



DEPARTURE:
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AVL

ASHEVILLE REGIONAL AIRPORT
ANNUAL REPORT
2012

ROUTE

- LETTER FROM THE EXECUTIVE DIRECTOR
- ITINERARY TO INDEPENDENCE
- TICKET TO GROW

Asheville
REGIONAL AIRPORT
Take the easy way out.

AVL
GENERATED MORE THAN
HALF
A BILLION
DOLLARS
IN ECONOMIC
IMPACT

LETTER FROM THE EXECUTIVE DIRECTOR

ASHEVILLE REGIONAL AIRPORT HAD A BIG YEAR IN 2012, beginning with the transition to an independent airport authority and continuing with events and growth throughout the year. I am pleased to share our progress with you, and am particularly interested in sharing some of the ways in which **OUR AIRPORT CONTRIBUTES TO A THRIVING LOCAL ECONOMY.**

On behalf of the Airport Authority Board, staff, volunteers, and industry partners, I would like to thank the community of western North Carolina for supporting not only the airport itself, but also our region. Your utilization of Asheville Regional Airport supports jobs, growth, and other direct and indirect impacts that make our community even stronger.

- LEW BLEIWEIS, A.A.E., EXECUTIVE DIRECTOR



ITINERARY TO INDEPENDENCE

ONE OF THE MOST SIGNIFICANT MILESTONES of 2012 was the State of North Carolina's creation of a new independent, state sanctioned governing body — the Greater Asheville Regional Airport Authority. Consistent with current airport industry trends, this change was a natural next-step in the life of the growing airport. The airport, formally governed by a quasi-independent board appointed primarily by two government agencies (the City of Asheville and Buncombe County), is **NOW ABLE TO OPERATE MORE LIKE A SELF-SUSTAINING BUSINESS** that can purchase property, develop aeronautical and non-aeronautical land, apply for federal and state grants and operate more efficiently. Additionally, the new board structure calls for **MORE REGIONAL REPRESENTATION**, which is a reflection of the airport's growing regional focus and impact. The City of Asheville, Buncombe County and Henderson County each have equal appointments to the board, and the six members appoint a seventh from the region.

TICKET TO GROW

AIRPORTS ARE IMPORTANT ECONOMIC ENGINES in the communities they serve, contributing to growth and prosperity. In 2012, we studied the amazing economic impact generated by having a local airport. The numbers are huge. The impact is real. The highlights? **NEARLY HALF A BILLION DOLLARS IN LOCAL IMPACT WAS GENERATED** through direct, indirect and induced spending, taxes and jobs. Western North Carolina benefits from the presence of **1,700 LOCAL JOBS** because of the airport's existence. And every 50-seat round-trip flight generates more than **\$43,000** for our region.

For a detailed look at the economic impact of AVL, visit our website at WWW.FLYAVL.COM.



ROUTE

- TICKET TO GROW, CONT.



MASTER PLANNING CHARTS A CLEAR COURSE FOR THE AIRPORT'S FUTURE



GROWTH. This is a common theme at Asheville Regional Airport, and to guide the airport's growth in the right direction, the airport engaged a **MASTER PLANNING PROCESS** in 2012. The 18-month-long project (which will conclude in 2013) included population, passenger and air traffic data analyses, community stakeholder input, and architectural and financial studies that will ultimately provide an airfield development plan based on short (1-5 years), intermediate (6-10 years), and long-term (11-20 years) demand levels. Final results of the study may also recommend development considerations that extend far beyond the 20-year planning period.

To review details about the Airport Master Plan, visit
WWW.FLYAVLFUTURE.COM

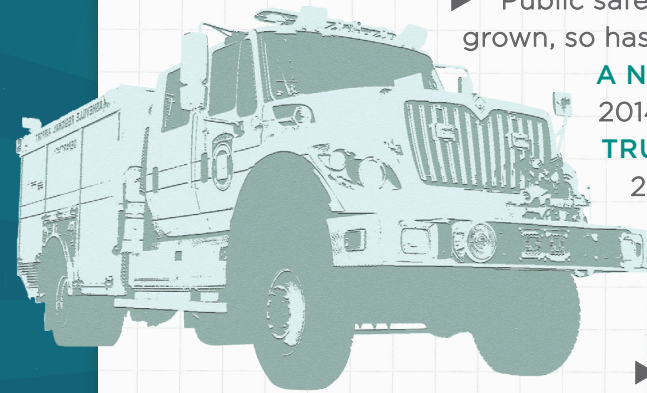
ECONOMIC GROWTH IS PARTIALLY DRIVEN by infrastructure development at the airport itself, and we experienced some significant achievements in 2012.

▶ Three more **JET BRIDGES** were added to gates 4-6, and all gate areas now have this feature — a positive customer service enhancement for sure.

▶ Public safety is a key part of airport operations, and as the airport has grown, so has the public safety department. **DESIGN COMMENCED ON A NEW PUBLIC SAFETY FACILITY**, slated to be completed in 2014, and a **NEW AIRCRAFT RESCUE AND FIRE FIGHTING TRUCK** was purchased to replace a 27-year-old vehicle — complete with the most state-of-the-art technology available in the industry.

▶ What kinds of aeronautical expansion will take place at AVL in the future? No one has a crystal ball, but a **REAL POSSIBILITY IS THE ADDITION OF AIR CARGO SERVICES**. However, a suitable location for this type of development does not currently exist on the airport property. Therefore, a massive fill-project continued in 2012 — and by 2014, significant sections of land adjacent to the southwest corner of the airfield will be available for development.

▶ And finally, a significant step was taken this year toward **REDEVELOPMENT OF THE AIRFIELD**. The runway pavement is nearing the end of its useful life and newer FAA standards



ROUTE

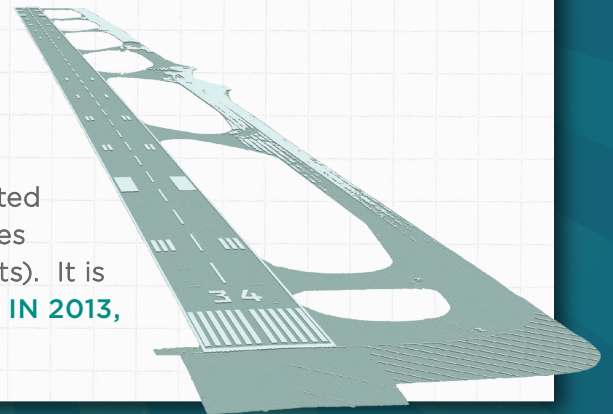
- TICKET TO GROW, CONT.
- TICKET TO GO



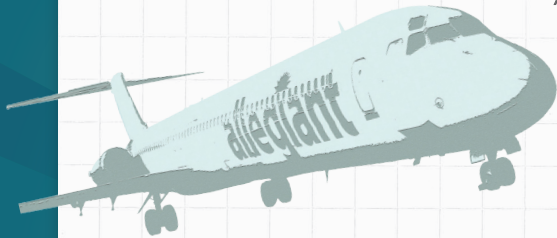
WE
ADVOCATE
FOR NEEDED
AIR
SERVICE IN OUR
COMMUNITY

led to the decision to build a new runway. Extensive analysis has been conducted to determine the best way to accomplish this enormous task without interrupting commercial air traffic. The most effective option is to build a new runway and taxiway.

In 2012, the Federal Aviation Administration identified Asheville Regional Airport's Airfield Redevelopment Project as a priority in the maintenance of the national airport infrastructure, and the majority of funding for the project will come from the Aviation Trust Fund, a source of funds generated by users of airports — specifically, funds come from the airlines (taxes on aviation fuel) and passengers (taxes on airline tickets). It is anticipated that engineering and **DESIGN WILL TAKE PLACE IN 2013, AND CONSTRUCTION WILL BEGIN IN 2014.**



TICKET TO GO



At AVL, a big part of our job is to tell our story to airlines, and to work hard to entice them to provide needed air service for you. We don't own airplanes, and we can't decide to provide air service to specific destinations. We need airline partners to provide air service, and they want to fly routes that will be profitable! It's a delicate balance — **OUR REGION'S NEEDS AND DESIRES MUST MATCH AN AIRLINE'S BUSINESS**

PLAN. We work diligently to make matches between the two. In 2012, we welcomed a new and very desired route at AVL: Allegiant began flying to Fort Lauderdale in November. And we're pleased to say that from the very beginning, the flights were full and the route is working well for Allegiant.

HOW WE "GO" IS CHANGING: AN AIR SERVICE ADVOCACY UPDATE.

It is important to note that the airline industry is changing. Gone are the days when airlines would fly half-empty planes. Instead, airlines are smarter than ever about matching seat capacity with market demand, and they want every flight to be profitable.

WHAT DOES THIS MEAN FOR REGIONAL AIRPORTS?

We will continue to work diligently to retain the excellent frequency of flights to major hubs (Atlanta, Charlotte, Chicago), and advocate for needed service that will work in our market. These routes are very specific — our market must be able to provide enough passengers to fill planes, so our advocacy is very targeted on niche point-to-point destinations (such as additional Florida destinations) and gaps in hub connectivity



ROUTE

- TICKET TO SAFETY
- OUR "STAYCATION" — SHARING THE LOCAL LOVE

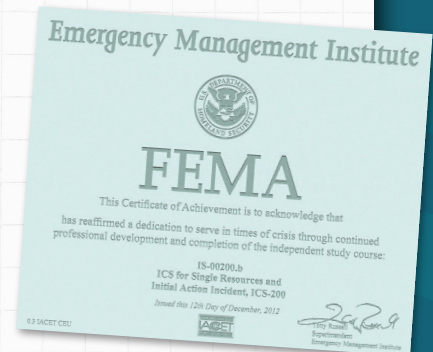


YEAR IN
AND YEAR OUT
SAFETY
ALWAYS
COMES
FIRST

(such as a west-bound destination) where WNC air travelers are already flying via connections or from other airports.

TICKET TO SAFETY

An airport's primary role is to provide a safe environment for air travelers. And we do just that. However, there is always the possibility of the unexpected — a severe weather event, an aircraft incident, or criminal activity that endangers lives. One way we ensure that we are prepared for any crisis that may occur is to practice, practice, practice. In May 2012, the airport hosted a region-wide disaster drill, and tested the use of a nationally standardized crisis management system called NIMS (National Incident Management System). Additionally, **ALL AIRPORT STAFF BEGAN NIMS CERTIFICATION TRAINING** in 2012, with the goal of 100% certification by 2013.



OUR “STAYCATION” — SHARING THE LOCAL LOVE

Asheville Regional Airport is proud to be an anchor organization that serves the entire western region. We take this role seriously, and participate in meaningful ways to give back and be a responsible and caring “corporate citizen.” Here are a few ways we “shared the local love” in 2012:

▶ We hosted a second annual **RUNWAY 5K + AVIATION DAY**, and welcomed approximately 3,000 community members to the airport. What a fun day! Racers of all ages “flew” down the runway, Aviation Day participants enjoyed military, historic and general aviation aircraft on display, and educational exhibits helped highlight our love of aviation. In the end, we were able to donate more than \$6,000 in proceeds to our comrades at the WNC Pilots Association for their scholarship fund.



▶ We continued to support the arts by opening our **IN-TERMINAL ART GALLERY** to regional artists. We held three juried exhibits, and passengers and visitors enjoyed this slice of our region’s culture throughout the year.

▶ It’s important to focus on the children in our region, and we were able to do so in several meaningful ways. **WE PARTNERED WITH TWO CHILDREN’S MUSEUMS:** The Health Adventure, and Hands On! – A Child’s Gallery. We helped to sponsor some excellent exhibits, including a great



ROUTE

- OUR "STAYCATION" — SHARING THE LOCAL LOVE, CONT.
- TICKET TO WELLNESS

Asheville
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Take the easy way out.

PROUDLY
SERVING AND
**GIVING
BACK**
TO ORGANIZATIONS
**IN OUR
REGION**

rotating globe exhibit from NASA that highlighted air traffic around the world, and paper airplane camps. Our friends at the museums were front-and-center at our Aviation Day, providing aviation education and activities for kids. We also partnered with Junior Achievement — an organization that coordinates work shadow experiences for middle and high school students, and hosted an educational day at the airport. Who knows — maybe we planted some seeds for future aviation professionals!

- ▶ It was great fun to invite area **SCHOOL CHORAL GROUPS** to perform at the airport during the holidays — a treat for all!
- ▶ We care greatly about the economic health of the region, and **PARTICIPATED WITH MANY GROUPS AND INITIATIVES TO SUPPORT ECONOMIC DEVELOPMENT**. These include: Chambers of Commerce from 11 western North Carolina counties, Carolina West, Buncombe County

Economic Development Coalition, Henderson County Economic Development Partnership and Land-of-Sky Regional Council. We look forward to continuing to be a significant voice in the region's growth and prosperity.

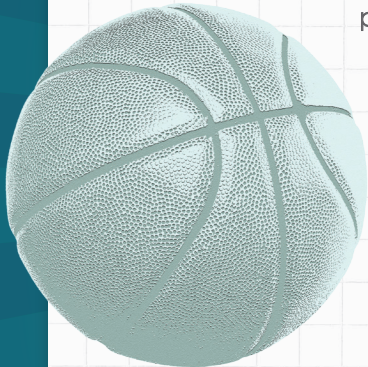
▶ We also know that the beauty of our region is a huge part of our identity. We embrace our amazing surroundings, and showed our pride by providing a **CORPORATE SPONSORSHIP** to the NC Arboretum in 2012.

▶ When the **SOUTHERN CONFERENCE BASKETBALL TOURNAMENT** came back to Asheville, we took the opportunity to be a part of a regional "win." We not only provide air service for western North Carolinians, but we also welcome travelers from other places. Our sponsorship of SoCon allowed us to be **A GOOD CORPORATE CITIZEN**, and also share the good news about AVL with thousands of residents and visitors.

We support numerous other events, organizations and charities with donations of prize bags, airport goodies and staff time devoted to boards of directors and committees.

TICKET TO WELLNESS

It is important to point out a key achievement that happened within the airport team in 2012. **FOR THE FIRST TIME IN OUR HISTORY, AN EMPLOYEE WELLNESS PROGRAM WAS STARTED.** And it started with a bang!



ROUTE

- TICKET TO WELLNESS, CONT.
- OUR NUMBERS AT A GLANCE



SUPPORTING OUR TEAM AND TRACKING THE NUMBERS

A few highlights:

- ▶ Of the 60 employees, nine joined Weight Watchers and lost more than 200 pounds collectively.
- ▶ A wellness/fitness room was installed for employees, and exercise classes are routinely held.
- ▶ Several employees quit smoking with the help of smoking cessation services.
- ▶ Health and wellness is a common topic of conversation among the staff.

From a business perspective, healthcare costs decreased significantly compared to the previous year — also good news!

OUR NUMBERS AT A GLANCE

For fiscal year ending June 30, 2012.

KEY MEASURES

	2012	2011	2010
ENPLANEMENTS	356,098	364,843	319,692
AIRCRAFT OPERATIONS (AIRLINE)	19,690	21,001	18,994
AIRCRAFT OPERATIONS (GENERAL AVIATION)	38,757	38,721	44,621
AIRCRAFT OPERATIONS (MILITARY)	4,266	4,675	4,214
TOTAL NET ASSETS	78,421,397	77,191,735	73,280,177

STATISTICS

AIRLINE MARKET SHARE

- AIRTRAN AIRWAYS	5%
- ALLEGIANT	7%
- AMERICAN	1%
- CONTINENTAL	5%
- DELTA	42%
- UNITED	11%
- US AIRWAYS	34%

EMPLOYEES 56

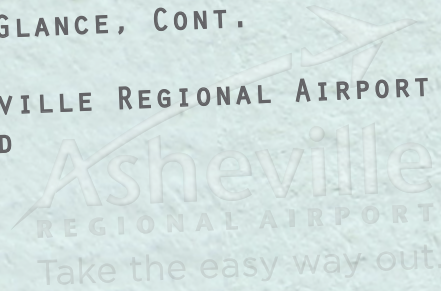
AIRLINE PASSENGERS 709,875

TAKE-OFFS/LANDINGS 62,713



ROUTE

- OUR NUMBERS AT A GLANCE, CONT.
- 2012 GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY BOARD



ENGAGED
LEADERSHIP
PAVING
THE
WAY
TO
SUCCESS

SOURCES OF REVENUE

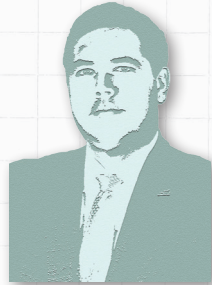
AIRLINES	24%
CONCESSIONS	3%
FBO/GENERAL AVIATION	11%
FEDERAL GOVERNMENT	4%
PARKING	30%
RENTAL CARS	23%
OTHER	5%



2012 GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY BOARD



DAVE HILLIER
Chair



ANDREW TATE
Member



BOB ROBERTS
Vice-Chair



MARTHA THOMPSON
Member



JEFFREY PICCIRILLO
Member





GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
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