



## **Finance Committee Meeting Minutes Friday, June 25, 2021**

Pursuant to notice duly given and posted, the Finance Committee meeting of the Syracuse Regional Airport Authority was called to order on Friday, June 25, 2021, at 9:34 a.m. in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport and Teams Virtual/Audio Conferencing by committee Chair, Dr. Shiu-Kai Chin.

**Note:** The Authorities Budget Office (ABO) has waived the in-person meeting requirement during this public health emergency. During this public health emergency, in the event board members are unable to meet in person, the Governor’s Executive Order 202.1 permits the board to consider the use of telephone conferencing, “to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.”

The meeting was called to order by Dr. Chin at 9:34 a.m.

### **Roll Call:**

In attendance: Dr. Shiu-Kai Chin, Mr. Mike Lazar, Mr. Michael Frame, Ms. Joanne Gagliano, Mr. Jason Terreri; Mr. John Carni, Ms. Cheryl Herzog, Ms. Robin Watkins, Mr. R. John Clark, Capt. John Lisi Absent: Mr. William Fisher, Mr. Robert Simpson

### **Review and approval of minutes from previous meeting:**

Chair Chin asked if there were comments to the minutes. A motion was made by Mr. Lazar to approve the minutes from the previous meeting on May 21, 2021, and Mr. Frame seconded the motion. Motion carried unanimously.

### **CFO Report**

CFO Watkins explained the landing weights continue to increase. As the airlines increase capacity the numbers will continue to go up. CFO Watkins indicated we are in month four of an upward trend and continue to inch towards meeting the budget. CFO Watkins explained that the passenger traffic drives everything for the airport. It drives the terminal fees, terminal rents,

concessions, car rentals and our parking revenues. Ms. Gagliano asked if the marketing aspect is paying off or is it just the demand. Director Terreri explained that he believes it is both. There is a lag of about three months on the origin destination data, once it is received, we will have some idea if the marketing is making a difference. Without this information, there is no way to know exactly what is driving the passenger traffic. CFO Watkins reviewed the revenue slides that were in the packet. Concession revenues are up and are now open full time. Transportation traffic has exceeded our plan and the SRAA continues to see increases in parking revenue and car rentals. Landing rates are up due to more planes flying. Ms. Gagliano asked where the data comes from for the landing weights and number of passengers. CFO Watkins explained this information comes directly from the airlines. Mr. Lazar asked if these numbers are also reported to the FAA and it was explained that they are so they are audited numbers. Director Terreri also stated that the Operations team checks on the aircraft parked at the terminal overnight. CFO Watkins stated on the expense side, the Authority came in slightly over budget. The expense items were reviewed with no additional questions. CFO Watkins reviewed the Financial Summary and stated the Income (Loss) from Operations is not in a deficit. This was the first time this year the airport has had a net income on a monthly basis. This was driven solely by passenger traffic. CFO Watkins explained the CARES v1 funds and how it has been applied. She reviewed the Cares v2 and Cares v3. She explained the Cares v3 has been approved along with the regulations of what it can be used for. She explained that some of these funds will be set aside for the new Federal Inspection Services (FIS) facility. CFO Watkins reviewed the cash position which improved from the prior month. CFO Watkins reviewed a Bond Refinance slide with the committee and explained in detail the changes which will be taking place. It was discussed that the SRAA will issue Bonds to refinance existing GA Bonds held by the City and payoff the Grant Anticipation Notes from Key Bank. CFO Watkins stated that this will give us a track record, when the SRAA decides to do the garage and the landside, we will need to go to the bond market and one thing they look at is previous debt. The rates are determined according to debt. It was reviewed as to how the SRAA will be moving forward. We have a budget in place that has gone to the municipal advisors and now need to develop a five-year projection, for the bond market/rating agencies as we move forward. The evaluation of underwriters will start next week and an RFP will go out. The Authority will be reviewing rating agencies because we have never had debt previously and have not gone to the market to get rated. The SRAA will also evaluate printers and trustees in the month of August. There will be draft documents for the SRAA Board to review in the September Meeting and Frasca & Associates, LLC will also be in attendance. CFO Watkins indicated that if we notice the interest rates start to go up, we may need to escalate the timeframe set which will require a special meeting of the SRAA Board. A conversation ensued regarding earlier timeframe. CFO Watkins stated that the Board will be kept updated as to what is going on via Dropbox.

CFO Watkins mentioned that the Audit preparation is under way and that the initial meeting was held with Fust Charles and Chambers. The Authority received the Prepared by Client list and are working through it and have sent the majority of requested documents to them. The PFC application it was approved by the FAA and the Jet Bridge RFP is in progress. The final bids have come in and a selection will be made soon. The Jet Bridges take about a year to order and install. CFO Watkins then reviewed the Summary Budget.

## **New Business**

A motion was made to recommend approval of the Operating Budget and the Capital Budget to the SRAA Board. The motion was approved by Mr. Lazar and seconded by Ms. Gagliano. All committee members agreed.

CFO Watkins introduced Stephanie Zumbuhl, newly hired SRAA Airport Grants Administrator. Unfortunately, Stephanie was not able to be present. Ms. Zumbuhl was brought onboard due to reallocation of job responsibilities for work that was previous contracted out and now is done inhouse. Her role is grant administration, and her job description was reviewed by the committee and approved by the Board. This position also researches any new grants available and puts together grant submissions. Ms. Zumbuhl is also being trained by the state to oversee the MWBE, SDVOB and DBE requirements. CFO Watkins reviewed the tracking for the grants. Director Terreri stated that at a future SRAA Board meeting we will go through the new ERP system that the airport has in place to show what capabilities it has and where we are going as an organization.

Mr. Frame asked if there will be Federal funding available for any of the upcoming projects. CFO Watkins stated that we are continually reviewing what is available. Director Terreri stated that some of the projects are on a Federal schedule that cannot be delayed. Most FAA grants are more airfield related and are restricted and cannot be used for revenue producing projects. Mr. Frame asked if the airport has been included in the plans for Syracuse's I-81 project and how this could impact the airport. Director Terreri stated we have been working towards being a partner regarding the regional infrastructure studies.

## **Adjournment:**

Mr. Lazar made a motion to adjourn, and Mr. Frame seconded that motion. Meeting was adjourned at 10:20 a.m.