



Finance Committee Meeting Minutes Friday, May 21, 2021

Pursuant to notice duly given and posted, the Finance Committee meeting of the Syracuse Regional Airport Authority was called to order on Friday, May 21, 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. William Fisher, Mr. Mike Lazar, Mr. Michael Frame, Ms. Joanne Gagliano, Mr. Robert Simpson, Mr. Jason Terreri; Mr. John Carni, Ms. Joanne Clancy, Ms. Cheryl Herzog, Ms. Robin Watkins, Mr. R. John Clark

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 March 26, 2021, and Mr. Frame seconded the motion. Motion carried unanimously.

CFO Report

CFO Watkins reviewed the Finance Committee Update that was included in the Finance packet. There was discussion regarding the landing weights and how they continue to improve. The passenger traffic is up and continues to climb since travel restrictions lifted. The revenue for April has increased, concession fees are up. Concession hours have been expanded. Parking along with car rental revenues have also increased. There were a few times during the month

that the open lot was at full capacity and closed, passengers were directed to the garage. The year-to-date comparison to the budget continues to get better we were down by just 18.4%. Airline fees improved and the airport continues to decrease the gap between the budget and monthly activity. CFO Watkins explained expenses and stated that we are slightly over the gap for the month. The overall net income is improving and is all due to the additional passenger activity. There were no changes in the CARES Funds. CFO Watkins explained that the only fees SRAA pays to the City of Syracuse are for ARFF and includes one staff member who remains under the City of Syracuse and will be retiring next year along with some workers compensation expenses. A conversation ensued regarding the staff and retirements at ARFF. All questions were addressed.

New Business

CFO Watkins reviewed the 2021/2022 Operational Budget. This is the first presentation of the 2020 fiscal year budget which will be adopted in June. Director Terreri explained that there will be a special board meeting to fully review the long-term Capital Plan for the airport. There is not enough time to cover both the Operations and Capital budget in one meeting.

CFO Watkins started with the metrics. She reviewed the four-year trend of airport metrics. In 2019, the airport had its highest year in history for passenger traffic and it dipped in 2020 when COVID hit. Up until the last quarter of 2020, SYR passenger numbers were higher than in 2019 and if COVID had not hit, 2020 would have been the best year. The airport is using projections based on Campbell Hill data, who takes their activity, their knowledge base, and their communications with traffic through the end of December 2021. The numbers from January through June 2022 are projected at the growth rate of 5% month over month. Director Terreri explained that some airlines provide the airport with their fiscal year forecast. It was explained that the airlines do not share their booking information with the airport.

CFO Watkins explained the enplanement history which showed the month over month trends. This showed the seasonality of enplanements over the years. The enplanements show that we are starting to climb back up after the COVID restrictions were released. The revenue projections were reviewed along with the rates and charges and all questions were answered. The projections are higher due to the enplanements which included the new DFW passengers. It was explained how the airline cost per enplanement is calculated and how it is balanced out with the airlines. Mr. Simpson suggested providing the committee the trend line for the actual cost for enplanement and the SYR cost for enplanement compared to other competitive airports. Director Terreri stated the concession program will be refreshing its focus on more higher end grab and go options. Ms. Watkins spoke about the TSA buildout construction and explained that they will reimbursement the costs back to the airport.

CFO Watkins reviewed the expenses and stated they stay consistent year after year. She explained some upcoming large item expenses which includes repairs to the parking garage, common use platform and a new phone system. Mr. Frame requested a breakdown in detail by percentages for the budget year with examples. It was explained that the airport will be training

our current electricians on the airfield lighting which is now contracted out. The airport has approved positions that will be filled under this upcoming budget. Dr. Chin asked about the future of the parking garage and its status. Director Terreri explained that during COVID the garage was thoroughly inspected. It was explained that within 3-5 years we will have a plan that will be decided on by the SRAA Board and will include a finance plan, and an action plan of how this will get done. It was mentioned that the airport has a new parking operator, and they are cleaning up the parking areas. Mr. Simpson requested that in a deficit/surplus budget if we could add a percentage ratio of available cash reserve. CFO Watkins reviewed the 2021/2022 projects that were not included in the Operating fund and what the Authority is looking at using CARES and CRRSA funds for. These funds are reimbursable, but the process requires that the monies must be spent first and then submitted for reimbursement. Director Terreri explained that during the preparation of the staging area for the construction on Runway 10-28 the airport put drainage in this area so that once the project is completed it can be paved and used for future parking.

CFO Watkins briefly explained the upcoming Capital plan. There will be a 5-year capital plan review at the June Board meeting. Mr. Fisher requested information for a 5-year capital improvement plan to be provided to the SRAA Board prior to June meeting. Director Terreri stated there will be a Special SRAA Board meeting scheduled to review the Capital Budget in detail prior to the Board meeting.

Adjournment:

Mr. Lazar made a motion to adjourn, and Ms. Gagliano seconded that motion. Meeting was adjourned at 10:59 a.m.