

Centre County Airport Authority Meeting Minutes, May 26th, 2022

Attending: D. Johnson, G. Downsbrough, R. Finley, H. Mose,
L. Lingle, D. Gray, G. Khoury, R. Stewart

Absent: C. Groshel

Additional Attendees: J. Meyer C.M., Executive Director, CCAA; T. Benson, legal Counsel for the Authority; Kelly Camden and Gavin Howe with FNB Wealth Management

The meeting was convened at 7:00PM by D. Johnson.

Public Comments: None

- 1) Presentation by FNB Wealth Management – Kelly Camden and Gavin Howe
The following items were addressed:
 - Signature authorization cards will be updated to current officers
 - Authority investments are governed by PA Act 10
 - Anticipated cash needs are in the \$300,000 range
 - The economic outlook is not as good with a poor start to 2022; rising interest rates; supply chain shortages; disruption in the oil markets; a healthy job market; and not enough workers
 - Wage-price spiral can fuel inflation
 - Feds can slow down inflation with raising interest rates
 - We are officially in a bear market
 - Approximately \$530,000 in Authority bonds coming due this year

- 2) **Approval of the April 28th, 2022 meeting minutes:** [Motion for approval was made by D. Gray. G. Downsbrough seconded the motion. The motion was unanimously approved.](#)

- 3) **Treasurer’s Report/Financial Statements for March:**
G. Downsbrough reviewed the April 2022 financial report starting on pg. 7 of the agenda and noting the following:
 - A. **Schedule of Budget Annual vs. Actual YTD:** The Authority is 1/3 the way through the year and should be seeing income/expenses around the 33% range. The loss of Allegiant will affect our revenue. Check issues related to Urban have been resolved. There is some lag in getting

payment from Republic. Rental car activity is strong. Advertising will be put on hold for now. Some expense items are not straight-lined or fluctuate during the year.

B. Statements of Assets, Liabilities & Equity: Cash/savings assets are \$6.8 M. The largest liability is the Pennsylvania Infrastructure Bank (PIB) loan at \$6.12M related to the access road and storm drainage system upgrades.

C. Statement of Revenues and Expenses: The larger expenses are related to the bathroom remodel and the maintenance facility projects. With both Capital and Operating, the Authority has a Net Ordinary Income of negative \$859,125.26 year-to-date.

D. Statement of Cash Flows YTD: Cash at the end of the period is at \$7,599,043.23.

E. Excel Old Budget Format: These spreadsheets are produced by J. Meyer and show the actual versus budgeted Operating Revenue and Expenses for the month.

F. Acceptance of Financials: A suggestion was made to do an RFP to receive proposals for financial services/investment management. This is for the purpose of comparing costs and not related to the performance of the current service provider. [G. Downs brough made a motion to accept the Report.](#) [H. Mose seconded the motion.](#) [The motion was unanimously approved.](#)

3) Executive Director's Report: J. Meyer provided an overview of the following:

- Examples of bonus offerings were shared in relation to workforce shortages in all industries including the airlines.
- As mentioned, Allegiant is going away.
- Immediate future passenger numbers are down.
- The economy lot revenue/use will be down with the loss of Allegiant as well.
- Charlotte as a hub destination is still on hold.
- Republic Parking – The \$103,000 range for the month is the low end of where we need to be for breaking even. We need to be between \$103 and \$108k for the month to break even. May likely will not be as good as April.
- Trip and Fall – a review of a trip and fall incident was conducted. Discussions took place regarding what, if any, steps could be taken to prevent future accidents. No suit has been filed.

4) Air Operations Report: B. Rodgers provided a written report and was not present at the meeting. The following items were noted:

- An RFQ will be done for the passenger boarding ramps (bridges)
- The Authority will be represented on the RFQ review committee by G. Khoury; H. Mose; R. Finley; and J. Meyer

5) Continuing Business:

A. Budget Fiscal Year, Findings from T. Benson:

T. Benson summarized his legal opinion regarding the Authority's interest in changing from a calendar-year to a fiscal-year to match PSU. Yes, this can be done. Discussions took place on the procedure for making the change.

D. Gray made a motion to conditionally approve changing to a fiscal-year that matches PSU pending the formal approval of a resolution. R. Finley seconded the motion. The motion was unanimously approved.

B. Update on Bathrooms & Maintenance Building:

The bathroom project is complete. There was a settlement to close out the punch list.

The maintenance building is done except for having the electricity connected to it by West Penn Power. Much thanks was given to Sharon Royer, Benner Township Manager, for her efforts in expediting the inspection process so that the building could be occupied. A formal letter is to be sent to Sharon Royer.

C. Sink Holes in Stormwater Basin, Financing the Cost of Repair, needs to be bid:

Information related to costs and options was not been received in time for the meeting. This item will be reviewed at the next meeting.

D. Negotiation on Revising the PFC Split: Discussion took place regarding the PFC split and when the Authority share of the split is received. A letter was sent to B. Rodgers. The Authority will wait for his response.

6) New Business:

a. Ramp Lights Upgrade, Sharing the Cost: J. Meyer asked B. Rodgers/PSU to contribute 50% of the costs for this project. The project was not formally bid

out, but the dollar value was below the formal bidding threshold. There were no further updates at this time.

b. Around the room:

G. Downsborough mentioned that the investment policy was updated last Fall and will be given to FNB Wealth Management.

A request was made to have the Auditors present the audit findings at the next board meeting.

T. Benson will not be present in-person for the July meeting but can attend via Zoom. He will be present at the June meeting.

Adjournment:

G. Downsborough made a motion to adjourn. R. Finley seconded the motion. The motion was unanimously approved. The meeting ended at 9:00 p.m.