



Philadelphia International Airport (PHL) Northeast Philadelphia Airport (PNE)

Michael Meyers

Airport Controller

January 23, 2024



City of Philadelphia,
Department of Aviation



PHL PNE

PHILADELPHIA INTERNATIONAL AIRPORT
NORTHEAST PHILADELPHIA AIRPORT



Department of Aviation's Accounting Unit



PHLPNE

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NORTHEAST PHILADELPHIA AIRPORT

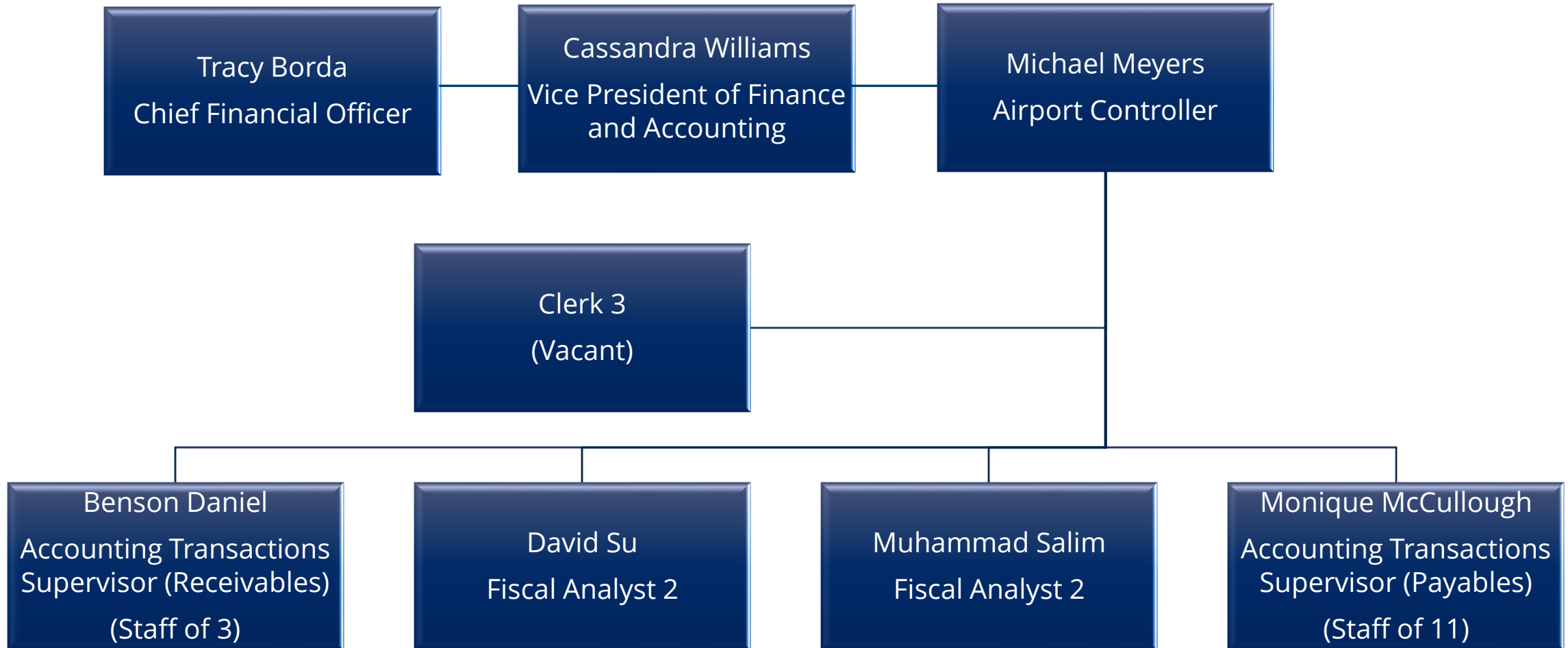
Accounting Overview



The Accounting Unit is comprised of approximately 20 team members consisting of supervisors, accountants, analysts, administrative specialists and clerks.

The Unit is divided into two sections: Accounts Payable and Accounts Receivable. The Unit handles a variety of functions to help the Airport continue to operate, such as processing revenue and processing invoices. Our main responsibilities include ensuring our vendors are paid for services in a timely fashion and preparing reporting records through a series of steps that provide financial activity, performance and position of the Airport.

Accounting – Organizational Chart



Impact on the Department of Aviation's Mission & Vision



Vision

We are a World Class Global Gateway of Choice

Mission

Proudly Connecting Philadelphia with the World

To maintain a World Class Global Gateway of Choice and to Proudly Connect Philadelphia with the World, the Accounting Unit must

- 1. Process invoices timely for the Airport to continue to operate, and to reduce vendor cashflow issues thereby creating an environment where vendors want to continue to compete to do business with us.*
- 2. Process revenue for the Airport to continue to operate, maintain healthy cashflow and liquidity to accomplish goals.*
- 3. Produce financial records and reporting for analysis and important decision making.*

Airport Cost Centers – For Revenue and Expense Tracking



Airfield Area (landing areas)

Terminal Area (terminal and maintenance buildings)

Outside Terminal Area (roadways, parking lots and garages)

Other Areas (including cargo area)

Northeast Philadelphia Airport (PNE)

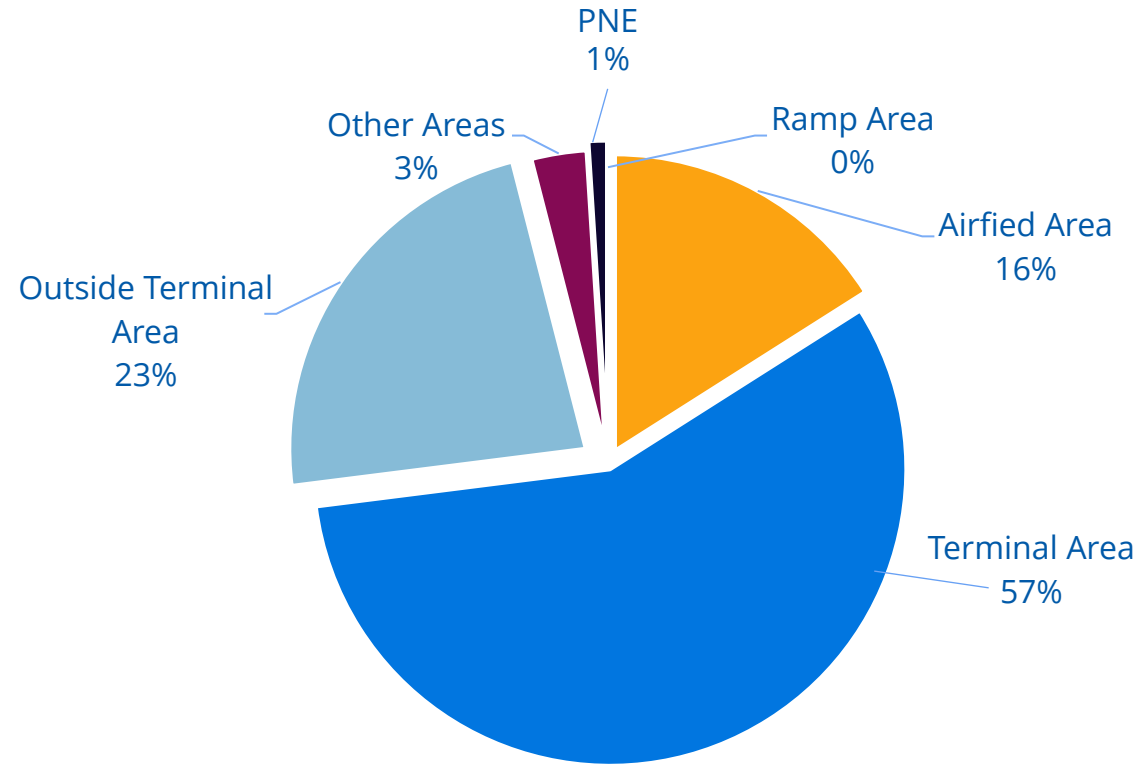
Ramp Area (area adjacent to building)

Airport Services (employee expenses)

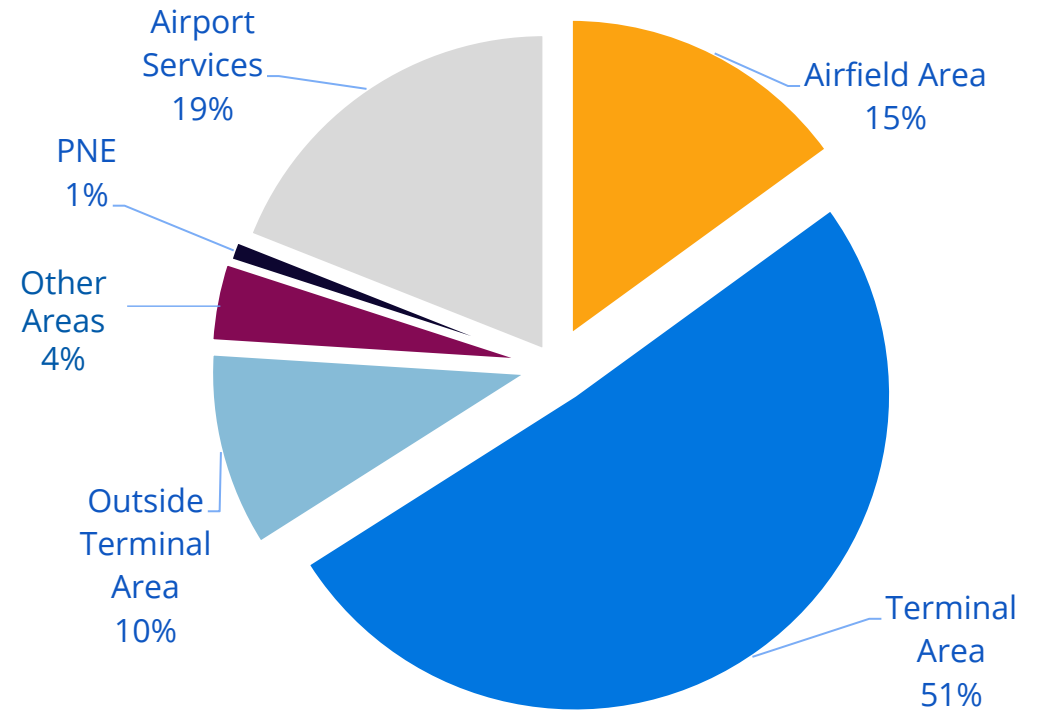
Airport Cost Centers – Allocation Tracking



Operating Revenues (FY23)



Operating Expenses (FY23)



Accounts Payable



Capital – Invoice processing for Airport contractors and capital related projects

Operating – Invoices and expense tracking for:

1. Payroll (expense tracking)
2. Purchase of Services (repairs, copier rentals, dues, meals, software, postage, etc.)
3. Materials and Supplies (paper, publications, cleaning supplies, office supplies, tools, etc.)
4. Equipment (computers, printers, appliances, etc.)
5. Taxes – Use & Occupancy (City), Real Estate (Delaware County) and Sales and Use (State)

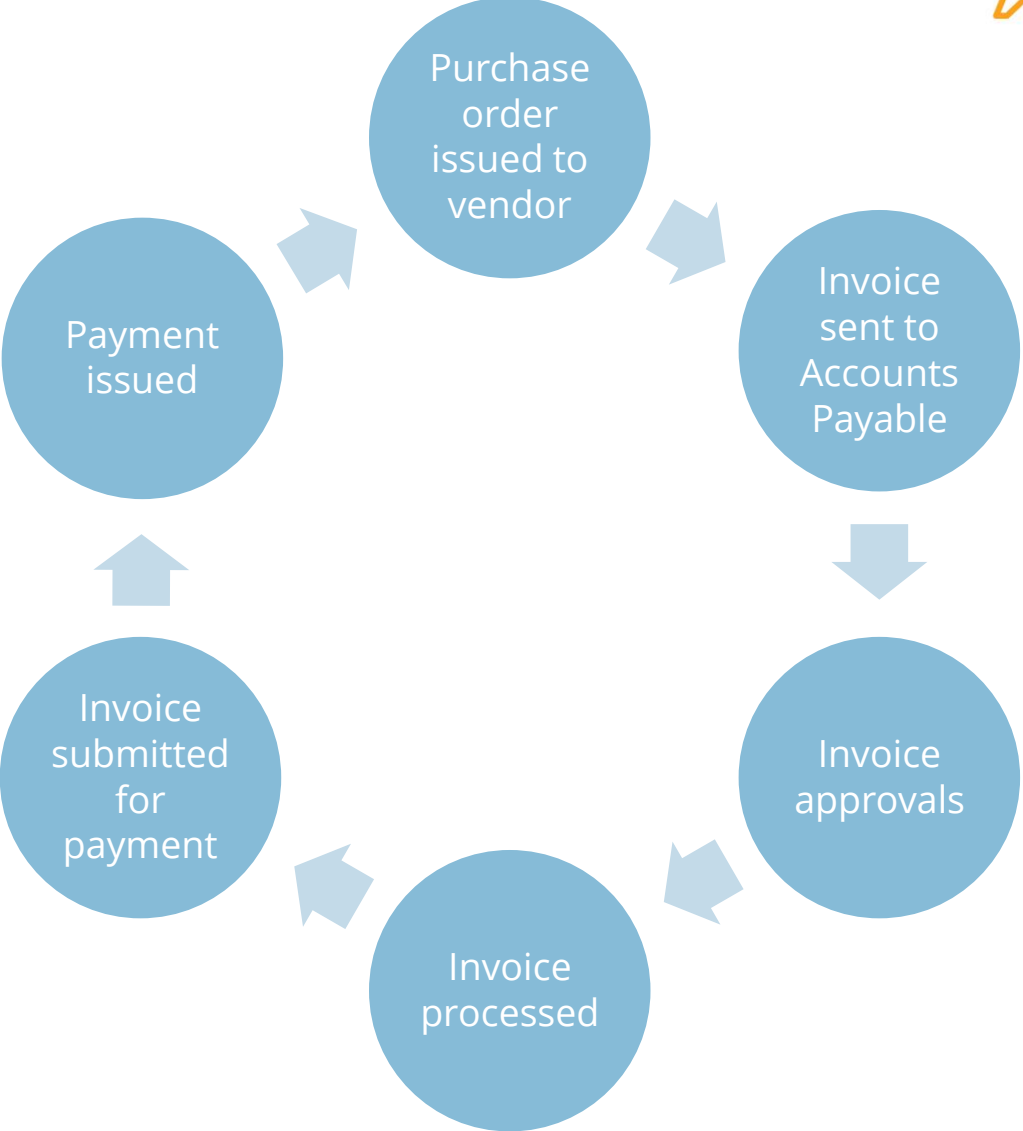
Authorized Signature Card (Green Card) – For Invoice Approvals

Expenditure Allocations (by Cost Center, index code, class and Inter-Fund Departments)

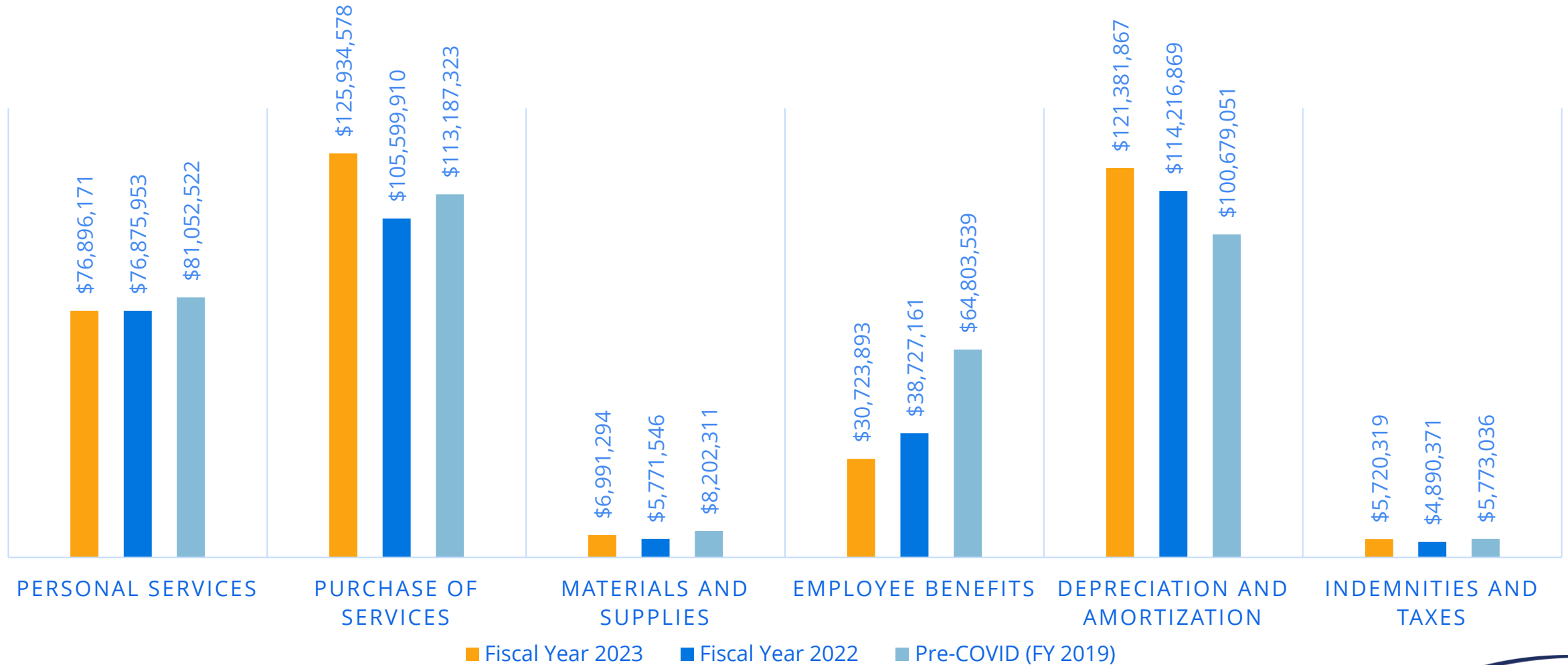
Travel and Reimbursements – For business conferences and seminars

Petty Cash (\$750 and under) – For business-related expenses and small miscellaneous invoices

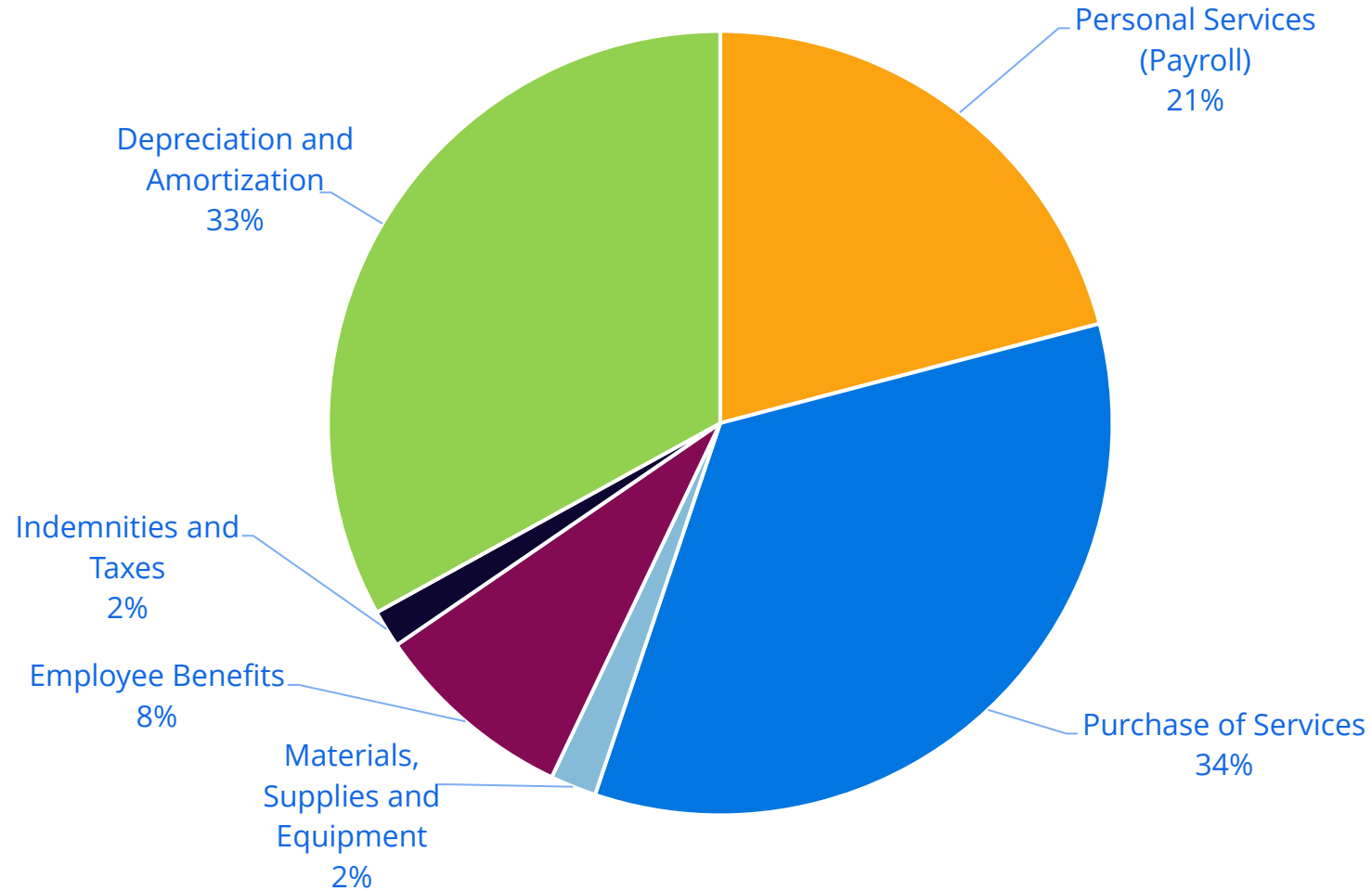
Accounts Payable Cycle



Operating Expenses FY 2023 vs FY 2022 vs Pre-COVID (FY 2019)



FY 2023 Operating Expenses by Source



Accounts Receivable



Operating Fund



- Airline (Aeronautical) Revenue
 - a. Rents
 - b. Landing Fees
 - c. Per Passenger Charges
- Non-Airline (Non-Aeronautical) Revenue
 - a. Parking
 - b. Food and Beverage
 - c. Car Rentals
 - d. Ground Transportation
 - e. Utility Recoveries
 - f. Others
- Operating Grants
 - Law Enforcement Officers and Canine



Capital Fund



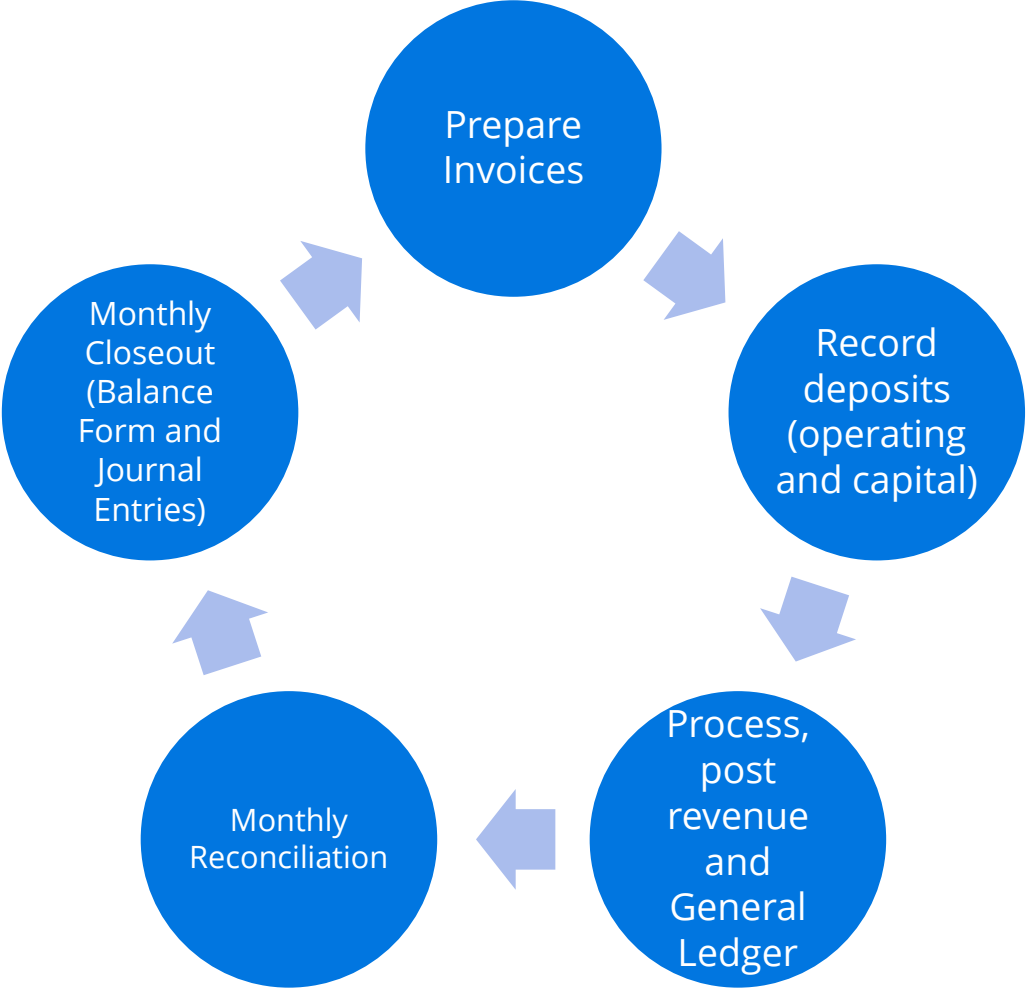
- Passenger Facility Charges (PFC)
Surcharge on enplaned passengers
- Customer Facility Charges (CFC)
Surcharge on car rentals
- Capital Grants
Federal and State Grants

Accounts Receivable Cycle

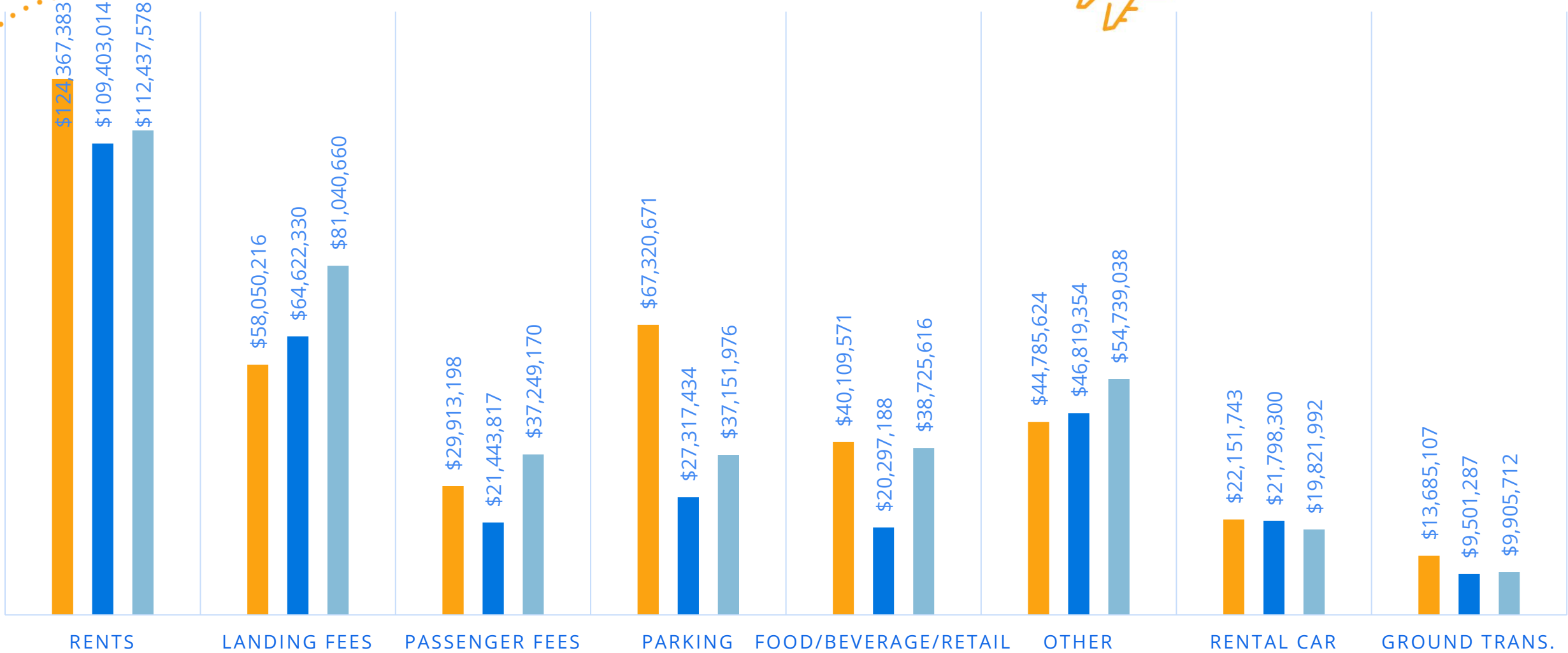


Monthly Cycle

Annual Cycle

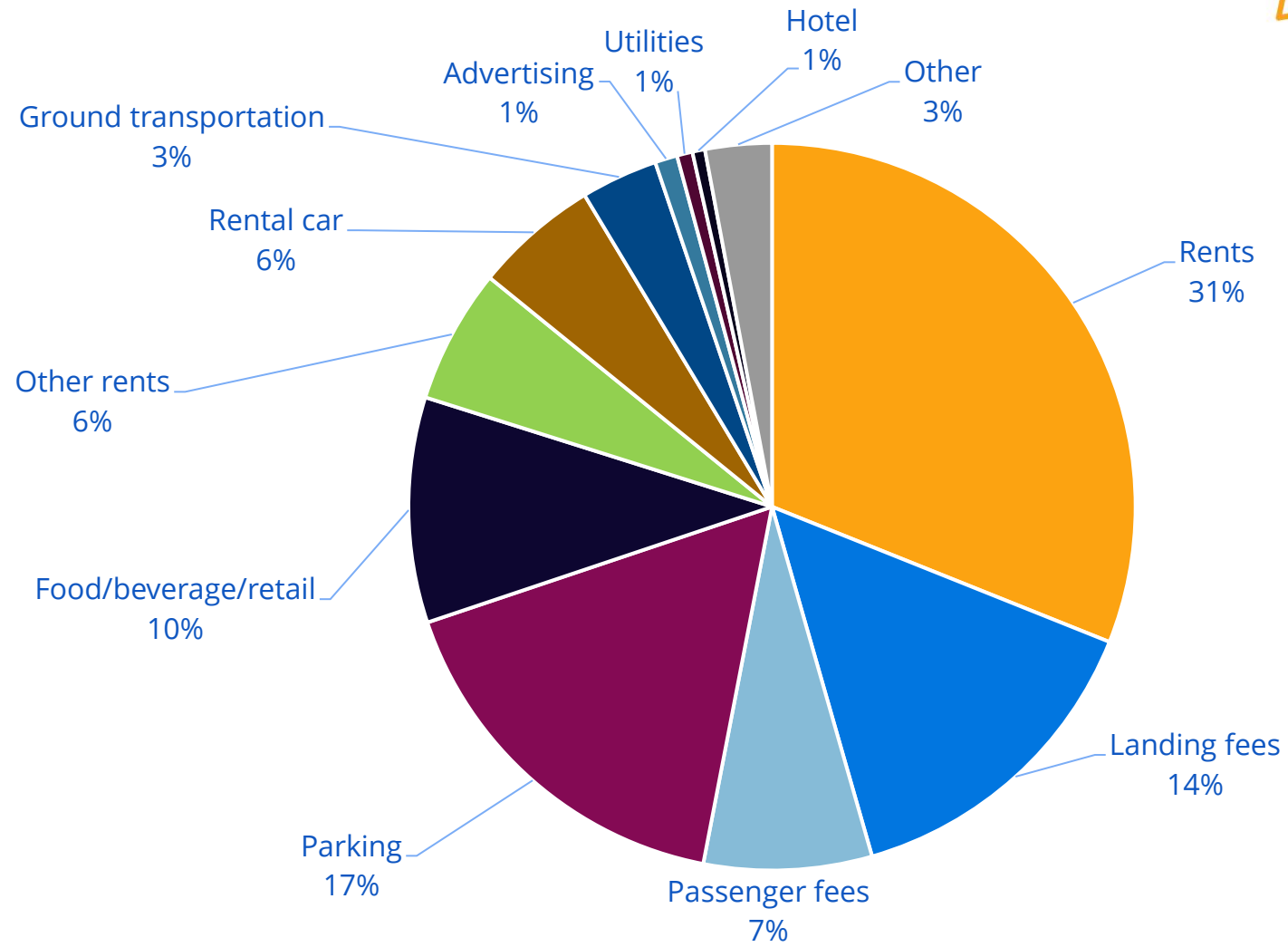


Operating Revenues FY 2023 vs FY 2022 vs Pre-COVID (FY 2019)



■ Fiscal Year 2023
 ■ Fiscal Year 2022
 ■ Pre-COVID (FY 2019)

FY 2023 Operating Revenues by Source



Financial Reporting and Airport Statistics



Collaboration



Internal

Airport Unit	Typical Information
All Airport Units for Accounts Payable	Invoices and Approval Documentation
Properties / Revenue	Lease Data Summaries, Space Changes for Rentals
Operations	Aircraft Movement Reports, Flight Information for Billing
Law	Airport Regulations, Agreement Copies, Bankruptcies, Collection Demand Letters, Delinquent Account Referrals
Finance	Audit, Budget, Treasury
Purchasing	Setting up purchase orders
Public Affairs	Posting statistics and financial reports to PHL.org website
Engineering	GIS Information
Cargo PHL	Cargo Operations, Mail and Freight Statistics
IT	Innovations for billings and statistics

External

Area	Organization
City	Department of Finance, Department of Revenue, City Treasurer's Office, City Controller's Office
Partners	MarketPlace PHL
Utility Companies	Philadelphia Water Department, Philadelphia Gas Works, PECO
Governmental Organizations	Federal Aviation Administration (FAA), Governmental Accounting Standards Board (GASB)
Neighborhood	Commonwealth of PA, Delaware County
National Organizations	Airports Council International – North America (ACI-NA)
Banking Institutions	Wells Fargo Bank, US Bank

Successes



- *Analyzed the impact of new Governmental Accounting Standards Board (GASB) Pronouncements on the Airport year-end financial reporting*
- *Continued working with IT on a new landing fee reporting, billing and statistical process to provide more statistical data – less likely for reporting errors*
- *Reorganized the financial statement compilation files and trained staff on their preparation*
- *With the assistance of the Audit Unit, updated and documented our Standard Accounting Procedures (SAPs)*
- *Working with the Audit and Energy Teams to review electric and natural gas meter readings to ensure our billings are accurate.*
- *Continued to be engaged in the City's design of OPAL, the new accounting software.*

Aspirations



Automation

- *Billing and statistical processes*

Quarterly Financial Statement Reporting

- *As the City's OPAL Project (new accounting software) is implemented*

Tickler Notifications

- *For past due invoice reminders*

Airport Purchasing (P) Card

- *For Travel*

Updated Accounting Dashboards

- *For statistics, revenues and expenses*

For More Information...PHL.org



<https://phl.org/business/investor-information/annual-reports>

<https://phl.org/business/investor-information/statistical-information>

<https://phl.org/business/investor-information>

<https://phl.org/business/reports/activity-reports>