
**TUCSON AIRPORT AUTHORITY | Board of Directors Regular Meeting
Wednesday, September 6, 2023 | 3:00 p.m. | TAA Board Room and Microsoft Teams**

THIS MEETING OF THE TUCSON AIRPORT AUTHORITY (TAA) BOARD OF DIRECTORS WAS HELD IN A HYBRID MANNER, WITH BOARD MEMBERS PRESENT IN THE TAA BOARD ROOM OR VIRTUALLY VIA MICROSOFT TEAMS. MEMBERS OF THE PUBLIC WERE ABLE TO ATTEND IN PERSON. MEMBERS OF THE PUBLIC WHO COMPLETED A REGISTRATION FORM RECEIVED A LINK TO VIEW THE MEETING VIA MICROSOFT TEAMS OR TO LISTEN TELEPHONICALLY.

THE TAA BOARD ROOM IS LOCATED ON THE DEPARTURE LEVEL OF THE TUCSON INTERNATIONAL AIRPORT TERMINAL BETWEEN THE SOUTHWEST AIRLINES AND DELTA AIRLINES TICKET OFFICES, AND BEHIND THE ARROYO TRADING POST. THE ADDRESS IS 7250 SOUTH TUCSON BOULEVARD, TUCSON, ARIZONA, 85756.

1. CALL TO ORDER | ROLL CALL

Chair Silvyn called the meeting to order at 3:01 p.m.

Directors Present: Chair Keri Silvyn, Vice Chair Mike Hammond, Secretary Phil Swaim, Treasurer Vance Falbaum, Director/Immediate Past Chair Bruce Dusenberry, Director Sally Fernandez, Director Calline Sanchez, Director Fran Katz, and Director Rhonda Piña

Directors Absent: Director Judy Rich and Director Todd Jackson

Others Present: TAA Member Lydia Aranda, TAA Member Nancy McClure, Attorney James Murphy, and Attorney Michael Foy

Staff Present: President/CEO Danette Bewley, Executive Vice President/Chief Operating Officer Bruce Goetz, Vice President/General Counsel Chris Schmaltz, Vice President/Chief Revenue Officer John Voorhees, Vice President/Chief People Officer Twyla Salaiz, Vice President of Planning and Engineering Ken Nichols, Vice President/Chief Financial Officer Kim Allison, Deputy General Counsel Kim Outlaw Ryan, Chief Information Officer Anthony Casella, Chief Communications Officer Austin Wright, and TAA Clerk Byron Jones

2. CONSENT AGENDA

- a. Approval of Minutes
- b. FY 2024 PSPRS Pension Funding Policy
- c. FAA Part 26 DBE Policy Statement and Participation Goals for FY 2024-2026
- d. FAA Part 21 Nondiscrimination Program and Policy Statement

Motion by Treasurer Falbaum, seconded by Director Katz, to approve the Consent Agenda. The motion carried by the following vote:

Ayes (9) Silvyn, Hammond, Swaim, Falbaum, Dusenberry, Fernandez, Sanchez, Katz, and Piña

Nays (0)

3. BOARD CHAIR REPORT

TAA and Staff Recognition | New or Promoted Employees, Awards, and Acknowledgments

Chair Keri Silvyn reported the following:

- Phillip Karhoff recently joined TAA as the new Director of Infrastructure and Special Systems.
- Vice President/General Counsel Chris Schmaltz earned the Accredited Airport Executive certification.
- TAA was nominated and received the Official Gold Seal of Good Health Keeping Renewal Award.
- The TAA Fire Department honored Director Bruce Dusenberry with a water salute in recognition of his last flight as a pilot.

4. PRESIDENT/CEO REPORT

State of the Industry | Update

President/CEO Danette Bewley reported the following:

- The FAA Reauthorization Bill, a five-year bill, has passed the United States Senate and the United States House of Representatives; however, the reconciliation process has not yielded a final bill.
- TUS is approaching a full recovery from the COVID-19 pandemic. 3.7M passengers will travel through TUS in 2023 compared to 3.8M in 2019. TUS is also expected to reach 60 peak flights per day.
- The Monument Sign Project has been restarted after a two-year pause due to increased construction costs. Completion is expected by the end of 2023.

5. PRESENTATION/DISCUSSION

Member Advocacy Plan | Update

Chief Communications Officer Austin Wright gave an overview of the new Member Advocacy Plan. The goal is for TAA Members to become vocal Champions in their personal and professional circles, highlighting the critical role TAA plays in the region's economy. The key messages include:

1. Addressing market leakage to Sky Harbor (PHX) and Phoenix-Mesa Gateway (AZA).
2. Educating the public on TUS and RYN as economic engines for Southern Arizona.

3. Advocating the use of new nonstop routes. Consistent demand makes it more likely that airlines will maintain new routes.

To ensure that everyone has the most current talking points, regular updates will be included in the monthly Member advisories. Members will also receive a link to the presentation as well as a link to the formal advocacy plan. Finally, Members will receive a wall-sized card with talking points that they can keep within easy reach.

6. ACTION ITEMS

a. **New Air Service Incentive Program for FY 2024 and FY 2025**

Chief Communications Officer Austin Wright stated that the new Air Service Incentive Program would improve TUS's competitiveness versus other airports and would simplify TAA's overall approach to air service development. A detailed memo was included in the agenda packet. There was no discussion by the Board.

Motion by Vice Chair Hammond, seconded by Director Sanchez, to adopt Resolution No. 2023-16 authorizing the President/CEO (or her designee[s]) to execute airline incentive agreements in accordance with the provisions of the new Air Service Incentive Program, effective October 1, 2023 and expiring September 30, 2025. The motion carried by the following vote:

Ayes (9) Silvyn, Hammond, Swaim, Falbaum, Dusenberry, Fernandez, Sanchez, Katz, and Piña

Nays (0)

b. **TAA Compensation Plan**

Vice President/General Counsel Chris Schmaltz explained that the Compensation Plan had been brought to the Board instead of the Executive Council due to changes to the Bylaws and Resolution on Delegated Authority. Because of these changes, the Council's primary function now is to review the President/CEO's compensation and benefits. Going forward, updates to the Compensation Plan will be brought to the Board in conjunction with the annual operating budget.

Vice President/Chief People Officer Twyla Salaiz presented:

- TAA's last compensation study was completed in 2020. People Operations continuously monitors market trends and believes that the bottom part of the salary bands is competitive. There will be some impacts when Arizona's minimum wage increase goes into effect, but the changes will be minimal.
- The current proposal is to keep the bands in place but raise the top of the bands by five percent. This would shift the midrange up slightly and also

give People Operations the flexibility to negotiate a higher salary in exceptional circumstances.

- TAA will commission another study in 2024 to ensure that the full salary bands remain competitive.

There was no discussion by the Board.

Motion by Secretary Swaim, seconded by Director Fernandez, to adopt Resolution No. 2023-17 approving the Tucson Airport Authority Compensation Plan dated October 1, 2023. The motion carried by the following vote:

Ayes (9) Silvyn, Hammond, Swaim, Falbaum, Dusenberry, Fernandez, Sanchez, Katz, and Piña

Nays (0)

c. FY 2024 Budget and Capital Improvement Program

Vice President/Chief Financial Officer Kim Allison presented:

FY 2024 Budget Assumptions:

- Based on projections provided by the airlines, TAA is forecasting a 6.8% increase in passenger volumes over FY 2023.
- Landed weight is forecasted to increase by 10.7% over FY 2023.
- Increases in operating revenue are due to TAA bringing its rates and charges back to pre-pandemic levels and adjusting for inflation.
- Increases in operating expenses are attributable to several factors, including being able to more accurately project vacancies in personnel, cost-of-living adjustments, merit increases, inflation, and adding additional safety and security positions to comply with Transportation Security Administration mandates.
- To balance the budget, the FY 2024 landing fee will increase from \$1.15 to \$1.50. The airlines are in full support of the increase.

FY 2024 Capital Improvements:

- TAA expects to spend \$34.8M on capital projects, with the Airfield Safety Enhancement (ASE) Program being the highest beneficiary.
 - \$21.7M from the Airline Reserve Fund.
 - \$18.4M from federal relief funds (CARES, CRRSAA, and ARPA).
 - \$3.1M of ASE funds which were previously approved but have not been spent.

- Because of efforts in recent years to control costs, there will be no new debt service in FY 2024.

☐ Environmental Remediation Program:

- As of September 2022, TAA’s estimated liability for the Soils Remediation Project (SRP) and the Tucson Airport Remediation Project (TARP) was \$21.6M.
- The balance in the Insurance Reserve Fund—the fund used to pay for environmental remediation—is \$31M.

There was no discussion by the Board.

Motion by Director Piña, seconded by Director Katz, to adopt Resolution No. 2023-18 approving the Tucson Airport Authority budget and capital improvement program for the fiscal year beginning October 1, 2023 and ending September 30, 2024. The motion carried by the following vote:

Ayes (9) Silvyn, Hammond, Swaim, Falbaum, Dusenberry, Fernandez, Sanchez, Katz, and Piña

Nays (0)

7. DIVISION UPDATES

a. Finance and Regulatory Administration

Vice President/Chief Financial Officer Kim Allison referred the directors to the financial report for June 2023, which was included in the agenda packet. She also addressed a question from Director Rich from the previous meeting regarding the significant increase in expenses between 2019 and 2023.

- ☐ The bulk of the increase (\$3.4M) was due to personnel expenses related to cost-of-living adjustments, merit increases, and adding additional employees.
- ☐ \$1.9M was for contracted services, \$900K for materials, and \$400K for insurance. Costs had increased due to inflation.

b. Planning and Engineering

A division report was included in the agenda packet.

c. Marketing and Strategic Communications

Chief Communications Officer Austin Wright reported the following:

- ☐ The division is shifting its external marketing efforts to emphasize stress-free travel. The campaign will make use of bus wraps, train

advertisements, and media formats such as radio, social media, and television.

- ❑ TAA has entered into marketing agreement with Arizona Onstage Productions (“Broadway in Tucson”) to continue advertising in their show programs.

d. Air Service Development

Chief Communications Officer Austin Wright reported the following:

- ❑ Alaska Airlines will offer daily service to Orange County (SNA) beginning in December. They will also resume nonstop service to Portland (PDX) and Paine Field (PAE) beginning in October.
- ❑ Representatives from Southwest Airlines will visit TUS on September 20. Southwest will offer daily nonstop service to Dallas-Love Field (DAL) on peak travel days through the holiday season; they are also resuming service to Chicago Midway (MDW).
- ❑ A staff memo containing additional information was included in the agenda packet.

8. EXECUTIVE SESSION

- a. **FAA Financial Compliance Review** (*Pursuant to A.R.S. § 38-431(A)(3) and (4)*).
- b. **Environmental Matters with EPA and ADEQ - Tucson Airport Remediation Project, Soils Remediation Project, PFAS Issues** (*Pursuant to A.R.S. § 38-431(A)(3) and (4)*).

Motion by Treasurer Falbaum, seconded by Vice Chair Hammond, to recess the public meeting and convene in executive session. The motion carried by the following vote:

Ayes (9) Silvyn, Hammond, Swaim, Falbaum, Dusenberry, Fernandez, Sanchez, Katz, and Piña

Nays (0)

Chair Silvyn recessed the public meeting and the Board convened in executive session at 3:55 p.m. Directors who were on site moved to the Executive Conference Room, and directors who were online were moved into a Microsoft Teams breakout room connected to the Executive Conference Room.

Mr. Murphy and Mr. Foy joined the executive session via Microsoft Teams at 4:18 p.m.

9. RETURN FROM EXECUTIVE SESSION

The executive session adjourned at 4:50 p.m. Chair Silvyn reconvened the public meeting at 4:51 p.m.

10. NEXT MEETING

Wednesday, November 1, 2023, 3:00 p.m. | Hybrid Meeting – TAA Board Room and Microsoft Teams

11. ADJOURN

There being no further business to discuss, Chair Silvyn adjourned the meeting at 4:51 p.m.

APPROVED BY:

Phillip Swaim
[Phillip Swaim \(Nov 2, 2023 17:52 PDT\)](#)
Phil Swaim, Secretary

Date: November 2, 2023

Prepared by:

Byron M. Jones
[Byron M. Jones \(Nov 2, 2023 17:50 PDT\)](#)
Byron M. Jones, CMC, TAA Clerk

Date: November 2, 2023

CELEBRATING
75
YEARS
TUCSON AIRPORT
AUTHORITY

TUCSON
AIRPORT AUTHORITY
TUCSON INTERNATIONAL AIRPORT • RYAN AIRFIELD

MEMBER ADVOCACY PLAN

CREATING EXTERNAL CHAMPIONS

September 6, 2023



ADVOCACY GOAL



Members serve as vocal Champions, both within the community at large and their personal circles, for the critical role TAA plays in the economic vitality of the region.



KEY MESSAGING



THE MESSAGES

1 | Tucson Market Leakage to Phoenix and Mesa is a Concern

- 32.7% of air journeys taken by the Tucson area now use Phoenix as their airport.
- We must change that dynamic in order to consistently grow our air service offerings at Tucson.

2 | TUS/RYN are an Economic Engine for Southern Arizona

- Each year TUS/RYN are responsible for an economic impact of \$8.3 BILLION dollars.
(TUS: \$8.296B / RYN: \$35M)

3 | Nonstop for Tucson: Help Advocate for Use of New Nonstop Routes

- When TUS secures a new flight, it is far from a guarantee to stay long term.
Advocate for the community to fly our newest routes to show demand to the airline to maintain these new routes.

PREPARE FOR TAKEOFF



HOW WE SHARE THIS INFO

Tactics:

- Advocacy Plan
- Regular updates in the monthly Member Advisory with advocacy talking points.
 - ADOT will update the TUS and RYN economic impact statistics soon, which we will communicate when available.
 - As new routes are announced, we will share them in the Member Advisory to ensure you have the latest information to communicate.
- A link to this presentation, with voiceover will be shared with all Members in the next Member Advisory including the formal written Advocacy Plan.
- Each member will receive a card for their wallet to ensure the talking points are always within reach.

THANK YOU.

Q&A SESSION

Austin Wright
Chief Communications Officer



Attrition and Retention

Employee Attrition – July YTD

Employee Turnover

How's this calculated?



More ▾

Jun 2022



Jun 2023

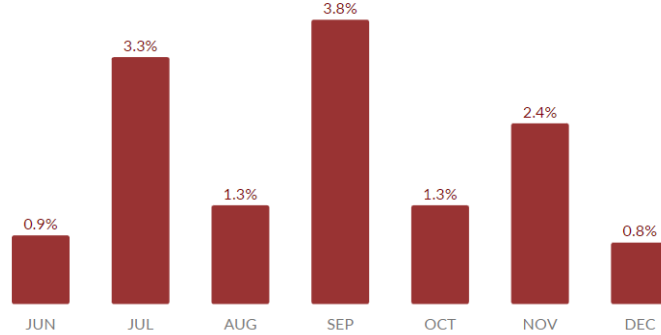


All Employees

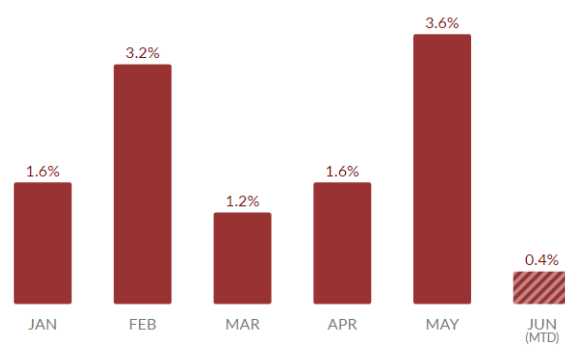


Reset

2022



2023



Jun 2022 - Jun 2023

25.6% 62 people
Total Turnover

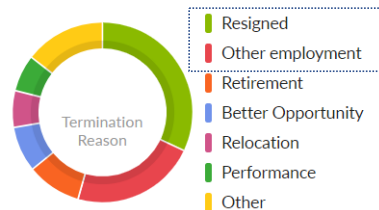
2% 4.8 people
Average Monthly Turnover



Termination Reason



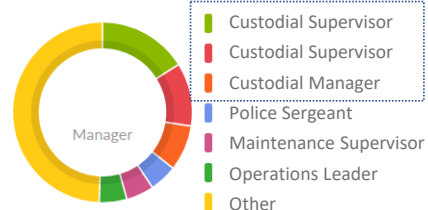
View Details



Manager



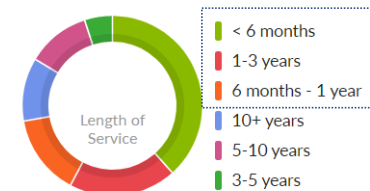
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Length of Service



View Details



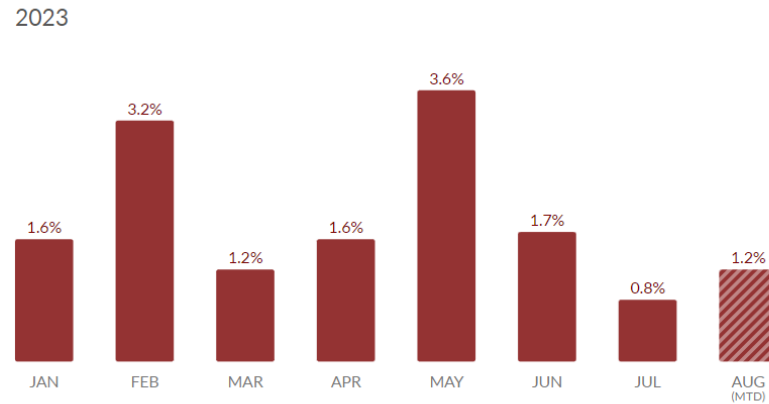
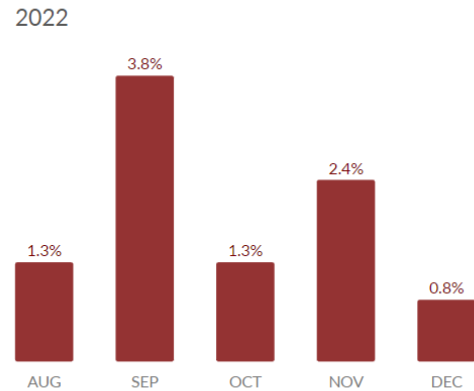
Employee Attrition – August YTD

Employee Turnover

How's this calculated?



Aug 2022 – Aug 2023 All Employees



Aug 2022 - Aug 2023

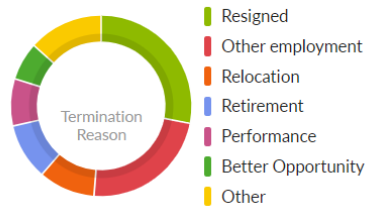
24.6% 60 people
Total Turnover

1.9% 4.6 people
Average Monthly Turnover

| Year | Turnover (%) |
|----------------|--------------|
| 2021 (Mar-Dec) | ~2.5% |
| 2022 | ~2.0% |
| 2023 (YTD) | ~1.9% |

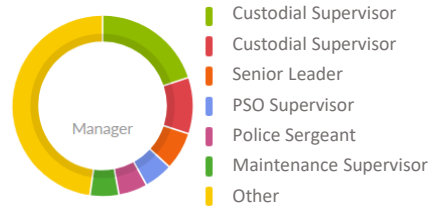
Termination Reason

View Details



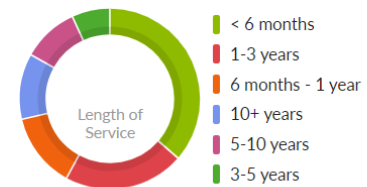
Manager

View Details



Length of Service

View Details





Financial Update

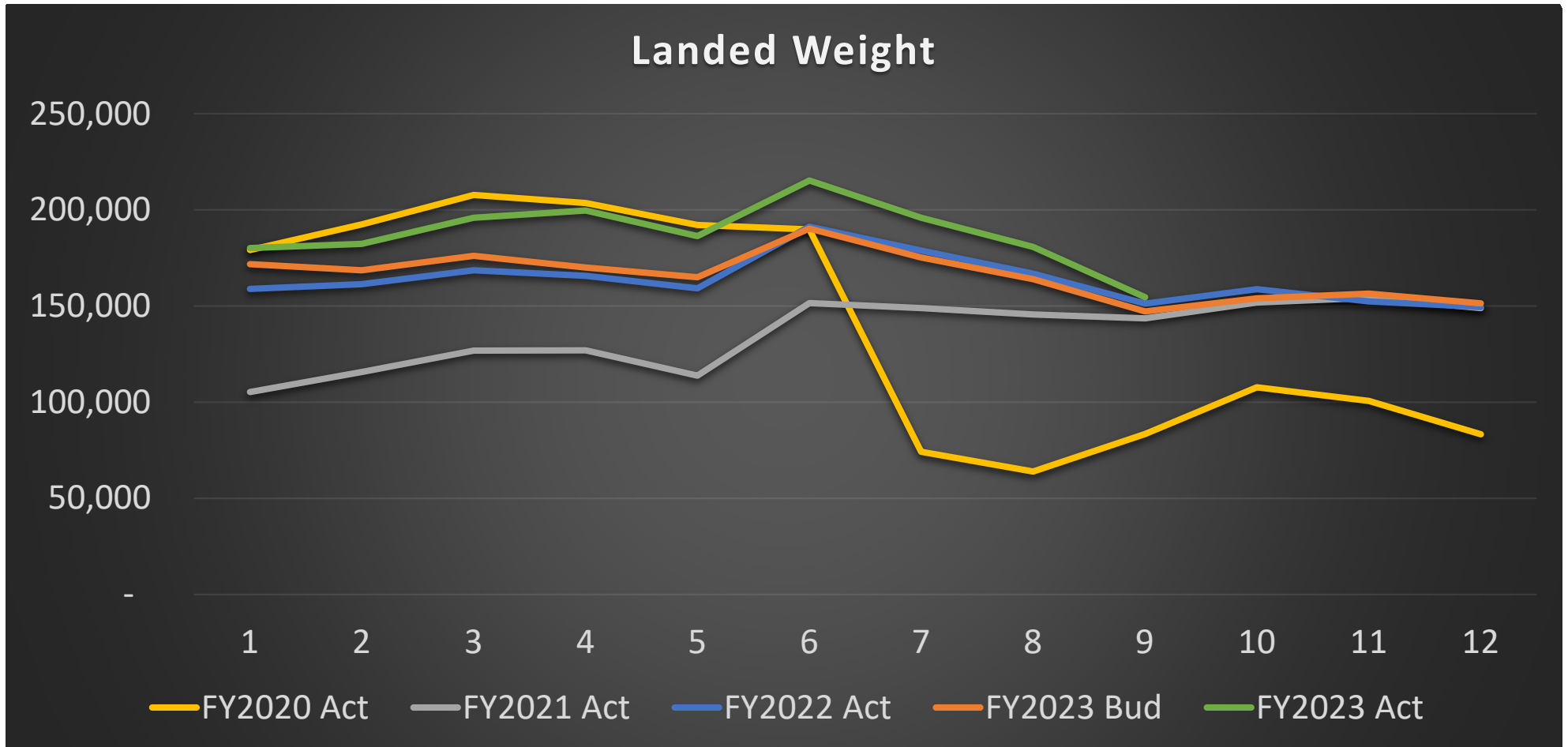
Board of Directors Meeting

September 6, 2023

June 2023 Operating Highlights

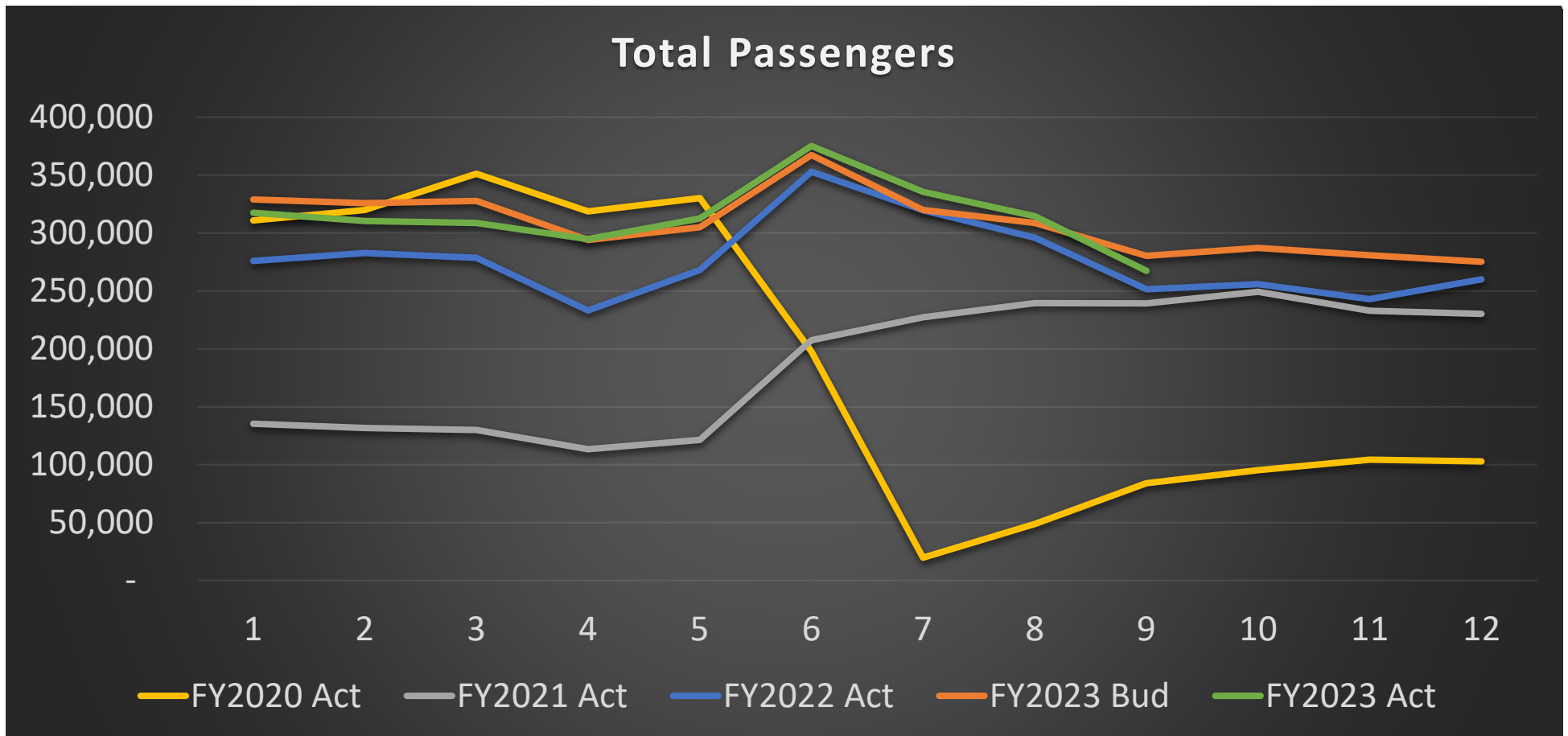
- Aviation Activity
 - Landing Activity in FY23
 - YTD FY23 landed weight 10.6% favorable to budget
 - June 2023 landed weight 5.0% favorable to budget
 - FY23 Load Factors
 - YTD: 85.2%
 - Month (June): 91.7%

FY 2023 Operating Statistics



- June Landed Weight is 5.0% above budget
- YTD Landed Weight is 10.6% above budget and 43.5% higher than FY2021

FY 2023 Operating Statistics



- June passenger volume is 4.6% below budget
- YTD passenger volume is 0.7% below budget and 83.5% higher than FY2021

June 2023 Flight & Passenger Activity

| <u>Month</u> | <u>FY2023</u> | <u>FY2022</u> | <u>FY2021</u> | <u>FY2020</u> | <u>FY2019</u> |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Total Passengers | 267,430 | 251,436 | 239,220 | 83,937 | 287,368 |
| Average Load Factor | 91.7% | 87.8% | 86.5% | 60.5% | 86.5% |
| Average Daily Departures | 40.5 | 41.8 | 42.4 | 22.8 | 50.1 |
| Average Daily Seat Capacity | 5,099 | 4,926 | 4,764 | 2,410 | 5,632 |
| <u>Nine Months Year-To-Date</u> | | | | | |
| Total Passengers | 2,812,030 | 2,558,711 | 1,545,384 | 1,981,263 | 2,955,673 |
| Average Load Factor | 85.2% | 86.5% | 69.1% | 69.6% | 83.8% |
| Average Daily Seat Capacity | 6,270 | 5,516 | 4,138 | 5,225 | 6,482 |
| Average Seat Count per Departure | 125.9 | 117.8 | 112.5 | 105.9 | 112.5 |

YTD 2023 Financial Results

| | YTD (Oct-Jun) | Total Annual | |
|---------------------------|----------------------|----------------------|-------------------|
| | Actual | Budget | <u>75%</u> |
| Operating Revenues | \$ 35,195,702 | \$ 42,864,610 | 82.1% |
| Operating Expenses | 28,568,936 | 39,128,979 | 73.0% |

June (9th month) / 12 months total = 75%

Revenues above 75% = favorable.

Expenses below 75% = favorable.

Financial results for FY23 are unaudited.

June 2023 Financial Results

| | <u>Actual</u> | <u>Budget</u> | <u>Actual vs. Budget</u> | | <u>Prior Year (2022)</u> | <u>Current vs. Prior Year</u> | | <u>Pre-Covid June 2019</u> |
|----------------------------------------|---------------------|---------------------|------------------------------|------|------------------------------|-----------------------------------|--------|--------------------------------|
| <u>June</u> | | | | | | | | |
| Operating Revenues | \$ 3,866,523 | \$ 3,628,827 | \$ 237,696 | 6.6% | \$ 3,520,096 | \$ 346,427 | 9.8% | \$ 3,762,112 |
| Operating Expenses | <u>3,036,794</u> | <u>3,101,990</u> | <u>65,197</u> | 2.1% | <u>2,907,010</u> | <u>(129,784)</u> | -4.5% | <u>2,496,262</u> |
| Operating Income (Loss) | <u>\$ 829,730</u> | <u>\$ 526,837</u> | <u>\$ 302,893</u> | | <u>\$ 613,087</u> | <u>\$ 216,643</u> | | <u>\$ 1,265,850</u> |
| <u>Nine Months Ended 6/2023</u> | | | | | | | | |
| Operating Revenues | \$ 35,195,702 | \$ 32,088,609 | \$ 3,107,093 | 9.7% | \$ 32,391,417 | \$ 2,804,285 | 8.7% | \$ 35,457,586 |
| Operating Expenses | <u>28,568,936</u> | <u>29,701,122</u> | <u>1,132,186</u> | 3.8% | <u>24,929,059</u> | <u>(3,639,877)</u> | -14.6% | <u>21,854,168</u> |
| Operating Income | <u>\$ 6,626,766</u> | <u>\$ 2,387,487</u> | <u>\$ 4,239,279</u> | | <u>\$ 7,462,358</u> | <u>\$ (835,592)</u> | | <u>\$ 13,603,418</u> |

Financial results for FY23 are unaudited.

June 2023 Operating Revenues

Operating Revenues

| <u>June</u> | <u>Actual</u> | <u>Budget</u> | <u>Actual vs.</u> | |
|--------------------------|---------------------|---------------------|-------------------|-------------|
| | | | <u>Budget</u> | |
| Landing fees | \$ 200,773 | \$ 178,866 | \$ 21,907 | 12.2% |
| Space rentals | 936,748 | 893,868 | 42,880 | 4.8% |
| Land rent | 315,141 | 304,166 | 10,975 | 3.6% |
| Concession revenue | 1,751,765 | 1,728,388 | 23,377 | 1.4% |
| Reimbursed Services | 283,588 | 266,816 | 16,772 | 6.3% |
| Other Operating Revenue | 378,508 | 256,723 | 121,785 | 47.4% |
| Total operating revenues | <u>\$ 3,866,523</u> | <u>\$ 3,628,827</u> | <u>\$ 237,696</u> | <u>6.6%</u> |

Financial results for FY23 are unaudited.

2023 YTD Concession Revenue

| <u>Account Description</u> | <u>YTD Actual</u> | <u>YTD Budget</u> | <u>Actuals vs. Budget</u> | |
|--------------------------------|----------------------|----------------------|---------------------------|--------------|
| Rental Cars | \$ 6,784,833 | \$ 6,226,779 | \$ 558,054 | 9.0% |
| Parking | 7,174,372 | 6,318,175 | 856,197 | 13.6% |
| Ground Transportation | 321,672 | 295,268 | 26,403 | 8.9% |
| Advertising | 110,145 | 93,750 | 16,395 | 17.5% |
| Food & Beverage | 637,796 | 337,149 | 300,647 | 89.2% |
| News & Gifts | 887,096 | 813,547 | 73,549 | 9.0% |
| Transportation Network Company | 607,687 | 532,587 | 75,100 | 14.1% |
| Peer-to-Peer Car Rental | 28,799 | - | 28,799 | 0.0% |
| Other | 83,092 | 77,416 | 5,677 | 7.3% |
| Total | \$ 16,635,492 | \$ 14,694,672 | \$ 1,940,820 | 13.2% |

Financial results for FY23 are unaudited.

June 2023 Operating Expenses

Operating Expenses

| <u>June</u> | <u>Actual</u> | <u>Budget</u> | <u>Actual vs.</u> <u>Budget</u> | |
|--------------------------|---------------------|---------------------|------------------------------------|-------------|
| Personnel expenses | \$ 2,053,180 | \$ 1,974,233 | \$ (78,947) | -4.0% |
| Contractual services | 686,780 | 772,570 | 85,790 | 11.1% |
| Materials and supplies | 213,469 | 196,663 | (16,806) | -8.5% |
| Other operating expenses | 83,364 | 158,524 | 75,160 | 47.4% |
| Total operating expenses | <u>\$ 3,036,794</u> | <u>\$ 3,101,990</u> | <u>\$ 65,197</u> | <u>2.1%</u> |

Financial results for FY23 are unaudited.

2023 YTD Revenue

Operating Revenues

| <u>YTD</u> | Actual | Budget | Actual vs. Budget | |
|---------------------------------|----------------------|----------------------|----------------------|-------------|
| Landing fees | \$ 2,120,576 | \$ 1,817,256 | \$ 303,320 | 16.7% |
| Space rentals | 8,476,143 | 8,017,629 | 458,514 | 5.7% |
| Land rent | 2,793,491 | 2,737,498 | 55,993 | 2.0% |
| Concession revenue | 16,635,492 | 14,694,672 | 1,940,820 | 13.2% |
| Reimbursed Services | 2,358,954 | 2,401,340 | (42,386) | -1.8% |
| Other Operating Revenue | 2,811,047 | 2,420,214 | 390,833 | 16.1% |
| Total operating revenues | \$ 35,195,702 | \$ 32,088,609 | \$ 3,107,093 | 9.7% |

Financial results for FY23 are unaudited.

2023 YTD Expenses

Operating Expenses

| <u>YTD</u> | <u>Actual</u> | <u>Budget</u> | <u>Actual vs. Budget</u> | |
|--------------------------|----------------------|----------------------|------------------------------|-------------|
| Personnel expenses | \$ 18,725,929 | \$ 18,857,288 | \$ 131,359 | 0.7% |
| Contractual services | 6,617,677 | 7,533,443 | 915,766 | 12.2% |
| Materials and supplies | 1,926,243 | 1,965,670 | 39,427 | 2.0% |
| Other operating expenses | 1,299,086 | 1,344,721 | 45,635 | 3.4% |
| Total operating expenses | <u>\$ 28,568,936</u> | <u>\$ 29,701,122</u> | <u>\$ 1,132,186</u> | <u>3.8%</u> |

Financial results for FY23 are unaudited.

2023 vs 2022

| | 2023 <u>Oct-Jun</u> | 2022 <u>Oct-Jun</u> | <u>2023 vs 2022</u> |
|---------------------------|--------------------------------------|--------------------------------------|----------------------------|
| Operating Revenues | \$ 35,195,702 | \$ 32,391,417 | 8.7% |
| Operating Expenses | 28,568,936 | 24,929,059 | 14.6% |

Financial results for FY23 are unaudited.

2023 vs 2019 (Pre-Covid)

| | <u>2023</u> <u>Oct-Jun</u> | <u>Pre-Covid</u> <u>Oct-Jun 2019</u> | <u>2023 vs 2019</u> |
|---------------------------|---------------------------------------------|-------------------------------------------------------|----------------------------|
| Operating Revenues | \$ 35,195,702 | \$ 35,457,586 | -0.7% |
| Operating Expenses | 28,568,936 | 21,854,168 | 30.7% |

Financial results for FY23 are unaudited.

2023 vs 2019 Expenses

- Operating Expense Increase **\$6,714,769**
- \$3,374,511 Personnel-COLA, merit, new positions
- \$1,875,029 Contractual Services
- \$ 891,166 Materials and Supplies
- \$ 124,459 Dues and subscriptions
- \$ 400,609 Insurance
- \$ 48,995 Miscellaneous other expenses
- **\$6,714,769** Total

Finance Update

Questions?