

**Susquehanna Area Regional Airport Authority**  
**Meeting Minutes**  
**April 24, 2024**

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Hume at 8:00 a.m., on Wednesday, April 24, 2024. The following Board members were in attendance:

James Anderson	Don Geistwhite	Keith Rodgers
Bennett Chotiner	James Gross	*Carolyn Van Newkirk
Brian Enterline	Erik Hume	Nelva Wright

\*Ms. Van Newkirk arrived after Roll Call was taken.

Also attending were: Timothy Edwards (Executive Director), Ryan Collins (Deputy Executive Director), Michael Winfield (Post & Schell), Angela McGowan (Pillar+Aught)(via tele-conference), Michael Moskal (Deputy Director, Finance & Business Administration), Kevin Bryner (Deputy Director, IT), Scott Miller (Deputy Director, Advertising & PR), Lou Pirozzi (Deputy Director, Engineering & Planning), Mick Burkett (Deputy Director, Human Resources), and Camille Springer (Executive Assistant).

**Public Comments:** None.

**Oath Of Office:** Officer Elliot M. Keller was sworn into office by Vice Chairman Hume.

**Consent Calendar:**

Mr. Hume said this is to approve one Consent Calendar item, a non-controversial item costing less than \$10,000.

1. Minutes of the March 27, 2024 Board Meeting

**Motion:** A motion was made by Mr. Geistwhite that the Board approve the Consent Calendar item. The motion was seconded by Mr. Enterline and unanimously approved. Ms. Van Newkirk was not present when this vote was taken.

**Executive Committee:**

- a) 2023 Audit Report: Mr. Wittgren reported that Forvis plans to issue four auditor's reports as follows:
  - Generally Accepted Auditing Standards: Clean/Unmodified
  - Government Auditing Standards: No compliance matters noted. One material weakness reported.
  - Uniform Guidance: No compliance matters noted; no control matters reported.

- Passenger Facility Charge Audit Guide for Public Agencies: No compliance matters noted; no control matters.

Financial Highlights: Operating Revenues increased \$2.0 million (7.9%). Operating Expenses (excluding depreciation) increased \$2.4 million (12.2%). Operating income before depreciation expense was \$5.6 million for 2023 compared to \$6.0 million for 2022. Nonoperating revenues (expenses) increased \$3.0 million (215.0%). Interest expense decreased \$1.9 million primarily related to the 2022 bond refunding transaction. Insurance proceeds of \$937,000 were received related to a building that flooded. Capital contributions & grants decreased \$1.3 million (5.8%). Federal, state & local grants increased \$4.0 million related to a new Department of Commerce Grant. Contributions from lessees decreased \$5.4 million related to the prior year reversion of Building 501.

Asset Composition:

Total Assets: \$311,723,329

Total Liabilities: \$124,667,904

Total Operating Revenues: \$27,859,120

Operating Expenses (Excluding Depreciations) \$22,243,255

Required Communications Summary:

- One audit adjustment proposed and recorded related to capital assets and accounts payable.
- Significant estimates include: estimated useful lives used to depreciate capital assets; accrued environmental liabilities; fair value estimates used to record contributions from lessees; discount rates used to determine lease receivables & subscription liabilities.
- SARA adopted GASB Statement No. 96, Subscription-Based Information Technology Agreements.

New GASB Statements:

- GASB Statement No. 100, Accounting Changes and Error Corrections (2024 Effective Date)
- GASB Statement No. 101, Compensated Absences (2024 Effect Date)
- GASB Statement No. 102, Certain Risk Disclosures (2025 Effective Date)

Airport Operations:

a) Award Construction Contract to Replace Airfield Lighting, HIA: Mr. Edwards reported that this is to authorize the Executive Director to execute a construction contract with Bruce-Merrilees Electric in the amount of \$579,964 to replace BRITE unit airfield lighting controls at HIA. This project will replace HIA's existing BRITE unit airfield lighting controls with updated AGLAS technology. One Bid was received, and it was deemed to be responsible, responsive and a fair market value. This project was

identified as a priority in SARAA's 2024 budget. It will be funded from SARAA's capital project account.

**Motion:** A motion was made by Mr. Gross that the Board authorize the Executive Director to execute a construction contract with Bruce-Merrilees Electric Company in the amount of \$579,964 to replace BRITE unit airfield lighting controls at HIA. The motion was seconded by Mr. Enterline and unanimously approved.

b) **Dunkin Donuts Lease Assignment:** Mr. Edwards reported that this is to execute a lease assignment to Siyade LLC. Dunkin Donuts has successfully been in operation at HIA since 2014. KPV approached SARAA with a request to assign their Dunkin Donuts concession lease agreement to Siyade LLC. Siyade LLC is owned by Atreia Sindiri who operates the Auntie Anne's franchise at HIA. This assignment will not relieve KPV of any of its obligations under the lease. KPV will be supporting Siyade LLC with their operations and guiding them in the upcoming full store remodel process that will be completed by the end of the year.

**Motion:** A motion was made by Mr. Geistwhite that the Board authorize the Executive Director to execute a lease assignment to Siyade LLC. The motion was seconded by Mr. Rodgers and unanimously approved.

### **Executive Director's Report:**

a) **Financials & Dashboard (through March):** Total Revenues were \$7.0 million vs \$7.3 million budgeted, or 5.3% below budget. Total Operating Expenses were \$5.9 million, vs \$5.7 million budgeted, or 2.1% above budget. Net Operating Revenue is \$1.1 million vs \$1.6 million budgeted, or 31.45% below budget. The Variance to Budget was \$2.7 million. Adding the Extraordinary Cash Inflows resulted in a Net Position of \$3.7 million. The Debt Coverage Ratio is 1.64 on a 1.25 requirement. On the Sales and Revenue Summary, YTD enplanements were up 6.7%. Food/Gift sales are up 8.3%. Hotel Sales are up 2.6%. Rental Car sales are down 2.0%. CFC Days are up 1.3%. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 1.3% of total outstanding receipts.

b) **Project Update:** Mr. Edwards reported on the following:

**HIA:**

**Cargo Apron Expansion:** Demolished existing concrete apron/trench drain; continue to set up batch plant.

**Airport Drive Phase 3B, Third St. Intersection:** Final Inspection will be scheduled after reseeded.

**Water Plant PFOS Remediation Upgrade:** Site restoration and paving to be completed the week of April 29<sup>th</sup>. Schedule final inspections for electrical and mechanical.

**Replace Passenger Boarding Bridges:** The bid opening is 4/25/2024.

**Rehab Water Tower #4:** Started blasting and primer coat application.

Capital City Executive Airport:

Remove Obstructions-Off Airport Tree Removal Phase V: This project will be bid for construction starting 5/12/2024, with a bid opening of 7/1/2024.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase VI/VII: Bids for this project will be opened on 4/26/2024.

Franklin County Regional Airport:

Update Master Plan: The draft ALP is prepared. The contract completion date is 7/12/2024.

Rehabilitate Apron, Phase 1: The project will be bid for construction starting 5/12/2024, with a 7/1/2024 bid opening.

c) Enplanement Report: Mr. Edwards reported that March 2024 MDT Operations were down 6% vs March 2023. 1Q24 operations were down 2% vs 1Q23. Passenger and cargo operations are down 5% YTD. March 2024 CXY Operations were up 6% vs March 2023. 1Q24 CXY Operations are flat vs 1Q23. March 2024 Air Cargo Tonnage decreased 12% vs March 2023. 1Q24 cargo is down 1% vs 1Q23. March 2024 enplanements were 57,364, up 7.7% vs March 2023. 1Q24 enplanements were up 6.7% vs 1Q23 and up 1.5% vs budget. 1Q24 enplanement were up 1.5% vs budget. 1Q24 Load Factor was 88.4%, up 1.1 points vs budget. 2Q24 enplanements are forecast to be up 11% vs budget. CY 2024 currently pacing for 685,000 enplaned, 3% above budget of 668,000.

Jumpstart 2024: Mr. Edwards and Mr. Miller will be attending the 2024 JumpStart conference May 20 to May 22. The upcoming meetings will include American, Delta, United, JetBlue, Southwest, Viva Aerobus, Landline Bus Company.

Upcoming Events:

April 26<sup>th</sup> – Earth Day Event

April 26<sup>th</sup> – Boy Scout Camporee at CXY

May 13<sup>th</sup> – Last Orlando flight on Frontier

June 6<sup>th</sup>: REAL ID press Conference with TSA and PennDOT – May 7<sup>th</sup> 2025

June 14<sup>th</sup> – First Jacksonville flight on Allegiant

June 27<sup>th</sup>: First Dulles flight on United.

d) Strategic Plan: Mr. Edwards and Mr. Collins reviewed the Strategic Plan for 1<sup>st</sup> Quarter 2024. Several items were deferred due to the vacancy of the Deputy Executive Director. These items have been reassigned to Mr. Collins, the new Deputy Executive Director.

The Strategic Goals were 46% on Target consisting of the following:

- 9% Critical
- 22% Off Target (now assigned to Mr. Collins)
- 21% Not Started
- 2% Deferred

A review of the five strategic goals was provided:

Goal 1: Mission Impact and Services 3%

- Goal 2: Employee Engagement – Not Started
- Goal 3: Financial Sustainability 13%
- Goal 4: Capacity Building 34%
- Goal 5: Leadership and Governance 17%

Mr. Collins reassured the Board that he understands what the objectives are. He said that a lot of the items assigned to the Deputy Executive Director role are showing off-target. However, there is a lot of progress that has been made and he will update this progress through the OnStrategy platform to make sure it is reflected appropriately.

**Executive Session:** Mr. Hume did not convene an Executive session.

**Board Member Comments:**

**Dr. Chotiner:** Dr. Chotiner thanked staff for allowing his granddaughter to attend last month's Board meeting.

**Mr. Geistwhite:** Mr. Geistwhite said it was good to be back. He welcomed Mr. Collins to SARAA.

**Mr. Hume:** Mr. Hume thanked SARAA for hosting the Greater Harrisburg Association of Realtors on April 16<sup>th</sup>. He said the meeting and tours were very well received. Concerning the parking situation, he asked if the Board members could receive permanent passes. Staff will follow up.

**Mr. Enterline:** Mr. Enterline complimented staff on their efforts with the Strategic Plan quarterly update. He also asked about using social media for recruitment of personnel. Mr. Burkett responded that staff made a video for the Dispatch position.

**Ms. Van Newkirk:** Ms. Van Newkirk thanked staff for the update on the Strategic Plan. She is also pleased we are using an intern.

**Ms. Wright:** Ms. Wright said the Strategic Plan update was very helpful. She also said that using video for recruitment with current employees speaking about the position would be very beneficial.

**Next Board Meeting:**

**Wednesday, May 29, 2024, 8:00 a.m.  
Harrisburg International Airport**

**Adjournment:**

There being no further business to discuss, Mr. Hume adjourned the meeting at 9:18 a.m.

Respectfully submitted:

James Gross,  
SARAA Secretary

Prepared by Camille Springer