



**Finance Committee Meeting Minutes
Thursday, September 8, 2022**

Pursuant to notice duly given and posted, the Finance Committee meeting of the Syracuse Regional Airport Authority was called to order on Thursday, September 8, 2022 in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by committee Chair, Dr. Shiu-Kai Chin.

The meeting was called to order by Dr. Chin at 10:03 a.m.

Members Present

Dr. Shiu-Kai Chin
Mr. Michael Lazar
Mr. Michael Frame
Mr. Nick Paro
Ms. Jo Anne Gagliano

Members Absent:

Mr. William Fisher
Mr. Robert Simpson

Also Present:

Mr. Jason Terreri
Ms. Robin Watkins
Mr. John Clark
Ms. Joanne Clancy
Mr. Jason Mehl

Roll Call

As noted above all members were present, except Mr. William Fisher and Mr. Robert Simpson.

Executive Session

Finance Chair Dr. Chin stated that the first item on the agenda was to modify the agenda to include an Executive Session. Mr. Lazar made the motion and Mr. Paro seconded that motion. Executive session began at 10:05 a.m. and ended at 10:28 a.m. No action was taken.

Review and approval of minutes from the previous meeting:

Chair Chin asked if there were comments to the minutes, there were none. A motion was made by Mr. Lazar to approve the minutes from the previous meeting on June 24, 2022, and Mr. Paro seconded the motion. Motion carried unanimously.

CFO Report

CFO Watkins expressed her appreciation for Finance Committee Chair Dr. Chin and the phenomenal job he does. She gave a quick summation of how Fiscal year 2022 ended which included exceeding the expectations for flight revenues, landed weights and other areas being above the 2019 levels. Due to some passenger traffic retraction due to the Omicron variant of Covid, the SRAA did not completely meet the budget, but it was still a great year. Excess revenues were able to be retained in the amount of \$5.9M. Net income loss appears to be large, however it is reflective of the SRAA paying off the bonds with the City of Syracuse and moving that debt to the Authority books after refinancing which will actually result in significant savings in the future.

Cash balances – Enterprise funds are used for daily operations/checking accounts. The reserve fund is an internally reserved account to save money for the large parking garage and landside projects. The banks and market will look to see that the Authority has money saved toward that specific purpose when considering financing options. The CARES funds have specific rules and requirements, and this is one of those projects that it can be saved for to use in the future. A small ancillary account will be rolled over into the operating account. The operating account has grown from \$24M to \$36M over the last year due to the excellent management of our expenses and a change in culture. Restricted cash includes PFC projects that come from the airlines and must be approved for specific uses such as to use towards our new Master Plan. CFC accounts come from car rental agencies and are restricted to be used for something related to car rental projects. Bond escrow and Bond reserves must be held to keep documentation to the bond holders and cannot be utilized. Mr. Lazar asked questions regarding short term investment possibilities. A discussion ensued and CFO Watkins and Executive Director Terreri answered all questions.

A plan is being considered for any remaining CARES funding with ARPA/ARPA concessions based on eligible program restrictions. Landed weights in July were lower than budgeted due to cancellations and down-gauging of aircrafts. Enplanements were slightly ahead of predicted budget. Flight seat capacity is full and the hope is that late in 2022, these issues will be remedied. Airline terminal fees were slightly ahead of plan. Concessions and transportation numbers including rental cars were all up. Operating expenses came in below our budget. There were no major shifts in these reports, simply a few timing variations. Income/Operating loss was up compared to budget. That line in the budget is important and drove our employee bonus program which for the first time ever, each employee received \$100 for a zero-finding security audit and an additional \$100 for meeting the July metrics as a bonus. This will drive employees to understand our financial situation more as a team.

Each year in July, Fitch and Moody's who completed the SRAA bond ratings reviews the years' findings and looks at the airports cash position. After a questionnaire was completed and conference call meetings with follow up questions were completed, they were satisfied with the review and based on that, the airport will continue with the same rating as last year.

Jet bridges and snow equipment plans were discussed. Recent building system failures such as plumbing, roof, electrical and HVAC have taken place throughout the airport recently putting a strain on our resources. The Executive Team met to reprioritize project spending based on these urgent needs. 2022 Capital plan and PFC spending was discussed and explained to the group this is based on entitlements and restricted spending and matching rules. Various debts and detailed spending plans for essential repairs and equipment needs were discussed. The CFO went through this plan which included a look out 5+ years. The Communications Center and the police force still need to be established as well as the demolition of the old hotel. A shipping and receiving facility needs to be created, signage improvements are needed as well as completion of significant plumbing projects in order to meet our operational and capacity needs. The Authority has applied for several grants to assist with these large projects and those were fully discussed.

Chair Gagliano inquired about the de-icing project. Executive Director Terreri explained that there will be a revenue share potential for the airport along with the green-positive of the recycling program itself.

New Business

CFO Watkins stated all business was discussed during this meeting.

Adjournment:

With no further questions, Mr. Frame made a motion to adjourn, and Mr. Paro seconded that motion. The meeting was adjourned at 11:18 a.m.