



**Finance Committee Meeting Minutes
Friday, May 17, 2024**

Pursuant to notice duly given and posted, the Finance Committee meeting of the Syracuse Regional Airport Authority was called to order on Friday, May 17, 2024, 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 9:03 a.m.

Members Present:

Ms. Jo Anne Gagliano
Dr. Shiu-Kai Chin
Mr. Michael Lazar
Mr. Robert Simpson
Mr. Nathaniel Stevens
Mr. Michael Frame - Teams
Ms. Latoya Allen (9:05am)

Members Absent:

None

Also Present:

Mr. Jason Terreri
Ms. Joanne Clancy
Mr. Jason Mehl
Ms. Robin Watkins
Ms. Debi Marshall
Mr. Thomas Fernandez – Teams
Mr. Ulatowski
Mr. Lazar

Roll Call

As noted above all members were present along with several SRAA Board members.

Dr. Chin welcomed the group and briefed everyone on agenda items to be discussed.

Review and approval of minutes from the previous meeting:

Finance Chair, Dr. Chin stated there was a quorum present, therefore, invited a motion to accept the minutes from the February 22, 2024, Finance Committee Meeting. Having no comments or adjustments, Ms. Gagliano made a motion and Mr. Stevens seconded the motion. Motion carried unanimously.

Executive Session:

Dr. Chin invited a motion to go into Executive Session to discuss matters pertaining to the financial and employment history of a particular persons or corporations. A motion was made by Mr. Ulatowski and seconded by Mr. Lazar. The Executive Session began at 9:05 a.m. and ended at 9:20 a.m. No action was taken.

CFO Report:

Committee Chair Chin noted that the presentation was distributed to the committee previously. Director Terreri gave a summary of the Southwest service leaving Syracuse noting that only 12% of the passengers were local for BWI, 88% was connecting service. He reiterated that SYR was on a positive trend and performing as expected for a new market and that loss of airplane availability was the main factor for them pulling out of Syracuse and has a 30% reduction in service overall in the nation. Their market share included Tampa, which is the only market they dominated for SYR. Other carriers go to their markets and are looking at adding new service that will bridge that gap and SYR overall capacity is still increased even with the Southwest loss. Sun Country starts service at SYR on June 6th and Director Terreri stressed that SYR is not reliant on one carrier. Our main line legacy carriers, American Airlines, Delta, etc. are growing and Jet Blue is bringing back seats. Business cases are being brought to the airlines, particularly to connect passengers westward and continue to advocate for additional service overall.

CFO Watkins then conducted a deep dive review for the 2024-2025 Operations and Capital Budget. She noted many changes have occurred affecting the ability to solidify all of the numbers projected for each fiscal year, which start on July 1st each year. Enplanements have exceeded the budget projections and are at their highest level in the history of the airport. The financial model changed from low to medium last year paid off as we exceeded the medium projections. Various data points including Diio, catchment area studies with Campbell Hill who returns low, medium, and high projection activity for the next year. Knowing what is going on in the area, Micron, other manufacturing facility growth, currently we are going with the high projection, which is only 2% growth, so this level will not over-project actuals. Load factor, seat capacity is running in the high 80 percentiles, with some flights being 100% full. These load factors justify to the airlines that more capacity added to the market will be successful. All items regarding the upcoming budget were discussed in detail and all questions were answered. The final budget will be presented to the SRAA Board on June 28th.

Discussions were held regarding master plan, parking garage and landside investment options and the pros and cons of each option to consider along with the appropriate timelines and impacts to passengers and customer experience in the short and long term. Staffing adjustments have been made to appropriately cover Police, the Airport Communications Center and other critical roles at the airport. An expense increase of 5% has been built into the budget due to prices for things like power and materials going up. Some one-time expenses such as the Maintenance building and Snow Removal, SRE expansion for snow equipment and the needed repairs are included in this budget. Grant matching rules and requirements were discussed along with personnel expenses. Cash requirement amounts will fluctuate over the next few years as cash out of pocket goes out, awaiting partial grant reimbursements for large projects. Director Terreri stated that he is working with legislators looking for other ways to fund these critical projects that need to be supported since the financing and bonding needs are greater than the airport can fund on its own. All options are being considered in our evaluations.

Adjournment:

With no further questions, Mr. Stevens made a motion to adjourn, and Mr. Frame seconded that motion. The meeting was adjourned at 11:00 a.m.