

**ERIE REGIONAL AIRPORT AUTHORITY
RESOLUTION 2023 -20**

REVISION OF BYLAWS REGARDING BALANCED BUDGET REQUIREMENT

WHEREAS, the Erie Regional Airport Authority (“ERAA” or “Authority”) is currently exploring a variety of ways to attract new and additional air service to the Erie International Airport (“ERI” or “Airport”); and

WHEREAS, some of the options being considered to attract new air service would necessitate the Authority’s use of reserve funds to offset operating losses in the short term; and

WHEREAS, the ERAA’s auditors agree that using reserve funds to subsidize an operating loss is a plausible budget strategy in times where passing a budget at a deficit can be a well-reasoned financial strategy - such as when an airport is attempting to attract additional air service to create growth; and

WHEREAS, while having a balanced budget is a good goal to have as a fiscally prudent organization, there are times when not presenting a balanced budget as an intentional strategy to fund a budget deficit to allow an entity the ability to invest in future growth initiatives may be appropriate and necessary; and

WHEREAS, the Authority’s Bylaws currently require the Finance Committee to present to the ERAA Board of Directors (“Board”) balanced operating and capital program budgets each year; and

WHEREAS, the Authority’s Auditors and the Administration believe this balanced budget requirement restricts the Board from being able to make prudent decisions in the best long term interest of the Authority; and

WHEREAS, the purpose of this Resolution and proposed Bylaws revision is to remove the annual balanced budget requirement and to give the Board more flexibility in being presented with and approving annual budgets which may not be “balanced” when it is deemed in the best interest of the Authority; and

WHEREAS, the Board was provided notice of the below proposed amendment to the Bylaws through receipt of a copy of this Resolution via email seven calendar days in advance of the September 27, 2023 regular Board meeting.

AND NOW, on this 27th day of September, 2023, the Erie Regional Airport Authority **RESOLVES** that the Article IV, Section A.2 of the Bylaws, pertaining to Financial Matters and Budget, be amended as follows:

1. Article IV, Section A.2, which currently provides:

The Finance Committee will present the annual operating and capital program budgets to the Board at the November

Board meeting. Such budgets shall be balanced at the time of presentation.


shall be revised to read as follows:

The Finance Committee will present the annual operating and capital program budgets to the Board at the November Board meeting. Such budgets shall be balanced at the time of presentation unless the Finance Committee believes a balanced budget is not prudent nor feasible at that time and believes Board consideration, and possible approval, of a deficit budget is a well-reasoned financial strategy that is in the best interest of the ERAA. In such circumstances, the Finance Committee shall present to the Board a financial forecast showing when it is reasonably anticipated the budget can return to being balanced.


2. This Bylaw Resolution shall be effective immediately.
3. Upon approval, the Administration is directed to update the official Bylaws of the Authority on the ERAA website.

On the motion of David Hallman, Jr., seconded by Eric Rogers, this resolution was approved [approved or not approved] on this 27th day of September, 2023 by a vote of 8 - 1.

ERIE REGIONAL AIRPORT AUTHORITY



Daniel Giannelli, President



Brian Slawin, Secretary