

Susquehanna Area Regional Airport Authority
Executive Committee
April 21, 2023
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, April 21, 2023 at 9:12 a.m. Members of the committee present were:

Jim Helsel	Carolyn Van Newkirk
Erik Hume	Nelva Wright
Stephen Libhart	

Also attending were: Timothy Edwards (Executive Director), Marshall Stevens (Deputy Executive Director), Christopher Abruzzo (SARAA Board), James Gross (SARAA Board), Michael Moskal (Deputy Director, Finance & Administration,) Scott Miller (Deputy Director, Advertising & PR), Lou Pirozzi (Deputy Director, Engineering & Planning), Jamie Sides (Deputy Director, Maintenance), Kevin Bryner (Deputy Director, IT), Belinda Svirbely (Deputy Director, Operations, Security & Public Safety), Mick Burkett (Deputy Director, Human Resources) and Camille Springer (Executive Assistant).

Guest: Rick Wittgren, Forvis

Public Comments: None.

Minutes: The minutes of the March 24, 2023 Executive Committee were deemed approved.

Financials & Dashboard (March 2023 Financials):

Mr. Moskal reported that comparative statistics will be from the 2023 budget. Total YTD Revenue of \$7 million was below budget by \$24,000, or -.34% below budget. Total Airline Revenue was under budget by \$103,000, or -4.2% YTD. Parking Revenue was over budget by \$218,000 or 10% YTD. Rental Car Revenues were \$95,000, or -8.2% under budget YTD. All variances in the current year are due to sales. Concession revenue is under budget by \$66,000, or -46.6% YTD. Credit memo's offset revenue by \$59,000 to be drawn against ARPA concession relief. Insurance proceeds of \$900,000 (resulting from Building 208) net to total operating revenues of \$7.9 million but are not included in future reported statistics as they would decrease the accuracy of reporting the current operating environment. Total YTD expenses of \$5 million are \$508,000, or -9.2% below budget YTD. Personnel expenses are -\$141,000, or -5.6% below budget YTD. Parking expenses are \$116,000 or -23.9% below budget YTD. When combined with revenue variance, the total parking operations are over budget by \$234,000, or 13.9%. Net Operating Revenue of \$1.9 million was \$484,000, or 32.8% over budget. Non-operating revenues & expenses total -\$48,000 resulting in a net variance to budget of \$1.9 million. Capital spending net of grants is a positive value due to this portion of the financials being cash basis. Grants receivable @12/31/22 were \$4.7 million and as of these financials was \$1.2 million. The Debt Coverage Ratio is 2.15 on a 1.25 requirement. This includes CRRSA and ARPA draws and

non-operating concession relief revenues that will normalize over the balance of the fiscal year. On the Capital Projects report, the design phase projects are completed and will be moved to the shelf in future periods if awaiting funding or to completed design awaiting project closeout if construction is in progress. On the Sales and Revenue Summary, the YTD enplanements were 4.48% above YTD 2022 enplanements. The Food/Gift sales were 18.9% over YTD 2022 sales. The Rental Car Sales are 3% above YTD 2022 sales. March CFC days were 13.27%. On the Accounts Receivable summary, the total 60-plus day receivables are 4% of total outstanding receipts.

2022 Audit Report:

Mr. Wittgren reported that Forvis issued a clean, Unmodified Financial audit opinion for fiscal year 2022. There were no audit adjustments proposed or recorded during the course of the 2022 audit. The Authority implemented GASB 87, Leases, during fiscal year 2022.

2022 Audit Highlights: Four auditor reports were issued and all were unmodified. Total operating revenues increased \$885,000, or 3.6%. The increase is the result of a \$2.1 million increase in parking fees offset by a \$1.8 million decline in facilities revenue, of which \$1.2 million is related to the implementation of GASB 87. Total operating expenses before depreciation increased \$2.9 million or 17.1%. Salaries, wages and related expenses increased \$768,000 and parking facility expenses increased \$566,000. Total unrestricted net position increased \$2.7 million to \$12.7 million. This increase is the result of a \$4.0 million increase in grants receivable.

Trends: Mr. Wittgren reviewed the trends including asset composition, liability composition, operating revenue, operating expenses, and debt service trends.

ACDBE Stakeholder Meeting, 4/25/2023 (Information Only)

Mr. Edwards reported that the ACDBE Consultation Meeting will be held on Tuesday, April 25th at 10:00 a.m. in the McIntosh Boardroom. The purpose of the meeting is to receive input regarding SARAA's three-year ACDBE goal. A representative of Ken Weeden & Associates will lead the discussion. The ACDBE program is a requirement of SARAA's FAA Grant Assurances.

Adjournment: Mr. Helsel adjourned the meeting at 9:46 a.m.

Next Meeting: Friday, May 26, 2023 8:00 a.m., David C. McIntosh Boardroom, HIA

Respectfully submitted:

Timothy J. Edwards
Executive Director

Prepared by Camille Springer