vision
- Revised Mission
- Updated Values
- Strategic Key Results
- 5 goals
- 15 Strategic Objectives

The Goals and Objectives are as follows:

- Goal 1: Expand Aviation Services and Regional Growth
- Goal 2: Develop SARAA Staff while Preparing Tomorrow's Leaders
- Goal 3: Strengthen SARAA's Financial Stability while Funding the Future
- Goal 4: Invest in Airport Infrastructure with a Focus on Future Needs
- Goal 5: Demand Strategic Focused Leadership

There were no objections to forwarding this item to the full Board for approval.

**Adjournment:** Mr. Helsel adjourned the meeting at 10:25 a.m.

**Next Meeting:** Friday, January 20, 2023, 8:00 a.m., David C. McIntosh Boardroom, HIA

Respectfully submitted:

Timothy J. Edwards  
Executive Director

Prepared by Camille Springer