

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
THURSDAY, APRIL 20, 2023**

4:30 PM

Consistent with 5 ILCS 120/7(e), the meeting was held in a hybrid fashion, with both physical and virtual attendance. Virtual attendance was via conference call with a call-in number of 309-309-3039 with a conference ID of 7000 and PIN of 3201. The public was also offered the opportunity to submit public comments prior to the meeting, but no later than 2 p.m. on April 20, 2023.

I. Call To Order

Commissioner Sender called the meeting to order at 4:31 p.m. Commissioner Allen was present physically. Commissioners Groves, Moran and Hanson were present telephonically. Commissioners Roth and Swearingen were absent. A quorum was acknowledged.

II. Public Comments

Mr. Mike O’Grady of 412 North McLean Hudson, Illinois. Mr. O’Grady thanked the Board for their efforts in changing the boundaries of the airport. A few years ago, when he was with Economic Development, the Authority went through an issue with the Federal government wanting to shut down the tower at the airport, known as sequestration. It was a critical time for the airport and there were no additional revenues that could be sought at that time and the airport would have eventually lost the tower, which likely would have led to the loss of commercial airline service at CIRA. Mr. O’Grady stated it is critical the Airport Authority have the tools necessary to protect and grow the airport for the entire community. He has heard those opposed are negative about this bill stating they live in rural McLean County and don’t use the airport. In Economic Development, there is a term called the trickledown effect. Businesses in the community that are supported by the airport affect all those in McLean County and people don’t really realize that. There are a lot of businesses in the community that benefit from the airport, Rivian is one of those. They seriously need the services of the airport and the community wouldn’t want to lose that. He applauds the Board for their efforts, and he supports what they are doing.

Mr. Riggs from the Prairie Aviation Museum was present to update the Board on events at the museum. They opened April 1st. They have already had 125 people come through the museum. The Wednesday work groups have started up again. They have had up to 5 school groups who have had or scheduled a tour. Mr. Riggs also reported the Museum has started some conversation about possibly acquiring a new aircraft exhibit for the air park.

Mr. Charlies Bates was present to update the Board on events at EAA and Crosswinds. It was reported that EAA has a number of Young Eagle events scheduled for this year. The first one is on April 29th with over 60 kids registered. They are alternating between Champaign and Bloomington. They will also have one in Mattoon and Danville. EAA will be working with the Museum to jointly coordinate their events in order to attract more participation. They are also looking to bring the Tri-Motor back in

July. Crosswinds is continuing to grow, with over 85 members vs. 28 members in 2019. Flying hours are up with the improvement in the weather.

The Chairman read a written statement provided by Mr. Paul Harmon. *As a past Chairman of the Board of the Central Illinois Regional Airport I am well aware of the airport being an economic engine for all of McLean County. The airport is certainly critical to newer employers such as Rivian and Brandt, as well as several long-term employers such as State Farm and Illinois State University. Bloomington/Normal based businesses generate primary jobs throughout McLean County as well as the multiple effect of supporting jobs like plumbers, builders, retailers and so many others. In fact, the Mayor of Lexington has attributed the growth in his community to all of the expansion taking place in and around Bloomington/Normal. While all of McLean County benefits from the county tax receipts resulting from this growth, only residents of the Twin Cities pay property taxes to one of the major entities helping growth to occur. It is time for all of McLean County to share in supporting the Central Illinois Regional Airport through the expansion of the property tax base of the airport to the entire county. After all, the entire county is the beneficiary of the economic engine that is this airport.*

III. Approval of March Meeting Minutes

Commissioner Allen made a motion to approve the March Board Meeting minutes. The motion was seconded by Commissioner Hanson and upon a roll call vote: Commissioner Roth – absent, Commissioner Swearingen – absent, Commissioner Moran – aye, Commissioner Groves – aye, Commissioner Allen - aye, Commissioner Hanson – aye and Commissioner Sender – aye, the motion carried.

IV. Old Business

- A. Approve New Commercial Aviation Services Agreement with Synergy Flight Center, LLC**
– This item was held over from the March meeting to go over some final details. The agreement being presented is for Synergy Flight Center, but beyond that it is the authority's new agreement for commercial aviation service providers at the airport. It replaces a 1990's vintage agreement which was outdated. The new agreement reflects the current business environment, as well as new State/Federal operating requirements and policy requirements. In this case, the new agreement will be for Synergy Flight Center, as their current FBO agreement has expired. The agreement was put together with airport legal counsel, along with input from the Board's Properties and Facilities Committee. Based upon feedback from Synergy Flight Center, Staff is recommending an amendment to Exhibit A to reflect a two-tiered rate for passenger/air cargo ground handling services to better accommodate turbine and piston engine aircraft.

Commissioner Allen made a motion to approve the New Commercial Aviation Services Agreement with Synergy Flight Center LLC, as presented, with the slight change to a 2-tier rate for passenger and air cargo ground handling services. The motion was seconded by Commissioner Hanson and upon a roll call vote; Commissioner Roth – absent, Commissioner Swearingen – absent, Commissioner Moran – absent, Commissioner Groves – aye, Commissioner Allen - aye, Commissioner Hanson – aye and Commissioner Sender – aye, the motion carried.

V. New Business

- A. **Approval of March Financial Statements** – CFO Paulette Hurd reported the Authority is 11 months through the fiscal year. General Fund revenues and expenses were slightly below budget for the month. In the Capital Fund, the reimbursement for the new snow broom that was submitted to the State in January is still pending. The CFC Fund both revenues and expenses are trending favorable to budget. The PFC Fund revenues were down about 19% compared to the same time period last year.

The one account receivables item has moved through the court process and the time has expired for him to remove his items from the hangar. All items in the hangar now belong to the Authority. Staff will be working through the process of disposing of them.

Commissioner Hanson made a motion to approve the March Financial statements. The motion was seconded by Commissioner Allen and upon a roll call vote; Commissioner Roth – absent, Commissioner Swearingen – absent, Commissioner Moran – absent, Commissioner Groves – aye, Commissioner Allen - aye, Commissioner Hanson – aye and Commissioner Sender – aye, the motion carried.

- B. **Approve Revised Fund Balance Policy** - As previously reported, Airport Staff and the Board's Audit and Finance Committee met on March 6th to review and discuss updates to the Authority's approved Reserve Fund Policy. During the discussion it was decided the core language of the policy remained current with only some non-material adjustments needed. Given the continued strength of Authority finances, Airport Staff provided information to support increasing the reserve level in the General Fund and the creation of a new Capital Fund reserve; both of which coincide with the Authority's current strategic plan.

At the conclusion of the discussion, the Committee voted to recommend the cash reserve for the General Fund be increased from 2 months of operating costs to 6 months of operating costs, net of tax revenue. Additionally, the Committee voted to recommend the creation/funding of a new \$1.0M Capital Fund reserve. The Committee also directed the language in the approved policy be updated to reflect these changes with the actual implementation being incorporated into the FY24 budget process.

Commissioner Groves made a motion to approve the Revised Fund Balance Policy. The motion was seconded by Commissioner Hanson and upon a roll call vote; Commissioner Roth – absent, Commissioner Swearingen – absent, Commissioner Moran – aye, Commissioner Groves – aye, Commissioner Allen - aye, Commissioner Hanson – aye and Commissioner Sender – aye, the motion carried.

VI. Staff Reports

- A. **Executive Director's Report** – Carl reported that the March aviation results were interesting with a number of inconsistencies. While leisure travel, underscored by spring break activities, was very strong, business travel continued to show weakness. Weather cancellations, coupled with more than a 10% reduction in seat capacity resulted in March enplanements being down compared to March 2022. Air cargo was down as well, and fuel sales were flat for the month. Aircraft operations were down.

Earlier in the week, Carl participated in meetings with Allegiant Air during their annual airport conference. In addition to learning about Allegiant's new initiatives, the meeting provided an opportunity to sit down with Allegiant to refine operational plans and receive feedback on CIRA's market performance. From which, Carl reported that Allegiant continues to be pleased with CIRA's results, both operationally and financially. Allegiant also recognized CIRA's successful marketing efforts and the role that has played in our shared success.

Beginning May 1, 2023, Mr. Derek Snyder will join the Authority as the new Deputy Executive Director. Derek is a graduate of Southern Illinois University and was an airport operations staff member here at CIRA for a number of years. He will be coming back to the Authority after serving as a Senior Airport Planner for Crawford, Murphy & Tilly in their Aurora office.

Staff was advised earlier in the week by Congressman Erik Sorenson's office in Washington DC the Airport Authority's proposed air cargo road was approved by his office and selected as one of his approved projects for Federal funding for fiscal year 2024, which is the current budget cycle they are working on now. It is not a commitment of funding, but it is a step in the right direction. This is a direct result of the EDC's One Voice trip. The funding would be \$4.5 million, as a part of a \$5.8 million dollar project.

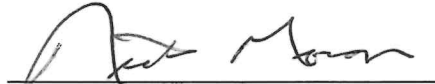
The new carpet for the ticket and baggage wings should be here in late April, early May. A terrazzo floor specialist from Chicago was here 2 weeks ago to assess the floor. He identified the weaknesses in the floor and noted that it cannot be repaired.


VII. Commissioner Comments

Commissioner Groves thanked Carl and Commissioner Sender for their efforts in securing the future of the airport and congratulations to Staff on the new phone system. Commissioner Hanson echoed Commissioner Groves comments on the new phone system. Commissioner Moran noted that he has received positive feedback on the Tailwind 2 Go program. Commissioner Allen noted that the new Fund Balance Policy comes at a very relevant time. He noted, "revenues can be affected by economic factors, global political factors, federal and/or state funding levels and public health concerns. Expenditures can be affected by disasters, emergency capital needs and added regulatory requirements." These are all things the Authority has little or no control over and very little ability to even anticipate, and yet the Authority has experienced almost each and every one of those. It is the genesis for Staff and Administration that has done such a great and diligent job working on the finances of the Authority that has not changed its tax rate since 1964. He noted a strategic plan is being put into place that will help secure the future of the airport. He hopes that it's understood to be that. The Board realizes that unfortunately that this could increase taxes slightly for some, while reducing taxes slightly for some. This is all part of good stewardship of the public financial trust of the public body. Commissioner Sender shared his written testimony that was provided to the IL House's State Government Administration Committee. One of the items in the testimony points out that at one point, the Airport funded about 80% of its operating expenses through taxes. That has now been reduced down to 28%. He also noted that further thought should be given to the Authority having a lobbyist. He reminded the Board that the Governor's Emergency order is going to expire as of May 11th. The opportunity to join the board meeting remotely will then be predicated on the State requirements under the Open Meetings Act.

VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the April 20, 2023 meeting of the Bloomington-Normal Airport Authority adjourned at 5:14 p.m.


Secretary


Date