



Airport Board Meeting

September 19, 2023

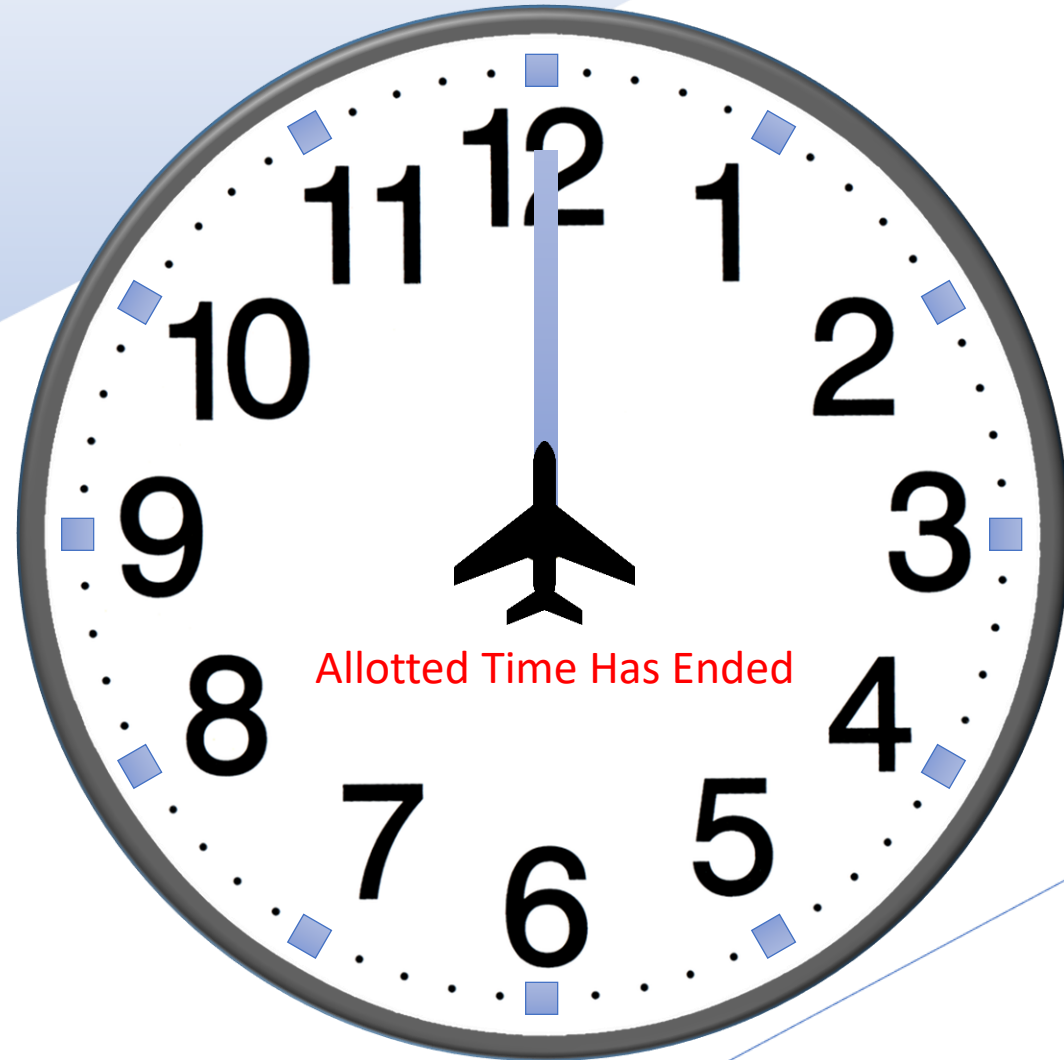


- 1. Call meeting to order**
- 2. Pledge of Allegiance**
- 3. Introduction of Guests**
- 4. Conflict of Interest – Airport Attorney**

“Under State law, a conflict of interest exists if a board member, or certain members of that person's family, has a qualifying financial interest in an agenda item. Members with a conflict of interest cannot participate in the discussion nor vote on the agenda item. Are there any known conflicts of interest to disclose at this time”?



5. Citizen Communication



Time limited to 2 minutes per citizen

6. Reports. Update on Operations and Activities at VIA:



Valley International Airport

Marketing Report
3rd Quarter 2023



LEALMEDIA



- **Ran refreshed Google Ads and Facebook/Instagram ads**
- **Focused more OTT funds to Upper Midwest Campaign (since August) to cover more cities**
- **Upper Midwest Cities include:**

Detroit, Michigan

Minneapolis-St. Paul, Minnesota

Chicago, Illinois

Des Moines-Ames, Iowa

Fargo-Valley City, North Dakota

Flint, Michigan

Grand Rapids-Kalamazoo-Battle Creek, Michigan

Green Bay-Appleton, Wisconsin

Minot-Bismarck-Dickinson, North Dakota

Sioux Falls, South Dakota

- **Next Month - Start re-targeting campaign, refreshed ads, and updated SPI Landing Page**



UPPER MIDWEST CAMPAIGN

July 2023 - September 2023

- Created new commercials for Upper Midwest Campaign - OTT and Digital Ads on Social Media



UPPER MIDWEST CAMPAIGN

July 2023 - September 2023




UPPER MIDWEST CAMPAIGN

July 2023 - September 2023

- Created Facebook ad campaign

Valley International Airport Harlingen
Published by Enrique Leal · July 16 at 9:02 PM · 🌐


It's time to plan your Winter Escape! South Padre Island is the perfect place to enjoy warm weather all Winter long. It's a tropical paradise - Texas-style! Choose your favorite airline and make sure to fly into Valley International Airport in Harlingen - your gateway airport to South Padre Island.



South Padre ISLAND
WINTER TEXAN PARADISE

Fly South for the Winter to SPI

[Book now](#)



HORSEBACK RIDE ON THE BEACH

South Padre ISLAND

Enjoy all the Tropical Activities

[Book now](#)

[See insights and ads](#) [Boost post](#)

78 3 comments 9 shares



UPPER MIDWEST CAMPAIGN

July 2023 - September 2023

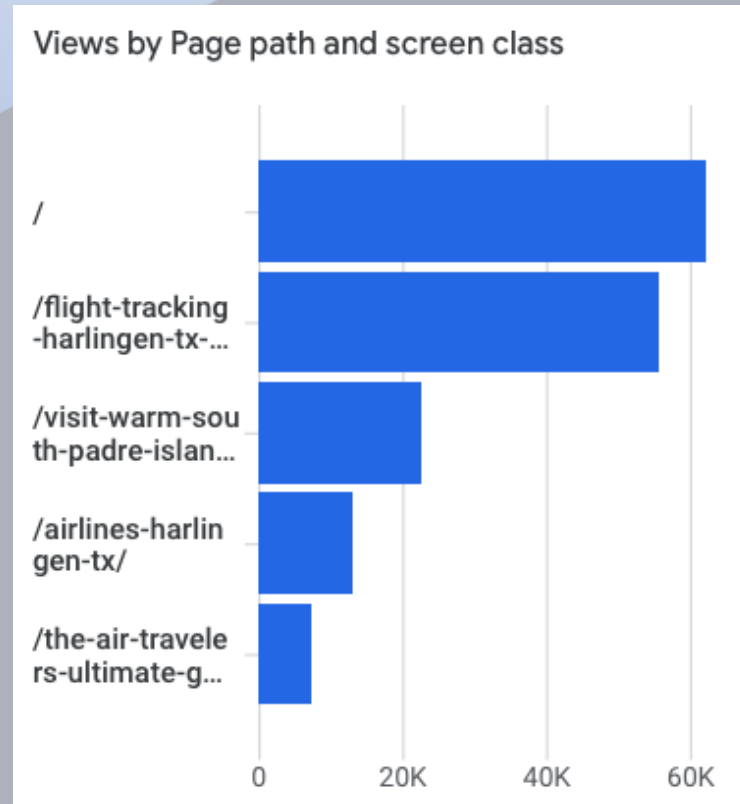
- Created new Display Ads for Google AdWords campaign



Website

July 2023 - September 2023

Users	New users	Views	Sessions	Average engagement time ?
15K	15K	194K	23K	1m 12s





Google Ads - UPPER MIDWEST CAMPAIGN

Geographic location of people who interacted with your ads

Targeting Detroit, Minneapolis-St. Paul MN, Indianapolis IN, Grand Rapids-Kalamazoo-Battle Creek MI, Des Moines-Ames IA, Green Bay-Appleton WI, Flint, Sioux Falls(Mitchell) SD, + 4 more



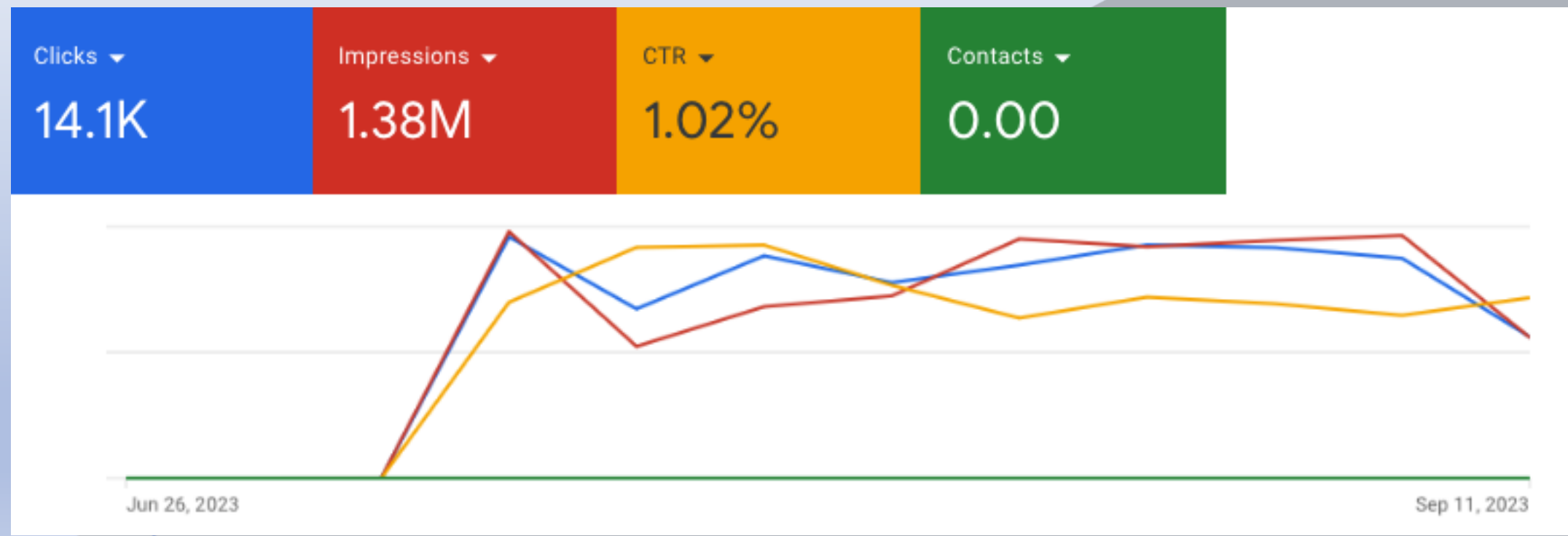


Google Ads - UPPER MIDWEST CAMPAIGN

July 2023 - September 2023

Targeted location	Bid adj.	Clicks	↓ Impr.	CTR
Detroit, Michigan, United States	—	4,193	345,107	1.21%
Minneapolis-St. Paul MN, United States	—	3,653	343,914	1.06%
Indianapolis IN, Indiana, United States	—	2,520	258,584	0.97%
Grand Rapids-Kalamazoo-Battle Creek MI, M...	—	1,101	124,726	0.88%
Des Moines-Ames IA, Iowa, United States	—	778	90,852	0.86%
Green Bay-Appleton WI, United States	—	799	85,377	0.94%
Flint, Michigan, United States	—	352	38,597	0.91%
Sioux Falls(Mitchell) SD, United States	—	347	36,492	0.95%
Fargo-Valley City ND, United States	—	186	25,143	0.74%
Minot-Bismarck-Dickinson(Williston) ND, Uni...	—	102	15,731	0.65%
Toronto, Ontario, Canada	—	82	14,158	0.58%
Winnipeg, Manitoba, Canada	—	5	713	0.70%
Total: Locations ?		14,118	1,379,394	1.02%







Google Ads

July 2023 - September 2023

Campaign ▾	Campaign type ▾	↓ Clicks ▾	Impr. ▾	CTR ▾
Sun Country - Cancun D	Display	21,493	510,202	4.21%
Midwest_Fall23_Display	Display	14,128	1,379,865	1.02%
Southwest Austin D	Display	9,032	1,043,099	0.87%
Delta Air - Minneapolis D	Display	7,037	164,925	4.27%
United Airlines Houston S	Search	6,710	19,628	34.19%
Midwest_Fall23_Search	Search	3,702	64,813	5.71%
American Airlines - Dallas D	Display	1,296	221,579	0.58%
Southwest Austin S	Search	937	6,876	13.63%
Sun Country - MSP_Search	Search	868	16,061	5.40%
American Airlines - Dallas S	Search	840	6,729	12.48%
Southwest Dallas D	Display	809	139,595	0.58%
Southwest Houston D	Display	699	106,795	0.65%
Southwest Houston S	Search	490	6,505	7.53%
Southwest Dallas S	Search	394	4,740	8.31%
American Airlines - Chicago D	Display	0	0	0.00%
American Airlines - Chicago S	Search	0	0	0.00%
Total		68,435	3,691,412	1.85%





Meta - Facebook & Instagram

July 2023 - September 2023

Facebook reach

359,958

Instagram reach

1,535

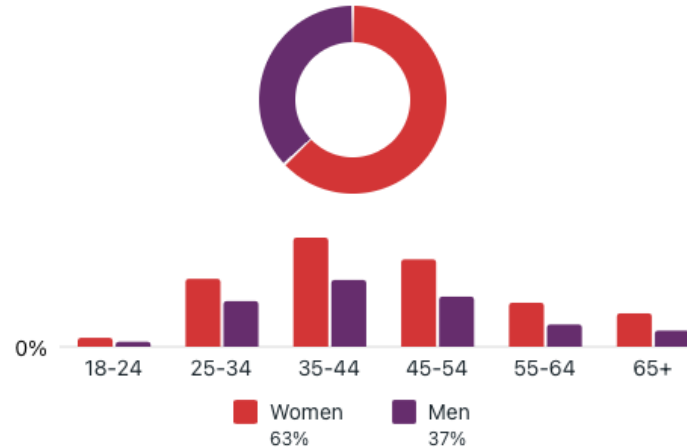
Paid reach

1,259,525

Facebook followers

18,336

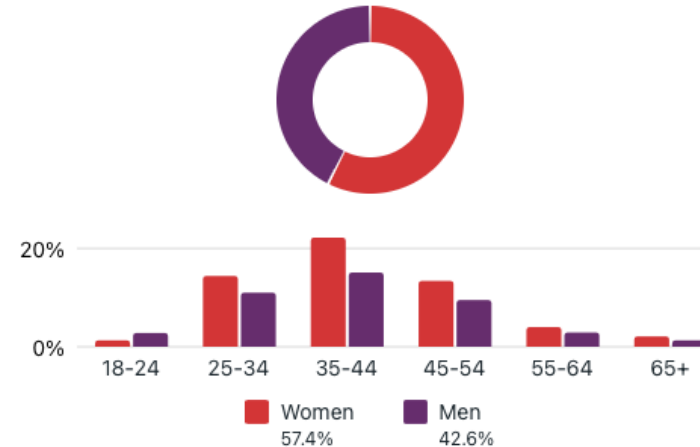
Age & gender



Instagram followers

1,463







Age & gender



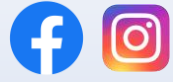


Meta - Facebook & Instagram

July 2023 - September 2023

Page	Page likes ↓
 <p>San Antonio International Airport Welcome to the San Antonio International Airport on Facebook!</p>	44K
 <p>Valley International Airport Harlingen The largest, most convenient airport in the Rio Grande Valley!</p>	17.1K
 <p>McAllen International Airport The Valley's FAVORITE airport goes ABOVE what is necessary & BEYOND ...</p>	16.9K
 <p>Corpus Christi International Airport Corpus Christi International Airport is a full-service commercial airport se...</p>	11K
 <p>Brownsville South Padre Island International Airport Closer to where you want to go!</p>	7.5K
 <p>Laredo International Airport - LRD Laredo International Airport offers daily flights to Dallas-Fort Worth, Hous...</p>	2.3K





Meta - Facebook & Instagram

July 2023 - September 2023

- Produced AA Customer Cup video
- Produced Covered Parking video





STREAMING CHANNELS

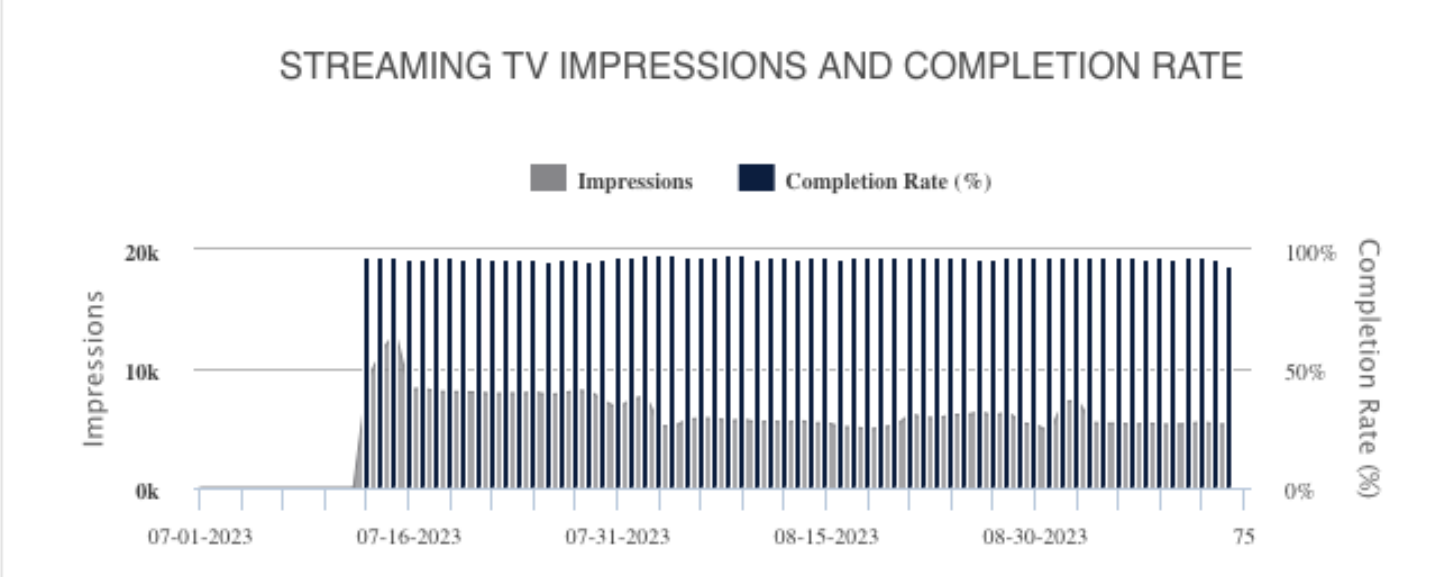
July 2023 - September 2023

STREAMING TV GEOGRAPHY

DMA	Impressions
Harlingen-Wsico-Brnsvl-Mca	106,775
Grand Rapids-Kalmzoo-B.Crk	86,496
Green Bay-Appleton	63,245
Minneapolis-St. Paul	42,330
Detroit	32,311
Des Moines-Ames	23,598
Davenport-R.Island-Moline	23,586
Fargo	16,173
Flint-Saginaw-Bay City	16,141

410,656
IMPRESSIONS

98.01%
COMPLETION RATE



3,735

AIRINGS

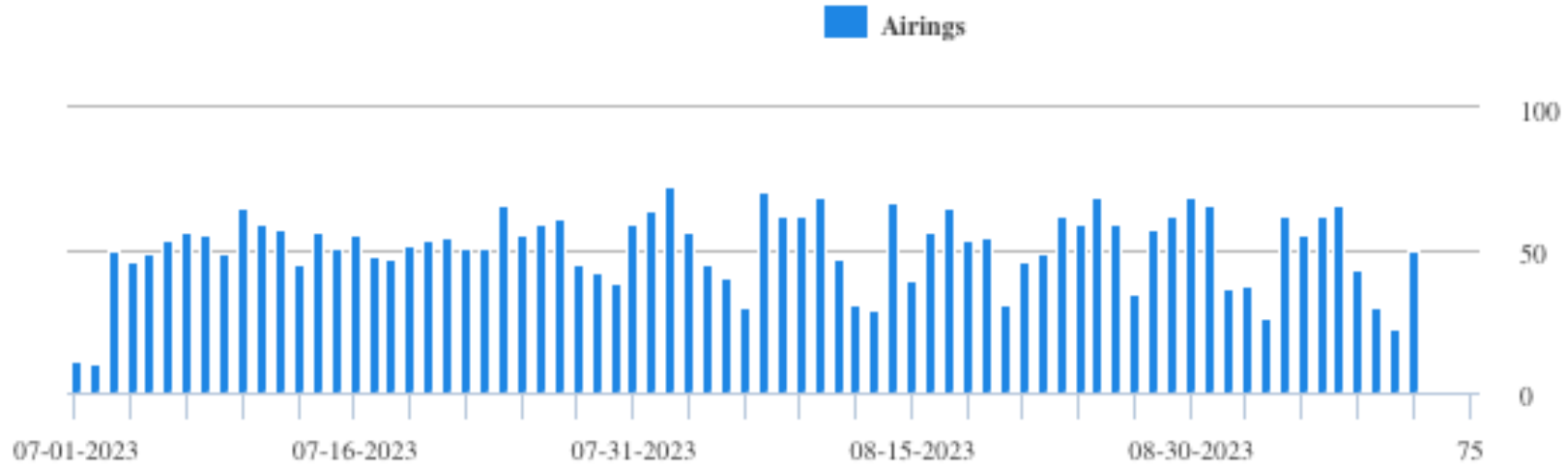
15

NETWORKS

3

ZONES

VERIFIED TV AIRINGS



6. Reports

d. Progress Report – August 2023



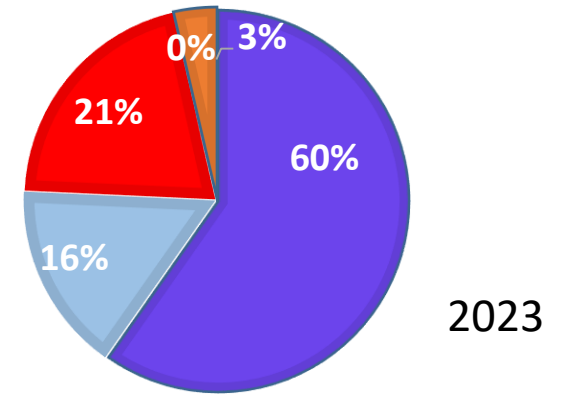


**VALLEY INTERNATIONAL AIRPORT
AUGUST 2023 - PROGRESS REPORT**

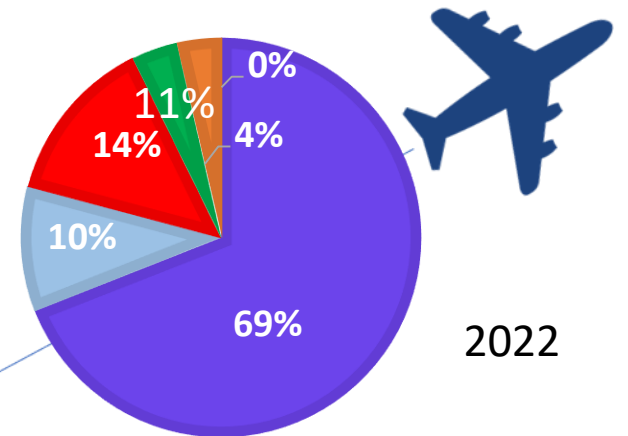
AIRLINE PASSENGERS	2023	% chg.	2022	2023-2022 YTD	% chg.	2022-2021 YTD
<u>Enplanements</u>						
Southwest	23,190	(3.3)	23,984	245,737	11.6	220,235
United	6,971	77.8	3,920	59,553	20.4	49,463
American Airlines	8,635	32.6	6,513	77,903	14.7	67,892
Viva Aerobus	0	N/A	0	0	N/A	5,260
Frontier	0	N/A	275	0	N/A	21,084
Sun Country	322	(22.8)	417	27,735	36.2	20,360
Delta	0	N/A	0	9,585	N/A	0
Charters	0	N/A	0	457	280.8	120
Total Enplanements	39,118	11.4	35,109	420,970	9.5	384,414
<u>Deplanements</u>						
Southwest	20,853	(4.4)	21,805	220,347	12.3	196,255
United	4,804	43.1	3,358	47,867	14.7	41,717
American Airlines	7,451	34.4	5,542	66,065	9.4	60,363
Viva Aerobus	0	N/A	0	0	N/A	8,119
Frontier	0	N/A	267	0	N/A	19,388
Sun Country	585	(7.0)	629	27,166	38.9	19,554
Delta	0	N/A	0	7,982	N/A	0
Charters	0	N/A	0	490	308.3	120
Total Deplanements	33,693	6.6	31,601	369,917	7.1	345,516
TOTAL PASSENGERS	72,811	9.1	66,710	790,887	8.4	729,930

**JUNE 2022 VS 2023
MARKET SHARE**

■ WN ■ UA ■ AA ■ SY ■ DL

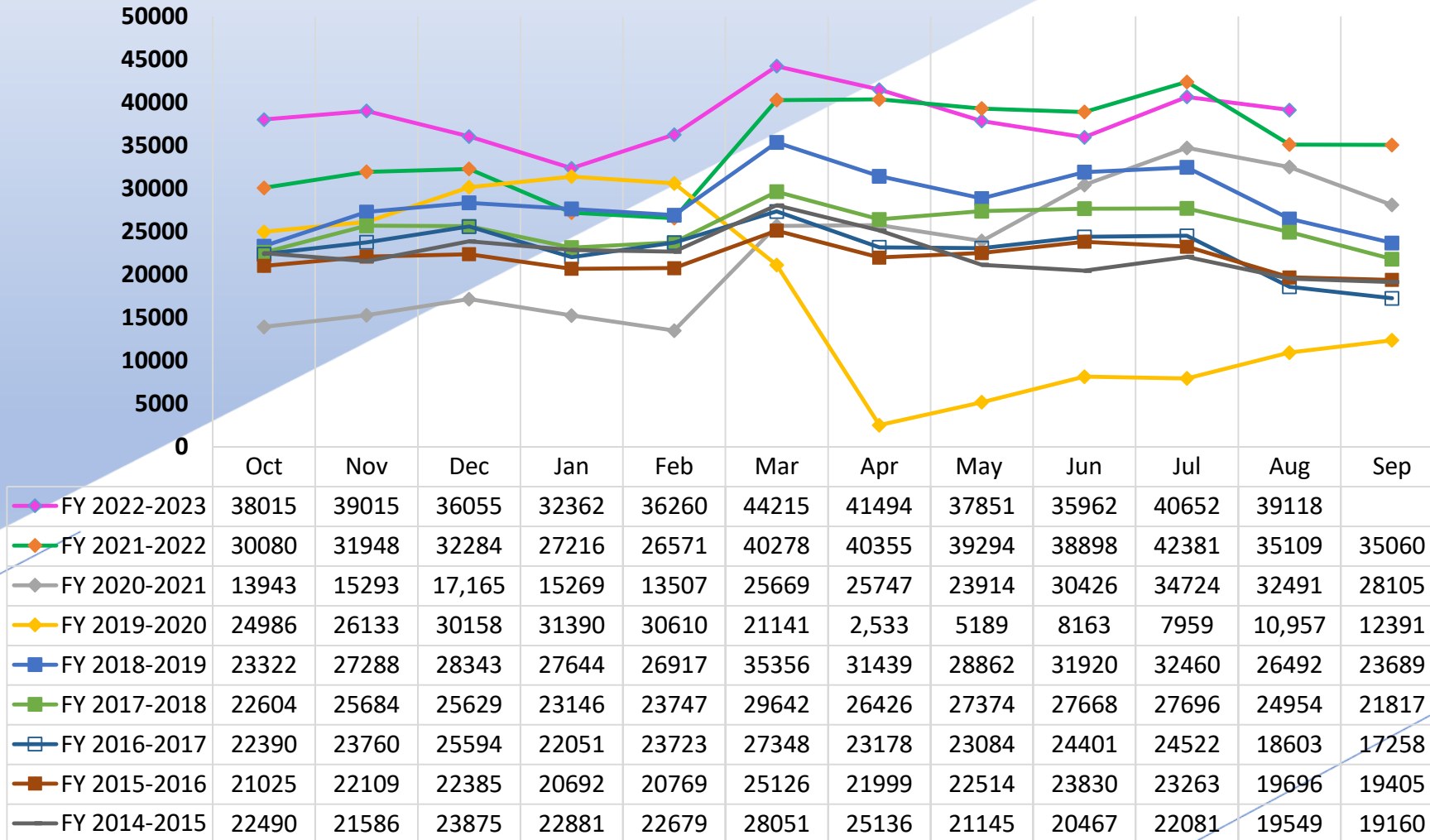


■ WN ■ UA ■ AA ■ F9 ■ SY ■ VB





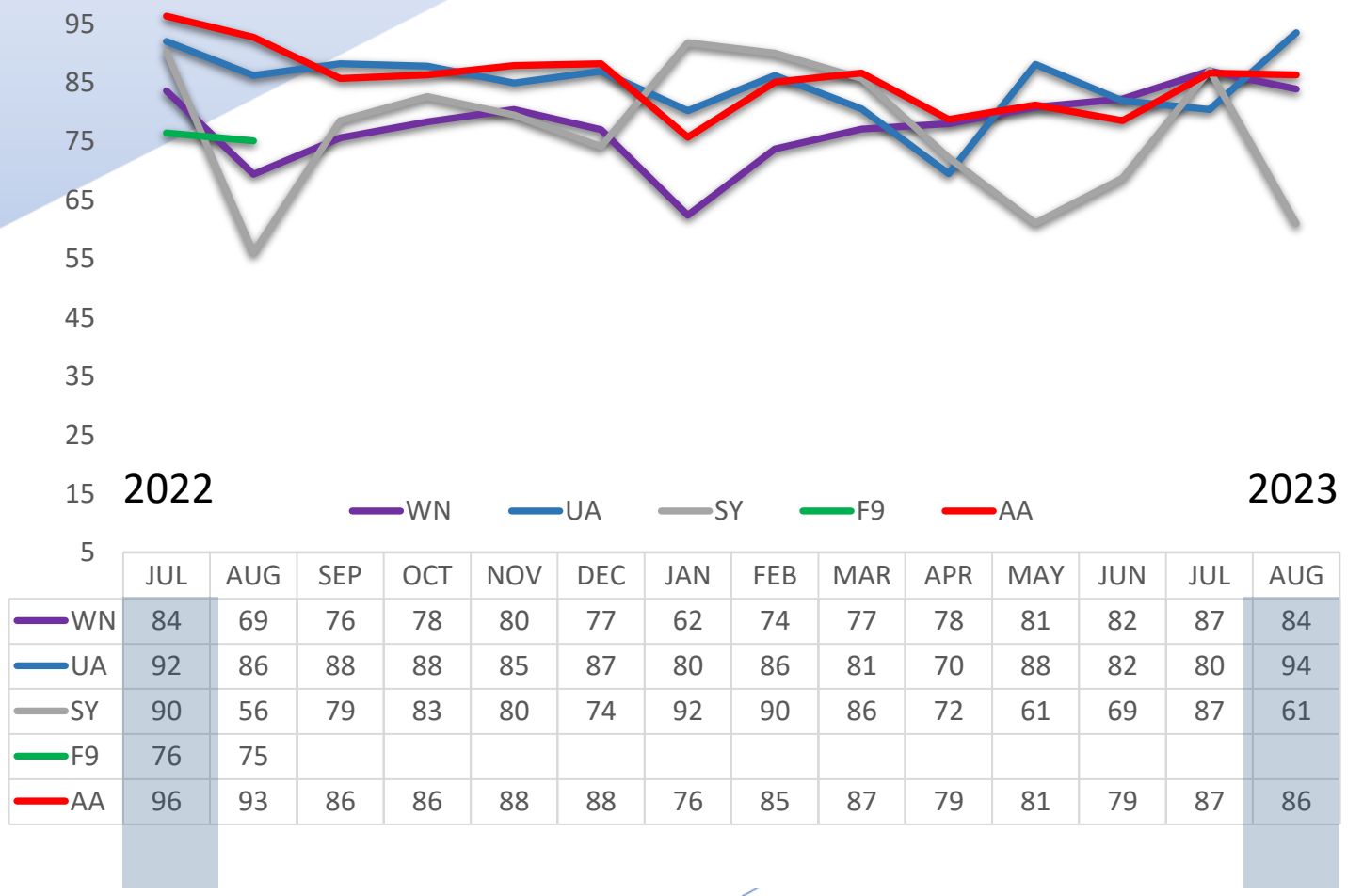
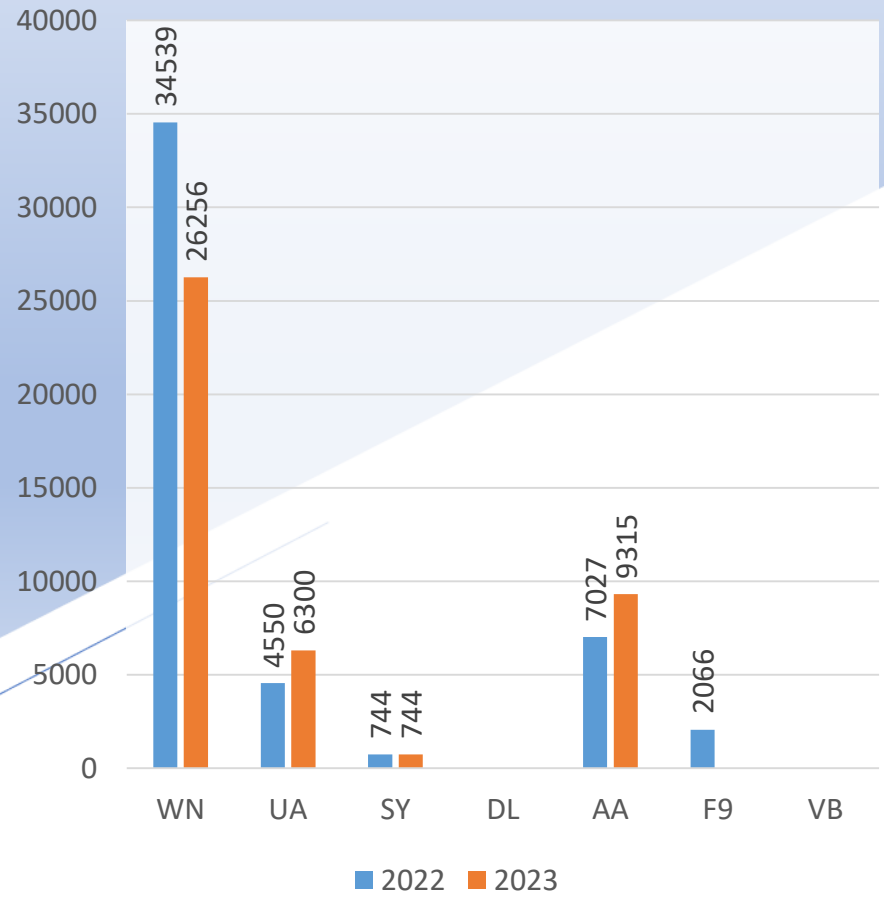
HRL ENPLANED PASSENGERS - FY





VIA Load Factors

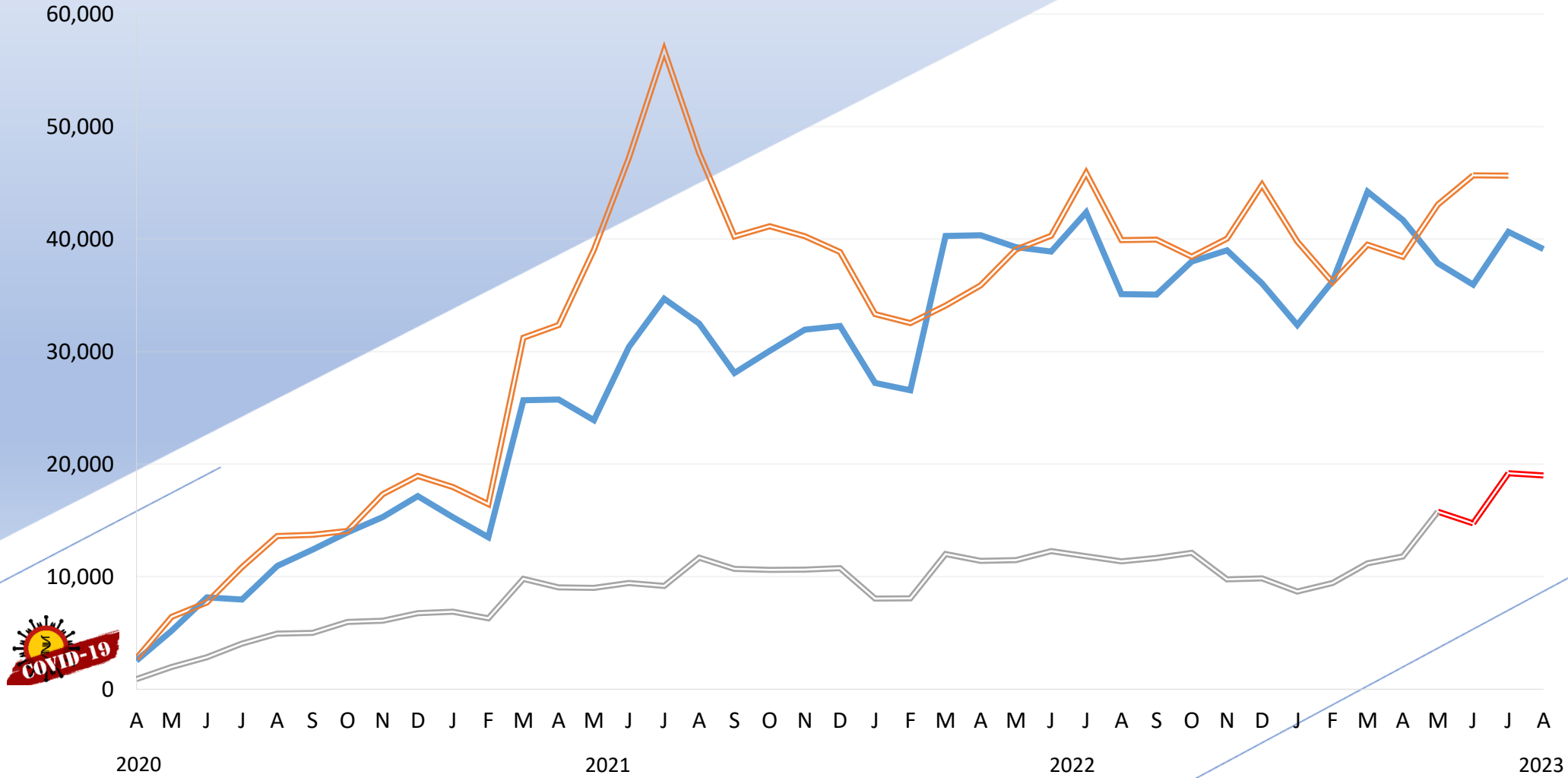
Outbound Seats Available August 2023/2022





HRL - MFE - BRO: Enplaned Passengers

Enplaned Passengers



August 2023 CARGO

<u>CARGO (tons)</u>	<u>2023</u>	<u>% chg.</u>	<u>2022</u>	<u>2023-2022 YTD</u>	<u>% chg.</u>	<u>2022-2021 YTD</u>
<u>Enplaned</u>						
21 Air, LLC	0	N/A	0	443	(37.1)	704
ABX	0	N/A	0	74	(95.8)	1,744
Air Transport Int'l (ATI)	0	N/A	0	0	N/A	0
American Airlines	0	N/A	0	0	N/A	0
Ameriflight	0	N/A	0	3	N/A	0
Amerijet	25	N/A	0	40	124.1	18
Atlas Air	0	N/A	0	0	N/A	11,030
FedEX	770	(22.9)	999	9,200	(16.6)	11,030
Kalita Air, LLC	0	N/A	282	0	N/A	503
Kalita Charters II	101	N/A	0	876	N/A	0
Southwest	451	2,058.4	21	734	199.6	245
Total Enplaned	1,347	3.4	1,303	11,370	(55.0)	25,275
<u>Deplaned</u>						
21 Air, LLC	0	N/A	0	1,069	(48.8)	2,086
ABX	0	N/A	0	106	(98.0)	5,418
Air Transport Int'l (ATI)	0	N/A	0	0	N/A	0
American Airlines	0	N/A	0	0	N/A	75
Ameriflight	0	N/A	0	0	N/A	1
Amerijet	0	N/A	0	98	(7.6)	75
Atlas Air	0	N/A	0	0	N/A	0
FedEX	1,038	(22.0)	1,330	12,071	(16.8)	14,515
Kalita Air, LLC	0	N/A	820	0	N/A	1,497
Kalita Charters II	176	N/A	0	1,405	N/A	0
Southwest	23	(19.6)	28	251	(3.1)	259
Total Deplaned	1,236	(43.2)	2,179	15,001	(37.3)	23,927
TOTAL CARGO	2,584	(25.8)	3,481	26,371	(46.4)	49,202





August 2023 FUEL

<u>FUEL UPLIFTED</u> (GALLONS)	<u>2023</u>	<u>% chg.</u>	<u>2022</u>	<u>2023-2022 YTD</u>	<u>% chg.</u>	<u>2022-2021 YTD</u>
COMMERCIAL						
Gulf Aviation	78,122	55.0	50,413	1,093,124	(2.8)	1,124,689
Sun Valley Aviation	257,206	(28.5)	359,716	2,799,246	(12.9)	3,214,769
Total Commercial	335,328	(18.2)	410,129	3,892,370	(10.3)	4,339,458
MILITARY						
Gulf Aviation	0	N/A	0	0	N/A	301
Sun Valley Aviation	9,245	(53.7)	19,968	146,519	(12.3)	167,129
Total Military	9,245	(53.7)	19,968	146,519	(12.5)	167,430
GENERAL AVIATION						
Gulf Aviation	207,999	(14.8)	244,022	2,586,141	40.6	1,839,323
Sun Valley Aviation	19,515	(62.2)	51,628	272,373	(45.2)	497,014
Total General Aviation	227,514	(23.0)	295,650	2,858,514	22.4	2,336,337
TOTAL FUEL UPLIFTED	572,087	(21.2)	725,747	6,897,403	0.8	6,843,225



7. Consent Agenda

Consider and take action to approve the consent agenda.

- a. Consider and take action to approve the Airport Board's regular meeting minutes of August 15, 2023.**
- b. Consider and take action to approve the monthly Financial Report for the Period Ending July 31, 2023.**



Meeting Minutes: August 15, 2023



**MINUTES OF REGULAR
AIRPORT BOARD MEETING**

(2022-2023)

(NO. 9)

VALLEY INTERNATIONAL AIRPORT
3RD FLOOR CONFERENCE ROOM

AUGUST 15, 2023
TUESDAY – 5:00 P.M.

A regular Airport Board meeting was held on Tuesday, August 15, 2023, at 5:00 p.m. at Valley International Airport's 3rd Floor Conference Room, Harlingen, Texas. Those in attendance were:

BOARD MEMBERS

George McShan	Chairman	07/20/22 – 11/01/25
Alejandro Gallaga	Chairman Pro-Tem	07/06/22 – 11/01/25
Julie Ezell-Perez	Board Member	03/19/19 – 11/01/24
Juan Longoria	Board Member	06/15/22 – 11/01/25
Ruben Peña	Board Member	08/03/22 – 11/01/25
Martha G. Cano, MD.	Board Member	08/03/22 – 11/01/25
Dr. Alicia M. Noyola	Board Member	06/21/23 – 11/01/26

EX-OFFICIO

Norma Sepulveda	Mayor, City of Harlingen
Gabriel Gonzalez	City Manager, City of Harlingen

ATTORNEY

Gene McCullough	Attorney, City of Harlingen - Airport Board
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AIRPORT STAFF

Marv Esterly	Director of Aviation
Bryan J. Wren, A.A.E.	Assistant Director of Aviation
Ron Mustard	Director of Finance
Celina P. Garza, CPS	Executive Assistant

GUESTS

Ford Kinsley	City Commissioner, District 1 City of Harlingen
Frank Morales	City Commissioner, District 4 City of Harlingen

1. CALL MEETING TO ORDER.

Chairman McShan called the meeting to order at approximately 5:10 p.m. with a quorum of the Airport Board present. A notice of the meeting had been duly posted (as required by law) on Friday, August 11, 2023, at 4:00 p.m. at City Hall and on the Airport's website: www.flythevalley.com.

2. PLEDGE OF ALLEGIANCE.

Chairman McShan led the pledge of allegiance.

3. INTRODUCTION OF GUESTS.

Chairman McShan welcomed all the Airport Board members and guests.

4. CONFLICT OF INTEREST.

Mr. McCullough read the following "Conflict of Interest" – "Under State Law, a conflict of interest exists if a council member, or certain members of that person's family, has a qualifying financial interest in an agenda item. Members with a conflict of interest cannot participate in the discussion nor vote on the agenda item. Are there any known conflicts of interest to disclose at this time?"

There were no conflicts of interest.

5. CITIZEN COMMUNICATION. (2 MINUTES)

None.

6. REPORTS.

UPDATE ON OPERATIONS AND ACTIVITIES AT VIA:

A. TRANSPORTATION SECURITY ADMINISTRATION (TSA)

Mr. Esterly reported notes provided by Ms. Carmona, Assistant Federal Security Director:

TSA will be replacing one x-ray unit at the checkpoint the week of August 28. TSA officers from the Brownsville Airport will be on site at Harlingen, on August 14 and 15 and August 21 and 22, 2023, for training.

TSA HRL will be converting two officers from part-time to full-time positions and will hire two more part-time officers later this month or early next month. With these changes, HRL will be at its staffing allocation and ready for the holiday season.

Several leadership personnel from the San Antonio Hub will be visiting throughout August as TSA begins the close-out of the fiscal year.

B. FIXED BASE OPERATOR – GULF AVIATION, INC./SUN VALLEY AVIATION, INC.

GULF AVIATION

There was no representative from Gulf Aviation attending the meeting.

SUN VALLEY AVIATION

There was no representative from Sun Valley Aviation attending the meeting.

C. MARKETING REPORT (JULY 2023)

The marketing report was provided in the Airport Board packet.

Mr. Esterly reviewed the July 2023 Marketing Report.

D. PROGRESS REPORT (JULY 2023)

The progress report was provided in the Airport Board packet.

Mr. Esterly reviewed the July 2023 Progress Report.

7. CONSENT AGENDA. *(THE FOLLOWING ITEMS ARE OF A ROUTINE OR ADMINISTRATIVE NATURE. THE AIRPORT BOARD HAS BEEN FURNISHED WITH BACKGROUND MATERIAL ON EACH ITEM AND/OR IT HAS BEEN DISCUSSED AT A PREVIOUS MEETING. ALL ITEMS WILL BE ACTED UPON BY ONE VOTE, WITHOUT BEING DISCUSSED SEPARATELY, UNLESS REQUESTED BY A BOARD MEMBER. ITEMS WITHDRAWN FROM THE CONSENT AGENDA FOR INDIVIDUAL CONSIDERATION IN THEIR NORMAL SEQUENCE WILL BE HEARD AFTER THE REMAINDER OF THE CONSENT AGENDA HAS BEEN ACTED UPON.)*

A. CONSIDER AND TAKE ACTION TO APPROVE THE AIRPORT BOARD'S REGULAR MEETING MINUTES OF JULY 18, 2023.

Chairman McShan asked the members of the Airport Board if they had any questions or comments regarding the Airport Board's regular meeting minutes of July 18, 2023.

B. CONSIDER AND TAKE ACTION TO APPROVE THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING JUNE 30, 2023.

Chairman McShan asked the members of the Airport Board if they had any questions or comments regarding the monthly financial report for the period ending June 30, 2023.

C. QUARTERLY INVESTMENT REPORT: APRIL 1 – JUNE 30, 2023.

Chairman McShan asked the members of the Airport Board if they had any questions or comments regarding the Quarterly Investment Report: April 1 – June 30, 2023.

ACTION TAKEN:

On a motion by Mr. Gallaga and a second by Dr. Cano, members of the Airport Board voted unanimously to approve the Consent Agenda: Airport Board meeting minutes of July 18, 2023, the monthly financial report for the period ending June 30, 2023, and the Quarterly Investment Report dated April 1 – June 30, 2023, as presented.

8. CONSIDER AND TAKE ACTION TO ACCEPT OR REJECT FISCAL YEAR 2023 – 2024 PROPOSED OPERATING AND CAPITAL BUDGET FOR VALLEY INTERNATIONAL AIRPORT AND RECOMMEND MAYOR AND CITY COMMISSION APPROVE THE PROPOSED BUDGET.

Mr. Esterly reported that the Airport has a finance and audit committee. The committee meets and goes over the audit and makes a recommendation over the airport's budget and finances.

Chairman McShan advised that the finance/audit committee, Mr. McShan, Mr. Gallaga, Mr. Peña, Mr. Esterly, Mr. Wren, and Mr. Mustard met before the board meeting to review the budget.

Mr. Esterly gave a brief report on the proposed budget and turned the meeting to Mr. Mustard.

Mr. Mustard gave an update on the entire proposed budget.

At this time, it was recommended that the airport's proposed budget be approved and recommended to the Mayor and City Commission for their approval at the next City Commission meeting.

ACTION TAKEN:

On a motion by Mr. Peña and a second by Mr. Longoria, the members of the Airport Board voted unanimously to accept the Airport's Fiscal Year 2023 – 2024 proposed operating and capital budget for Valley International Airport and recommend to the Mayor and City Commission for their approval at the next City Commission meeting.

9. CONSIDER AND TAKE ACTION ON A DATE FOR THE CITY OF HARLINGEN AIRPORT BOARD AND HARLINGEN ECONOMIC DEVELOPMENT CORPORATION TO MEET FOR A RETREAT.

The members of the Airport briefly discussed a date for the Harlingen Airport Board and Harlingen Economic Development Corporation to meet for a retreat and a meeting.

It was the consensus of the members of the Airport Board to have the Airport's Executive Assistant check on the possibility of having the retreat from 12 noon to 4 p.m. and the meeting beginning at 5 p.m. the third or fourth week of September and selecting a day of Wednesday, Thursday or Friday.

ACTION TAKEN:

This item was discussed with no action taken.

10. DIRECTOR'S REPORT:

A. UPDATES

I. REHABILITATION OF PARKING LOTS

Mr. Wren advised that the project total was at \$6,500,000 and spent to date at \$5,415,000. The engineer is Megamorphosis, and the project contract days are 210 (including days added from the change orders), with 225 days used.

Mr. Wren reported that both parking lots, rental car return lot, and long-term lot are complete.

II. RUNWAY EXTENSION PROJECT

Mr. Wren reported that the project total was at \$32,500,000 and spent to date was at \$12,210,000. The engineer is RS&H, and the project contract days are 460, with 160 days used and 300 remaining.

Mr. Wren reported that the perimeter road has been lime-treated, and the base material has been placed. Paving will be completed next week to open the new perimeter road.

Underground drainage infrastructure outside of the runway safety area is near completion, and the drainage inside the runway safety area has begun.

The shelters for the south side approaches have been installed. The shelters for the north side arrived on Monday, August 14, 2023.

Cutting of the native soil for the new part of Runway 35L and TWY A has been completed. Liming of the Runway and TWY A began last Friday.

B. EVENTS/MEETINGS ATTENDED

- I. ORLANDO CAMPOS, MGR. & CEO – HEDC – JULY 18
- II. ERIC ARELLANO – JULY 24
- III. RUBY RED HOSPITALITY – JULY 25
- IV. HEDC STRATEGIC PLANNING (HALF DAY) – JULY 26
- V. HEDC STRATEGIC PLANNING (ALL DAY) – JULY 27
- VI. INEZ MARTINEZ, NEW ARFF CAPTAIN – AUGUST 1
- VII. WENDY DUVAL/DAN GULLEY/RYAN HARRIS – ENTERPRISE AND NATIONAL RENT-A-CAR – AUGUST 1
- VIII. KANDYACE MAYBERRY AND BUBBA EVANS RE: TEXANS – AUGUST 2
- IX. FRANKE REALTORS – AUGUST 4
- X. BILL MAYO AND DANIEL LASSITER – REEF PARKING – AUGUST 7
- XI. ORLANDO CAMPOS, MGR. & CEO – HEDC – AUGUST 10

Mr. Esterly reviewed all the events/meetings listed above that he had attended since the last Airport Board Meeting.

11. NEXT MEETING DATE: TUESDAY, SEPTEMBER 19, 2023, AT 5 PM.

Chairman McShan advised that the next Airport Board meeting is scheduled for Tuesday, September 19, 2023, at 5 p.m.

12. ADJOURNMENT.

The Airport Board adjourned the August 15, 2023, Airport Board meeting at approximately 6:45 p.m.

APPROVED BY:

GEORGE MCSHAN
AIRPORT BOARD CHAIRMAN

MARVIN R. ESTERLY
DIRECTOR OF AVIATION



Monthly Financial Report for the Period Ending July 31, 2023



**STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN NET ASSETS
FOR THE 10 MONTHS ENDING 7/31/2023**

	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
REVENUES						
TERMINAL BUILDING						
AIRLINES EXCLUSIVE SPACE	27,015	13,507	229,621	135,071	229,621	-
AIRLINES JOINT USE	28,361	14,180	241,067	141,868	241,068	(1)
AIRLINES GATE	20,784	10,392	176,667	103,920	176,663	4
SECURITY	49,167	29,553	432,135	293,228	432,137	(2)
RENT-A-CARS	97,565	115,660	1,034,477	1,089,121	1,030,146	4,331
CUSTOMER FACILITY CHARGE	40,695	39,798	432,237	393,294	412,844	19,393
RESTAURANT	29,225	23,993	262,738	199,114	245,152	17,586
GIFTS & NEWS	3,140	2,795	36,278	29,825	36,264	14
ADVERTISING	5,781	6,258	51,014	60,006	50,232	782
TENANT COMMUNICATIONS	1,295	1,295	12,950	12,320	12,950	-
UTILITIES	176	3,148	29,433	27,330	26,396	3,037
MISCELLANEOUS CONCESSIONAIRES	13,387	13,229	132,975	131,542	132,340	635
MISCELLANEOUS	4,796	4,780	40,778	38,181	33,500	7,278
	321,387	278,589	3,112,371	2,654,821	3,059,313	53,058



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	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
REVENUES						
AIRFIELD						
AIRLINE LANDING	42,975	23,031	373,865	178,927	373,010	855
AIRFREIGHT LANDING	12,646	22,441	149,570	208,559	155,000	(5,430)
FUEL FLOWAGE	7,422	11,471	96,652	86,163	103,000	(6,348)
MISCELLANEOUS	5,004	4,898	66,611	55,734	70,679	(4,068)
	68,047	61,840	686,698	529,382	701,689	(14,991)
INDUSTRIAL PARK						
UNITED LAUNCH ALLIANCE	59,064	59,064	590,640	590,640	590,640	-
BUILDINGS	32,317	32,317	323,166	320,790	323,170	(4)
HANGARS	19,886	14,797	200,161	145,866	197,983	2,178
FARM	-	-	46,000	46,000	46,000	-
GROUND LEASES	12,478	12,478	74,114	76,622	73,971	143
	123,744	118,656	1,234,081	1,179,918	1,231,764	2,317
TERMINAL SUPPORT						
PARKING	148,803	131,597	1,367,910	1,004,024	1,330,672	37,238
FUEL SALES QTA	15,953	20,012	156,885	145,624	153,317	3,568
GROUND HANDLING SERVICE	9,210	9,735	240,359	151,194	240,306	53
	173,966	161,344	1,765,154	1,300,842	1,724,295	40,859
TOTAL REVENUES	687,144	620,429	6,798,304	5,664,964	6,717,061	81,243



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FOR THE 10 MONTHS ENDING 7/31/2023**

	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
EXPENSES						
PERSONNEL SERVICES						
SALARIES						
ADMINISTRATIVE	54,421	52,261	546,777	557,195	547,000	223
SECURITY	42,906	38,875	414,149	346,056	414,000	(149)
MAINTENANCE	33,337	29,652	365,263	313,998	365,000	(263)
CUSTODIAN	33,635	35,654	321,211	295,580	321,000	(211)
GROUND HANDLING SERVICES	19,009	13,094	235,929	216,185	236,072	143
OVERTIME						
ADMINISTRATIVE	956	872	5,480	3,737	4,134	(1,346)
SECURITY	10,453	4,789	58,529	41,688	33,000	(25,529)
MAINTENANCE	1,459	451	18,029	7,733	18,334	305
CUSTODIAN	899	686	15,778	9,366	17,000	1,222
ACCRUED VACATION/ SICK LEAVE	23,653	26,156	239,564	250,052	249,196	9,632
FICA	16,541	14,939	160,824	149,554	157,770	(3,054)
RETIREMENT PLANS	17,123	15,552	179,079	164,123	186,000	6,921
HEALTH INSURANCE	33,790	26,808	365,591	325,114	375,660	10,069
WORKMEN'S COMPENSATION	4,408	5,731	44,051	50,819	42,668	(1,383)
ARFF PERSONNEL/ CITY	75,000	75,000	782,608	753,824	808,631	26,023
PERSONNEL SERVICES (MISC)	140	1,546	31,206	29,842	29,500	(1,706)
	367,731	342,065	3,784,066	3,514,867	3,804,965	20,899



**STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN NET ASSETS
FOR THE 10 MONTHS ENDING 7/31/2023**

	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
EXPENSES						
CONTRACTED SERVICES						
UTILITIES	38,803	38,496	363,624	319,783	363,250	(374)
COMMUNICATIONS	4,649	4,354	46,397	41,106	45,870	(527)
LEGAL	15,441	2,420	43,186	37,899	43,000	(186)
ACCOUNTING	1,250	1,250	37,900	36,860	40,016	2,116
PROFESSIONAL FEES	7,684	8,000	118,824	111,936	123,000	4,176
MAINTENANCE	29,091	36,786	318,003	427,407	310,000	(8,003)
INFORMATION SYSTEMS	6,175	(1,179)	129,253	91,982	120,000	(9,253)
ARFF	-	790	57,308	27,512	49,000	(8,308)
QTA	1,714	2,524	30,881	46,239	30,000	(881)
SECURITY	726	1,276	9,832	17,994	12,000	2,168
UNIFORMS & LAUNDRY	2,221	1,681	23,891	19,408	25,834	1,943
US CUSTOMS	43,702	126,198	536,199	631,579	514,000	(22,199)
MISC CONTRACTED SERVICES	360	374	3,602	1,484	3,834	232
	151,815	222,970	1,718,900	1,811,190	1,679,804	(39,096)



**STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN NET ASSETS
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	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
EXPENSES						
MATERIALS & SUPPLIES						
MAINTENANCE	8,179	12,967	165,721	195,545	166,000	279
GROUND HANDLING SERVICE	242	165	10,788	12,446	9,336	(1,452)
JANITORIAL	15,798	9,347	126,077	99,660	121,663	(4,414)
ARFF	2,670	445	33,209	29,866	32,133	(1,075)
SECURITY	2,565	4,718	18,454	18,563	16,450	(2,004)
QTA	-	-	143,431	151,697	148,660	5,229
FUEL	4,531	7,118	64,655	71,310	67,697	3,042
OFFICE	5,815	2,887	29,445	32,120	28,760	(685)
	39,799	37,649	591,779	611,207	590,699	(1,080)
OTHER CHARGES						
INSURANCE	25,619	29,992	261,583	293,757	263,450	1,867
ADMINISTRATIVE	2,096	1,023	14,620	21,451	18,330	3,710
TRAVEL	12,780	5,218	45,751	27,872	36,000	(9,751)
SEMINARS AND MEETINGS	-	-	3,910	5,100	2,000	(1,910)
BUSINESS DEV. (DESIGNATED)	-	-	-	7,200	-	-
MARKETING	32,305	42,952	329,513	372,678	334,000	4,487
DUES AND SUBSCRIPTIONS	953	74	18,666	29,679	19,000	334
TRAINING	215	-	2,621	15,565	3,328	707
TAXES	-	-	68	1,653	500	432
HARLINGEN EDC	-	25,000	75,000	75,000	75,000	-
MISCELLANEOUS OTHER CHARGES	487	1,679	3,273	3,232	2,500	(773)
	74,454	105,936	755,006	853,187	754,108	(898)



**STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN NET ASSETS
FOR THE 10 MONTHS ENDING 7/31/2023**

	July 2023	July 2022	Current Y-T-D Actual	Prior Y-T-D Actual	2022-2023 Budget	YTD Actual Fav (Unfav) to Budget
CHANGES IN NET ASSETS						
TOTAL OPERATING EXPENSES	633,800	708,620	6,849,751	6,790,452	6,829,576	(20,175)
NET INCOME BEFORE DEPRECIATION	53,344	(88,191)	(51,447)	(1,125,488)	(112,515)	61,068
DEPRECIATION AND AMORTIZATION	875,000	500,000	8,750,000	5,000,000		
OPERATING INCOME	(821,656)	(588,191)	(8,801,447)	(6,125,488)		
INVESTMENT INCOME	44,235	7,028	352,091	28,769		
GAIN\ (LOSS) ON DISPOSAL OF ASSETS	-	-	24,296	6,469		
TOTAL NONOPERATING REVENUES	44,235	7,028	376,387	35,238		
NET INCOME BEFORE CAPITAL	(777,421)	(581,163)	(8,425,059)	(6,090,250)		
CAPITAL CONTRIBUTIONS						
PASSENGER FACILITY CHARGES	159,954	61,442	1,424,327	1,266,738		
FEDERAL AND LOCAL GRANTS	954,445	1,280,817	11,765,105	7,453,730		
	1,114,399	1,342,258	13,189,432	8,720,469		
INCREASE (DECREASE) IN NET ASSETS	336,978	761,096	4,764,372	2,630,218		



Statements of Cash Flows
Month Ending July 31, 2023

	<u>July</u>	<u>Y-T-D</u>	<u>Prior Year YTD</u>	<u>YTD Prior Mth</u>
Cash flows from operating activities				
Operating income (loss)	\$ (857,300)	\$ (8,801,447)	\$ (6,125,488)	\$ (7,944,146)
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation	\$ 875,000	\$ 8,750,000	\$ 5,000,000	\$ 7,875,000
(Increase) decrease in receivables	160,033	(25,487)	224,844	(185,520)
(Increase) decrease in prepaid expenses	39,802	(89,029)	(73,377)	(128,830)
Increase (decrease) in accounts payable\accrued expenses	(2,539,624)	1,044,248	(2,612,135)	3,583,872
Increase (decrease) in pension asset, deferred inflow/outflow	-	-	-	-
Increase (decrease) in prepaid revenue	-	(157,285)	(91,289)	(157,285)
Increase (decrease) in deferred revenue	(17,625)	(176,250)	(176,250)	(158,625)
Total adjustments to net income	<u>\$ (1,482,414)</u>	<u>\$ 9,346,197</u>	<u>\$ 2,271,793</u>	<u>\$ 10,828,611</u>
Net cash provided (used) by operations	<u>\$ (2,339,714)</u>	<u>\$ 544,751</u>	<u>\$ (3,853,695)</u>	<u>\$ 2,884,465</u>
Cash flows from (to) capital and related financing activities				
Capital Contributions from Federal Aviation Administration	\$ 954,445	\$ 9,930,240	\$ 4,076,855	\$ 8,975,795
Proceeds from Passenger Facility Charges	159,954	1,424,327	1,266,738	1,264,372
Fixed asset additions and construction	(2,364,978)	(21,069,803)	(5,116,599)	(18,704,826)
Gain/(Loss) on Disposal of Fixed Assets	-	24,296	6,469	24,296
CARES Act Airport Grants & Payroll Support	-	5,614,823	6,345,190	5,614,823
Capital lease interest income/expense	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>\$ (1,250,579)</u>	<u>\$ (4,076,118)</u>	<u>\$ 6,578,654</u>	<u>\$ (2,825,539)</u>



Statements of Cash Flows
Month Ending July 31, 2023

	<u>July</u>	<u>Y-T-D</u>	<u>Prior Year YTD</u>	<u>YTD Prior Mth</u>
Cash flows from (to) investing activities				
Purchase of unrestricted and restricted investments	\$ -	\$ (3,519,862)	\$ (3,487,552)	\$ (3,519,862)
Maturities of unrestricted and restricted investments	492,135	4,996,521	-	4,504,387
Interest received from investments	44,235	352,091	28,769	307,856
Net cash provided (used) by investing activities	<u>\$ 536,369</u>	<u>\$ 1,828,750</u>	<u>\$ (3,458,783)</u>	<u>\$ 1,292,381</u>
Net increase (decrease) in cash and cash equivalents	\$ (3,053,924)	\$ (1,702,617)	\$ (733,824)	\$ 1,351,307
Cash and cash equivalents, October 1, 2022\October 1, 2021		<u>\$ 7,964,364</u>	<u>\$ 6,298,100</u>	<u>\$ 7,964,364</u>
Cash and cash equivalents, July 31, 2023 \ July 31, 2022		<u>\$ 6,261,747</u>	<u>\$ 5,564,275</u>	<u>\$ 9,315,671</u>
Unrestricted Investments		<u>\$ 2,990,915</u>	<u>\$ 3,487,552</u>	<u>\$ 3,483,050</u>
Total of cash, cash equivalents and investments		<u>\$ 9,252,662</u>	<u>\$ 9,051,827</u>	<u>\$ 12,798,721</u>

Note A - Includes engineering and construction costs for various construction projects and equipment purchases including building services equipment, computer equipment, mowers and minor equipment.

Note B - Cash and cash equivalents are funds in checking accounts, investment pools or investments with an original maturity date to the Airport of ninety (90) days or less. All other investments are categorized as unrestricted or restricted investments which have an original maturity date to the Airport in excess of ninety (90) days.

Note C - Cash and Cash Equivalents includes \$0 PFC Cash.



7. Consent Agenda

Consider and take action to approve the consent agenda.

- a. Consider and take action to approve the Airport Board's regular meeting minutes of August 15, 2023.
- b. Consider and take action to approve the monthly Financial Report for the Period Ending July 31, 2023.



8. Agenda

Consider and take action to appoint a member of the Airport Board to the City of Harlingen's Audit Committee for a period of one year: October 1, 2023 – September 30, 2024.



9. Agenda

Consider and take action to accept or reject the Airport's bids for Airport Liability, Flood, Hail, and Windstorm Insurance.

Proposal details and recommendation to be presented at meeting.



10. a. Director's Report

i. Runway Extension Project:

Runway Extension Project:

Project Total: \$32,500,000

Spent to date: \$14,002,000

Engineer: RS&H

Project Contract Days (includes days added from change orders): 460 days

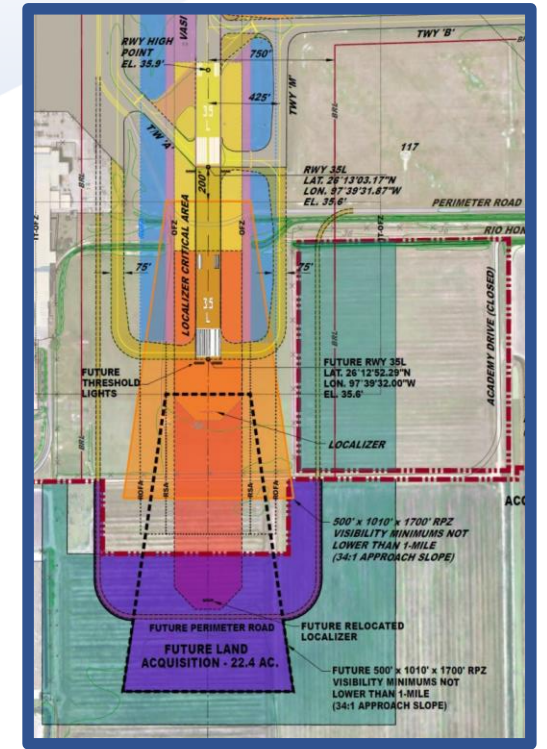
Contract Time Used: 220 Days

The perimeter road is completed and open.

Underground drainage infrastructure outside of the runway safety area continues to be placed, sitting at 90 percent complete.

Electrical for the Nav Aid is at 85 percent complete. AEP is scheduled to come the first week of October to start energizing the south end Nav Aids.

Runway 18R and TWY A have lime treated subgrade being installed. Base is expected the start being placed





10. a. Director's Report

ii. Runway Extension Project: ATCT Update

- Complete and Receive FAA Approval of the Sight Selection Survey (completed)
- Complete the Environmental Assessment (completed)
- Airspace Study (completed)
- Phase 1 Environmental (completed)
- Terminal Procedures (TERPS) Survey (completed)
- Complete the New Air Traffic Control Tower Design (70 percent complete, will be 100 percent complete in Nov 2023)



DAYTIME RENDERING



NIGHT RENDERING



10. b. Director's Report

Events/Meetings Attended

- i. City Manager – monthly meeting – Aug 15
- ii. RGV Economic Summit, Edinburg – Aug 17
- iii. Meet & Greet – Orlando Campos, EDC President/CEO – Aug 17
- iv. State Rep Janie Lopez – Aug 18
- v. TSA – Zoom Meeting – Aug 22
- vi. Public Affairs Luncheon, SPI – Aug 23
- vii. Arlene Garza, President, Gulf Aviation – Aug 24
- viii. Sydney McHale, Clear Channel Outdoor – Sep 7
- ix. Kim Brockman, Marcelino Sanchez, FAA, Ft. Worth – Sep 13



11. Executive Session

- i. Pursuant to Texas Government Code Section 551.072, regarding the purchase, lease or value of real estate, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person and Texas Government Code Section 551.087, regarding commercial and financial information from a business prospect with which the Airport is conducting negotiations and/or to discuss or deliberate financial or other relating matters.
- ii. Government Code 551.087 - Deliberations regarding Economic Development negotiations.



11. i. Executive Session

Gulf Aviation requested change to MOU.

Request: initial hangar build discussed, language be removed, and replaced with investment in both our MOU and first lease draft.

Airport Staff Suggestion: Airport supports the change from “Hangar” to “Qualify Capital Investment” (QCI). Capital Investment to be solely determined to “qualify” by the Airport Board.



11. ii. Executive Session

Government Code 551.087 - Deliberations regarding Economic Development negotiations.



12. Action related to executive session items:

- i. Possible Action
- ii. Possible Action



13. Next Meeting

October 17, 2023 @ 5:00pm.

OCTOBER 2023						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

14. Adjournment

