

METROPOLITAN AIRPORT AUTHORITY OF ROCK ISLAND COUNTY, ILLINOIS
MINUTES
BOARD OF COMMISSIONERS
November 17, 2022

APPROVED BY
Board of Commissioners
Date 12-20-2022

The Board of Commissioners of the Metropolitan Airport Authority of Rock Island County, Illinois, held its regular monthly meeting on November 17, 2022, pursuant to bylaws and meeting notice previously posted.

Commissioners:

PRESENT: Chairman Kurt Donnelly, John Malvik,
Richard Stone, Jennifer Radloff,
John McGregor, Debbie Healy,
Jodi Fisk

ABSENT: Shaun Taylor.

Others Present in Terminal Conference Room:

Benjamin Leischner, Executive Director
Joe Goetz, Operations Manager
Angela Burch, Director of Finance
Jo Johnson-Meineke, Dir of HR & Risk Mgmt.
Ashleigh Davis, PR and Marketing Manager
Betsy Kaiser, Accounting Manager
Brooke Rutledge, Executive Assistant
Kenneth Florey, Robbins Schwartz
Marlin Jackson, Airport Facilities Manager
Kevin Larson, Building Services Supervisor
Brent Antolik, Building Maintenance Electrician
Stephen Kuechel, Operations Intern
Jeff Hardacre, Deputy Federal Security Director

Chairman Donnelly called the meeting to order at 8:01 a.m.

1. Motion by Commissioner Malvik, Second by Commissioner Radloff, for the Minutes of the Monthly Board Meeting and Executive Session held on October 18, 2022 and the Executive Session held on September 20, 2022 to be approved. Motion carried by unanimous verbal vote.
2. Benjamin Leischner presented to the Board an invitation received from Tri-City Building & Construction Trades Council for their Holiday Party Luncheon on December 9, 2022. Mr. Leischner noted the MAA works very closely with Tri City and they have been a great partner.
3. Benjamin Leischner presented the Director's Update. Mr. Leischner began with an overview of the recent strategic planning meeting where the Board met with the executive leadership team to discuss key objectives of the MAA that will guide future initiatives of the organization for the next 2-5 years. He noted the main items of discussion were the mission, vision, values, strategic objectives and priorities of the MAA. Additionally, he explained that the last time any revisions were completed to strategic objectives was in 2014, but the organization has gone through tremendous transformations over the past 8 years including significant change in leadership at the executive and department levels, experiencing a global pandemic, rebranding the organization, and launching a terminal renovation project, Project GATEWAY. Mr. Leischner acknowledged how proud he is of all the work that was done, but more importantly, how incredible the MAA workforce is. He concluded his update by sharing a photo slideshow presented before the Rock Island County Board in recognition of National Aviation History Month. A copy of the written version of the Director's Update was placed on file.
4. Report of Officers and Standing Committees:

- a. Angela Burch, Director of Finance, reviewed the Treasurer's Report for October 2022. The report depicts an overall healthy cash position at approximately \$31.4 million, a roughly \$844,000 decrease over the month of September. She attributed the decrease to a \$1.4 million semiannual debt service payment including principal and interest on the 2020 bonds that continue until 2031. Ms. Burch further explained the MAA still has approximately \$6 million in outstanding grant reimbursements due from the State primarily related to the Shorten Runway 5/23, Realign Taxiway Alpha project. In addition, a \$4.0 million transfer from one bank account into the IPRIME money market account was made to take advantage of higher interest rates. Motion by Commissioner Stone, Second by Commissioner Fisk, for the Treasurer's Report to be approved. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.
 - b. and c. The October 2022 Metropolitan Airport Authority Financial Statements and LLC Financial and Activity Statements were placed on file. The report for the MAA presented a positive net income of \$3.1 million year-to-date. Ms. Burch stated operating revenues were up 2.4%, operating expenses were up 2.87%, and non-operating revenue and expenses were down 25% year-to-date compared to the same timeframe the year prior. She further explained that as mentioned a few months ago, a large change was reflected on the MAA balance sheet during the month of October to comply with a complex new accounting standard regarding leases. As part of the standard, the MAA categorized leases as either regulated or non-regulated and discounted and capitalized future lease payments on non-regulated leases as an asset with an offsetting liability or deferred inflow of resources on the MAA's balance sheet of approximately \$10 million. The standard was applied retroactively two years since the MAA issues a comparative financial report.

Ms. Burch's report included the observation of the LLC having a \$76,000 loss year-to-date, compared to a \$47,000 loss for the same timeframe the year prior. Ms. Burch attributed less cargo, charter, and fueling activity as factors for the big change year-to-date. Additionally, she noted the LLC is still seeing effects from wage compression.
 - d. The Airport Activity Summary for October 2022 was placed on file. Mr. Leischner reported activity was down 6% compared to the same timeframe the year prior. He noted a cumulative airline load factor of 90% for Delta, American and United and 84% for Allegiant during the month of October. The report was placed on file.
 - e. Joe Goetz, Airport Operations Manager, reviewed the Airport projects and construction report. Highlights of Mr. Goetz's review are noted in these Minutes. CMT has completed 85% design work and Valley Construction has completed 80% for the Shorten Runway 5/23 project. The report was placed on file.
 - f. The report of bills paid in October was presented. With no further discussion, Motion by Commissioner Fisk, Second by Commissioner McGregor, for the board bills to be approved. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried. The report was placed on file.
5. Chairman Donnelly noted the memo regarding approving the Annual Treasurer's Report for publication. Angela Burch, Director of Finance, noted a high level summary was included for review of 2022 receipts and disbursements the MAA is required to publish by state statute. Ms. Burch stated a more detailed package of FY22 financial information will be provided at the December Board meeting. With no questions or further discussion, Motion by Commissioner Radloff*, Second by Commissioner Fisk to approve. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.
 6. Chairman Donnelly noted the memo regarding adopting an Ordinance to abate the extension of 2022 taxes for the purpose of Bond Payment and Interest: Bond Issue dated September 17, 2020. Angela Burch, Director of Finance, noted historically the MAA has not levied property taxes to pay debt service on bonds. She stated this Ordinance only includes the 2020 general obligation alternate revenue bonds. Because the 2020 bonds are backed by both property taxes and alternate revenue sources, the Ordinance abating the taxes must be

filed with the county or the county will automatically levy the property taxes for debt service based on the original bond documents on file. With no questions or further discussion, Motion by Commissioner Malvik*, Second by Commissioner Healy to approve. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.

7. Chairman Donnelly noted the memo regarding the approval of a lease amendment with Schroeder Farms for the farming of undeveloped airport land. Benjamin Leischner, Executive Director, noted the amendment includes a 3 year extension and 10% CPI increase. He stated Schroeder Farms has been a great partner who always complies with USDA guidance and the Airport's Wildlife Hazard Management Plan as well as airport security procedures. With no further discussion, Motion by Commissioner Stone*, Second by Commissioner Radloff to approve. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.
8. At 8:49 a.m., Chairman Donnelly invited board members to adjourn into Executive Session for the purpose of discussing personnel, collective bargaining, property acquisition, lease pricing, security, and pending or imminent litigation under the legal finding/factual basis supporting the application of exceptions to the Open Meetings Act; 5 ILCS 120/2(c) (1,2,5,6,8, and 11). Motion by Commissioner Malvik, Second by Commissioner Healy, to conduct the meeting in Executive Session. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.

Attending the Closed Session were the Board Commissioners, Benjamin Leischner, Joe Goetz, Angela Burch, Jo Johnson-Meineke, Ashleigh Davis, Brooke Rutledge, and Kenneth Florey, Robbins Schwartz.

At 9:22 a.m., Motion by Commissioner Fisk, Second by Commissioner Radloff, to return to open session. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.

9. Motion Commissioner Malvik*, Second by Commissioner Fisk, for approval of an Employment Agreement for the Executive Director. Roll Call: Ayes – Commissioners Stone, Malvik, McGregor, Radloff, Donnelly, Healy, Fisk. Nays – None. Absent – Taylor. Motion carried.

Being no further business, Motion by Commissioner Fisk, Second by Commissioner Radloff, to adjourn the meeting at 9:23 a.m. Motion carried unanimously and the meeting was concluded.

Very truly yours,



Benjamin Leischner
For: Debbie Healy, Secretary

**Motion to adopt the Airport staff recommendation as findings, with such recommendation being approved. As part of the Motion, the Airport Executive Director is authorized to execute all documents related to the approved transaction subject to compliance with all applicable regulatory authority and approval of Airport legal counsel.*