



AGENDA

Asheville Regional Airport Authority Regular Meeting
Friday, April 20, 2012, 8:30 a.m.
Conference Room at Administrative Offices

NOTICE TO THE PUBLIC. The Airport Authority welcomes comments from the public on any agenda item. Comments are received prior to the Board's discussion of the agenda item. Comments are limited to five minutes. If you wish to comment on an agenda item, please deliver a request card (available in the meeting room) to the Recording Secretary prior to the agenda item being called by the Chairman.

- I. CALL TO ORDER:
- II. APPEARANCES: None
- III. SERVICE RECOGNITION AWARD – BROWNIE NEWMAN
- IV. PRESENTATIONS: None
- V. FINANCIAL REPORT ([document](#))
- VI. CONSENT AGENDA:
 - A. Approval of the Asheville Regional Airport Authority March 9, 2012 Regular Meeting Minutes ([document](#))
 - B. Approval of the Asheville Regional Airport Authority March 9, 2012 Closed Session Minutes
 - C. Approval of Amendments to Administration and Human Resources Policies ([document](#))



VII. OLD BUSINESS:

- A. Public Hearing and Final Adoption of the Authority's Fiscal Year 2012/2013 Budget ([document](#))
- B. Joint Fire House Update

VIII. NEW BUSINESS:

- A. Capital Expenditure and Budget Amendment for Restaurant Equipment ([document](#))
- B. Future Long Term Airport Goals ([document](#))

IX. DIRECTOR'S REPORT:

- A. Firing Range Discussion
- B. New ARFF Truck
- C. August Board Meeting
- D. Meetings with Legislators in Washington, DC and FAA

X. INFORMATION SECTION:

(Staff presentations will not be made on these items. Staff will be available to address any questions the Board may have.)

- A. February, 2012 Traffic Report ([document](#))
- B. February, 2012 Monthly Financial Report ([document](#))
- C. April, 2012 Development/Project Status Report ([document](#))
- D. Potential Board Items for the Next Regular Scheduled Meeting:

- None identified at this time

XI. AUTHORITY MEMBERS' REPORTS:

XII. PUBLIC AND TENANTS' COMMENTS:



XIII. CLOSED SESSION:

Pursuant to Subsections 143-318.11 (a) (3) and (6) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney Client Privilege and to Consider Personnel Matters.

XIV. CALL FOR NEXT MEETING.

XV. ADJOURNMENT.

Respectfully submitted,

Lew Bleiweis, A.A.E.
Airport Director

Approved:

David Hillier
Chairman

This agenda of the Asheville Regional Airport Authority is provided as a matter of convenience to the public. It is not the official agenda. Although every effort is made to provide complete and accurate information to this agenda, the Authority does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before or at the Board meeting.

**Asheville Regional Airport Authority
Executive Summary
February-12**

AIRPORT ACTIVITY

	<u>Month</u>	<u>Variance to Prior Year</u>	<u>Calendar Year to Date</u>	<u>Variance to Prior Year</u>
Passenger Enplanements	21,301	13.9%	43,631	10.6%
Aircraft Operations				
Commercial	1,279	(6.1%)	2,613	(5.6%)
Scheduled Flights	596	(7.2%)		
Flight Cancellations	4			
Seats	31,561	0.2%	65,304	1.8%
Load Factor	67.5%	13.7%	66.8%	8.6%
General Aviation	2,429	4.5%	4,753	5.6%
Military	474	213.9%	788	173.6%

FINANCIAL RESULTS

	<u>Month</u>	<u>Variance to Budget</u>	<u>Fiscal Year to Date</u>	<u>Variance to Budget</u>
Operating Revenues	\$ 638,872	7.5%	\$ 5,748,227	8.2%
Operating Expenses	488,179	(17.7%)	4,174,168	(15.3%)
Net Operating Revenues before Depreciation	<u>\$ 150,693</u>	11,994.1%	<u>\$ 1,574,059</u>	308.2%
Net Non-Operating Revenues	<u>\$ 137,448</u>	19.4%	<u>\$ 1,544,238</u>	8.7%
Grants:				
FAA AIP Grants	\$ 211,513		\$ 211,513	
NC Dept of Transportation Grants	-		-	
Total	<u>\$ 211,513</u>		<u>\$ 211,513</u>	

CASH

Restricted	\$ 202,983
Designated for O&M Reserve	3,553,272
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	9,454,254
Total	<u>\$ 13,860,509</u>

RECEIVABLES PAST DUE

	<u>Total</u>	<u>1-30 Days</u>	<u>31-60 Days</u>	<u>Over 60 Days</u>
American Airlines	1,166		1,166	
Comair	2,320	140	2,180	
Continental	2,573	322	322	1,929
Express Jet	5,652	5,652		
FAA / TSA	34,827	11,735	11,357	11,735
WNC Regional Economic Development Commission	2,528	361	361	1,806
Miscellaneous	172	70	102	
Total	<u>\$ 49,238</u>	<u>\$ 18,280</u>	<u>\$ 15,488</u>	<u>\$ 15,470</u>
% of Total Receivables	<u>14.59%</u>			

Note: Excludes balances paid subsequent to month-end.

REVENUE BONDS PAYABLE

Rental Car Facilities Taxable Revenue Bond, Series 2007	
Original Amount	\$ 4,750,000
Current Balance	\$ 3,207,549

CAPITAL EXPENDITURES

Annual Budget	\$ 9,559,459
Year-to-Date Spending	\$ 748,967

**REGULAR MEETING
ASHEVILLE REGIONAL AIRPORT AUTHORITY
March 9, 2012
8:30 a.m.**

The Asheville Regional Airport Authority ("Authority") met on Friday, March 9, 2012 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

MEMBERS PRESENT: David R. Hillier, Chairman; David Gantt, Vice-Chairman; Jeffrey A. Piccirillo, Secretary-Treasurer; Martha W. Thompson; Bob Roberts, Bill Moyer and Esther Manheimer

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Vic Buchanan, Authority Legal Counsel; Lew Bleiweis, Airport Director; C. Jeffrey Augram, Chief of Public Safety; David Nantz, Director of Operations and Maintenance; Royce Holden, IT Director, Vickie Thomas, Director of Finance and Accounting; Tina Kinsey, Director of Marketing and Public Relations; Suzie Baker, Director of Administration; and Ellen Heywood, Recording Secretary

ALSO PRESENT: Mike Darcangelo, AVCON; and Jeff Kirby, Michael Baker Corp.

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 8:30 a.m.

APPEARANCES: None

PRESENTATIONS: None

FINANCIAL REPORT: The Director reviewed the airport activity section of the Executive Summary for the month of January. Enplanements for the month totaled 22,330, a 7.7% increase over the same period last year. The Director advised the Board that last year's weather caused a significant number of flight cancellations in January 2011 which may account for the 7.7% increase in enplanements over last year. The Director also reviewed commercial aircraft, military and general aviation operations for the month and noted that while scheduled flights were down, seats and load factors increased as did general aviation and military operations. Vickie Thomas reported on

the financial results stating that operating revenue for the month was \$675,000 which was 9.8% above budget for the month. Fiscal year to date operating revenue totaled \$5,109,000 which was 8.3% above budget. Operating expenses for the month totaled \$526,000 which was 16.9% below budget. Operating expenses for fiscal year to date totaled \$3,686,000 which was 14.9% below budget. Mrs. Thomas also reported on the cash position for the month.

CONSENT AGENDA: The Chairman advised the Board that Consent Agenda Item B, Approval of the Asheville Regional Airport Authority February 24, 2012 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Asheville Regional Airport Authority February 24, 2012 Regular Meeting Minutes: Ms. Thompson moved to approve the Asheville Regional Airport Authority February 24, 2012 Regular Meeting Minutes. Mr. Roberts seconded the motion and it carried by a 6 to 0 vote.

NEW BUSINESS:

A. Approval of Preliminary Fiscal Year 2012/2013 Budget: Vickie Thomas reminded the Board that the proposed Fiscal Year 2012/2013 Budget was presented to the Board at the February 24 Authority Board meeting. Staff incorporated changes in the Preliminary Budget to reflect the approval of the purchase of the Passenger Boarding Bridges (PBBs) and the reduction in the Airport Improvement Program (AIP) funding from 95% to 90%. Mrs. Thomas presented an overview of the Preliminary FY 2012/2013 Budget which included general statistics and the proposed FY2012/2013 Operating and Maintenance Budget. Mrs. Thomas also reviewed the projects and equipment included in the proposed Capital Budget as well as the sources of funding. Mrs. Thomas advised the Board that the funding sources for the Snow Truck and Plow Replacement had been updated to reflect the decrease in AIP funding from 95% to 90% for this equipment. The decrease in AIP funding by \$30,000 was the only impact to the FY 2012/2013 Budget as staff did not budget any other projects at more than 90% in AIP funding. Mrs. Thomas further reviewed the two Reserve Funds, the Supplemental Fees, and the Estimated Cash Balance. Mrs. Thomas noted that staff made changes to the Estimated Cash and Investment Balance schedule to reflect the change of funding for the PBBs.

Mr. Piccirillo questioned how staff estimated passenger traffic growth as that figure affects concessions and rental cars. Mrs. Thomas responded that the passenger traffic figure actually has the biggest impact on parking revenue. Mrs. Thomas further stated

that staff receives estimates from the airlines throughout the year in addition to factoring in what the airport has experienced traditionally.

Mr. Moyer inquired if it was the procedure to review the budget at the same level of detail as was done in February rather than just highlight the changes. The Director responded that the budget is presented at the March meeting for public inspection and provides the opportunity for the 30-day comment period.

Mrs. Thomas requested the Authority Board approve the proposed Preliminary FY 2012/2013 Budget and allow the budget to remain available for public inspection for 30 days. The 2012/2013 Budget will then be presented to the Authority Board for final adoption on April 20, 2012.

Mr. Roberts moved to approve the proposed Preliminary FY 2012/2013 Budget and accept public comment on the proposed Preliminary FY 2012/2013 Budget during the next 30 days. Mr. Piccirillo seconded the motion and it carried by a 6 to 0 vote.

Mr. Gantt arrived at 8:55 a.m.

B. Approval Audit Contract with Martin Starnes & Associates, CPAs, P.A. for Fiscal Year Ending June 30, 2012: Vickie Thomas informed the Board that last Spring staff issued a Request for Proposal (RFP) for audit services. The Board approved a contract with Martin Starnes & Associates for the Authority's annual audit for fiscal year ended June 30, 2011. Fees for a five-year time frame were included in the proposal from Martin Starnes. Mrs. Thomas requested the Board approve the contract with Martin Starnes for audit services for fiscal year ended June 30, 2012 in the amount of \$12,400 and advised the Board that this fee was expected and included in the Fiscal Year 2013 budget.

The Chairman inquired if staff was satisfied with Martin Starnes and Associates. Mrs. Thomas responded that staff has been happy with their services.

Ms. Thompson moved to approve the contract for audit services with Martin Starnes & Associates, CPAs, P.A. in the amount of \$12,400 and authorize the Board Chairman to execute the necessary documents. Mr. Roberts seconded the motion and it carried unanimously.

OLD BUSINESS:

A. Joint Fire House Update: The Director advised the Board that he had not intended to include this item on the agenda but staff had just received a letter from the City of Asheville regarding this issue. A copy of the letter from the City and the

attachment from the State DOT was distributed to the Board for their review. The Director called the Board's attention to statements made by the DOT in their letter to the City whereby the state did not foresee any "fatal flaws" which would prevent fire trucks from entering NC 280 via Aviation Way but that the access would likely be reconfigured to a right in right out movement. The Director also pointed out that the DOT requested the City submit a feasibility study as soon as possible. The Director informed the Board that staff would continue to communicate with Mr. Richardson on the firehouse issue. The Director also advised the Board that he had had a conversation with Jay Swain, an NCDOT engineer regarding the comments from Raleigh about the intersection being just a renovation. Mr. Swain told the Director that this was not just a renovation but a major change for the intersection and was aware that this would have a big impact on the airport. Mr. Swain assured the Director that staff would have the opportunity to be involved in the discussions on this project.

Mr. Roberts asked what the DOT meant by the term fatal flaw in their letter to the City. The Director was not aware of what the definition of a fatal flaw meant to the DOT. Mr. Gantt was under the impression that the City was planning on taking a right out of Aviation Way and not a left. Ms. Manheimer agreed that she believed the City did plan on taking a right turn out of Aviation Way and turning around.

Mr. Gantt asked if Advantage West was in communication with the DOT regarding the Aviation Way intersection. The Director responded that he was not aware of any communications, but that Advantage West is a tenant and all tenants would be represented by the airport at the meetings with the DOT. The Director further stated that he would have a conversation with Mr. Hamilton of Advantage West. Mr. Gantt stated that if a joint fire station is not going to work, there is no need to spend each meeting talking about this issue.

The Director also advised the Board that regardless of the decision made by the Board on the fire house, staff is running against some timeframes and needs to move forward with the design of the fire house. Staff needs to finish up with the design of the fire house with or without the City by August or September so bids can be put out in the Fall and construction can be started in the Spring of 2013. The Director further stated that if construction was not started in the Spring of 2013, there is a possibility that construction would be delayed for the next 5 or 6 years as the FAA may designate all of the entitlement funding to the runway project if that moves forward.

Mr. Roberts asked if staff was aware if there were more concrete plans from the DOT. The Director responded that the letter from the City just arrived on March 7th but that staff planned on drafting a letter to the City in response.

Ms. Thompson questioned if staff had come to a conclusion, regardless of the DOT and the traffic situation, on every other issue such as costs, etc. associated with the joint fire house to determine if it would work. The Director responded that staff has supplied the City with all the information they requested from the consulting firm. Final costs will not be determined until the design work is finished. Ms. Manheimer suggested the Director meet with Jeff Richardson to lay out the parameters about what would or would not work with what the DOT plans for the intersection.

The Chairman inquired about the timeline the Director referred to previously, specifically finishing the design by July in order to get the bids out in the fall and construction starting by the spring in order to make sure the funding was there. The Director responded that the design needed to be done by the end of the summer but would need to know by June if staff needs to move forward with the design. The Chairman affirmed that the Board would need to make a decision to go ahead with the design either with or without the City by June. The Director responded that this was correct. The Chairman further stated that Aviation Way may not even exist with the DOT's plans for the interchange and the Board is not likely to have this information by June. The Director agreed that this was correct and that the State had not even met with the engineering firm hired to design the interchange. The Director further stated that the firehouse may be able to be designed to build onto with another bay if the State comes up with a design that works for the City to access NC 280 from Aviation Way. However, there are other internal designs for space that may need to be incorporated but this could be looked at down the road. The Chairman inquired if the FAA would allow for the Authority to pay for design costs even if it would accommodate someone else. The Director replied that staff would have to have that discussion with the FAA.

Mr. Gantt suggested the Director sit down with the City as soon as possible and include an agenda of items that need to be discussed at the meeting including a timeline, deal breakers, concerns, and options that have been offered. The Director stated that staff would have a meeting with the City and have an answer for the Board by the April 20th meeting.

DIRECTOR'S REPORT:

The Director advised the Board that he was removing the US Airways Checked Baggage Policy item from the agenda as there was a misunderstanding regarding information he had received. The Director also noted that he had a few items to report that were not on the agenda.

A. ARN Awards: The Board had been informed at a previous Board meeting that the airport was nominated for four ARN awards for the design of the new restaurant in the terminal. The ARN Conference was held in Orlando recently, but unfortunately Asheville did not win any of the awards.

B. LED Lighting: The Director advised the Board that in keeping with the airport's energy efficiency efforts, the Maintenance Department has finished revamping the canopy lighting with LED lighting.

C. Rental Car Booth: Enterprise Car Rental has requested permission to install a booth in the ready/return lot to increase customer service. A rendering of the booth was shown to the Board members. Specification standards are being established for compliance by all rental car companies for any future booths.

INFORMATION SECTION: No comments

AUTHORITY MEMBERS' REPORTS: None

PUBLIC AND TENANTS' COMMENTS: None

CALL FOR NEXT MEETING:

The Chairman advised the Board that the next regular meeting of the Authority Board will be held on Friday, April 20, 2012 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport, 61 Terminal Drive, Suite 1, Asheville, NC 28732.

CLOSED SESSION: At 9:35 a.m. Mr. Piccirillo moved to go into Closed Session pursuant to Subsections 143-318.11(a)(3), (4) and (6) of the General Statutes of North Carolina, to consult with legal counsel in order to preserve the attorney-client privilege, to discuss matters relating to the location and/or expansion of industries or other businesses in the area served by the Asheville Regional Airport Authority, including

agreement on a tentative list of economic development incentives that may be offered by the Asheville Regional Airport Authority in negotiations, and to consider personnel matters. Mr. Gantt seconded the motion and it carried unanimously.

Open Session resumed at 10:58 a.m.

APPROVAL OF ASHEVILLE REGIONAL AIRPORT AUTHORITY FEBRUARY 24, 2012 CLOSED SESSION MINUTES: Mr. Piccirillo moved to approve the minutes for Part A of the February 24, 2012 Closed Session and for Part B of the February 24, 2012 Closed Session, and to seal and withhold these minutes from public inspection so long as public inspection would frustrate their respective purpose or purposes. Mr. Moyer seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Moyer moved to adjourn the meeting at 11:00 a.m. Mr. Roberts seconded the motion and it carried unanimously.

Respectfully submitted,

Jeffrey A. Piccirillo
Secretary-Treasurer

Approved:

David R. Hillier
Chairman



MEMORANDUM

TO: Members of the Airport Authority

FROM: Suzie Baker, Director of Administration

DATE: April 20, 2012

ITEM DESCRIPTION – Consent Agenda Item C

Approval of Amendments to Administration and Human Resources Policies

BACKGROUND

The attached Policies and Procedures are being amended to incorporate changes to existing policies and add a new policy. The Safety Policy is being added to the Human Resources Policy and Procedure Manual to establish a Safety Policy to ensure clear communication and training of the Authority's Safety Program. The Health Insurance Benefits is being amended to add an employee premium of 15% per month on the employee's medical plan, and also add the Wellness Rewards incentive program giving the employees the opportunity to receive up to a 15% discount on their monthly premium. The Exempt Employee Benefit Program Policy is being amended to match the Authority's current job classifications. The Attendance Policy is being amended to clarify the approval process in requesting prescheduled time off. The Travel Policy is being amended to clarify the transportation methods for employee business/personal travel.

ISSUES

Staff is recommending that the attached Policies and Procedures be amended to reflect such changes.

ALTERNATIVES

None



FISCAL IMPACT

The Authority may see some financial savings with Health Insurance costs if employees choose not to participate in the Wellness Rewards incentive program.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the attached amended and new Policies; and (2) authorize the Airport Director to execute the necessary documents.

Attachment

OBJECTIVE Establish and communicate a Safety Program to ensure a safe working environment.

METHOD OF OPERATION The Asheville Regional Airport Authority is committed to have a Safety Policy that includes:

- A comprehensive Safety Program.
- Communicating details of Safety Program to all employees.
- Training that will increase employees' ability to perform their jobs in a safe manner.
- Ensuring all employees comply with all recognized safety standards.

Discipline Any safety violation must be reported immediately to an employee's supervisor and/or department head, the Director of Administration, Deputy Airport Director of Development and Operations or the Airport Director.

Any employee of the Asheville Regional Airport Authority whom the Director of Administration, Deputy Airport Director of Development and Operations or the Airport Director has determined to have been involved with a safety violation may be subject to disciplinary action up to and including dismissal.

**APPROVAL AND
UPDATE
HISTORY**

Approval April 20, 2012

OBJECTIVE To provide the employees Health Insurance Benefits.

**METHOD OF
OPERATION**

Group Health

Group Health Insurance is available to all regular full-time and regular part-time (working at least 1,000 hours annually) employees and their eligible family members. Presently, the employee premium is paid ~~in full~~ at eighty-five percent (85%) by the Authority, with the dependent premium being paid at eighty percent (80%) by the Authority. Employees who participate in the Authority's Wellness Rewards program have the opportunity to receive an incentive up to a 15% discount per month on the employee's medical premium. The Authority reserves the right to change plan providers and its contribution from time to time.

Insurance eligibility date is based on the following:

- Eligibility first day the following month after hire.

**Dental & Vision
Insurance**

Dental and Vision Insurance is available to all regular full-time and regular part-time (working at least 1,000 hours annually) employees and their eligible family members. Presently, the employee premium is paid in full by the Authority, with the dependent premium being paid at eighty percent (80%) by the Authority. The Authority reserves the right to change plan providers and its contribution from time to time.

**Long Term
Disability**

The Authority pays for the employee premium.

Life Insurance

All eligible employees are provided a Life Insurance Policy equal to \$35,000, plus one year's salary up to a maximum of \$160,000. This is a part of the employee's insurance benefits paid for by the Airport Authority. The Authority also provides \$30,000 of Accidental Death and Dismemberment Coverage.

Additional Life Insurance Coverage may be offered where an employee may purchase increased coverage for themselves or coverage for their spouses and/or children.

**APPROVAL AND
UPDATE HISTORY**

Approval ~~March 13, 2009~~ April 20, 2012

Supersedes March 13, 2009, April 19, 2004

OBJECTIVE To identify and define the additional benefits available for the exempt employees (“Exempt Employee Benefit Program”) at the Asheville Regional Airport.

METHOD OF OPERATION

General The Exempt Employee Benefit Program is designed to aid in attracting and retaining highly competent management and professional personnel. This procedure outlines specific benefits established for each exempt employee, broken out by Salary Levels.

Definitions **Salary Levels ~~7~~ and higher:** The Airport Director and other management personnel.

Salary Levels 5 and 6 and ~~7~~: Management personnel.

Salary Levels ~~3, 4, and 5~~: All other exempt personnel.

Exempt Employee Benefit Program The Exempt Employee Benefit Program consists of Professional Leave, Medical Reimbursement and Administrative Leave.

Professional Leave A specified number of additional leave hours during each calendar year are granted to employees in the Exempt Employee Benefit Program as follows:

Salary Levels 7 and higher 40 hours/year

Salary Levels 5 and 6 and ~~7~~ 24 hours/year

~~Salary Levels 3, 4, and 5~~ All other exempt salary levels 16 hours/year

Professional Leave does not accrue from year to year; however, following each calendar year, the employee receives a cash bonus of fifty percent (50%) of the unused Professional Leave, based on the employee's hourly rate as of the date of payroll processing.

An employee must be employed for 180 days as an Exempt Employee in a particular job category to be eligible for Professional Leave in that category. An employee must be on the active payroll January 1 in order to receive fifty percent (50%) of the unused Professional Leave from the prior calendar year. An employee hired and/or transferred into the job categories listed above on July 1 or after is not eligible for Professional Leave that year.

Example: Employee hired on 6/30/09 will receive Professional Leave benefit on 12/30/09. Since the deadline for using Professional Leave is December 31 of each year, the employee will be paid 50% of the value of the Professional Leave as long as the employee is on the active payroll on 1/1/2010.

The Airport Director, after consultation with the senior official of the department, may authorize use of Professional Leave prior to the end of 180 days on a case-by-case basis.

At the beginning of each calendar year, Exempt Employees above are awarded the appropriate number of hours. As the employee uses an hour, it is reported on the payroll and deducted from the employee's available Professional Leave hours. Minimum charge for Professional Leave is one (1/2) hour.

Employees moving from one Exempt Employee category listed above to another after July 1 receive the benefits of the former category for the remainder of the calendar year. An employee transferring out of Exempt Employee categories listed above forfeits any unused benefits.

Unused Professional Leave is forfeited when Authority employment ends.

**Annual Medical
Reimbursement**

Employees in the Exempt Employee Benefit Program salary levels listed above have an additional \$100 available each calendar year for non-insured personal medical expenses, i.e., annual physical examination, eye examination and glasses, and dental work after 180 days of continuous employment.

This \$100 does not accrue. If the entire \$100 is not used within each calendar year, the remainder is forfeited. Request(s) for reimbursement must be submitted no later than December 31 of each year. This \$100 may be used toward meeting the employee's deductible on the Authority's group health insurance plan.

Expenses are submitted during the calendar year in which they are incurred. Receipts stipulating the purpose of expenditures and certification that this expense was not paid for by an insurance company are submitted with the Medical Reimbursement Form for approval, and payment to the employee.

Administrative Leave Inasmuch as members of the Exempt Employee Benefit Program are paid on an annual salary basis and are not eligible for any overtime or compensatory time, they may be granted administrative leave for a period of no more than two (2) hours per usage, unless approved in advance at the discretion of the Airport Director. This administrative leave is not chargeable to sick, vacation or professional leave.

Administration of Plan The Deputy Airport Director of Development and Operations or designee is responsible for the administration of the Exempt Employee Benefit Program.

Forms Medical Reimbursement Form

**APPROVAL AND
UPDATE HISTORY**

| **Approval** [April 20, 2012](#) ~~[March 13, 2009](#)~~

| **Supersedes** [March 13, 2009](#), November 27, 2006
& April 19, 2004

OBJECTIVE To establish the Authority's attendance policy to ensure regular attendance and punctuality. These are important elements in the Authority's efforts to maintain high levels of productivity and achieve the Authority's goals.

METHOD OF OPERATION

General Occasionally, it is necessary to be absent from work due to illness or circumstances beyond the employees control. When an employee has an unscheduled absence from work, the employee must notify their direct supervisor or department head. If the supervisor and/or department head is not available, the employee must leave a voice mail message and then contact the Director of Administration. It is the employee's responsibility to call in at least one (1) hour before their schedule start time. If the employee is unable to contact the supervisor and/or department head, have an immediate family member do so. If the employee is absent for three (3) or more days due to an illness, the employee may be required to present a doctor's release to return to work. An employee must keep their supervisor and/or department head informed every day as to when their expected return will be.

Employees are expected to report for work at their schedule time. Tardiness for non-exempt employees will be reviewed and a decision will be made if an attendance occurrence is applicable. If you cannot report to work as scheduled, an employee must notify the employee's supervisor and/or department head one-half (½) hour before your scheduled start time.

Adverse Weather It is the responsibility of the employee to make a good faith effort to come to work during times that adverse weather or other conditions of a serious nature exists. However, if the employee decides he/she cannot safely make it to work; he/she must use the same procedure as above in contacting the supervisor and/or department head.

Guidelines Following is a guideline to provide structure and support for the Authority's management and employees to address attendance issues. It is expected that management will apply common sense and exercise reasonable discretion to consider all relevant

circumstances when applying this guideline. If there are any questions in dealing with the attendance policy, partner with the Director of Administration.

- Absences due to illnesses or injuries which qualify under the Family and Medical Leave Act (FMLA) will not be counted against an employee's attendance occurrence. These incidences must be reviewed and approved by the Director of Administration or designee. Medical documentation within the guidelines of the FMLA may be required in these instances.
- Prescheduled and approved times away from work using accrued vacation, holiday, leave time and/or sick time are not considered occurrences for this purpose. All requests for prescheduled time away from work must be requested by completing an Intended Leave Form and submitted to the Finance Department at least 48 hours prior to the requested leave date.
- An absence of multiple days due to the same illness, injury or other incident will be counted as one occurrence.
- An unscheduled absence on a normal workday is one occurrence.
- An unscheduled tardy, is one-half occurrence.
- No Call/No Show – not reporting to work and not calling to report the absence is a no call/no show and will be counted as 5 occurrences.

Discipline

Unscheduled absences are counted in a rolling 12 month period. The Authority will measure the 12 month period as a rolling 12 month period beginning the first day an employee receives an unscheduled absence.

When an employee receives five (5) unscheduled absences, he/she will receive a verbal coaching. This should serve as an "alert mechanism". The coaching is delivered by the employee's direct supervisor and/or department head, notifying the employee that he/she is in violation of the attendance policy and that additional unscheduled absences may result in further disciplinary action. A written account including the date and nature of the verbal coaching would be documented on the Performance Discussion Tracking Form for the department's reference. An employee will be advised when a verbal coaching is being made.

A total of eight (8) unscheduled absences, the employee would receive a written counseling delivered by the employee's direct supervisor and/or department head, notifying the employee that

he/she is in violation of the attendance policy and that additional unscheduled absences may result in further disciplinary action up to and including termination.

A total of 12 unscheduled absences, the employee would receive a written final counseling delivered by the employee's direct supervisor and/or department head, notifying the employee that he/she is in violation of the attendance policy and that additional unscheduled absences may result in further disciplinary action up to and including termination. Any unscheduled absences over 12 in a rolling 12 month period may be cause for termination of employment.

Any no call/no show lasting three (3) days is considered job abandonment and could result in immediate termination of employment.

Procedures

It is the responsibility of the Director of Administration to monitor and maintain a record of attendance for the Authority staff. Management reserves the right to use its discretion in applying this policy under special or unique circumstances.

**APPROVAL AND
UPDATE
HISTORY**

- | **Approval** [April 20, 2012, ~~March 13, 2009~~](#)
- | **Supersedes** [March 13, 2009, April 19, 2004](#)

OBJECTIVE

To establish the policy and procedures governing authorized travel for employees, consultants, members of the Authority Board, and other authorized persons who travel at the expense of the Asheville Regional Airport Authority.

**METHOD OF
OPERATION**

Statement

It is the intent of this policy to provide for travel expenses, allowances for Airport Authority employees, and other persons entitled to a travel allowance in accordance with the provisions stated.

In the event that travel, training, etc., is offered at others expense, Airport Director approval must be obtained prior to acceptance.

This policy shall apply to those expenditures incurred which are necessarily incurred in the performance of a public purpose authorized by law to be performed, including meetings with government officials, meetings with civic groups, seminars and training programs, pick-up and delivery of parts and equipment, recruitment of personnel or industry, community promotion, and any other related activities essential to the performance of a public purpose.

Definitions

For the purpose of this policy and procedure, the following words or phrases shall mean:

Authorized Travelers

- Authority members. Officials serving on the Authority Board, other than employees.
- Authority employees. An individual filling an authorized position in the Authority, other than Authority members.
- All other travelers. Persons, including consultants, other than Authority members/employees authorized in writing in advance by the Airport Director or designee, to travel at the expense of the Authority.

Business Client. Any person, other than an Authority member, employee, consultant, or other traveler, who

receives the services of or is subject to solicitation by the Authority in connection with the performance of its lawful duties; persons or representatives of firms considering or being solicited for investment, or for location, relocation, or expansion of a business, in the Authority's airport system; and other business, financial, promotional, or other persons affiliated with the Authority's airport system.

Common Carrier. Train, bus, commercial airline operating scheduled flights, or rental cars of an established rental car firm.

Daily Travel. All travel, including conferences and seminars that do not require an overnight stay.

Domestic Travel. Travel within the United States, which includes Alaska and Hawaii.

Entertainment Expenses. The actual and reasonable costs of providing hospitality for business clients or guests, which costs are defined and prescribed as hereinafter set forth.

Guest. A person, other than an Authority member, employee, or other Authorized Traveler, authorized by the Airport Director or designee, to receive the hospitality of the Authority in connection with the performance of its lawful duties.

International Travel. Travel outside the United States (which includes Alaska, Hawaii and US possessions), or North America.

Most Economical Method of Travel. The mode of transportation (Authority-owned vehicle, privately owned vehicle, common carrier, etc.) and schedule of transportation, taking into consideration the following:

- the purpose and nature of the travel;
- the most efficient and economical means of travel (considering the time length of the trip, number of connections, time of day, cost of transportation and

Per Diem or subsistence required, early booking of airline reservations to take advantage of discounted fares); and

- the number of persons making the trip and the amount of equipment or material to be transported.

Per Diem. Amounts paid for travel expenses on a daily basis, based on Per Diem tables published by the General Services Administration (GSA) or otherwise contained herein.

Standardized Regulation. That document published monthly by the US Department of Commerce entitled "Standardized Regulations -- Government Civilians, Foreign Areas."

Travel Day. A period of twenty-four (24) hours consisting of four (4) quarters of six (6) hours each beginning at midnight.

Travel Expenses. The actual and reasonable costs of transportation, meals, lodging, and incidental expenses normally incurred by a traveler, which costs are defined and prescribed as hereinafter set forth.

Travel Period. The period of time between the time of departure and time of return.

General Policy

1. Travelers are expected to exercise the same care in incurring travel expenses that any prudent person exercises when traveling on personal business.
2. It is the responsibility of the traveler to comply with this policy and to be knowledgeable of the nature and extent of reimbursable expenses.
3. It is the general policy of the Authority to reimburse reasonable travel and entertainment expenses, incurred during authorized travel, subject to any limitations provided for in this policy.

4. If an Authorized Traveler or Business Client on a trip deviates from this policy and procedure for justifiable reasons, the circumstances of the deviation and the reasons therefore are to be documented and reviewed for approval by the Airport Director.

**Planning and
Approving**

1. Planning. At a regularly scheduled board meeting early in the budget process, prior to either the November or December Board meeting, the Airport Director will present the Authority board with a list of conferences or training opportunities to be held during the upcoming fiscal year. The Airport board shall discuss which conferences it may be beneficial for the board to participate in, either to represent the Airport or for the educational benefits of the board members. After identifying which conferences or training may be of benefit, the board will decide who from the board shall participate in the conference. All decisions regarding board members' participation in conferences and trainings, if possible, shall be made at a regular meeting of the board.

Travel by board members for the exclusive purpose of business development at the airport will not require advance approval at a board meeting. For example, the Airport Director would be allowed to invite a board member to accompany them to a meeting with an airline industry representative considering new service to Asheville. Board member travel for the purposes of business development should be approved by the Chair of the board. The board should be informed of such travel at or before its next regularly scheduled meeting.

Authority employees shall incorporate his/her department's intended travel/training requirements for the upcoming fiscal year during the normal budget process.

2. Travel Authorization. All requests for travel (domestic and international) must be submitted on the Travel Authorization & Expense Report (Report). It should contain the dates of travel, a total budget amount and

all other pertinent information required to process the requested travel arrangements. The approving authority must ensure that funding is available in the appropriate line item budget. The Report must include a statement of purpose for the travel and indicate the benefits to the Authority. A copy of any printed program or agenda shall also be submitted. If none is available, a statement to that effect must be submitted. The Report must be signed by the traveler, and approvals obtained in advance of the proposed travel.

While Department Directors are authorized to delegate approval of travel to a named designee, nonetheless, the Director is ultimately responsible for the appropriateness and accuracy of all travel within the respective department.

All Directors' travel must be approved by the next higher authority.

3. Department Responsibilities. The Director or designee shall have the responsibility to review all travel requests and ensure their compliance with policy and procedures.

**Special Conditions
of Travel**

1. Authorized Travelers Other Than Authority Members or Employees. The Airport Director or designee may approve travel by persons who are serving as consultants or advisors when such travel is on behalf of the Authority (excluding those consultants and advisors whose contract specifies the terms of travel). Travel expense provisions may be made within the consulting agreement and approved as part of the agreement, subject to the maximum limits for reimbursement provided for in this policy. If no provision is reflected in the agreement, complete justification must be submitted prior to approval. Travel expenses for authorized persons shall adhere to the same rates and guidelines as those for Authority members, employees and other travelers.
2. Travel for Employment Interviews. Travel and transportation expenses of the Authority's employment

applicants will be reimbursed in accordance with this policy.

3. Most Economical Method. Authorized Travelers are required to use the most economical method of travel. Refundable or nonrefundable airfares may be reserved as deemed appropriate under the circumstances. If an Authorized Traveler departs early or returns late to take advantage of reduced airfares, lodging and meals will be reimbursed in accordance with this Policy, provided that a net savings to the Authority is realized and such savings are documented in advance with the Travel Authorization & Expense Report.
4. Emergency Travel. The Airport Director or designee may authorize travel for any Authority employee, Authority member, or other traveler pursuant to emergency notice.
5. Election of Reimbursement Method. A consistent method of reimbursements for meals and/or lodging shall be elected for each travel request, as follows:

For domestic travel, a traveler shall receive:

A Standard Meal Allowance plus lodging and incidentals (with receipts for lodging and applicable incidentals).

For international travel, a traveler may elect to receive either:

- 1) A Per Diem allowance for meals and incidentals as published in the "Standardized Regulations-Government Civilians, Foreign Areas" not to exceed 100% of published amounts (no receipts required), plus reimbursement for lodging based on actual receipts not to exceed 150% of published amounts.
- 2) Reimbursement of meals and incidentals based on actual receipts, not to exceed 150% of published amounts, plus reimbursement for lodging based on actual receipts not to exceed 150% of published amounts.

Rates of Payment

1. Lodging. A traveler may be reimbursed for the actual cost of a single occupancy hotel room for travel that requires overnight absence from official headquarters. Lodging expenses must be substantiated by a receipt.
 - a. Domestic Lodging Rates. Reimbursement or payment for domestic lodging is limited to the group rate, if available. If a group rate is not available, lodging expenses are limited to reasonable amounts for the area traveled.
 - b. International Lodging Rates. International lodging expenses are limited to reasonable amounts, not to exceed 150% of the amount published in the Standardized Regulations for the area traveled at the time of travel, or the conference rate.
 - c. Non-reimbursable Expenses. Additional amounts charged to the room, including but not limited to movies or alcoholic beverages will not be reimbursed. Snacks and non-alcoholic beverages from mini bars will not be reimbursed.
2. Meals. For the purposes of determining meal allowances, the Travel Day shall begin two hours before departure on domestic flights and three hours before departure on International flights. Travel involving ground transportation shall commence at point and time of departure. The following are the authorized meal allowances.
 - a. Domestic Meals. Domestic City meals will be calculated at the maximum amount for cities as listed in the current CONUS guide.
 - b. Allocation of Meal Reimbursement. All meal reimbursements will be allocated 20% for breakfast, 30% for lunch, and 50% for dinner.

Reimbursements will be made for the following:

- Breakfast if departure is before 6:00 a.m. and return is after 8:00 a.m.
- Lunch if departure is before 12 noon and return is after 2:00 p.m.
- Dinner if departure is before 6:00 p.m. and return is after 8:00 p.m.

- c. International Meals. International Meals will be reimbursed in accordance with the Standardized Regulations, either at: (1) the Per Diem amounts for meals and incidentals at 100% of the current rate (without need for receipts) or (2) actual receipts not to exceed 150% of the current rate. Either method selected generally shall include any and all meal gratuities, unless documented in writing and approved in advance (Method for reimbursement shall be consistent for all meals on a trip).
- d. Expenditure Amounts. Limitations on expenditures set forth above are applicable to Authorized Travelers when not accompanied by a Business Client or authorized Guest.
- e. Complimentary Meals. If a complimentary meal is provided or is included in a registration fee paid by the Authority, it shall be the traveler's option to accept or decline these meals. However, if such meals are declined by the traveler no other meal allowance shall be provided. Continental breakfasts and snacks do not constitute complimentary meals.
- f. Meals for Daily Travel (No Overnight Stay). When attending a local conference, seminar, class or an Authority supported event, meal(s) will be reimbursed for the actual receipt amount, not to exceed the Per Diem amount for that location. One meal per each eight hour event will be eligible for reimbursement.

Transportation

1. General Requirement. All travel must normally be by the usually traveled direct route or method. If a person travels by an indirect route or any other method for his

or her own convenience, any extra costs shall be borne by the traveler and reimbursement or payment of expenses shall be based only on such charges as would have been incurred by use of the usually traveled route or method.

2. Commercial Air Travel. Commercial air travel will be by the most economical class. First class rates may be authorized by the Airport Director or designee, if (1) a statement from the common carrier is included with the travel request stating that tourist, coach, or economy class (or business class for international travel) is not available for the date and time the travel is requested, or (2) for medical reasons, if substantiated in writing by a physician.
 - a. International Airfare. The Airport Director or designee may authorize a traveler to use an airline's business class.
 - b. Personal Travel. Personal side trips combined with business trips are allowed when approved in advance. Side trips must be taken on one's own time and at no expense to the Authority. Any additional expense over the ticketed cost as determined by this policy for the business portion of the trip is the responsibility of the traveler. Personal airfare must be reimbursed to the Authority in advance of the travel, if known. An Authorized Traveler who alters travel plans for personal reasons must pay any additional cost of transportation directly to the commercial carrier at the time of purchase, and will not charge such additional cost to the Authority nor request reimbursement of such additional cost.
 - c. Ticket Reimbursement. The Authority will not reimburse any traveler for ticket(s) obtained in all or in part through the use of an airline frequent traveler program, whether it be points, miles, or other reward-type program.

3. Car Rentals. Use of a rental car must be included on the Travel Authorization & Expense Report and deemed to be more economical, efficient or appropriate than alternative forms of ground transportation. The Authority owned vehicle is the most preferred method for ground transportation. However, a rental car may be used in lieu of an Authority owned vehicle when an Authority owned vehicle is not available and a rental car is more economical than a privately owned vehicle. If a rental car is used for business in conjunction with a personal trip the employee will pay for any extra days added for personal use. Rental cars must be approved in advance by the Airport Director or designee.

~~4. -4.~~ Privately Owned Vehicles. The approving authority may authorize the use of a privately owned vehicle for travel on behalf of the Authority in lieu of Authority owned or rented vehicles or common carriers. A privately owned vehicle may be approved when combining an Authority business trip with a personal trip. A business trip in conjunction with a personal trip could include adding additional days either before or after the business trip for personal use, or to allow others than an employee to drive the vehicle.

An Authorized Traveler who requests, and is approved the use of a privately owned vehicle, shall be entitled to:

~~a. -a~~ a mileage allowance at the rate set forth in Section 5 below, or the air carrier fare for such travel, whichever is less.

~~b.~~ Reimbursement for gasoline only, if privately owned vehicle is used for personal use when combined with a business trip.

All travel which is subject to a mileage allowance shall be shown from point of origin or the traveler's official headquarters, whichever is less, to point of destination and return, and if possible, shall be computed on the basis of the current map of the Department of Transportation. Actual vicinity mileage necessary for

the conduct of Authority business is allowable but must be shown as a separate item on the Report. No reimbursement other than a mileage allowance shall be allowed for expenditures related to the operation, maintenance or ownership of a privately owned vehicle, except as provided above and in the Incidental Expenses.

5. Mileage Allowance. The mileage allowance for Authorized Travelers shall be in accordance with Section 162 of the Internal Revenue Code (Regulation 1.162-2(f)) as such regulation or replacement regulation may be amended.

**Incidental
Expenses**

Receipts are required, when available, for the following incidental travel expenses:

- Convention and conference registration fees. Additionally, a traveler may be reimbursed for the actual and reasonable fees for attending events which are not included in a basic registration fee that directly enhance the public purpose of the Authority's participation at the conference or convention, including, but not limited to, banquets and other meal functions. It shall be the traveler's responsibility, however, to substantiate that such charges are proper and necessary.
- Reasonable tips and gratuities, not to exceed 20% of the underlying expense. Gratuities for meal allowances shall not be separately reimbursed.
- Actual passport and visa fees required for authorized travel.
- Actual and necessary fees charged to purchase traveler's checks for authorized travel expenses.
- Actual fees charged for exchange of currency necessary to pay authorized travel expenses.

- Actual fees for immunizations required or recommended for authorized travel.
- Actual cost of maps necessary for conducting official business.
- Taxi, train, or shuttle bus fare.
- Storage or parking fees.
- Gasoline when using a rental car.
- Tolls.
- Communication expense incurred in the conduct of Authority business.
- Laundry and Pressing. When authorized travel extends beyond four (4) days, the traveler may be reimbursed for laundry, dry cleaning, and pressing costs when substantiated by receipts.
- In countries where a language barrier may exist, reimbursement for expenses such as taxi fare, currency exchange fees, or tolls may be made without receipts provided that a statement is attached to the travel report and detailing non-receipted expenses.

As to conference related travel, the Authority will not reimburse for recreational expenses that are in addition to normal conference registration fees.

**Travel
Advances**

Authority Members and Employees, who have been authorized to travel may, when necessary, draw an advance of not less than \$25 nor more than the amount of estimated expenses for travel, less amounts prepaid by the Authority, by completing and submitting the Travel Authorization & Expense Report no less than five (5), nor more than 20 working days before said travel. The amount of advance is subject to the approval of the approving authority.

- If two or more travel reports are outstanding, no

additional travel advances will be issued.

- For any advance that is outstanding for more than 30 days, and is directly attributable to the traveler's failure to properly file the report in a timely fashion, payroll deduction will automatically be made.

**Entertainment
Expenses**

Entertainment expenses are allowable for promotional items and services required to provide hospitality for Business Clients and authorized Guests as set forth below:

1. Tangible Items. Hospitality in the form of tangible items, such as tie tacks, medallions, paperweights, and other non-consumable items are distributed by the appropriate Department. Non-consumable items shall be requisitioned through normal purchasing procedures.
2. Recreational Activities. Hospitality in the form of recreational activities may be provided and shall be requisitioned through normal purchasing procedures when possible.
3. Entertainment. Actual and reasonable entertainment expenses of Authority members, employees and other authorized persons are allowable under this policy only when in the presence of or when physically accompanying a Business Client or authorized Guest. When incurred in the presence of a Business Client or authorized Guest, entertainment expenses shall be reimbursed for Authority members and Authorized Travelers, after approval by the approving authority. Under certain circumstances, with the approval of the Airport Director, alcoholic beverages may be an allowable entertainment expense.

Receipts

While receipts in the prescribed form are required for most payments or reimbursements pursuant to this policy, it is recognized that unexpected circumstances may arise such as language barriers, loss of receipts, or unavailability of receipts, which require an alternative procedure for documentation of reimbursable expenses. In those isolated

situations where receipts are not available, a statement must be prepared by the traveler and included in the Travel Authorization & Expense Report. Such certification may then be presented instead of the unavailable or lost receipt.

Reporting

1. Domestic Travel. An employee must submit a completed Travel Authorization & Expense Report to the Finance Department with required documentation no later than twenty (20) working days after the travel period has ended.
2. International Travel. An employee must submit a completed Travel Authorization & Expense Report with required documentation to the Finance Department no later than the earliest of thirty (30) working days after the travel period has ended or upon receipt of the credit card statement verifying the international currency exchange rates. A copy of the applicable credit card statement, or appropriate receipts, must be submitted with the Travel Authorization & Expense Report.
3. Reporting Requirements. The following shall be included in completed Travel Expense Reports:
 - a. Trip Benefits. Trip benefits shall be stated on the Travel Authorization & Expense Report indicating significant benefits realized by the traveler as a result of the trip for all travel other than local travel.
 - b. Program Agenda. If not available upon completion of travel, include a statement to that effect on the Travel Authorization & Expense Report.
 - c. Significant Deviations from Estimated Expenses. Significant deviation from estimated expenses (i.e., more than the lesser of 20% or \$250) shall be explained in the Travel Authorization & Expense Report approved by the approving authority.

4. Funds Due Authority. Any funds advanced in excess of the travel expenses incurred and allowed should be reimbursed to the Authority's Finance Department and a cash receipt form obtained no later than twenty (20) working days for Domestic travel, and thirty (30) working days for International travel, after the travel period has ended. A copy of the cash receipt must be attached to the travel expense report.

5. Funds Due Traveler. Travel Authorization & Expense Reports showing an amount due to or on behalf of an Authorized Traveler will be processed for payment in accordance with standard payment procedures. Payment of undisputed items will be processed for payment within two (2) payment cycles.

6. Canceled Trips. Canceled travel requests shall be documented as such and routed through the approving authority. The traveler shall be responsible for requesting refunds for any registration fees, etc., which were expended prior to the required cancellation. Authority members, who cancel an authorized trip for reasons other than official Authority business, shall be responsible for all fees paid and not refundable to the Authority.

**APPROVAL AND
UPDATE HISTORY**

| **Approval**

~~April 20, 2012~~ June 11, 2010

| **Supersedes**

June 11, 2010, March 12, 2010, March 15, 2004



MEMORANDUM

TO: Members of the Airport Authority
FROM: Vickie Thomas, Director of Finance and Accounting
DATE: April 20, 2012

ITEM DESCRIPTION – Old Business Item A

Public Hearing and Final Adoption of the Authority's Fiscal Year 2012/2013 Budget

BACKGROUND

A proposed preliminary Fiscal Year 2012/2013 Budget and Budget Ordinance was presented to the Authority Board at its regular meeting held on March 9, 2012. The budget documents have remained available for public inspection and comment since March 9, 2012, with no comments being received to date.

ISSUES

A Public Hearing is required under Chapter 159 of the General Statutes of North Carolina before final adoption of the 2012/2013 Budget Ordinance.

ALTERNATIVES

None recommended.

FISCAL IMPACT

As outlined in the 2012/2013 Budget Ordinance.

RECOMMENDED ACTION

It is respectfully requested that following the Public Hearing on the Fiscal Year 2012/2013 Budget that the Airport Authority Board resolve to adopt the enclosed Fiscal Year 2012/2013 Budget Ordinance.

Enclosure

Old Business - Item A

**ASHEVILLE REGIONAL AIRPORT AUTHORITY
2012-2013
BUDGET ORDINANCE**

BE IT ORDAINED by the Asheville Regional Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2012-2013 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Asheville Regional Airport Authority for the fiscal year beginning July 1, 2012 and ending June 30, 2013 in accordance with the following schedules:

EXPENDITURES

Administration Department	\$ 540,724
Development Department	268,081
Executive Department	499,905
Finance Department	371,383
Guest Services Department	136,005
Information Technology Department	625,966
Marketing Department	533,212
Operations Department	2,914,924
Public Safety Department	1,345,128
Emergency Repair Costs	100,000
Reimbursable Costs	350,000
Carry-over Capital Expenditures from Prior Year	1,486,325
Capital Improvement	7,572,091
Equipment and Small Capital Outlay	200,000
Renewal and Replacement	1,023,694
Business Development	300,000
Debt Service	626,823
Contingency	100,000
Total Expenditures	<u><u>\$18,994,261</u></u>

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning July 1, 2012 and ending June 30, 2013.

REVENUES

Administration (Interest Income)	\$ 15,000
Terminal	3,650,106
Airfield	1,015,022
General Aviation	961,840
Parking Lot	2,447,800
Other	190,733
Reimbursable Costs	350,000
Passenger Facility Charges	1,350,000
Customer Facility Charges	900,000
Federal Grants – AIP Entitlements	4,046,371
Federal Grants – AIP Discretionary Funds	2,776,355
NC Department of Transportation Grants	750,000
Transfer from ARAA Cash/Investments	541,034
Total Revenues	<u><u>\$18,994,261</u></u>

Section 3. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a budget ordinance line item without limitation and without a report being required. These changes should not result in increased recurring obligations such as salaries.
- b. He may transfer amounts up to \$60,000 from contingency appropriations to other budget ordinance line items within the same fund. He must make an official report on such transfers at the next regular meeting of the board.

Section 4. This Budget Ordinance shall be entered in the minutes of the Asheville Regional Airport Authority and within five (5) days after its adoption copies shall be filed with the Finance Officer, the Budget Officer and the Secretary of the Asheville Regional Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Asheville Regional Airport Authority as described in G.S. 159-13.

Section 5. This ordinance shall become effective on July 1, 2012.

Adopted this 20th day of April, 2012.

David R. Hillier, Chairman

Attested by:

Jeffrey A. Piccirillo
Secretary-Treasurer



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Airport Director

DATE: April 20, 2012

ITEM DESCRIPTION – New Business Item A

Capital Expenditure and Budget Amendment for Restaurant Equipment

BACKGROUND

In August 2011, the Board approved a contract with The Paradies Shops to operate the food, beverage, news, and gift concessions at the Airport. Under the terms of the agreement, Paradies was to make a capital expenditure in the amount of \$1.35 million. The Authority was to contribute an \$80,000 improvement allowance along with the existing kitchen equipment and machinery. In the end, Paradies invested just over \$1.8 million. The Authority's contribution of \$80,000 was inclusive of the \$10.5 million A-Gates Renovation project and the existing equipment and machinery was not adaptable to the new kitchen area. Paradies is in the process of building out the landside facility and is anticipating an expenditure of another \$125,000. They have asked the Authority if we would be willing to assist with a financial contribution towards their total investment. Seeing how well Paradies has embraced the community and brought the Airport a first class concessions program, staff is willing to partner with Paradies for a capital outlay of kitchen equipment and machinery in the amount of \$75,000. An amendment to the FY11/12 will be necessary since this expenditure is not in the current budget.

In the past, the Authority invested over \$150,000 with the previous concession operator.

ISSUES

The Authority has no obligation to contribute to Paradies' capital investment under the current terms and conditions of the agreement. This is a long term agreement with Paradies and provides a basis for a solid partnership in the investment of the airport.

New Business – Item A



ALTERNATIVES

The Board could decide not to make a capital investment in the operation of the concession program at the Airport, or change the amount of capital expenditure.

FISCAL IMPACT

The budget amendment will increase FY11/12's budgeted Equipment and Small Capital Outlay by \$75,000, and increase Transfers from ARRA Cash by \$75,000. The Authority would, however, gain title to kitchen equipment and machinery in an equal amount.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) Authorize the expenditure in the amount of \$75,000 to the Paradies Shops for ownership of kitchen equipment and machinery in the amount equal to the expenditure; (2) authorize the Airport Director to execute the necessary documents; and (3) resolve to amend the FY11/12 budget by adopting the following budget ordinance amendment:

BE IT ORDAINED by the Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2012:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Equipment and Small Capital Outlay		\$75,000
Totals	\$0	\$75,000

This will result in a net increase of \$75,000 in the appropriations. To provide the additional revenue for the above, revenues will be revised as follows:



REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from ARAA		\$75,000
Cash/Investments		
Totals	<u>\$0</u>	<u>\$75,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Secretary of the Asheville Regional Airport Authority, who for purposes of this ordinance, is designated as the Clerk to the Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 20th day of April, 2012.

David Hillier, Chairman

Attested by:

Jeffrey A. Piccirillo, Secretary-Treasurer



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Airport Director

DATE: April 20, 2011

ITEM DESCRIPTION – New Business Item B

Future Long Term Airport Goals

1. Retain core air service and grow additional routes
2. Market AVL for enplanement and revenue enhancements
3. Increase revenue opportunities by focusing on non-aviation development
4. Review and create new airline rates & charges policy
5. In-depth review of departments for expenditure reductions
6. Implement properties management system
7. Runway project



Asheville Regional Airport

Asheville Regional Airport

Current and future air service trends



A perfect storm?

More passengers. Fewer seats.

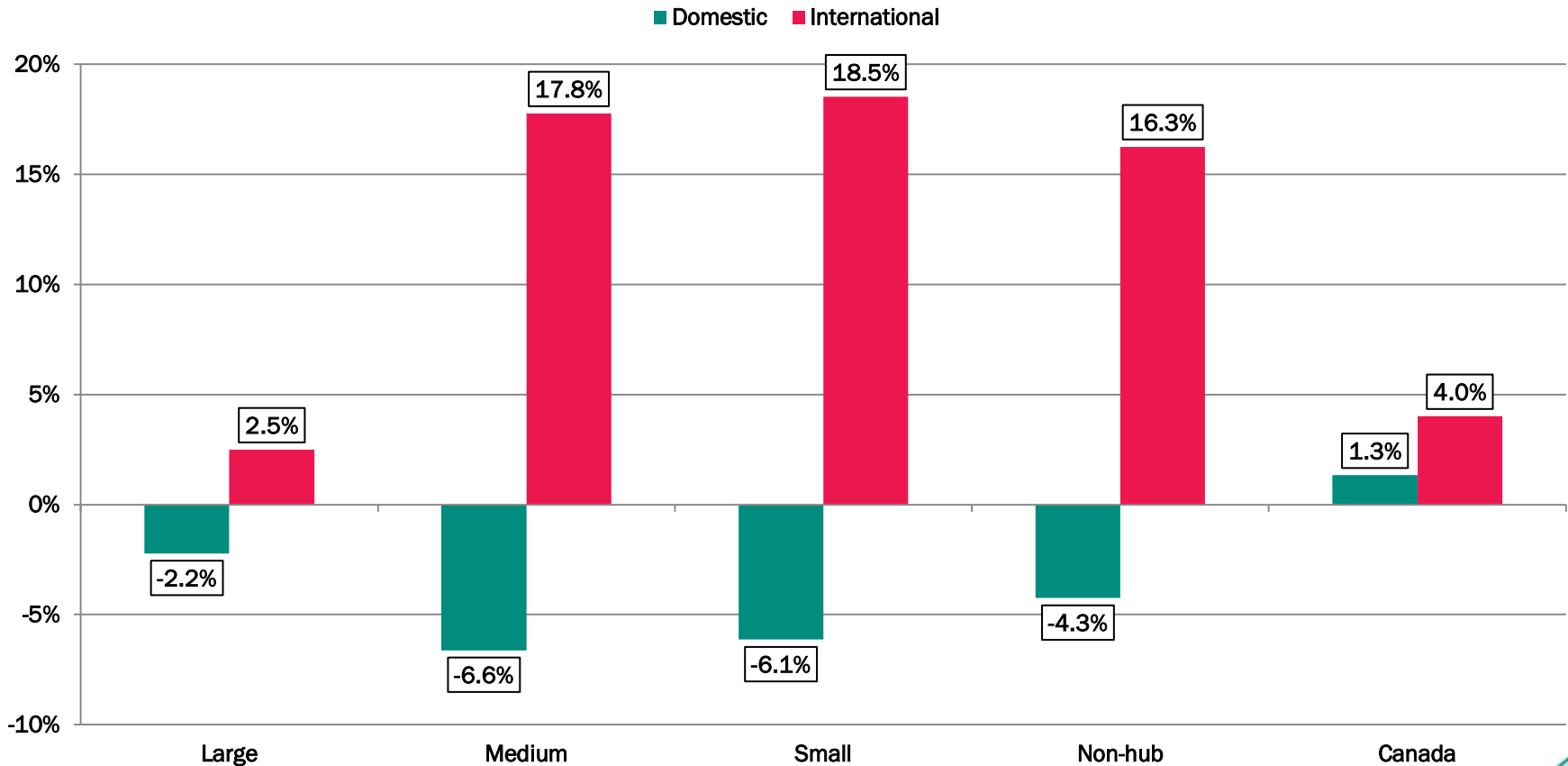


U.S. Aviation Traffic – 2011 vs. 2010

	Jan-Dec 2010	Jan-Dec 2011	Change
Total Passengers	720.5 million	730.0 million	1.3%
Domestic Passengers	629.5 million	637.5 million	1.3%
International Passengers	91.0 million	92.5 million	1.7%
Flights (thousands)	9,521.2	9,473.9	-0.5%
Available Seat Miles	972.6 billion	992.7 billion	2.1%
Load Factor	82.0 percent	82.0 percent	0.0 pts.
Flight Stage Length	729.1 miles	743.2 miles	1.9%

2011 saw US passenger traffic grow at only 1.3% as compared to the previous year, with growth slowing considerably at year end. The gap between domestic and international growth has narrowed significantly. Carriers continued to maintain capacity discipline as fuel costs again became significant.

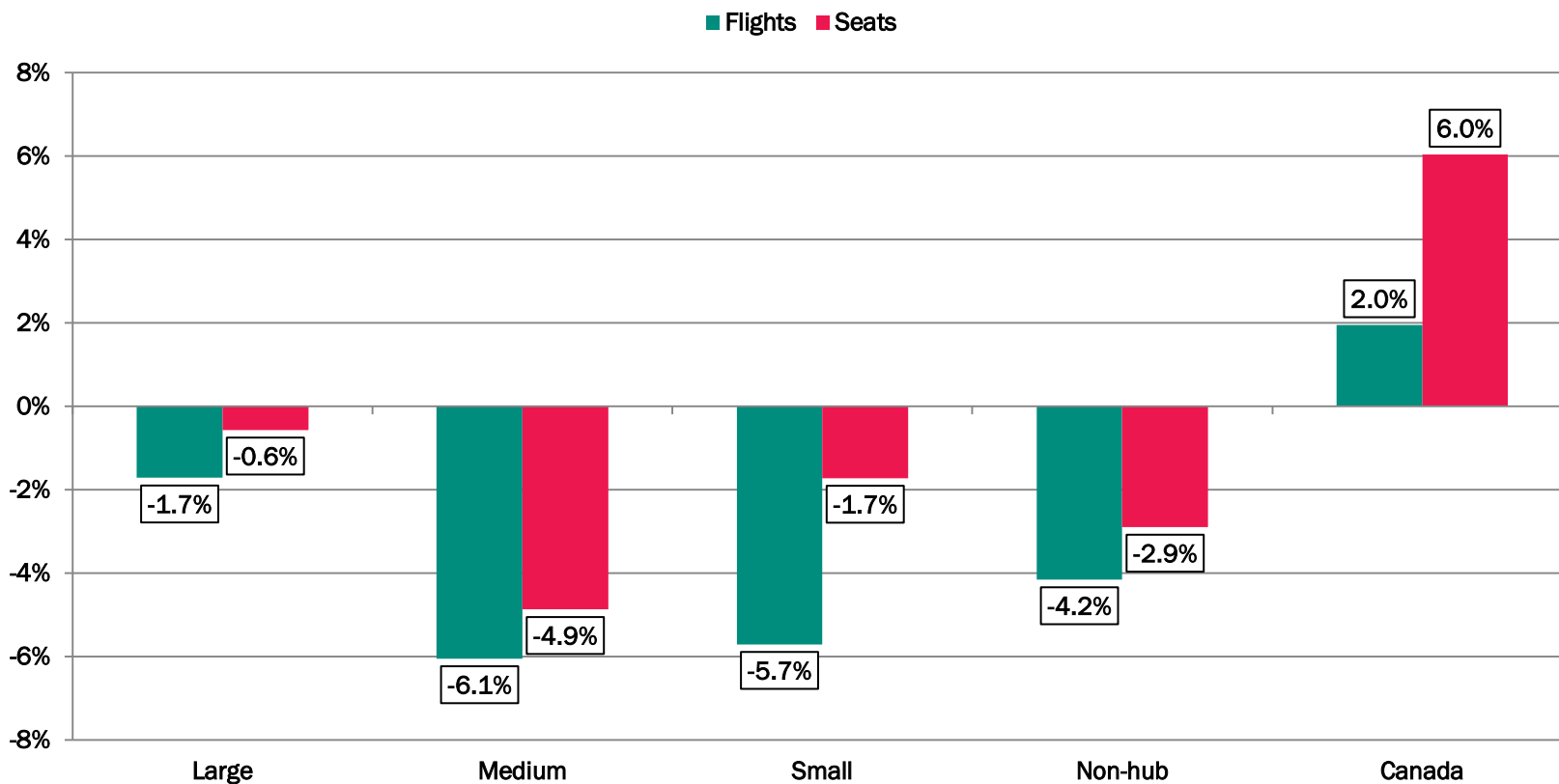
Airline Capacity: Change in Scheduled Domestic and International Flights: Mar-12 vs. Mar-11



Carriers continue to add international services while scaling back domestic operations across hub sizes (this includes transborder flights). Canadian carriers are also focusing their growth in the international market.

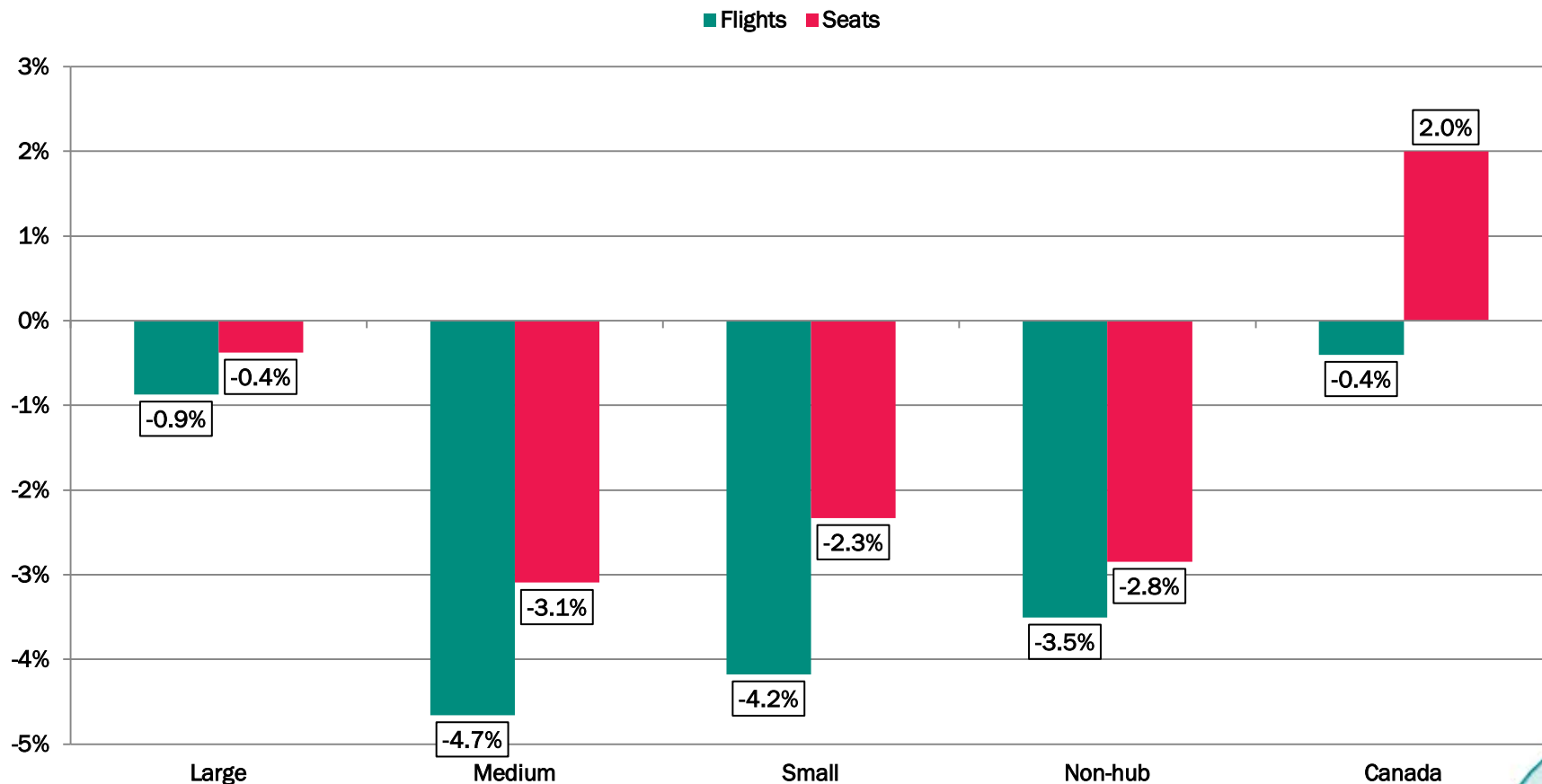
Airline Capacity: Change in Scheduled Flights and Seats

Mar-12 vs. Mar-11



All categories of US airports saw capacity decreases in March as economic headwinds (particularly fuel) forced carriers to reexamine their capacity strategies. Canada appears to continue on its path of steady growth.

Capacity: Change in Scheduled Flights and Seats Flights: Jun-12 vs. Jun-11



June looks to bring more of the same as carriers expect fuel costs to remain elevated throughout the summer season.

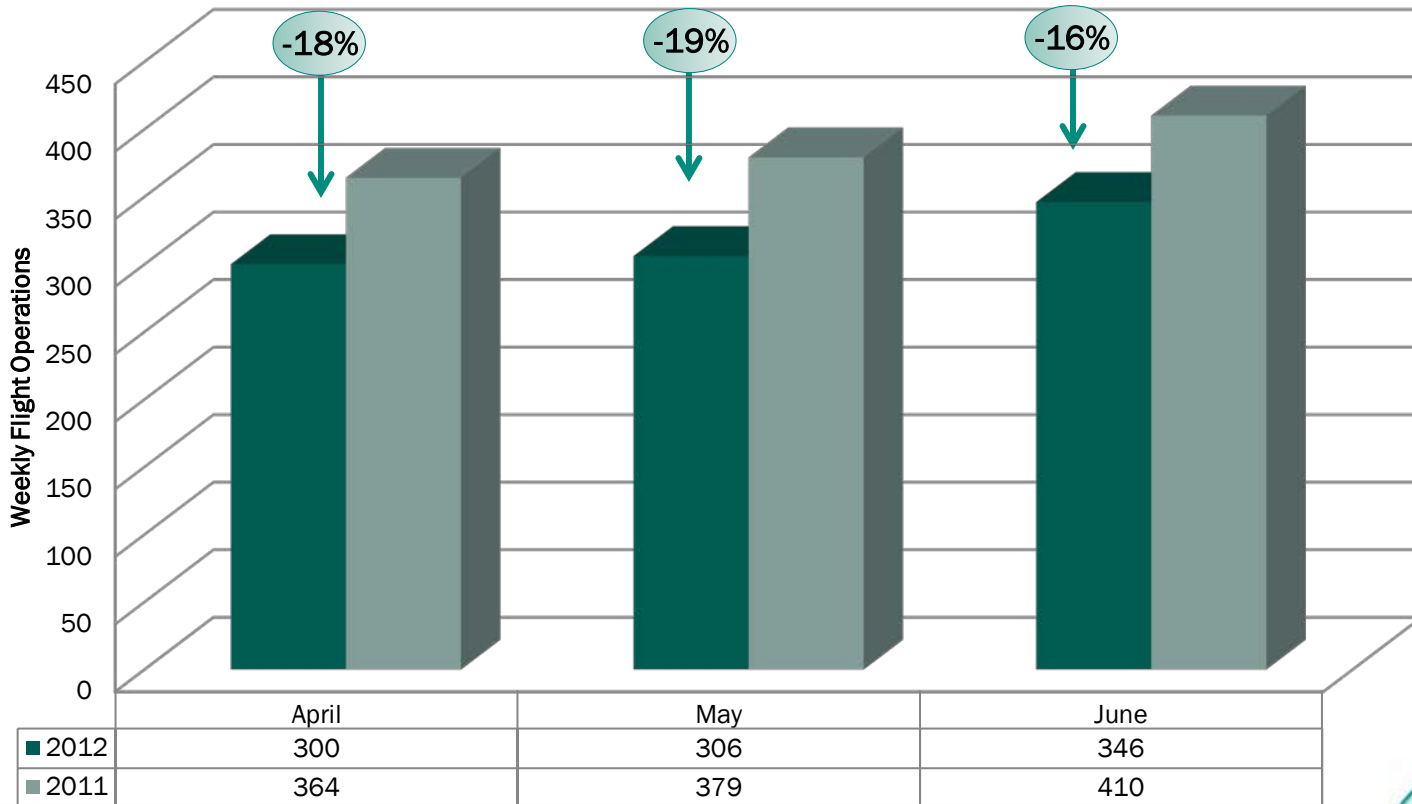
Asheville Regional Airport

We are seeing the same trends occur.



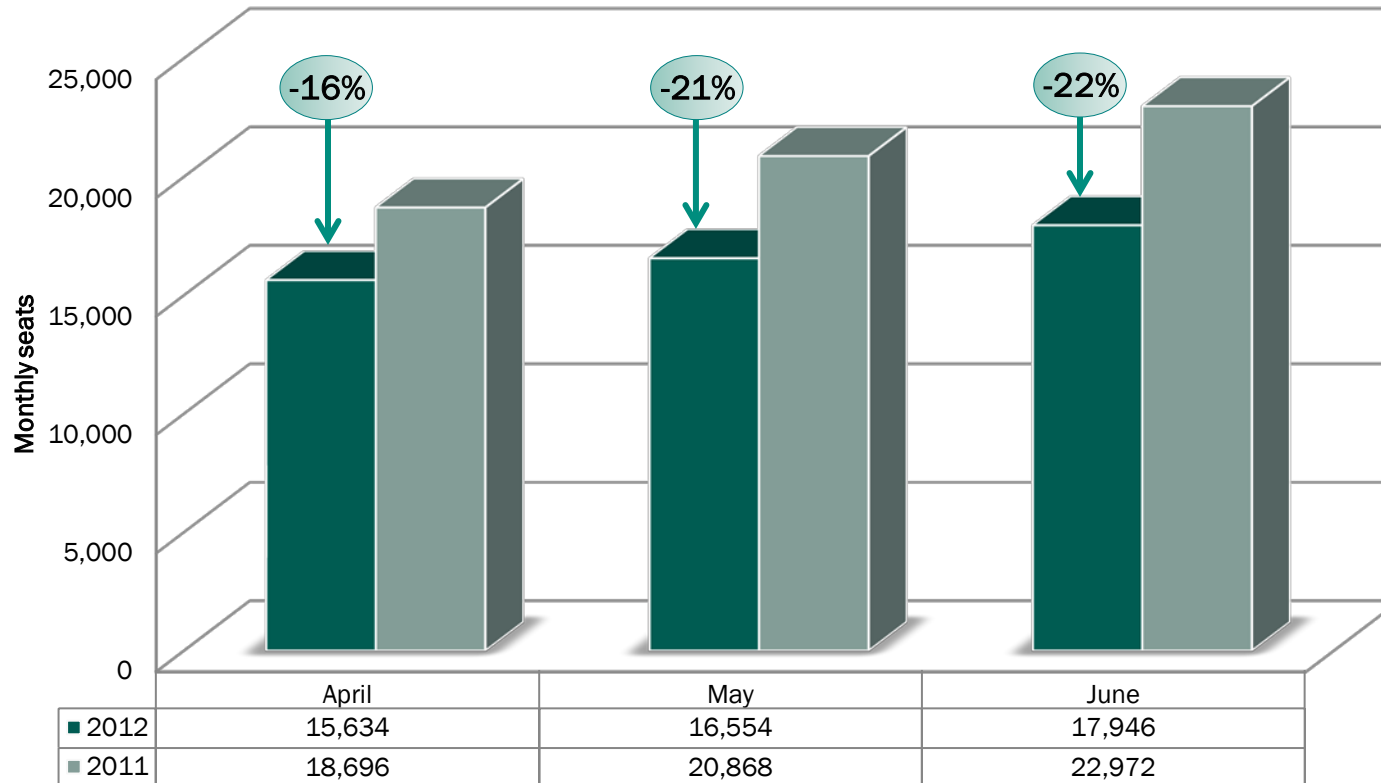
Airline Capacity: Change in Scheduled Flights

3 Month Outlook: Scheduled Weekly Flights



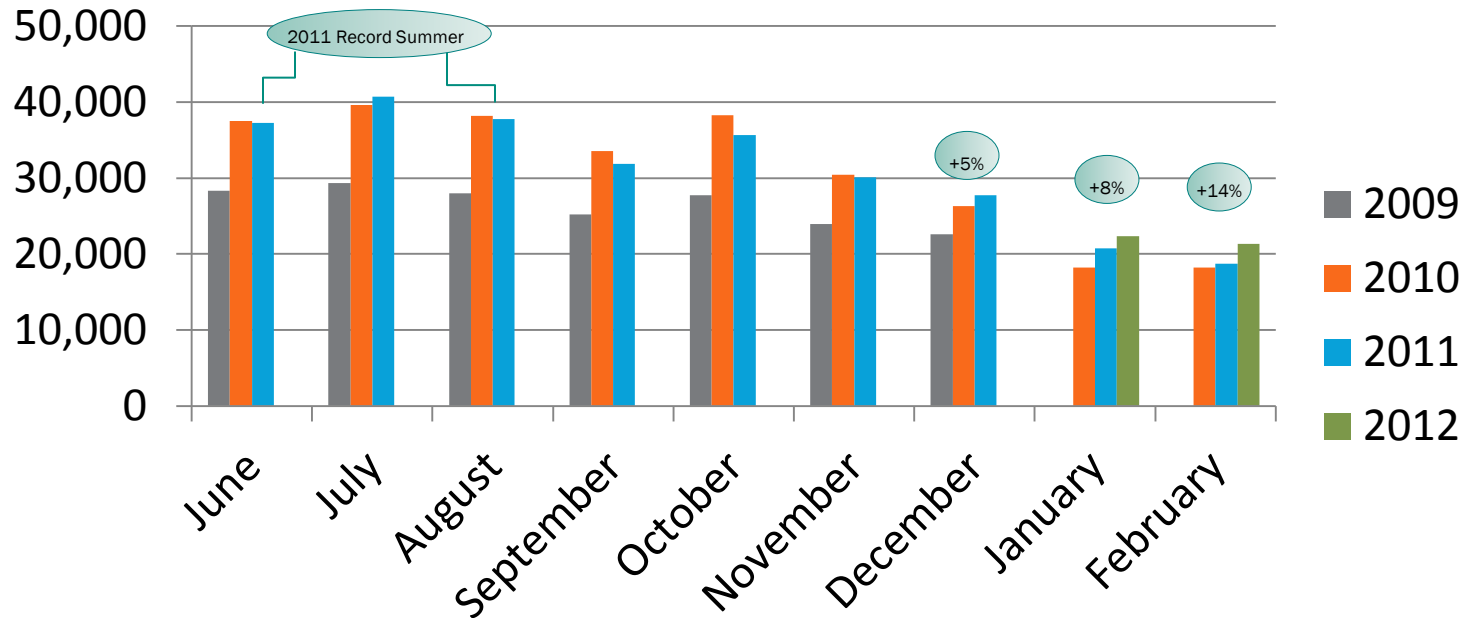
Airline Capacity: Change in Scheduled Seats

3 Month Outlook: Scheduled Seats 2012 vs. 2011



Yet we've seen solid utilization, even with declining seat capacity.

AVL Enplanements



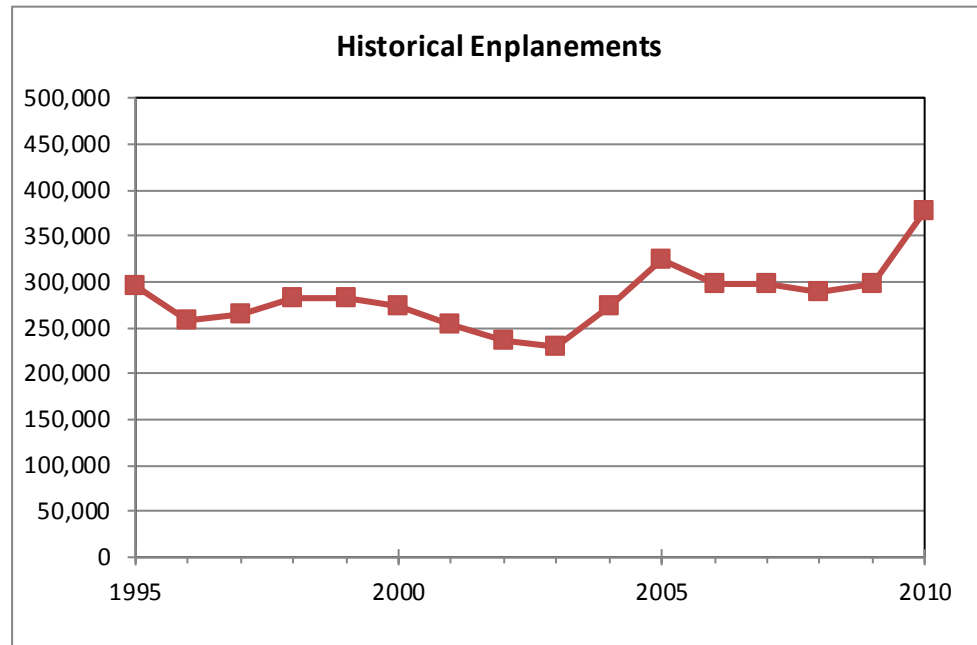
- July 2011 was the record month of enplanements in AVL history, and summer 2011 was the strongest summer on record. The past three months have shown an upward trend year/year.

Our future forecast starts with history.

Year	Historical Enplanements
------	-------------------------

Historical:

1995	294,780
1996	257,215
1997	263,767
1998	283,146
1999	283,209
2000	274,281
2001	253,250
2002	236,019
2003	230,178
2004	273,691
2005	323,353
2006	297,792
2007	298,667
2008	289,215
2009	298,865
2010	378,087
CAGR (1995-2010)	1.67%



Notes: CAGR = Compounded Annual Growth Rate

Sources: Historical Enplanements - Airport Records

Forecast: Enplanements

Year	Trend Line		Growth Rate	
	Enplanements	Enplanements	Enplanements	Percent Change
Historical:				
1995	294,780	294,780		
1996	257,215	257,215		-12.74%
1997	263,767	263,767		2.55%
1998	283,146	283,146		7.35%
1999	283,209	283,209		0.02%
2000	274,281	274,281		-3.15%
2001	253,250	253,250		-7.67%
2002	236,019	236,019		-6.80%
2003	230,178	230,178		-2.47%
2004	273,691	273,691		18.90%
2005	323,353	323,353		18.15%
2006	297,792	297,792		-7.90%
2007	298,667	298,667		0.29%
2008	289,215	289,215		-3.16%
2009	298,865	298,865		3.34%
2010	378,087	378,087		26.51%
			<i>CAGR (1995-2010)</i>	1.67%
Projected:				
2015	331,514	410,793		1.67%
2020	350,731	446,328		1.67%
2025	369,949	484,937		1.67%
2030	389,167	526,886		1.67%
	0.00%	0.14%	1.67%	

Sources: Historical Enplanements - Airport Records
 Projections - Mead & Hunt

Forecast: Scheduled Flights & Load Factor

Year	Enplanements	Scheduled Passenger Dep	Average Seats/Dep	Load Factor	Scheduled Passenger Ops
Historical:					
2007	298,667	8,129	48.7	75.4%	16,258
2008	289,215	8,121	49.7	71.6%	16,242
2009	298,865	7,366	50.4	80.5%	14,732
2010	378,087	9,293	52.4	77.6%	18,586
2011	NA	9,368	53.7		18,736
Projected:					
2015	410,793	9,321	56.5	78.0%	18,643
2020	446,328	9,699	59.0	78.0%	19,397
2025	484,937	9,791	63.5	78.0%	19,582
2030	526,886	10,158	66.5	78.0%	20,316
<i>CAGR (2010-2030)</i>	<i>1.67%</i>	<i>0.45%</i>			<i>0.45%</i>

Note: 2011 data is estimated

Sources: Hist Enplanements - Airport Records
 Hist Scheduled Air Carrier Dep's and Avg Seat Data - Airline Schedules, Diio Mi (Oct 2011)
 Projections - Mead & Hunt, Inc.



Forecast: Seats & Load Factor

Year	Average Seats/Dep			Load Factor % (Domestic)		
	AVL	US Regional Carrier Fleet	US Mainline Carrier Fleet	AVL	US Regional Carrier Fleet	US Mainline Carrier Fleet
Historical:						
2007	48.7	49.9	150.6	75.4%	75.5%	80.4%
2008	49.7	52.9	150.3	71.6%	73.7%	80.2%
2009	50.4	55.2	151.2	80.5%	74.3%	81.4%
2010	52.4	56.2	151.9	77.6%	76.2%	82.7%
<i>CAGR (2007-2010)</i>	<i>2.47%</i>	<i>4.04%</i>	<i>0.29%</i>	<i>0.97%</i>	<i>0.31%</i>	<i>0.94%</i>
Projected:						
2015	56.5	58.3	152.3	78.0%	76.8%	84.2%
2020	59.0	60.6	152.7	78.0%	77.0%	84.9%
2025	63.5	63.0	153.0	78.0%	77.2%	85.3%
2030	66.5	65.5	153.4	78.0%	77.3%	85.5%
<i>CAGR (2010-2030)</i>	<i>1.20%</i>	<i>0.77%</i>	<i>0.05%</i>	<i>0.02%</i>	<i>0.07%</i>	<i>0.17%</i>

Sources:

Hist Average Seat Data - Airline Schedules, Diio Mio

Hist Load Factor Calculated from Historical Passengers, Historical Departures, and Historical Avg Seats/Dep

Hist and Projected US Carrier Fleet Avg/Seats & Load Factor - FAA Aerospace Forecasts FY2011-2031

Projections - Mead & Hunt, Inc.

Forecast: Aircraft Fleet

World Fleet Growth Forecast - 2010 to 2030

Segment	Fleet 2010	Deliveries	Retirement	Fleet 2030
20- to 59-seat	3,600	300	2,500	1,400
60- to 99-seat	2,200	5,800	1,200	6,800
100- to 149-seat	5,200	7,000	3,000	9,200
Total Aircraft	11,000	13,100	6,700	17,400

Forecast: AVL Aircraft Fleet

Seat Range	Typical Aircraft	Historical Departures					Projected			
		2007	2008	2009	2010	2011	2015	2020	2025	2030
Less than 40	Saab340, 328Jet, ERJ135	1,826	1,184	224	117	131	0	0	0	0
	Beech1900, EMB120, DHC-8	22.5%	14.6%	3.0%	1.3%	1.4%	0.0%	0.0%	0.0%	0.0%
40-60	CRJ200, ERJ140, ERJ145,	5,419	6,195	7,051	8,522	8,271	7,942	7,497	6,472	6,054
	DHC-8-300	66.7%	76.3%	95.7%	91.7%	88.3%	85.2%	77.3%	66.1%	59.6%
61-99	AvroRJ, CRJ700, CRJ900,	884	742	3	398	627	811	1,513	2,360	2,915
	EMB170, EMB175	10.9%	9.1%	0.0%	4.3%	6.7%	8.7%	15.6%	24.1%	28.7%
100-130	B717, DC9, EMB190,	0	0	88	248	272	466	533	656	772
	EMB195, A319	0.0%	0.0%	1.2%	2.7%	2.9%	5.0%	5.5%	6.7%	7.6%
131-150	A320, MD81/82/83/87/88,	0	0	0	8	67	103	155	206	284
	B737-4, B737-5	0.0%	0.0%	0.0%	0.1%	0.7%	1.1%	1.6%	2.1%	2.8%
151 or more	MD90, B737-8, B737-9, B757	0	0	0	0	0	0	0	98	152
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	1.5%
Total Scheduled Passenger Aircraft Departures		8,129	8,121	7,366	9,293	9,368	9,321	9,699	9,791	10,158
Average Seats Per Departure		48.7	49.7	50.4	52.4	53.7	56.5	59.0	63.5	66.5
Total Scheduled Seats		396,076	403,650	371,344	487,153	503,240	526,658	572,216	621,714	675,495

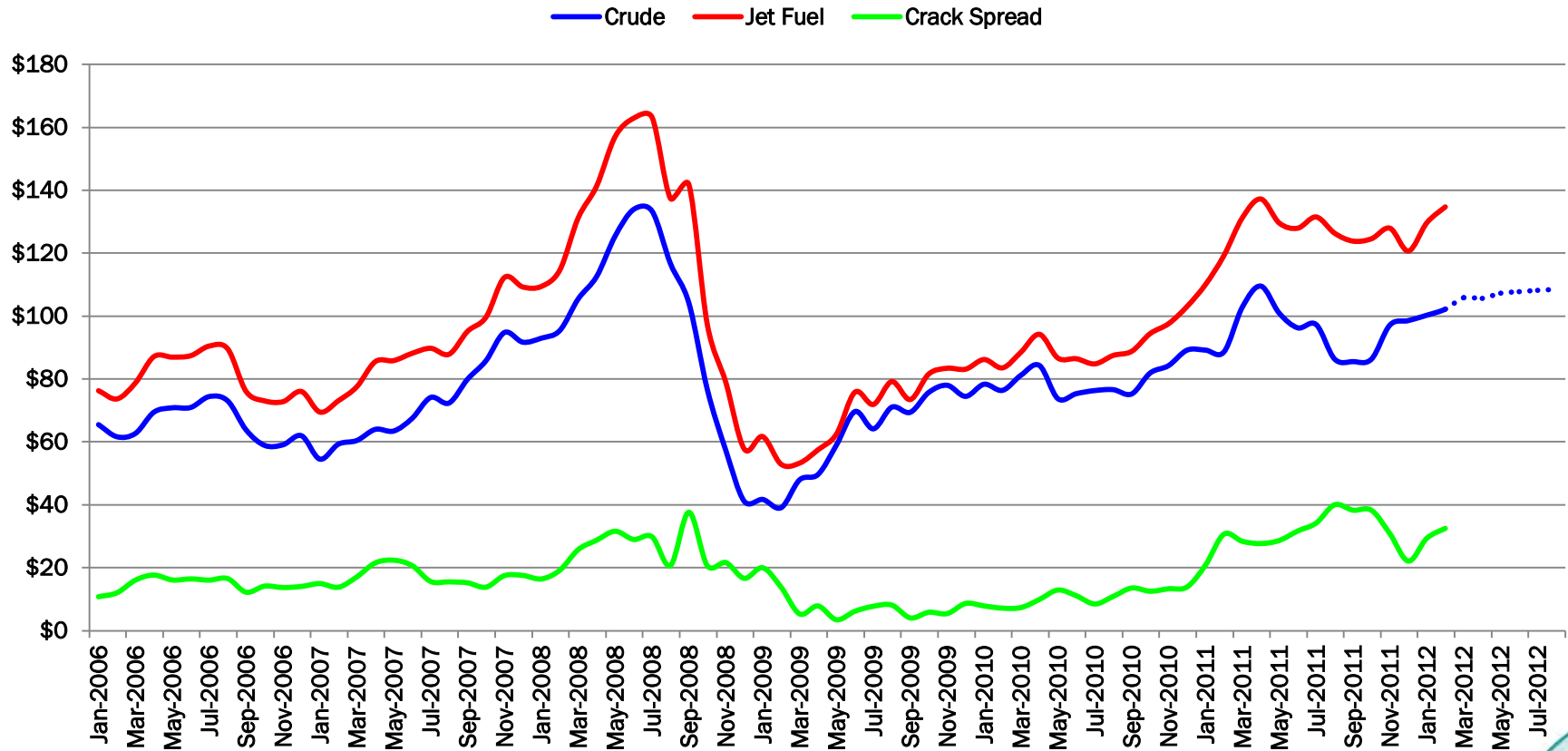
Sources: Historical Scheduled Departures and Average Seat Data - Airline Schedules, Diio Mi
Projections - Mead & Hunt, Inc.

Declining supply ... Strong demand... Rising oil prices.

Capitalism at work. Fares are rising.

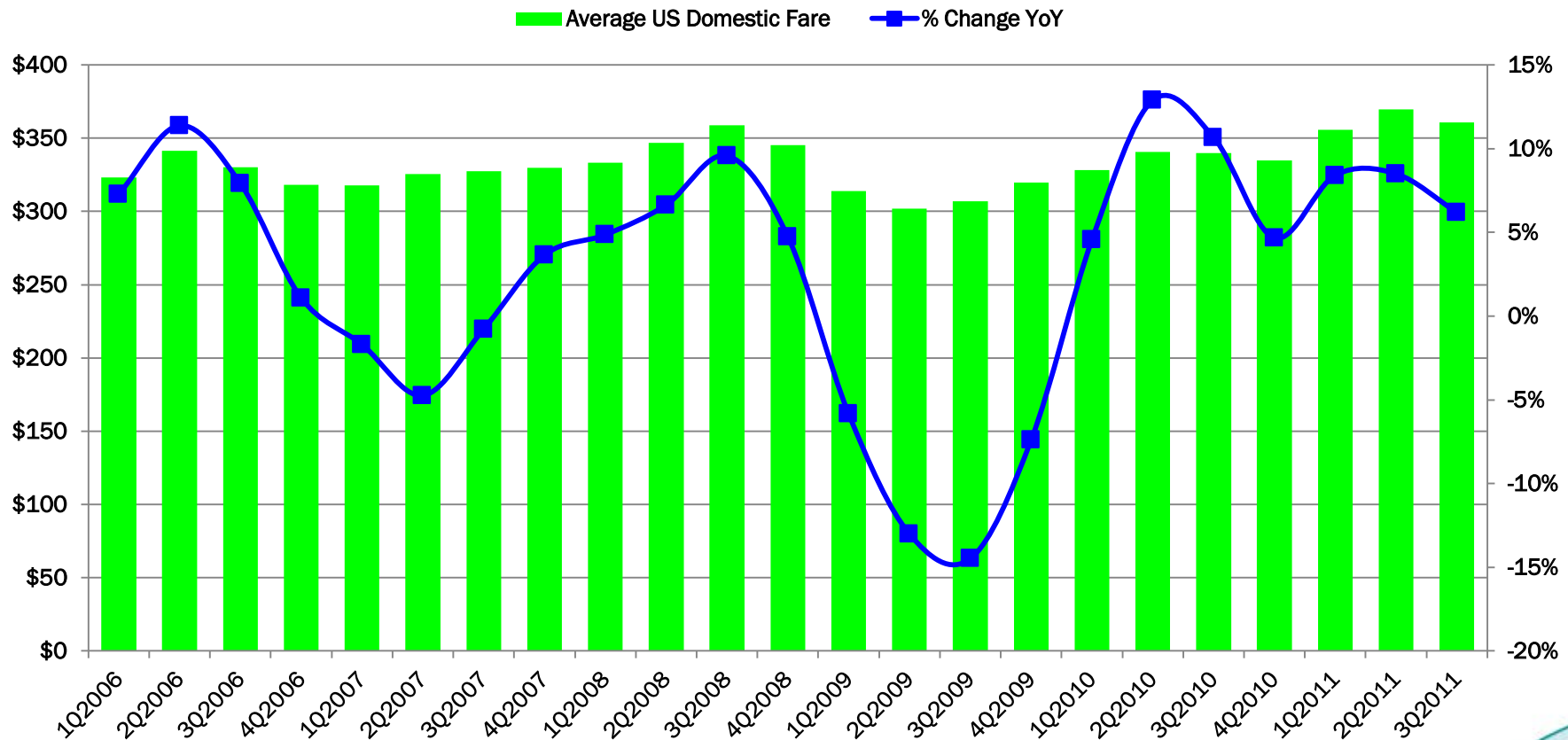


Crude and Jet Fuel Prices



2011 saw oil trade in a band between \$90-\$110 per barrel. Competing supply and demand concerns essentially kept this floor and ceiling in place. However, as economic news continues to improve, the ceiling may be lifting.

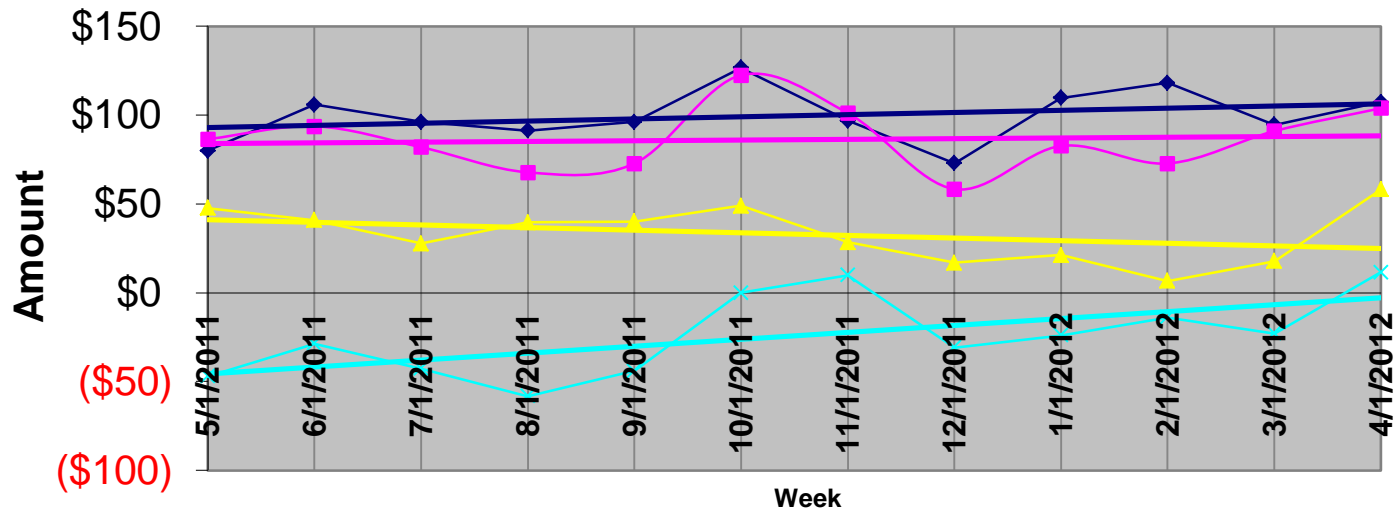
Average US Airfare and Percent Change YoY



Fares continued to increase significantly in the third quarter of 2011 to \$361 or 6.2% over the third quarter of 2010. Through October, 2011, airlines collected only 71.4% of their revenue from passenger fares (compared to 87.6% in 1990).

Fares at AVL are suddenly the highest in the region.

AVL Average Airfare Differences 21 Day Advance Purchase, 3 Day Stay



ATL CLT GSP TRI Linear (ATL) Linear (CLT) Linear (GSP) Linear (TRI)

We are more than a commercial airport.

General Aviation is important to our future plans.



Forecast: General Aviation

Year	Operations Per Based Aircraft Methodology			Market Share Methodology		
	Based Aircraft	Operations per Based Aircraft	Total Operations	Total Operations	Total U.S. GA Operations	Market Share
Historical:						
1995	120	431	51,777	51,777	35,926,600	0.1441%
1996	128	384	49,180	49,180	35,298,300	0.1393%
1997	119	490	58,366	58,366	36,833,300	0.1585%
1998	119	556	66,187	66,187	38,046,600	0.1740%
1999	107	603	64,573	64,573	39,999,600	0.1614%
2000	107	529	56,557	56,557	39,878,500	0.1418%
2001	107	502	53,744	53,744	37,626,472	0.1428%
2002	128	397	50,762	50,762	37,652,701	0.1348%
2003	130	352	45,766	45,766	35,524,020	0.1288%
2004	128	345	44,203	44,203	34,967,730	0.1264%
2005	128	349	44,663	44,663	34,146,832	0.1308%
2006	139	354	49,194	49,194	33,072,516	0.1487%
2007	130	437	56,841	56,841	33,131,959	0.1716%
2008	141	375	52,912	52,912	31,573,810	0.1676%
2009	160	282	45,125	45,125	27,999,595	0.1612%
2010	174	240	41,752	41,752	26,571,397	0.1571%
	<i>Avg (2000-2010)</i>	<i>378</i>			<i>Average (1995-2010)</i>	<i>0.1493%</i>
Projected:						
2015	184	240	44,248	45,306	28,833,363	0.1571%
2020	195	240	46,819	48,285	30,728,860	0.1571%
2025	206	240	49,434	51,547	32,804,953	0.1571%
2030	217	240	52,066	55,097	35,064,533	0.1571%
	<i>1.11%</i>		<i>1.11%</i>	<i>1.40%</i>	<i>1.40%</i>	

Sources: Historical Operations - Air Traffic Activity Data System (ATADS)
 Total U.S. GA Operations - FAA Aerospace Forecasts FY 2011-2031
 Projections - Mead & Hunt, Inc.,

Forecast: Aircraft Utilization

Year	Single Engine		Multi-Engine		Jet		Helicopter		Other		Total
	#	%	#	%	#	%	#	%	#	%	
Historical:											
1995	89	74%	26	22%	3	3%	2	2%	0	0%	120
1996	99	77%	24	19%	3	2%	2	2%	0	0%	128
1997	96	81%	19	16%	3	3%	1	1%	0	0%	119
1998	96	81%	19	16%	3	3%	1	1%	0	0%	119
1999	82	77%	17	16%	5	5%	3	3%	0	0%	107
2000	82	77%	17	16%	5	5%	3	3%	0	0%	107
2001	82	77%	17	16%	5	5%	3	3%	0	0%	107
2002	93	73%	23	18%	9	7%	3	2%	0	0%	128
2003	95	73%	23	18%	9	7%	3	2%	0	0%	130
2004	93	73%	23	18%	9	7%	3	2%	0	0%	128
2005	93	73%	23	18%	9	7%	3	2%	0	0%	128
2006	105	76%	18	13%	12	9%	4	3%	0	0%	139
2007	74	57%	40	31%	8	6%	8	6%	0	0%	130
2008	87	62%	27	19%	18	13%	9	6%	0	0%	141
2009	130	81%	10	6%	17	11%	3	2%	0	0%	160
2010	115	66%	37	21%	16	9%	6	3%	0	0%	174
Projected:											
2015	122	66%	39	21%	20	11%	4	2%	0	0%	184
2020	129	66%	41	21%	21	11%	4	2%	0	0%	195
2025	134	65%	43	21%	25	12%	4	2%	0	0%	206
2030	139	64%	48	22%	26	12%	4	2%	0	0%	217
CAGR (2010-2030)	0.95%		1.28%		2.46%		0.00%		0.00%		1.11%

Notes: Numbers may not add due to rounding

Sources: Historical Based Aircraft -1995-2009 FAA Terminal Area Forecast; 2010 FAA 5010 Form Projections - Mead & Hunt, Inc.



Questions?





MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Airport Director

DATE: April 20, 2012

ITEM DESCRIPTION – Information Section Item A

February, 2012 Traffic Report – Asheville Regional Airport

SUMMARY

February 2012 overall passenger traffic numbers were up 14.7% compared to the same period last year. Passenger traffic numbers reflect a 13.9% increase in passenger enplanements from February 2011. Enplanements for Fiscal Year to Date total 253,222 which is a 1% increase over the same period last year.

AIRLINE PERFORMANCE

Continental Airlines: Year over Year passenger enplanements for Continental in February 2012 were up by 9.2%. There was one (1) flight cancellation for the month.

Delta Airlines: Delta's February 2012 enplanements increased by 4.1% compared to February 2011. There were no flight cancellations for the month.

United Airlines: In February 2012, United Airlines saw an increase in enplanements by 36.7% over the same period last year. There were no flight cancellations for the month.

US Airways: US Airways' February 2012 passenger enplanements represent a 23.4% increase. There were three (3) flight cancellations for the month.

Monthly Traffic Report

Asheville Regional Airport

February 2012



Category	Feb 2012	Feb 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change	*MOV12-2012	*MOV12-2011	Percentage Change
Passenger Traffic									
Enplaned	21,301	18,705	13.9%	43,631	39,448	10.6%	366,478	372,579	-1.6%
Deplaned	<u>21,087</u>	<u>18,252</u>	15.5%	<u>42,281</u>	<u>37,598</u>	12.5%	<u>364,065</u>	<u>367,652</u>	-1.0%
Total	42,388	36,957	14.7%	85,912	77,046	11.5%	730,543	740,231	-1.3%
Aircraft Operations									
Airlines	227	96	136.5%	465	186	150.0%	3,755	1,288	191.5%
Commuter /Air Taxi	<u>1,052</u>	<u>1,266</u>	-16.9%	2,148	2,583	-16.8%	16,998	19,646	-13.5%
Subtotal	<u>1,279</u>	<u>1,362</u>	-6.1%	<u>2,613</u>	<u>2,769</u>	-5.6%	<u>20,753</u>	<u>20,934</u>	-0.9%
General Aviation	2,429	2,325	4.5%	4,753	4,501	5.6%	37,519	41,025	-8.5%
Military	<u>474</u>	<u>151</u>	213.9%	<u>788</u>	<u>288</u>	173.6%	<u>4,340</u>	<u>4,575</u>	-5.1%
Subtotal	<u>2,903</u>	<u>2,476</u>	17.2%	<u>5,541</u>	<u>4,789</u>	15.7%	<u>41,859</u>	<u>45,600</u>	-8.2%
Total	4,182	3,838	9.0%	8,154	7,558	7.9%	62,612	66,534	-5.9%
Fuel Gallons									
100LL	8,605	12,333	-30.2%	17,163	19,334	-11.2%	183,019	211,479	-13.5%
Jet A (GA)	56,809	84,196	-32.5%	109,345	147,710	-26.0%	1,154,473	1,184,187	-2.5%
Subtotal	<u>65,414</u>	<u>96,529</u>	-32.2%	<u>126,508</u>	<u>167,044</u>	-24.3%	<u>1,337,492</u>	<u>1,395,666</u>	-4.2%
Jet A (A/L)	<u>156,996</u>	<u>311,893</u>	-49.7%	<u>383,349</u>	<u>542,709</u>	-29.4%	<u>3,092,544</u>	<u>3,638,697</u>	-15.0%
Total	222,410	408,422	-45.5%	509,857	709,753	-28.2%	4,430,036	5,034,363	-12.0%

*CYTD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

Tuesday, March 20, 2012

Airline Enplanements, Seats, and Load Factors

Asheville Regional Airport

February 2012



	Feb 2012	Feb 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change
AirTran Airways						
Enplanements	0	1,045	-100.0%	306	2,002	-84.7%
Seats	0	1,404	-100.0%	468	2,808	-83.3%
Load Factor	#Num!	74.4%	#Type!	65.4%	71.3%	-8.3%
Allegiant Air						
Enplanements	1,111	0	#Div/0!	2,323	0	#Div/0!
Seats	1,200	130	823.1%	2,550	130	1861.5%
Load Factor	92.6%	0.0%	#Div/0!	91.1%	0.0%	#Div/0!
Continental Airlines						
Enplanements	1,148	1,051	9.2%	2,419	2,255	7.3%
Seats	2,500	2,250	11.1%	5,100	4,700	8.5%
Load Factor	45.9%	46.7%	-1.7%	47.4%	48.0%	-1.1%
Delta Air Lines						
Enplanements	8,753	8,409	4.1%	17,857	17,747	0.6%
Seats	12,000	13,650	-12.1%	24,750	27,900	-11.3%
Load Factor	72.9%	61.6%	18.4%	72.1%	63.6%	13.4%
United Airlines						
Enplanements	1,761	1,288	36.7%	3,520	2,954	19.2%
Seats	2,900	2,300	26.1%	6,000	5,250	14.3%
Load Factor	60.7%	56.0%	8.4%	58.7%	56.3%	4.3%
US Airways						
Enplanements	8,528	6,912	23.4%	17,206	14,490	18.7%
Seats	12,961	11,765	10.2%	26,436	23,355	13.2%
Load Factor	65.8%	58.8%	12.0%	65.1%	62.0%	4.9%

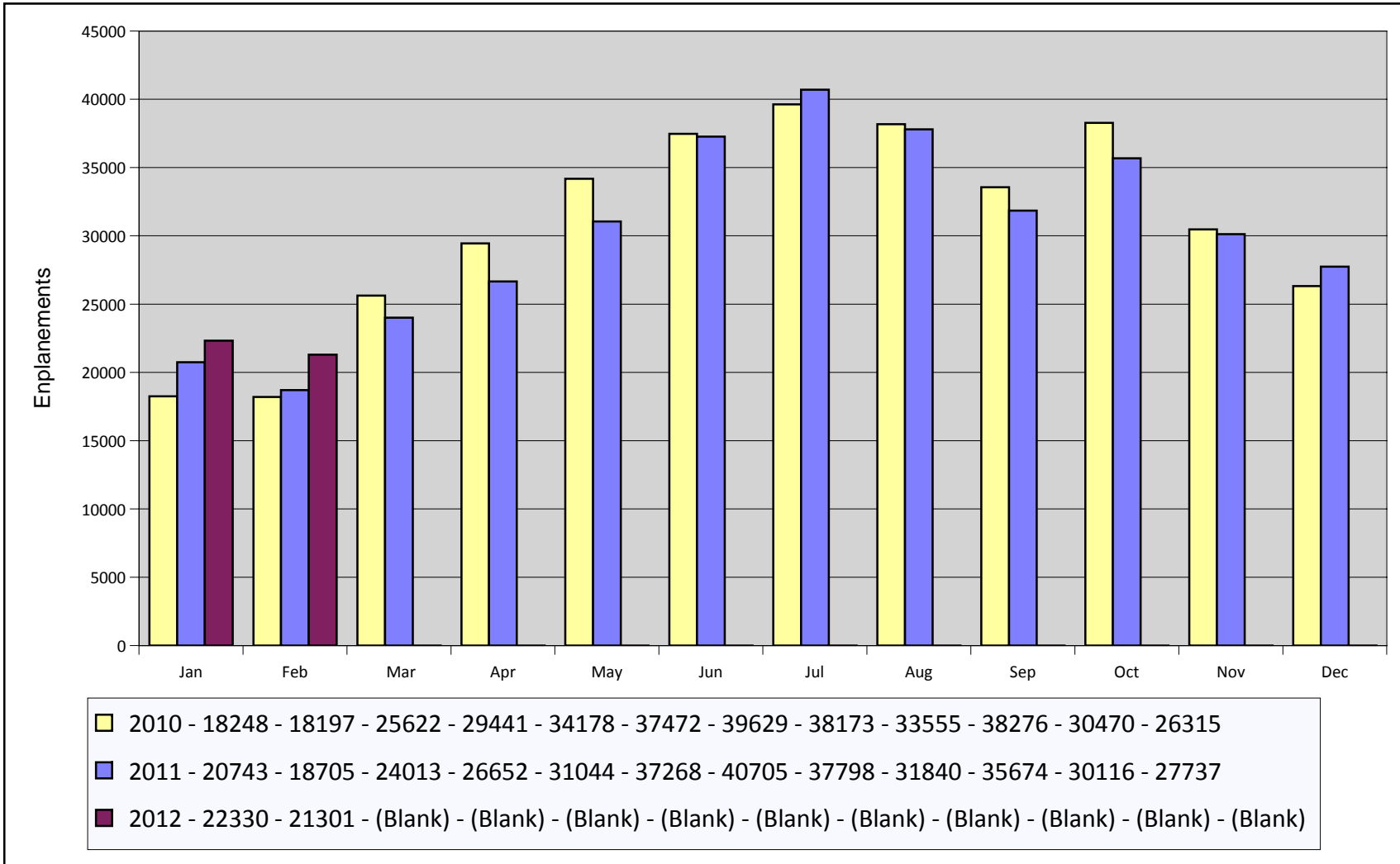
	Feb 2012	Feb 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change
Totals						
Enplanements	21,301	18,705	13.9%	43,631	39,448	10.6%
Seats	31,561	31,499	0.2%	65,304	64,143	1.8%
Load Factor	67.5%	59.4%	13.7%	66.8%	61.5%	8.6%

Airline Flight Completions Asheville Regional Airport February 2012

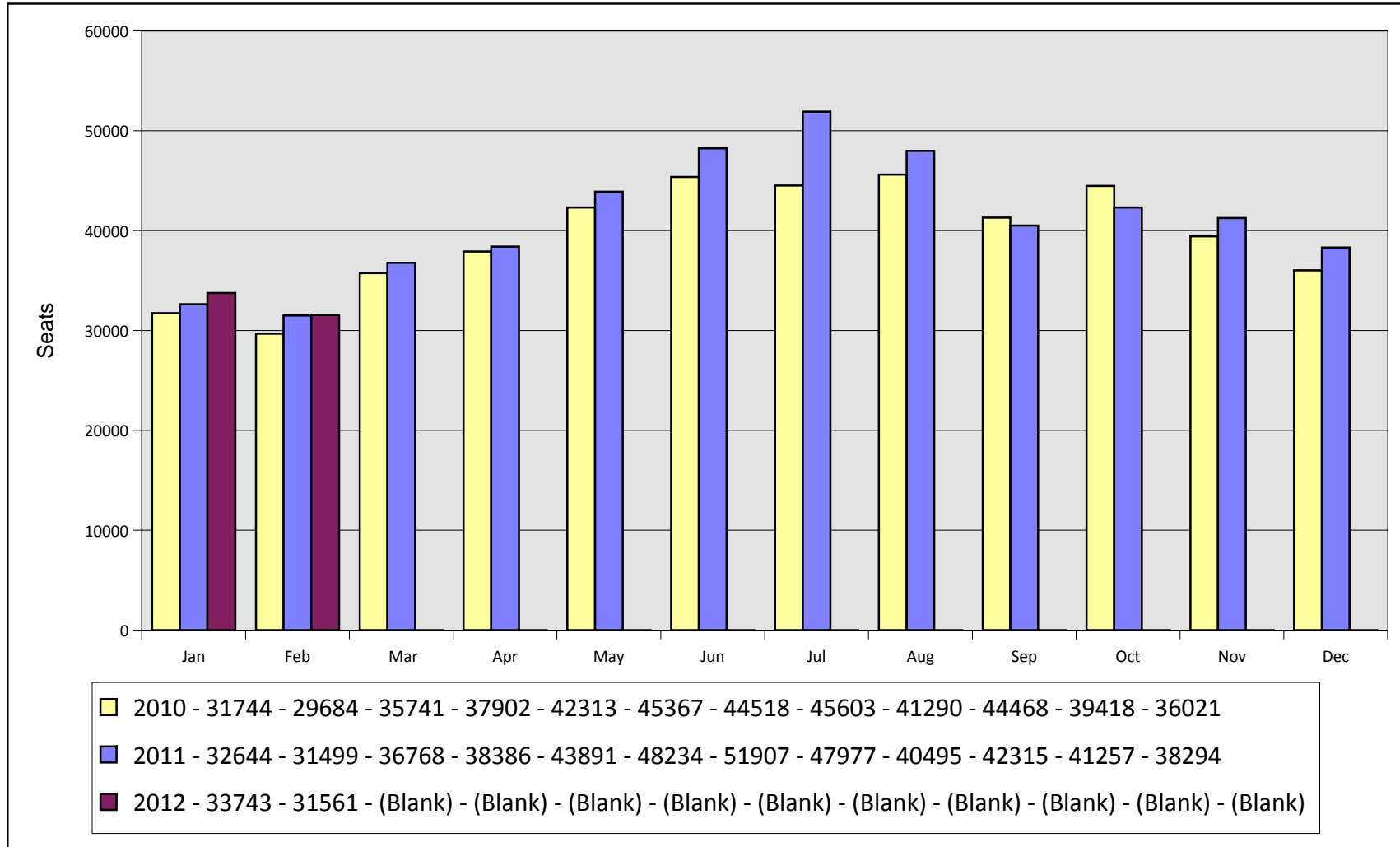


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed
			Mechanical	Weather	Other		
AirTran Airways	0	0	0	0	0	0	#Num!
Allegiant Air	10	0	0	0	0	0	100.0%
Continental Airlines	50	0	0	1	0	1	98.0%
Delta Air Lines	239	0	0	0	0	0	100.0%
United Airlines	58	0	0	0	0	0	100.0%
US Airways	237	0	2	1	0	3	98.7%
Total	594	0	2	2	0	4	99.3%

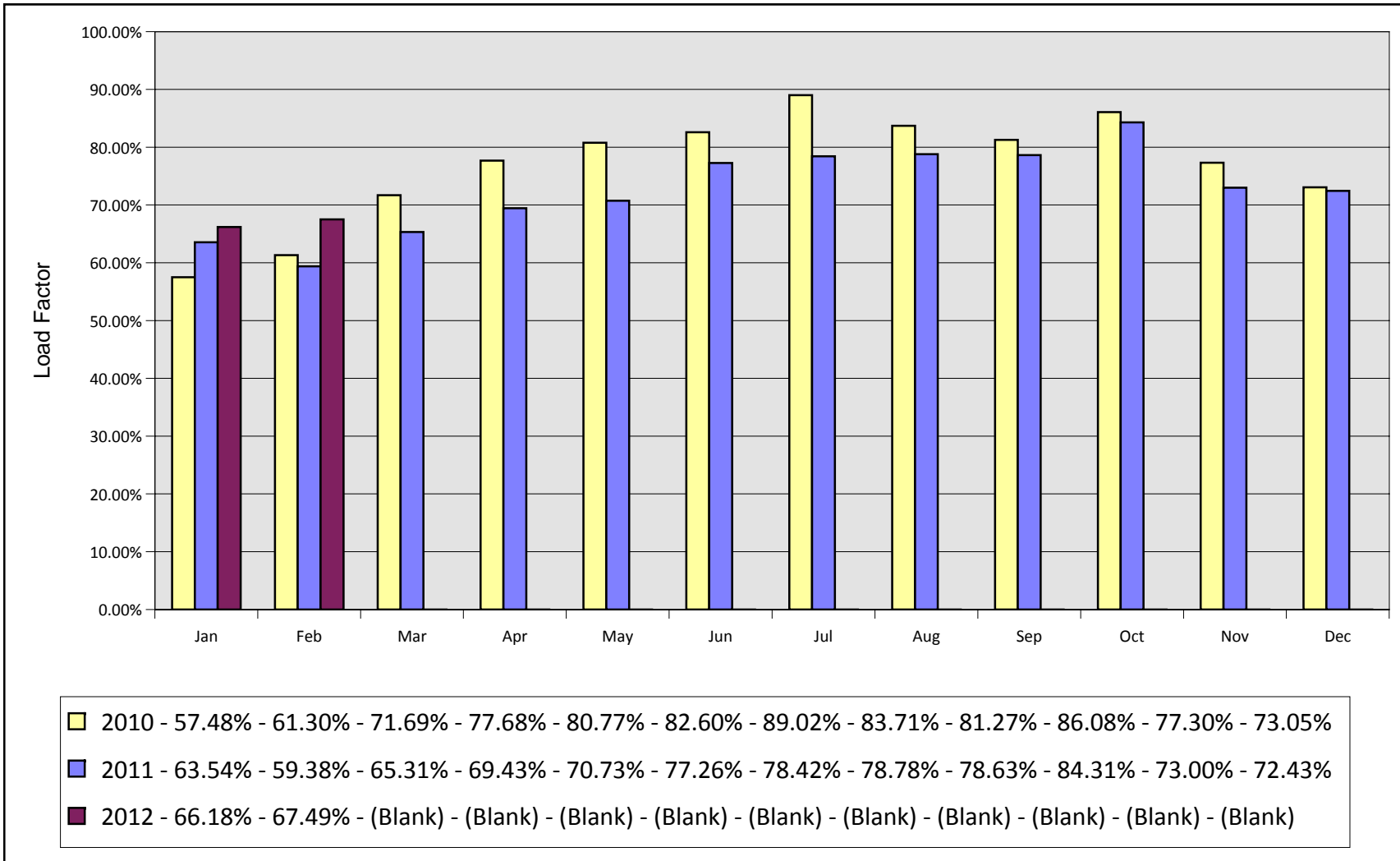
Monthly Enplanements By Year Asheville Regional Airport



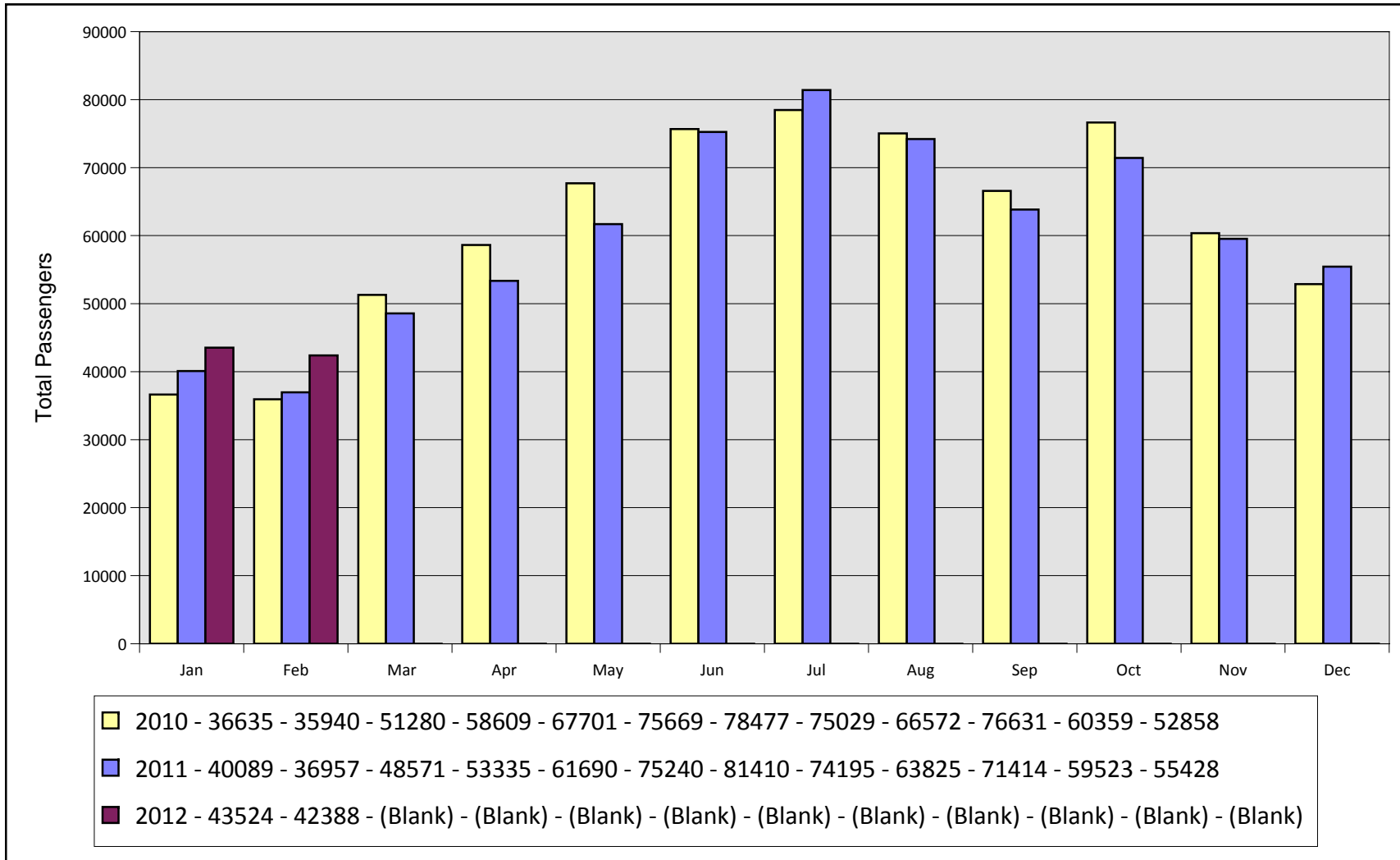
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

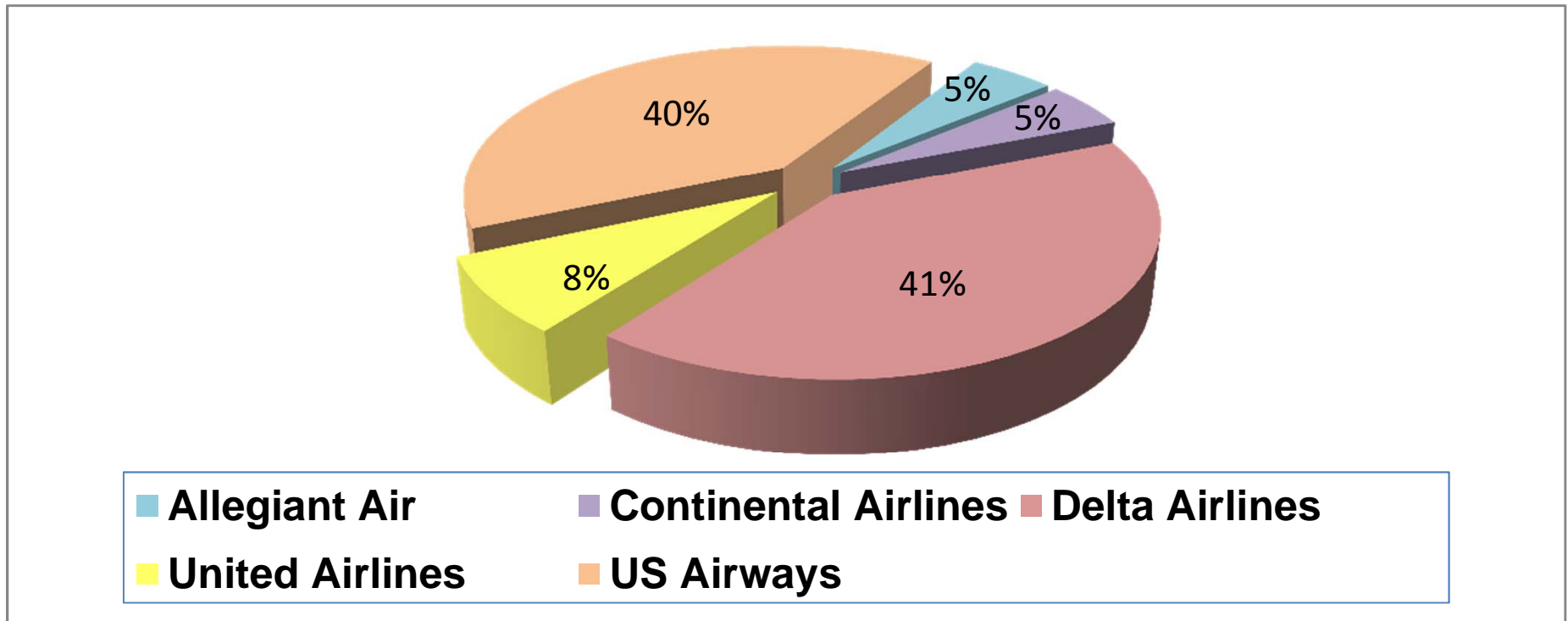


Total Monthly Passengers By Year Asheville Regional Airport

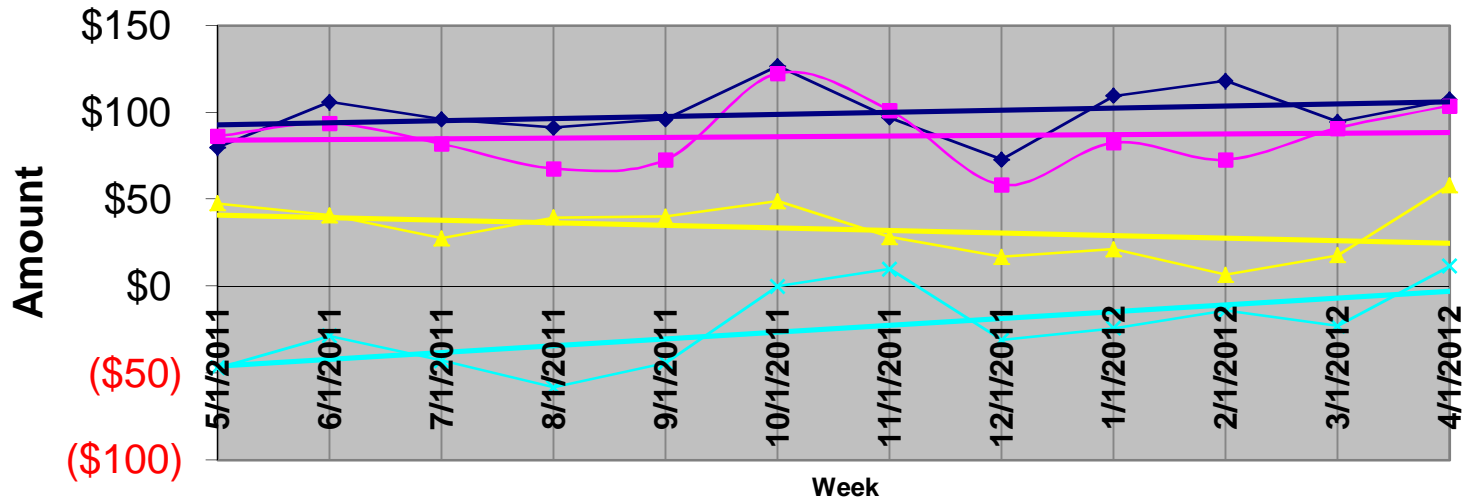


Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From February 2012 Through February 2012



AVL Average Airfare Differences 21 Day Advance Purchase, 3 Day Stay



◆ ATL
 ■ CLT
 ▲ GSP
 ✕ TRI
— Linear (ATL)
— Linear (CLT)
— Linear (GSP)
— Linear (TRI)

Asheville Regional Airport
Sample airfares as of 04/12/12
21 Day Advance Purchase, 3 day Stay

		<u>Difference in Fares</u>								
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>
ABQ	Albuquerque	\$591	\$478	\$447	\$455	\$617	\$113	\$144	\$136	(\$26)
ATL	Atlanta	\$378		\$272	\$289	\$433	\$378	\$106	\$89	(\$55)
AUS	Austin	\$469	\$307	\$294	\$405	\$469	\$162	\$175	\$64	\$0
BWI	Baltimore	\$306	\$233	\$230	\$211	\$410	\$73	\$76	\$95	(\$104)
BOS	Boston	\$444	\$329	\$192	\$387	\$436	\$115	\$252	\$57	\$8
ORD	Chicago	\$276	\$281	\$392	\$303	\$416	(\$5)	(\$116)	(\$27)	(\$140)
CVG	Cincinnati	\$459	\$401	\$432	\$362	\$407	\$58	\$27	\$97	\$52
CLE	Cleveland	\$416	\$322	\$440	\$351	\$314	\$94	(\$24)	\$65	\$102
DFW	Dallas	\$466	\$255	\$326	\$389	\$343	\$211	\$140	\$77	\$123
DEN	Denver	\$466	\$277	\$402	\$379	\$374	\$189	\$64	\$87	\$92
DTW	Detroit	\$409	\$305	\$326	\$381	\$316	\$104	\$83	\$28	\$93
FLL	Fort Lauderdale	\$446	\$215	\$265	\$364	\$405	\$231	\$181	\$82	\$41
RSW	Ft. Myers	\$446	\$341	\$312	\$407	\$489	\$105	\$134	\$39	(\$43)
BDL	Hartford	\$446	\$417	\$284	\$373	\$446	\$29	\$162	\$73	\$0
IAH	Houston	\$368	\$306	\$479	\$380	\$464	\$62	(\$111)	(\$12)	(\$96)
IND	Indianapolis	\$416	\$349	\$282	\$405	\$416	\$67	\$134	\$11	\$0
JAX	Jacksonville	\$416	\$283	\$247	\$451	\$316	\$133	\$169	(\$35)	\$100
MCI	Kansas City	\$466	\$333	\$278	\$355	\$440	\$133	\$188	\$111	\$26
LAS	Las Vegas	\$704	\$490	\$485	\$608	\$584	\$214	\$219	\$96	\$120
LAX	Los Angeles	\$506	\$375	\$368	\$461	\$381	\$131	\$138	\$45	\$125
MHT	Manchester	\$456	\$395	\$194	\$419	\$453	\$61	\$262	\$37	\$3
MEM	Memphis	\$456	\$289	\$379	\$408	\$401	\$167	\$77	\$48	\$55
MIA	Miami	\$446	\$265	\$346	\$392	\$438	\$181	\$100	\$54	\$8
MKE	Milwaukee	\$358	\$322	\$282	\$389	\$365	\$36	\$76	(\$31)	(\$7)
MSP	Minneapolis/Saint Pa	\$421	\$325	\$386	\$267	\$529	\$96	\$35	\$154	(\$108)
BNA	Nashville	\$304	\$396	\$266	\$211	\$414	(\$92)	\$38	\$93	(\$110)
MSY	New Orleans	\$875	\$653	\$682	\$771	\$895	\$222	\$193	\$104	(\$20)

LGA	New York	\$348	\$290	\$294	\$295	\$356	\$58	\$54	\$53	(\$8)
EWR	Newark	\$306	\$307	\$314	\$393	\$511	(\$1)	(\$8)	(\$87)	(\$205)
MCO	Orlando	\$364	\$317	\$240	\$273	\$261	\$47	\$124	\$91	\$103
PHL	Philadelphia	\$446	\$347	\$277	\$285	\$416	\$99	\$169	\$161	\$30
PHX	Phoenix	\$496	\$351	\$367	\$282	\$398	\$145	\$129	\$214	\$98
PIT	Pittsburgh	\$416	\$273	\$250	\$379	\$416	\$143	\$166	\$37	\$0
PDX	Portland	\$506	\$514	\$510	\$461	\$298	(\$8)	(\$4)	\$45	\$208
PVD	Providence	\$440	\$369	\$201	\$391	\$413	\$71	\$239	\$49	\$27
RDU	Raleigh/Durham	\$416	\$175	\$242	\$365	\$316	\$241	\$174	\$51	\$100
RIC	Richmond	\$416	\$243	\$272	\$411	\$416	\$173	\$144	\$5	\$0
STL	Saint Louis	\$416	\$153	\$281	\$361	\$416	\$263	\$135	\$55	\$0
SLC	Salt Lake City	\$496	\$477	\$472	\$352	\$506	\$19	\$24	\$144	(\$10)
SAT	San Antonio	\$466	\$291	\$289	\$409	\$419	\$175	\$177	\$57	\$47
SAN	San Diego	\$496	\$475	\$478	\$461	\$411	\$21	\$18	\$35	\$85
SFO	San Francisco	\$506	\$457	\$428	\$461	\$390	\$49	\$78	\$45	\$116
SRQ	Sarasota/Bradenton	\$446	\$295	\$265	\$441	\$505	\$151	\$181	\$5	(\$59)
SEA	Seattle	\$506	\$395	\$455	\$429	\$473	\$111	\$51	\$77	\$33
SYR	Syracuse	\$446	\$406	\$296	\$441	\$446	\$40	\$150	\$5	\$0
TPA	Tampa	\$446	\$317	\$287	\$465	\$434	\$129	\$159	(\$19)	\$12
YYZ	Toronto	\$581	\$682	\$669	\$596	\$642	(\$101)	(\$88)	(\$15)	(\$61)
DCA	Washington DC	\$339	\$311	\$326	\$243	\$416	\$28	\$13	\$96	(\$77)
IAD	Washington DC	\$336	\$311	\$326	\$243	\$416	\$25	\$10	\$93	(\$80)
PBI	West Palm Beach	\$446	\$227	\$269	\$370	\$468	\$219	\$177	\$76	(\$22)

*These sample airfares were available 04/12/12, based on a 21 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

\$107 \$104 \$58 \$12

Average Fare difference

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Asheville Regional Airport
Sample airfares as of 04/12/12
0 Day Advance Purchase, 3 day Stay

		<u>Difference in Fares</u>								
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>
ABQ	Albuquerque	\$1,113	\$608	\$665	\$807	\$1,150	\$505	\$448	\$306	(\$37)
ATL	Atlanta	\$428		\$602	\$399	\$602	\$428	(\$174)	\$29	(\$174)
AUS	Austin	\$991	\$691	\$455	\$683	\$991	\$300	\$536	\$308	\$0
BWI	Baltimore	\$721	\$362	\$233	\$332	\$721	\$359	\$488	\$389	\$0
BOS	Boston	\$983	\$735	\$495	\$782	\$983	\$248	\$488	\$201	\$0
ORD	Chicago	\$440	\$412	\$800	\$429	\$946	\$28	(\$360)	\$11	(\$506)
CVG	Cincinnati	\$740	\$564	\$884	\$464	\$954	\$176	(\$144)	\$276	(\$214)
CLE	Cleveland	\$873	\$506	\$646	\$487	\$601	\$367	\$227	\$386	\$272
DFW	Dallas	\$699	\$653	\$1,025	\$566	\$785	\$46	(\$326)	\$133	(\$86)
DEN	Denver	\$719	\$379	\$909	\$659	\$754	\$340	(\$190)	\$60	(\$35)
DTW	Detroit	\$532	\$550	\$866	\$431	\$574	(\$18)	(\$334)	\$101	(\$42)
FLL	Fort Lauderdale	\$839	\$435	\$673	\$804	\$720	\$404	\$166	\$35	\$119
RSW	Ft. Myers	\$1,191	\$634	\$1,005	\$1,043	\$1,110	\$557	\$186	\$148	\$81
BDL	Hartford	\$1,097	\$1,026	\$639	\$1,001	\$1,135	\$71	\$458	\$96	(\$38)
IAH	Houston	\$432	\$434	\$1,052	\$464	\$1,063	(\$2)	(\$620)	(\$32)	(\$631)
IND	Indianapolis	\$746	\$337	\$407	\$654	\$684	\$409	\$339	\$92	\$62
JAX	Jacksonville	\$948	\$442	\$645	\$910	\$757	\$506	\$303	\$38	\$191
MCI	Kansas City	\$910	\$354	\$427	\$761	\$911	\$556	\$483	\$149	(\$1)
LAS	Las Vegas	\$1,222	\$681	\$716	\$696	\$900	\$541	\$506	\$526	\$322
LAX	Los Angeles	\$1,062	\$552	\$1,063	\$793	\$537	\$510	(\$1)	\$269	\$525
MHT	Manchester	\$1,054	\$658	\$342	\$752	\$1,054	\$396	\$712	\$302	\$0
MEM	Memphis	\$889	\$425	\$1,073	\$925	\$748	\$464	(\$184)	(\$36)	\$141
MIA	Miami	\$924	\$625	\$818	\$843	\$838	\$299	\$106	\$81	\$86
MKE	Milwaukee	\$752	\$516	\$426	\$804	\$802	\$236	\$326	(\$52)	(\$50)
MSP	Minneapolis/Saint Paul	\$835	\$522	\$853	\$852	\$990	\$313	(\$18)	(\$17)	(\$155)
BNA	Nashville	\$895	\$462	\$406	\$311	\$688	\$433	\$489	\$584	\$207
MSY	New Orleans	\$1,357	\$678	\$798	\$1,420	\$965	\$679	\$559	(\$63)	\$392

LGA	New York	\$646	\$542	\$490	\$485	\$592	\$104	\$156	\$161	\$54
EWR	Newark	\$464	\$585	\$764	\$531	\$784	(\$121)	(\$300)	(\$67)	(\$320)
MCO	Orlando	\$964	\$564	\$479	\$679	\$507	\$400	\$485	\$285	\$457
PHL	Philadelphia	\$884	\$662	\$413	\$412	\$986	\$222	\$471	\$472	(\$102)
PHX	Phoenix	\$837	\$469	\$906	\$417	\$723	\$368	(\$69)	\$420	\$114
PIT	Pittsburgh	\$892	\$520	\$409	\$544	\$897	\$372	\$483	\$348	(\$5)
PDX	Portland	\$1,196	\$914	\$737	\$901	\$539	\$282	\$459	\$295	\$657
PVD	Providence	\$1,064	\$764	\$663	\$787	\$1,039	\$300	\$401	\$277	\$25
RDU	Raleigh/Durham	\$847	\$304	\$518	\$705	\$637	\$543	\$329	\$142	\$210
RIC	Richmond	\$895	\$532	\$406	\$885	\$804	\$363	\$489	\$10	\$91
STL	Saint Louis	\$850	\$540	\$427	\$455	\$985	\$310	\$423	\$395	(\$135)
SLC	Salt Lake City	\$1,009	\$651	\$905	\$499	\$1,024	\$358	\$104	\$510	(\$15)
SAT	San Antonio	\$916	\$465	\$520	\$767	\$1,063	\$451	\$396	\$149	(\$147)
SAN	San Diego	\$1,119	\$750	\$605	\$775	\$537	\$369	\$514	\$344	\$582
SFO	San Francisco	\$919	\$520	\$568	\$881	\$537	\$399	\$351	\$38	\$382
SRQ	Sarasota/Bradenton	\$1,119	\$534	\$673	\$1,171	\$874	\$585	\$446	(\$52)	\$245
SEA	Seattle	\$1,255	\$515	\$899	\$942	\$537	\$740	\$356	\$313	\$718
SYR	Syracuse	\$1,031	\$501	\$505	\$875	\$977	\$530	\$526	\$156	\$54
TPA	Tampa	\$1,100	\$575	\$708	\$978	\$931	\$525	\$392	\$122	\$169
YYZ	Toronto	\$971	\$881	\$1,603	\$938	\$1,175	\$90	(\$632)	\$33	(\$204)
DCA	Washington DC	\$980	\$464	\$925	\$964	\$967	\$516	\$55	\$16	\$13
IAD	Washington DC	\$941	\$470	\$799	\$805	\$947	\$471	\$142	\$136	(\$6)
PBI	West Palm Beach	\$957	\$462	\$670	\$751	\$704	\$495	\$287	\$206	\$253

\$356 \$215 \$181 \$70

Average Fare difference

*These sample airfares were available 04/12/12, based on a 0 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Schedule Weekly Summary Report for all Airlines for Passenger nonstop flights between AVL and ALL for April12 vs. April11

Mktg AI	Org	Dst	Miles	Ops/Week				Seats/Week			
				Apr12	Apr11	Diff	Pct Chg	Apr12	Apr11	Diff	Pct Chg
CO	AVL	EWR	583	7	5	2	40.00	350	250	100	40.00
CO	AVL	IAH	834	7	7	0	0.00	350	350	0	0.00
CO	EWR	AVL	583	7	5	2	40.00	350	250	100	40.00
CO	IAH	AVL	834	7	7	0	0.00	350	350	0	0.00
DL	ATL	AVL	164	55	57	-2	-3.51	2,750	2,850	-100	-3.51
DL	AVL	ATL	164	55	57	-2	-3.51	2,750	2,850	-100	-3.51
DL	AVL	DTW	470	7	13	-6	-46.15	350	650	-300	-46.15
DL	AVL	LGA	599	0	7	-7	-100.00	0	350	-350	-100.00
DL	DTW	AVL	470	7	13	-6	-46.15	350	650	-300	-46.15
DL	LGA	AVL	599	0	7	-7	-100.00	0	350	-350	-100.00
FL	AVL	MCO	488	0	3	-3	-100.00	0	351	-351	-100.00
FL	MCO	AVL	488	0	3	-3	-100.00	0	351	-351	-100.00
G4	AVL	SFB	465	2	0	2	100.00	300	0	300	100.00
G4	SFB	AVL	465	2	0	2	100.00	300	0	300	100.00
UA	AVL	ORD	536	14	14	0	0.00	700	700	0	0.00
UA	ORD	AVL	536	14	14	0	0.00	700	700	0	0.00
US	AVL	CLT	92	57	64	-7	-10.94	2,967	3,103	-136	-4.38
US	AVL	LGA	599	0	10	-10	-100.00	0	500	-500	-100.00
US	AVL	PHL	503	1	0	1	100.00	50	0	50	100.00
US	CLT	AVL	92	57	63	-6	-9.52	2,967	3,053	-86	-2.82
US	LGA	AVL	599	0	11	-11	-100.00	0	550	-550	-100.00
US	PHL	AVL	503	1	0	1	100.00	50	0	50	100.00
V2	AVL	VPS	412	0	2	-2	-100.00	0	244	-244	-100.00
V2	VPS	AVL	412	0	2	-2	-100.00	0	244	-244	-100.00
TOTAL				300	364	-64	-17.58	15,634	18,696	-3,062	-16.38

Schedule Weekly Summary Report for all Airlines for Passenger nonstop flights between AVL and ALL for May12 vs. May11

Mktg AI	Org	Dst	Miles	Ops/Week				Seats/Week			
				May12	May11	Diff	Pct Chg	May12	May11	Diff	Pct Chg
CO	AVL	EWR	583	7	7	0	0.00	350	350	0	0.00
CO	AVL	IAH	834	7	7	0	0.00	350	350	0	0.00
CO	EWR	AVL	583	7	7	0	0.00	350	350	0	0.00
CO	IAH	AVL	834	7	7	0	0.00	350	350	0	0.00
DL	ATL	AVL	164	57	58	-1	-1.72	2,850	2,900	-50	-1.72
DL	AVL	ATL	164	57	58	-1	-1.72	2,850	2,900	-50	-1.72
DL	AVL	DTW	470	7	13	-6	-46.15	350	650	-300	-46.15
DL	AVL	LGA	599	0	7	-7	-100.00	0	376	-376	-100.00
DL	DTW	AVL	470	7	13	-6	-46.15	350	650	-300	-46.15
DL	LGA	AVL	599	0	7	-7	-100.00	0	376	-376	-100.00
FL	AVL	MCO	488	0	3	-3	-100.00	0	351	-351	-100.00
FL	AVL	TPA	514	0	4	-4	-100.00	0	528	-528	-100.00
FL	MCO	AVL	488	0	3	-3	-100.00	0	351	-351	-100.00
FL	TPA	AVL	514	0	4	-4	-100.00	0	528	-528	-100.00
G4	AVL	SFB	465	3	0	3	100.00	450	0	450	100.00
G4	SFB	AVL	465	3	0	3	100.00	450	0	450	100.00
UA	AVL	ORD	536	14	14	0	0.00	700	700	0	0.00
UA	ORD	AVL	536	14	14	0	0.00	700	700	0	0.00
US	AVL	CLT	92	57	63	-6	-9.52	3,177	3,410	-233	-6.83
US	AVL	LGA	599	0	10	-10	-100.00	0	500	-500	-100.00
US	AVL	PHL	503	1	1	0	0.00	50	50	0	0.00
US	CLT	AVL	92	57	63	-6	-9.52	3,177	3,410	-233	-6.83
US	LGA	AVL	599	0	11	-11	-100.00	0	550	-550	-100.00
US	PHL	AVL	503	1	1	0	0.00	50	50	0	0.00
V2	AVL	VPS	412	0	2	-2	-100.00	0	244	-244	-100.00
V2	VPS	AVL	412	0	2	-2	-100.00	0	244	-244	-100.00
TOTAL				306	379	-73	-19.26	16,554	20,868	-4,314	-20.67

Schedule Weekly Summary Report for all Airlines for Passenger nonstop flights between AVL and ALL for Jun12 vs. Jun11

Mktg AI	Org	Dst	Miles	Ops/Week				Seats/Week			
				Jun12	Jun11	Diff	Pct Chg	Jun12	Jun11	Diff	Pct Chg
AA	AVL	DFW	848	0	4	-4	-100.00	0	176	-176	-100.00
AA	DFW	AVL	848	0	4	-4	-100.00	0	176	-176	-100.00
CO	AVL	EWR	583	0	7	-7	-100.00	0	350	-350	-100.00
CO	AVL	IAH	834	0	7	-7	-100.00	0	350	-350	-100.00
CO	EWR	AVL	583	0	7	-7	-100.00	0	350	-350	-100.00
CO	IAH	AVL	834	0	7	-7	-100.00	0	350	-350	-100.00
DL	ATL	AVL	164	68	62	6	9.68	3,400	3,100	300	9.68
DL	AVL	ATL	164	68	61	7	11.48	3,400	3,050	350	11.48
DL	AVL	DTW	470	14	16	-2	-12.50	700	800	-100	-12.50
DL	AVL	LGA	599	0	7	-7	-100.00	0	350	-350	-100.00
DL	DTW	AVL	470	14	17	-3	-17.65	700	850	-150	-17.65
DL	LGA	AVL	599	0	7	-7	-100.00	0	350	-350	-100.00
FL	AVL	MCO	488	0	4	-4	-100.00	0	468	-468	-100.00
FL	AVL	TPA	514	0	4	-4	-100.00	0	528	-528	-100.00
FL	MCO	AVL	488	0	4	-4	-100.00	0	468	-468	-100.00
FL	TPA	AVL	514	0	4	-4	-100.00	0	528	-528	-100.00
G4	AVL	SFB	465	2	0	2	100.00	300	0	300	100.00
G4	SFB	AVL	465	2	0	2	100.00	300	0	300	100.00
UA	AVL	EWR	583	7	0	7	100.00	350	0	350	100.00
UA	AVL	IAH	834	7	0	7	100.00	350	0	350	100.00
UA	AVL	ORD	536	16	16	0	0.00	800	800	0	0.00
UA	EWR	AVL	583	7	0	7	100.00	350	0	350	100.00
UA	IAH	AVL	834	7	0	7	100.00	350	0	350	100.00
UA	ORD	AVL	536	16	16	0	0.00	800	800	0	0.00
US	AVL	CLT	92	57	64	-7	-10.94	2,973	3,720	-747	-20.08
US	AVL	DCA	384	1	0	1	100.00	50	0	50	100.00
US	AVL	LGA	599	0	11	-11	-100.00	0	550	-550	-100.00
US	AVL	PHL	503	1	1	0	0.00	50	50	0	0.00
US	CLT	AVL	92	57	64	-7	-10.94	2,973	3,720	-747	-20.08
US	DCA	AVL	384	1	0	1	100.00	50	0	50	100.00
US	LGA	AVL	599	0	11	-11	-100.00	0	550	-550	-100.00
US	PHL	AVL	503	1	1	0	0.00	50	50	0	0.00
V2	AVL	VPS	412	0	2	-2	-100.00	0	244	-244	-100.00
V2	VPS	AVL	412	0	2	-2	-100.00	0	244	-244	-100.00
TOTAL				346	410	-64	-15.61	17,946	22,972	-5,026	-21.88



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance & Accounting

DATE: April 20, 2012

ITEM DESCRIPTION – Information Section Item B

Asheville Regional Airport – Explanation of Extraordinary Variances
Month Ended February, 2012 (Month 8 of FY-2012)

SUMMARY

Operating Revenues for the month of February were \$638,872, 7.45% over budget. Operating Expenses for the month were \$488,179, 17.72% under budget. As a result, Net Operating Revenues before Depreciation were \$150,693 over budget. Net Non-Operating Revenues were \$137,448, 19.39% over budget.

Year-to-date Operating Revenues were \$5,748,227, 8.21% over budget. Year-to-date Operating Expenses were \$4,174,168, 15.27% below budget. Net Operating Revenues before Depreciation were \$1,188,413 over budget. Net Non-Operating Revenues for the year were \$1,544,238, 8.74% over budget.

REVENUES

Significant variations to budget for February were:

Auto Parking	\$20,312	11.16%	Enplanements over budget.
Customer Facility Charges	\$10,977	24.39%	Enplanements over budget.
Passenger Facility Charges	\$12,050	14.40%	Enplanements over budget.



EXPENSES

Significant variations to budget for February were:

Personnel Services	(\$27,870)	(8.35%)	3 FTE vacant positions.
Other Contractual Services	(\$10,779)	(19.57%)	Parking management contract billing low due to no snow removal & no software support or maintenance cost.
Utility Services	(\$15,635)	(29.19%)	Milder than budgeted weather.
Operating Supplies	(\$10,747)	(40.08%)	No snow so no deicing chemicals needed.
Business Development	(\$27,000)	(100.00%)	No Business Development spending.

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Cash – Cash increased by \$651k due to positive operating cash, drawdown of AIP grant revenue, and collection from the state of FY2012's annual sales tax refund.

Refundable Sales Tax – Refundable Sales Tax Receivable decreased by \$262k due to the collection from the state of FY2012's annual sales tax refund.

Construction in Progress – Construction in Progress increased by \$248k due to planned capital spending.

Property and Equipment, Net – Property and Equipment, Net decreased by \$391k due to the current month's depreciation.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
As of February 29, 2011**

<u>Institution:</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America-Operating Account			0.25%	\$ 6,905,734	1,305
Petty Cash				200	
NC Capital Management Trust				217,127	10
Wells Fargo-Gov. Advantage Acct.			0.02%	4,400,615	27
PFC Revenue Account			0.25%	175,876	29
Additional Collateral Fund			0.02%	1,957,974	11
<u>Restricted Cash:</u>					
CFC Revenue			0.02%	202,983	4
<u>Commercial Paper:</u>				0	
Total				<u>\$ 13,860,509</u>	<u>\$ 1,386</u>

<u>Investment Diversification:</u>	
1.BANKS	52.55%
2.CAP.TRUST	1.57%
3.GOV.ADV.ACCTS.	45.88%
4.COM.PAPER	0.00%
5. FED. AGY	0%
	<u>100.00%</u>

**ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month Ended February 29, 2012**

	<u>Current Month</u>	<u>Prior Period</u>
Cash and Investments Beginning of Period	\$ 13,209,523	\$ 12,994,805
Net Income/(Loss) Before Capital Contributions	(102,405)	(120,344)
Depreciation	390,546	390,546
Decrease/(Increase) in Receivables	290,487	42,752
Increase/(Decrease) in Payables	127,204	(54,368)
Decrease/(Increase) in Prepaid Expenses	18,124	18,124
Decrease/(Increase) in Long Term Assets	(247,913)	(25,586)
Principal Payments of Bond Maturities	(36,570)	(36,406)
Contributed Capital	211,513	-
Increase(Decrease) in Cash	<u>650,986</u>	<u>214,718</u>
Cash and Investments End of Period	<u>\$ 13,860,509</u>	<u>\$ 13,209,523</u>

Asheville Regional Airport Authority
Detailed Statement of Revenue, Expenses and Changes in Net Assets

For the Month Ending February 29, 2012

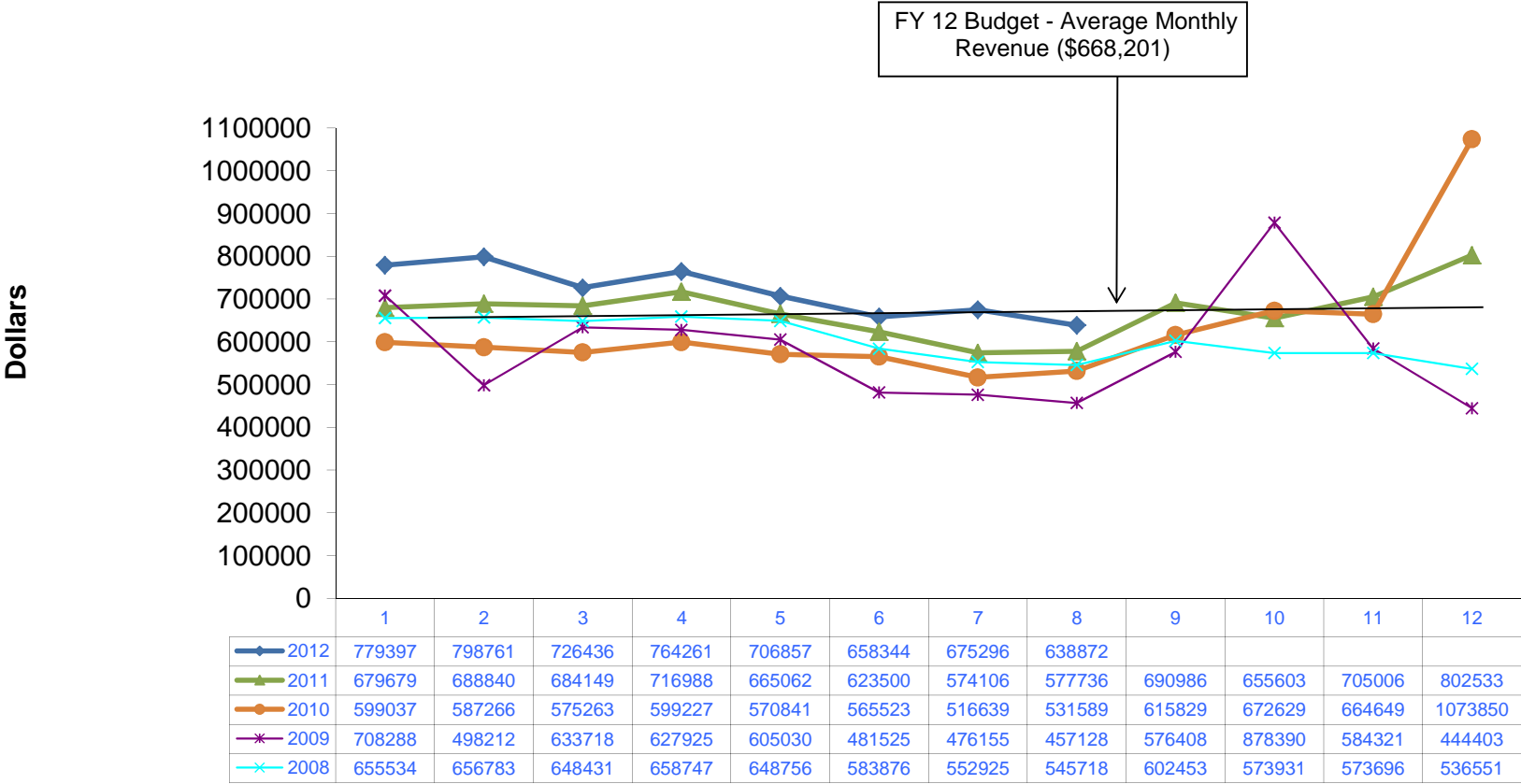
	February Actual	February Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Annual Budget
Operating Revenue:									
Terminal Space Rentals - Non Airline	\$17,256	\$17,184	\$72	0.42%	\$137,180	\$137,469	(\$289)	(0.21%)	\$206,204
Terminal Space Rentals - Airline	85,168	75,429	9,739	12.91%	897,916	780,560	117,356	15.03%	1,200,905
Concessions	13,136	13,996	(860)	(6.14%)	137,120	124,717	12,403	9.94%	188,950
Auto Parking	202,312	182,000	20,312	11.16%	1,747,331	1,731,200	16,131	0.93%	2,615,200
Rental Car - Car Rentals	112,551	108,178	4,373	4.04%	921,849	862,067	59,782	6.93%	1,294,778
Rental Car - Facility Rent	47,574	45,721	1,853	4.05%	369,894	364,564	5,330	1.46%	547,447
Commercial Ground Transportation	550	-	550	0.00%	32,595	17,000	15,595	91.74%	27,200
Landing Fees	42,034	33,415	8,619	25.79%	419,923	271,425	148,498	54.71%	417,397
FBO'S/SASO'S	75,930	75,011	919	1.23%	631,719	600,091	31,628	5.27%	900,136
Building Leases	10,668	12,253	(1,585)	(12.94%)	85,883	98,020	(12,137)	(12.38%)	147,030
Land Leases	1,980	1,966	14	0.71%	15,714	15,727	(13)	(0.08%)	23,590
Other Leases/Fees	29,713	29,411	302	1.03%	351,103	309,281	41,822	13.52%	449,570
Total Operating Revenue	\$638,872	\$594,564	\$44,308	7.45%	\$5,748,227	\$5,312,121	\$436,106	8.21%	\$8,018,407
Operating Expenses:									
Personnel Services	\$305,994	\$333,864	(\$27,870)	(8.35%)	\$2,510,156	\$2,672,023	(\$161,867)	(6.06%)	\$4,069,180
Professional Services	19,134	16,150	2,984	18.48%	79,757	160,493	(80,736)	(50.30%)	235,340
Accounting & Auditing	-	-	-	0.00%	6,000	6,000	-	0.00%	20,000
Other Contractual Services	44,314	55,093	(10,779)	(19.57%)	428,187	469,849	(41,662)	(8.87%)	705,114
Travel & Training	12,269	13,351	(1,082)	(8.10%)	70,538	110,174	(39,636)	(35.98%)	205,550
Communications & Freight	6,089	6,029	60	1.00%	41,729	46,232	(4,503)	(9.74%)	69,408
Utility Services	37,931	53,566	(15,635)	(29.19%)	265,757	323,770	(58,013)	(17.92%)	470,045
Rentals & Leases	1,032	1,060	(28)	(2.64%)	9,546	9,580	(34)	(0.35%)	14,920
Insurance	15,303	17,146	(1,843)	(10.75%)	122,420	137,167	(14,747)	(10.75%)	205,750
Repairs & Maintenance	16,607	22,999	(6,392)	(27.79%)	193,448	232,382	(38,934)	(16.75%)	350,443
Advertising, Printing & Binding	5,656	2,443	3,213	131.52%	94,004	93,182	822	0.88%	198,013
Promotional Activities	1,649	4,017	(2,368)	(58.95%)	68,799	83,383	(14,584)	(17.49%)	99,000
Other Current Charges & Obligations	5,102	6,416	(1,314)	(20.48%)	47,923	55,878	(7,955)	(14.24%)	82,600
Office Supplies	175	1,098	(923)	(84.06%)	4,473	8,783	(4,310)	(49.07%)	13,175
Operating Supplies	16,070	26,817	(10,747)	(40.08%)	149,852	235,733	(85,881)	(36.43%)	305,547
Books, Publications, Subscriptions & Meml	854	1,519	(665)	(43.78%)	16,362	31,346	(14,984)	(47.80%)	40,430
Contingency	-	4,750	(4,750)	(100.00%)	-	28,500	(28,500)	(100.00%)	47,500
Emergency Repair	-	-	-	0.00%	58,189	100,000	(41,811)	(41.81%)	100,000
Business Development	-	27,000	(27,000)	(100.00%)	7,028	122,000	(114,972)	(94.24%)	300,000
Total Operating Expenses	\$488,179	\$593,318	(\$105,139)	(17.72%)	\$4,174,168	\$4,926,475	(\$752,307)	(15.27%)	\$7,532,015

Operating Revenue before Depreciation	\$150,693	\$1,246	\$149,447	11,994.14%	\$1,574,059	\$385,646	\$1,188,413	308.16%	\$486,392
Depreciation	390,546	-	390,546	0.00%	3,124,367	-	\$3,124,367	0.00%	-
Operating Income(Loss) Before Non-Operating Revenue and Expenses	(\$239,853)	\$1,246	(\$241,099)	(19,349.84%)	(\$1,550,308)	\$385,646	(\$1,935,954)	(502.00%)	\$486,392
Non-Operating Revenue and Expense									
Customer Facility Charges	\$55,977	\$45,000	\$10,977	24.39%	\$716,338	\$585,000	\$131,338	22.45%	\$ 900,000
Passenger Facility Charges	95,750	83,700	12,050	14.40%	946,718	948,600	(1,882)	(0.20%)	1,395,000
Interest Revenue	1,386	2,083	(697)	(33.46%)	11,288	16,667	(5,379)	(32.27%)	25,000
Interest Expense	(15,665)	(15,653)	(12)	0.08%	(130,106)	(130,095)	(11)	0.01%	(190,932)
Reimbursable Cost Revenues	-	26,031	(26,031)	(100.00%)	99,610	349,283	(249,673)	(71.48%)	453,405
Reimbursable Cost Expenses	-	(26,031)	26,031	(100.00%)	(99,610)	(349,283)	249,673	(71.48%)	(453,405)
Sale of Assets	-	-	-	0.00%	-	-	-	0.00%	-
Non-Operating Revenue-Net	\$137,448	\$115,130	\$22,318	19.39%	\$1,544,238	\$1,420,172	\$124,066	8.74%	\$2,129,068
Income (Loss) Before Capital Contributions	(\$102,405)	\$116,376	(\$218,781)	(187.99%)	(\$6,070)	\$1,805,818	(\$1,811,888)	(100.34%)	\$2,615,460
Capital Contributions	\$211,513	\$0	\$211,513	0.00%	\$211,513	\$0	\$211,513	0.00%	\$0
Increase in Net Assets	\$109,108	\$116,376	(\$7,268)	(6.25%)	\$205,443	\$1,805,818	(\$1,600,375)	(88.62%)	\$2,615,460

ASHEVILLE REGIONAL AIRPORT AUTHORITY
STATEMENT OF FINANCIAL POSITION
As of February 29, 2012

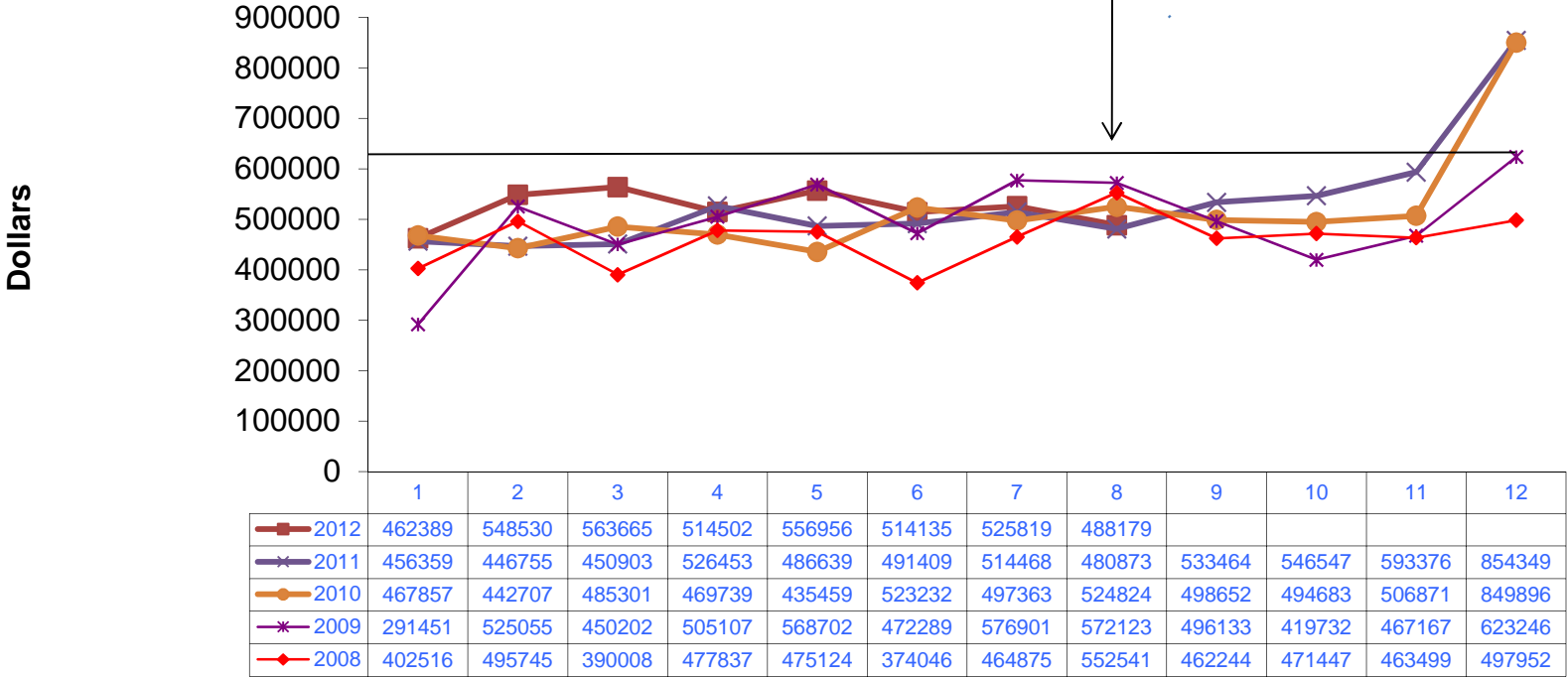
<u>ASSETS</u>	<u>February</u>	<u>Last Month</u>
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$13,657,526	\$12,842,943
Accounts Receivable	337,456	365,969
Passenger Facility Charges Receivable	192,000	192,000
Refundable Sales Tax Receivable	31,160	293,134
Grants Receivable	0	0
Prepaid Expenses	74,275	92,398
Total Unrestricted Assets	<u>14,292,417</u>	<u>13,786,444</u>
Restricted Assets:		
Cash and Cash Equivalents	202,983	366,580
Total Restricted Assets	<u>202,983</u>	<u>366,580</u>
 Total Current Assets	 <u>14,495,400</u>	 <u>14,153,024</u>
Noncurrent Assets:		
Construction in Progress	1,400,116	1,152,203
Property and Equipment - Net	66,420,971	66,811,517
Total Noncurrent Assets	<u>67,821,087</u>	<u>67,963,720</u>
	<u>\$82,316,487</u>	<u>\$82,116,744</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable & Accrued Liabilities	\$559,126	\$395,124
Customer Deposits	750	750
Unearned Revenue	221,813	258,611
Construction Contract Retainages	0	0
Revenue Bond Payable - Current	453,002	450,827
Total Payable from Unrestricted Assets	<u>1,234,691</u>	<u>1,105,312</u>
 Total Current Liabilities	 <u>1,234,691</u>	 <u>1,105,312</u>
Noncurrent Liabilities:		
Other Postemployment Benefits	675,326	675,326
Compensated Absences	284,140	284,140
Net Pension Obligation-LEO Special Separation Allowance	(29,392)	(29,392)
Revenue Bond Payable - Noncurrent	2,754,547	2,793,293
Total Noncurrent Liabilities	<u>3,684,621</u>	<u>3,723,367</u>
 Total Liabilities	 <u>4,919,312</u>	 <u>4,828,679</u>
Net Assets:		
Invested in Capital Assets	64,613,538	64,719,600
Restricted	202,983	366,580
Unrestricted	12,580,654	12,201,885
Total Net Assets	<u>77,397,175</u>	<u>77,288,065</u>
	<u>\$82,316,487</u>	<u>\$82,116,744</u>

ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month February 2012

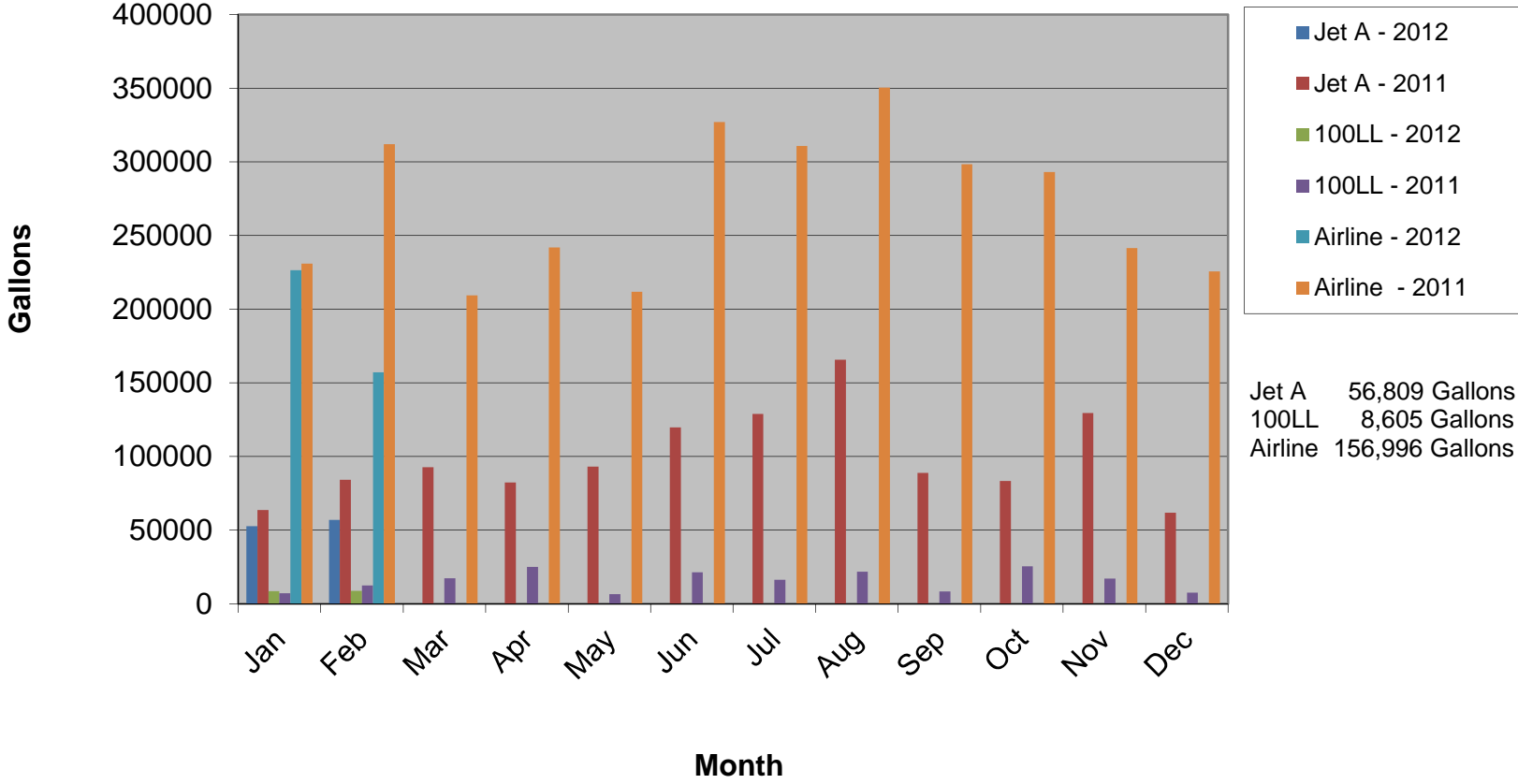


ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month February 2012

FY 12 Budget - Average Monthly Expenses (\$624,254)



AVL Fuels Sales - Gallons February 2012



Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 04/02/2012)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 04/02/2012)	Start Date	End Date	Current Project Status (as of 04/02/2012)
Planning Phase														
Design Phase														
1	Airport Master Plan	To update and bring current the plans for development and improvements to promote growth at the airport	Delta Airport Consultants	\$832,500.00	N/A	N/A	\$0.00	0.00%	\$832,500.00	36%	\$302,235.00	Sep-11	Jan-13	Forecast data approved by FAA. Chapters 1-3 complete. Facility Needs Chapter 4 draft submitted. Alternatives phase in progress.
2	ARFF Facility	Design and construct a new Aircraft Rescue and Firefighting Facility consisting of up to 5 vehicle bays; operations support; dispatch and communication office; training and living spaces.	LPA Group	\$541,409.00	N/A	N/A	\$0.00	0.00%	\$541,409.00	6%	\$61,841.00	Jul-11	Jul-13	Project on temporary hold for design. No further change in status to report.
Construction Phase														
1	Westside Area 4 Phase 1 and 1A Construction	Construction for the Westside Project to level land utilizing engineered ash to fill and top with soil embankment/cap for future development.	AVCON	\$290,000.00	Charah	N/A	\$42,750.00	14.74%	\$367,750.00* <i>(project expenses are being reimbursed by Charah through a separate agreement)</i>	98%	\$325,727.46	Jul-10	Feb-12	Weather delays have affected the original end date of Dec-11. Grub clearing is finished along Old Fanning Bridge Rd and detention pond work is underway. Liner has been placed on the south end. Subcell 9 work will begin soon.
2	Westside Phase 2	Construction for the Westside Project to level land utilizing engineered ash to fill and top with soil embankment/cap for future development.	AVCON	\$349,732.00	Charah	N/A	\$0.00	0.00%	\$349,732.00* <i>(project expenses are being reimbursed by Charah through a separate agreement)</i>	20%	\$51,392.62	Feb-11	Jan-13	Phase 2 work continues as weather permits. Contractor shut down due to delays on firing range imminent if remediation issue not resolved soon.
3	Passenger Boarding Bridges	Purchase and install Passenger Boarding Bridges for Gates 4-6 including building upgrades	RS&H	\$128,079.00	Goforth Builders & Thyssen Krupp Airport Systems	\$1,643,681.00	\$0.00	0.00%	\$1,778,840.00	5.00%	\$84,155.90	Nov-11	Nov-12	PBB equipment is on order and scheduled to be delivered June 2012. Construction will begin on May, 14, 2012 to keep on schedule with the delivery of the first bridge.
											<i>**Amounts are based on invoices received and processed through Development.**</i>			