

AGENDA

Greater Asheville Regional Airport Authority Regular Meeting Friday, February 9, 2024, 8:30 a.m. Council Chambers at Fletcher Town Hall 300 Old Cane Creek Road, Fletcher, NC 28732

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 Clerk to the Board prior to the agenda item being called by the Chair.

- I. CALL TO ORDER
- II. WELCOME OF NEW LEGAL COUNSEL: Sabrina Rockoff with McGuire, Wood & Bissette
- III. SERVICE AWARD PRESENTATIONS:
 - A. Cody Sifers 15 Years
 - B. Alden Shannon 10 Years
- IV. PRESENTATIONS:
 - A. Update on Golf Course Hotel Design Zeke Cooper (document)
 - B. Virtual Ramp Control Program Shane Stockman (document)
- V. FINANCIAL REPORT (<u>document</u>)
- VI. CONSENT ITEMS:
 - A. Approval of the Greater Asheville Regional Airport Authority December 8, 2023 Regular Meeting Minutes (<u>document</u>)



- B. Approval of the Greater Asheville Regional Airport Authority December 8, 2023 Closed Session Minutes Parts A and B
- VII. OLD BUSINESS: None
- VIII. NEW BUSINESS:
 - A. Approval of Resolution to Amend Resolution Number 121010-03 Concerning Implementation and Collection of a Customer Facility Charge (document)
 - B. Approval of Audit Contract for Fiscal Year Ending June 30, 2024 (document)
 - C. Approval of Amendment No. 1 to Scope of Services No. 7 with Avcon Engineers and Planners, Inc. for Additional Services on the South Parking Lot (<u>document</u>)
- IX. PRESIDENT'S REPORT:
 - A. Unsealing of Closed Session Minutes
 - B. Parking Lot Usage on Website
 - C. Terminal Construction Project Update
- X. INFORMATION SECTION:

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

- A. December 2023 Traffic Report (document)
- B. December 2023 Monthly Financial Report (document)
- C. February 2024 Development/Project Status Report (document)
- D. Potential Board Items for the Next Regular Meeting:
 - Presentation of FY24/25 Budget
 - Final Presentation of the Draft Master Plan



- XI. PUBLIC AND TENANTS' COMMENTS
- XII. CALL FOR NEXT MEETING: March 8, 2024
- XIII. CLOSED SESSION:

Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations.

- XIV. AUTHORITY MEMBER REPORTS:
 - A. Key Strategic Elements (<u>document</u>)
- XV. ADJOURNMENT

This agenda of the Greater 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 in this agenda, the Greater Asheville Regional Airport Authority does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before and/or during the Board meeting.

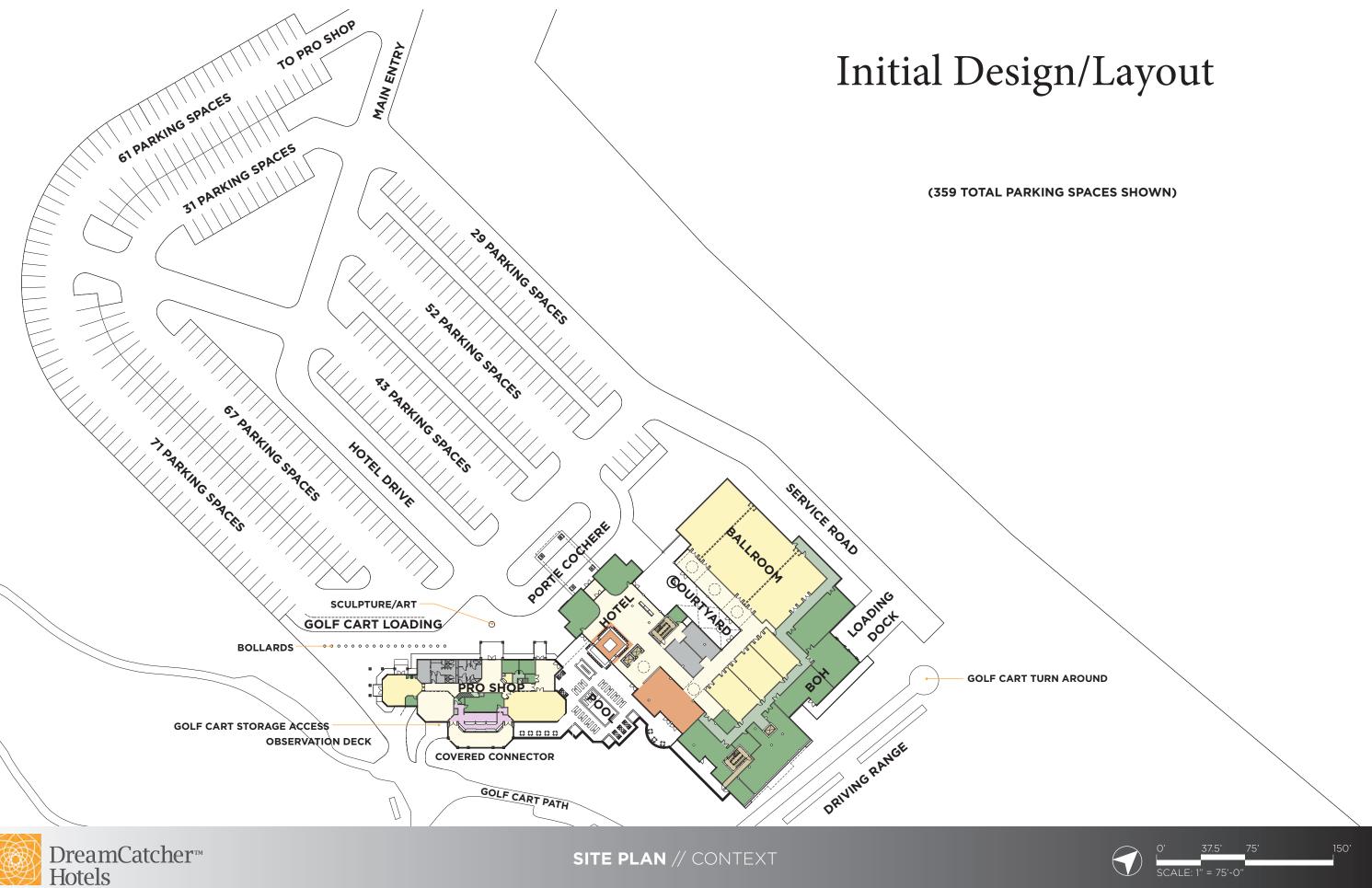


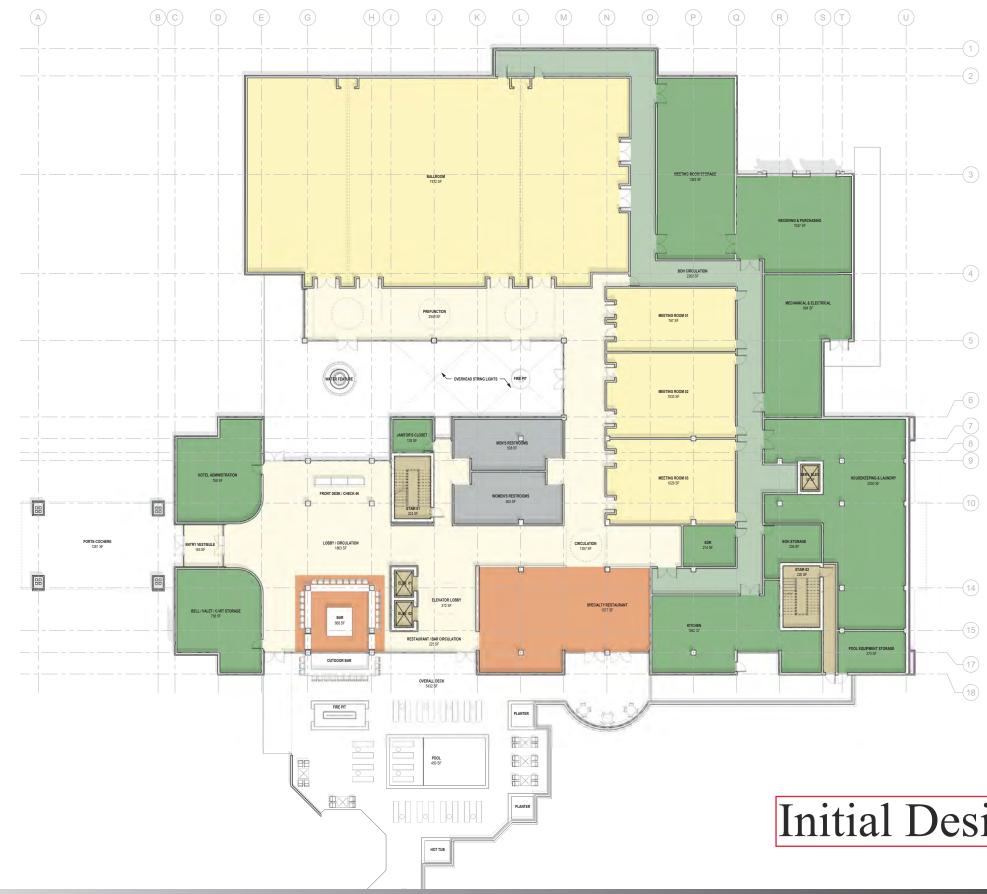
DREAMCATCHER ASHEVILLE ASHEVILLE, NORTH CAROLINA

CONCEPT DESIGN UPDATE

JANUARY 16, 2024

Electron States







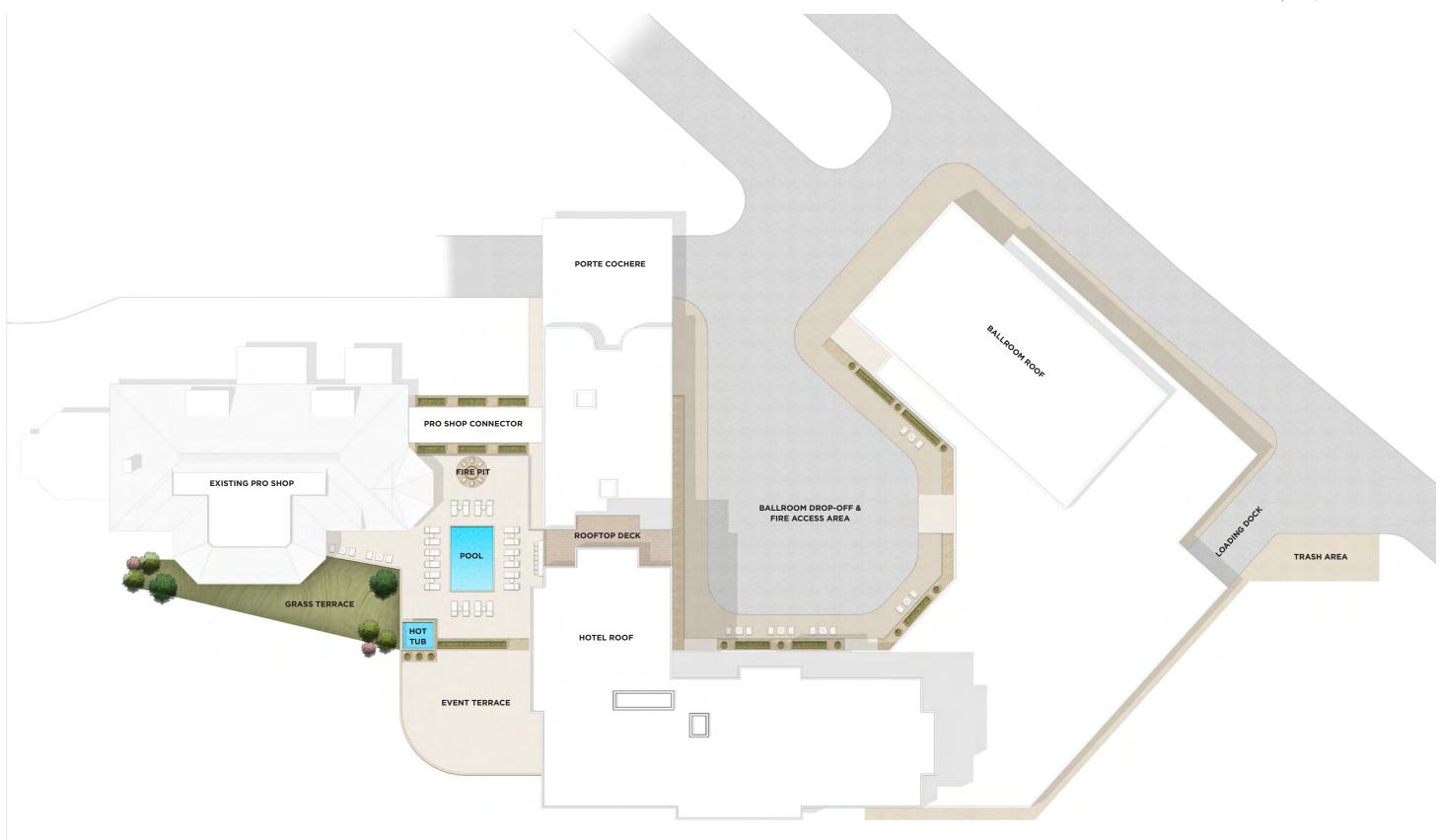
CONCEPT DESIGN // LEVEL 01 (HOTEL & BALLROOM) FLOOR PLAN

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PAGE 8

Initial Design/Layout







CONCEPT DESIGN // HOTEL SITE PLAN CONCEPT







CONCEPT DESIGN // LEVEL 01 HOTEL FLOOR PLAN



60





CONCEPT DESIGN // LEVEL 02 HOTEL FLOOR PLAN



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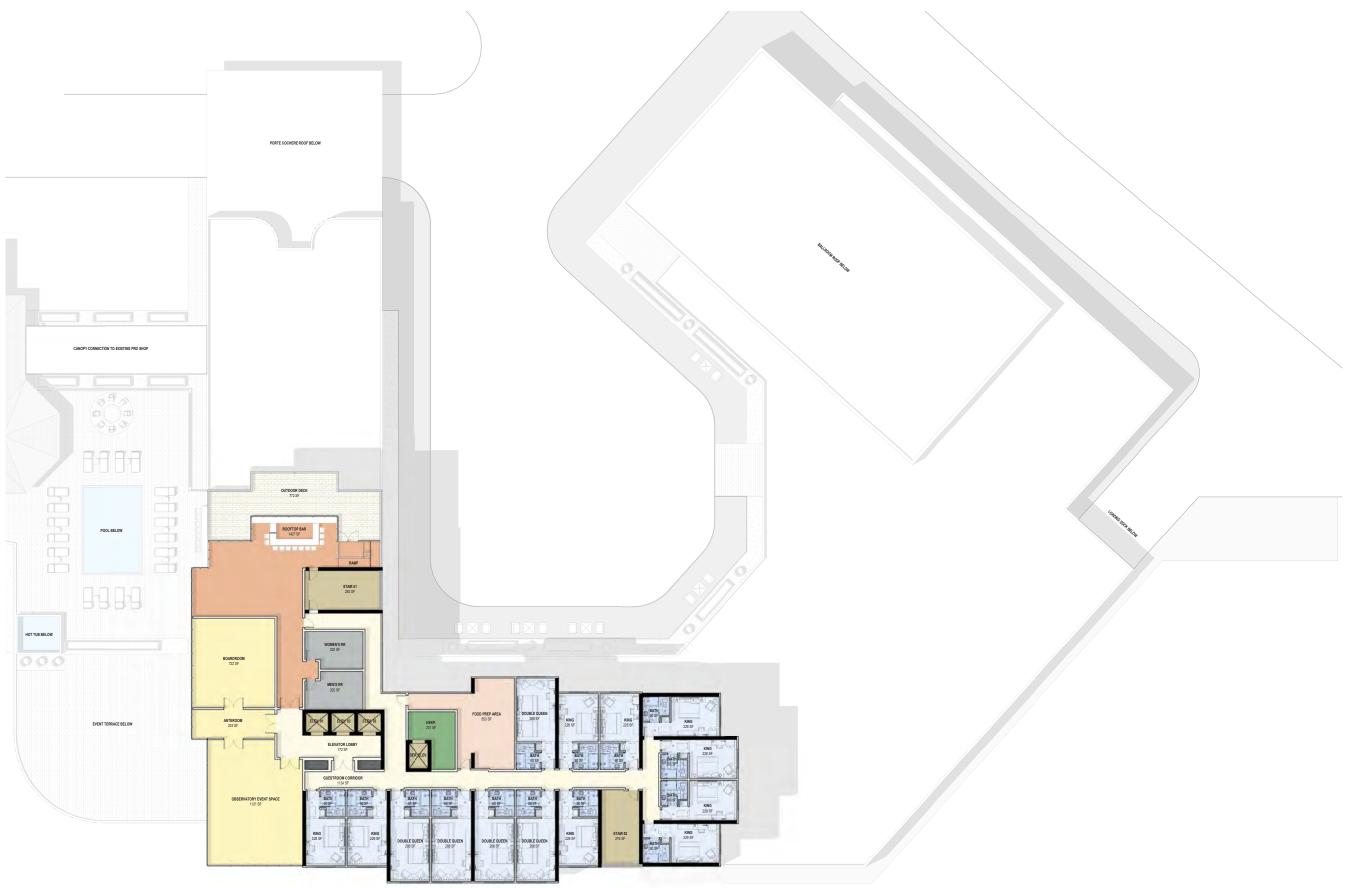




CONCEPT DESIGN // LEVEL 03-06 (TYPICAL) HOTEL FLOOR PLAN









CONCEPT DESIGN // LEVEL 07 (ROOFTOP BAR) HOTEL FLOOR PLAN









CONCEPT DESIGN // OVERALL HOTEL LEVEL 01 PLAN

20'

SCALE: 1" = 40'-0"













DREAMCATCHER ASHEVILLE ASHEVILLE, NORTH CAROLINA

THE STAR





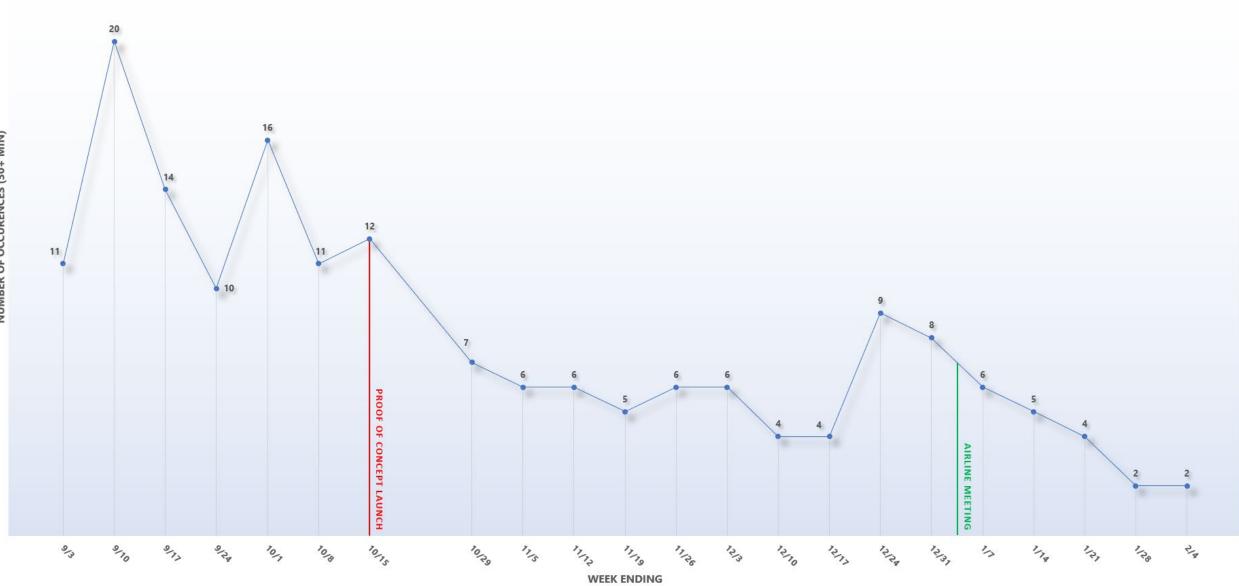








Airline Taxi Time Performance Statistics



Asheville Regional Airport Executive Summary				
December-23				
AIRPORT ACTIVITY				
	Month	Variance to Prior Year	Calendar Year to Date	Variance to Prior Year
Passenger Enplanements	88,648	12.0%	1,126,235	22.0%
Aircraft Operations				
Commercial	2,330	16.4%	31,269	16.4%
Scheduled Flights	999	16.6%		
Flight Cancellations	1			
Seats	111,803	14.0%	1,373,362	23.0%
Load Factor	79.0%	(2.5%)	82.0%	(1.2%)
General Aviation	3,014	15.5%	45,912	(2.4%)
Military	215	(33.6%)	3,875	(24.6%)

FINANCIAL RESULTS				
	Month	Variance to Budget	Fiscal Year to Date	Variance to Budget
Operating Revenues	\$ 2,176,913	19.8%	\$ 15,024,274	16.1%
Operating Expenses	1,323,577	(24.0%)	6,980,129	(20.3%)
Net Operating Revenues before Depreciation	\$ 853,336		\$ 8,044,145	
Net Non-Operating Revenues	\$ 603,396		\$ 4,656,671	
<u>Grants:</u> FAA AIP Grants NC Dept of Transportation Grants	\$ 1,446,501 		\$ 9,716,139 	

CASH		
Restricted - PFC Revenue Account	\$ 18,171,669	
Restricted - BNY Mellon (Debt Service Series 2016)	\$ 851,627	
Restricted - Bond Series 2022A	\$ 196,480,098	
Restricted - Bond Series 2023	\$ 161,098,058	
Designated for O&M Reserve	8,250,808	
Designated for Emergency Repair	650,000	
Unrestricted, Undesignated	20,486,310	
Total	<u>\$ 405,988,570</u>	

\$ 1,446,501

9,716,139

\$

RECEIVABLES PAST DUE				
	Total	1-30 Days	31-60 Days	Over 60 Days
Advertising Customers	7,396	4,230	1,783	1,383
Allegiant	4,388	970	1,741	1,677
Avis	80	80	-	
Delta	2,990	2,750	240	-
FAA	490	90	90	310
Jet Blue	2,411	-	2,411	-
Paradies	1,072	1,072	-	-
TSA	2,600	-	-	2,600
Miscellaneous	1,895	-	-	1,895
Total	\$ 23,322	\$ 9,192	\$ 6,265	\$ 7,865
% of Total Receivables	2.75%			

Note: Excludes balances paid subsequent to month-end.

Total

REVENUE BONDS PAYABLE				
Parking Garage Revenue Bond, Series 2016A Parking Garage Taxable Revenue Bond, Series 2016B Terminal Revenue Bond, Series 2022A Terminal Revenue Bond, Series 2023	Original Amount \$ 15,750,000 5,250,000 185,000,000 175,000,000 \$ 381,000,000	Current Balance \$ 12,270,000 - 185,000,000 175,000,000 \$ 372,270,000		
CAPITAL EXPENDITURES				
Annual Budget		\$ 394,922,027		
Year-to-Date Spending		\$ 40,631,230		

REGULAR MEETING GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY December 8, 2023

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, December 8, 2023 at 8:30 a.m. in Council Chambers at the Fletcher Town Hall, 300 Old Cane Creek Road, Fletcher, NC 28732.

MEMBERS PRESENT: Brad Galbraith, Chair; Britt Lovin, Vice-Chair; Carl H. Ricker, Jr.; Nathan Kennedy; and Laura B. Leatherwood

MEMBERS ABSENT: Susan Russo Klein; and Gene O. Bell

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Michael Reisman, Chief Operating Officer; Tina Kinsey, VP - Marketing, Public Relations and Air Service Development; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP - Operations and Maintenance; Christina Madsen, VP – Business Development and Properties; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Amanda Sheridan, McFarland Johnson; Bob Overby, McFarland Johnson; Sabrina Rockoff, McGuire, Wood & Bissette; Nic Adams, Boldyn Networks

<u>CALL TO ORDER</u>: The Chair called the meeting to order at 8:30 a.m.

RECOGNITION OF SERVICE AWARD: The Chair and president recognized Cindy Rice and her firm Patla, Straus, Robinson and Moore for their representation of the Authority over the years and stated that this would be the last Board meeting with Ms. Rice. The Board thanked Ms. Rice for her hard work over the past 9 years and wished her well.

PRESENTATIONS: None.

FINANCIAL REPORT: The president delivered a review of enplanements, aircraft operations, and general aviation activity for the month of October. Janet Burnette reported on the financial activity for the month of October. The president also provided the Board with a chart summarizing total revenue and expenses from 2008 through the present.

<u>CONSENT ITEMS</u>: The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority November 17, 2023 Closed Session Minutes, would be pulled for review in Closed Session.

A. <u>Approval of the Greater Asheville Regional Airport Authority November</u>

17, 2023 Regular Meeting Minutes: Dr. Leatherwood moved to approve the Greater Asheville Regional Airport Authority November 17, 2023 Regular Meeting Minutes. Mr. Ricker seconded the motion and it carried unanimously.

OLD BUSINESS: The president stated that staff continues to work with the airlines on some of the operational issues experienced at the airport. Staff will bring the Rules and Regulations Ordinance back to the Board for final approval at some point in the future.

NEW BUSINESS:

A. <u>Award of Contract to Tarheel Paving and Asphalt Company, Inc. for the</u> <u>Reconstruction and Improvements to the Fuel Farm Road and Perimeter Road</u>:

Jared Merrill stated that repairs are needed to the perimeter road to the fuel farm. The project had been included in the prior year fiscal budget, however, it was postponed until Duke Energy completed their work in Area 1. After summarizing the improvements to be made, Mr. Merrill informed the Board that two proposals to complete the work were received with Tarheel Paving and Asphalt Company, Inc. submitting the lower proposal. The cost to complete the project was \$228,522.00 with a construction allowance of \$20,000.00 for a total project cost of \$248,522.00. Mr. Merrill stated that airport funds will be used to pay for the project and were carried over into the current budget from the previous year.

Mr. Ricker moved to approve the contract with Tarheel Paving and Asphalt Company, Inc. in the amount of \$228,522.00 and an allowance of \$20,000.00 for a total project budget of \$248,522.00 and authorize the President & CEO to execute the necessary documents. Dr. Leatherwood seconded the motion and it carried unanimously.

B. <u>Approval of a Concession Agreement and Lease with Boldyn Networks</u> US, IV, LLC. and the Greater Asheville Regional Airport Authority: Christina Madsen introduced Nicholas Adams with Boldyn Networks US, IV, LLC ("Boldyn Networks") and shared some background information on Boldyn Networks. Mrs. Madsen stated that a Request for Proposals was issued for a Cellular Carrier Neutral Host Distributed Antenna System ("NH-DAS") at the airport and four proposals were received. Boldyn Networks was designated by the selection committee as the top-ranking firm. Bolydn Networks will design, finance, construct and operate the NH-DAS for an initial term of 15 years with two five-year options to renew. Mrs. Madsen reviewed the minimum investment to be made by Boldyn Networks to install the NH-DAS as well as the minimum annual guarantee and revenue sharing terms.

The Board Chair questioned the effective date of the agreement. Mrs. Madsen stated that the lease term would be effective upon completion of the south concourse in approximately 2027.

Mr. Kennedy moved to approve the agreement as presented by staff with Boldyn Networks, US IV, LLC. and authorize the President & CEO to execute the necessary documents. Dr. Leatherwood seconded the motion and it carried unanimously.

PRESIDENT'S REPORT: The president stated that he had a few additional items to address that were not included on the agenda.

A. <u>Washington, DC Updates</u>: The president mentioned that he recently met with legislators and trade association folks while in Washington, DC. The president stated that while the House passed an FAA Authorization bill in July, the bill remains in limbo in the Senate, and it is not expected to move until 2024. The president highlighted the issues of concern by the committee overseeing the FAA as the reasons for the postponement of the bill.

B. <u>AVL Forward</u>: The president was pleased to report that Asheville's Marketing team won an award for Best Public Relations Program among Small Airports in North America through Airports Council International for the AVL Forward marketing campaign.

C. <u>**Thanksgiving Parking:**</u> The new Shuttle Lot South was opened with 500 parking spaces in time for the Thanksgiving holiday. Over the holiday weekend, all parking lots were filled to capacity, and it was necessary to open the three remote parking lots in the north general aviation area. With the continued increase in utilization of the parking lots, the president stated that he has directed staff to work with the Authority's consultants on a scope and fee to design a second parking garage. This will be brought to the Board for consideration at a later date. The president further stated that the parking guidance system in the garage is in the process of being commissioned and will be functioning by the end of December.

D. <u>Legislative Breakfast</u>: A legislative breakfast is being planned in Asheville for the president to provide an update on the airport. The event is planned for February 5th and invitations will be sent out to state legislators and local officials later in the month.

E. <u>**Org Chart Update**</u>: The president stated that with the upcoming retirement of Mike Reisman in June, a firm has been engaged to assist with a replacement for his position as Chief Operations Officer. The org chart is also being restructured to include a Chief Administrative Officer ("CAO") position to spread the workload of senior management. The new CAO position will be brought to the Board in the FY2025 budget and become effective July 1, 2024. The president requested the Board's feedback to ensure the search firm has been engaged appropriately. The Board was appreciative of the forward-thinking strategy and fully supportive of building the team.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on January 19, 2024 at Council Chambers, Fletcher Town Hall. The meeting may not be necessary, and the Board would be notified if the meeting was cancelled.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 9:14 a.m. Mr. Lovin 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 Greater Asheville Regional Airport Authority, Including an Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations; and to consider personnel matters. Mr. Ricker seconded the motion and it carried unanimously.

The Chair indicated they would break for a few minutes at which time the Board would resume in Closed Session.

Open Session resumed at 10:20 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY DECEMBER 8, 2023 CLOSED SESSION MINUTES: Mr. Lovin moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Dr. Leatherwood seconded the motion and it carried unanimously. **APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY NOVEMBER 17, 2023 CLOSED SESSION MINUTES:** Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority November 17, 2023 Closed Session Parts A and B, and to seal and withhold the minutes for the November 17, 2023 Closed Session Parts A and B from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Kennedy seconded the motion and it carried unanimously.

PRESIDENT & CEO SEVERANCE PACKAGE: Dr. Leatherwood moved to change the timeline for the President & CEO's severance package from 90 days to 12 months in the event of termination without a cause. Mr. Lovin seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Lovin moved to adjourn the meeting at 10:22 a.m. Mr. Kennedy seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood Clerk to the Board

Approved:

Brad Galbraith Chair



MEMORANDUM

TO: Members of the Airport Authority

FROM: Christina M. Madsen, VP Business Development & Properties

DATE: February 9, 2024

ITEM DESCRIPTION – New Business Item A

Approval of Resolution to Amend Resolution Number 121010-03 Concerning Implementation and Collection of a Customer Facility Charge

BACKGROUND

On May 17, 2004, the Authority adopted a resolution authorizing the imposition and collection of a Customer Facility Charge ("CFC") of \$2.00 per car rental transaction day on all car rental contracts issued for the rental of passenger motor vehicles at the Asheville Regional Airport. Over the years the Authority has increased the CFC to fund capital improvement projects that benefit the rental car companies and rental car users. The last increase to the CFC was in December 2010 to \$4.25 per car rental transaction day.

Additional revenue sources are needed to fund the improvements associated with the new terminal building and added capacity for the rental car operations. Therefore, it is recommended to increase the collection from the current \$4.25 per car rental transaction day to \$5.50 per car rental transaction day.

ISSUES

None.

ALTERNATIVES

The Board could decide not to move forward with the proposed Amendment.

New Business Item - A



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY New Business Item A Approval of Resolution to Amend Resolution Number 121010-03 Concerning the Implementation and Collection of a Customer Facility Charge Page 2

FISCAL IMPACT

The proposed increase is estimated to generate an additional \$500,000 annually. Based on the current number of rental car transaction days the estimated annual CFC revenue will be \$2,682,000.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to approve the attached Resolution Number 020924-04 Concerning the Implementation and Collection of a Customer Facility Charge.

Attachment

New Business Item - A

RESOLUTION NUMBER 020924-04

A RESOLUTION TO AMEND RESOLUTION NUMBER 121010-03 AUTHORIZING THE IMPOSITION AND COLLECTION OF A CUSTOMER FACILITY CHARGE OF \$5.50 PER CAR RENTAL TRANSACTION DAY ON ALL CAR RENTAL CONTRACTS ISSUED FOR THE RENTAL OF PASSENGER MOTOR VEHICLES AT THE ASHEVILLE REGIONAL AIRPORT

WHEREAS, the Greater Asheville Regional Airport Authority ("Authority") is a body corporate and politic, created by Session Law 2012-121 ("the Act), which was ratified by the General Assembly of the State of North Carolina on June 28, 2012; and

WHEREAS, the Authority operates the Asheville Regional Airport("Airport"); and

WHEREAS, the Authority on May 17, 2004, adopted a resolution authorizing the imposition and collection of a customer facility charge of \$2.00 per car rental transaction day on all car rental contracts issued for the rental of passenger motor vehicles at the Asheville Regional Airport; and

WHEREAS, the Authority, on or about July 1, 2004, began imposing and have said Car Rental Operators collect, on behalf of the Authority, a Customer Facility Charge of \$2.00 per Car Rental Transaction Day on all Car Rental Contracts; and

WHEREAS, the Authority on April 13, 2007, adopted amended Resolution Number 041307-02 increasing the Customer Facility Charge from \$2.00 per Car Rental Transaction Day to \$4.00 per Car Rental Transaction Day to fund certain car rental facilities and other ground transportation projects which will benefit Car Rental Operators and their Customers at the Airport; and

WHEREAS, the Authority, on or about December 10, 2010, adopted amended Resolution Number 121010-03 increasing the Customer Facility Charge from \$4.00 per Car Rental Transaction Day to \$4.25 per Car Rental Transaction Day; and

WHEREAS, the imposition and collection of said Customer Facility Charge is hereby determined to be in the public interest of providing and maintaining facilities and service to Car Rental Operators, their Customers, and the traveling public using the Airport; and,

WHEREAS, the Authority on or about August 5, 2016, resolved and adopted Resolution No. 080516-01, which amended and re-adopted Resolution No. 051704-01 and Resolution No. 041307-02, and amended and restated in its entirety Resolution No. 121010-03; and,

WHEREAS, the President and CEO recommends that the Authority amend Resolution Number 121010-03 to increase the Customer Facility Charge of \$4.25 per Car Rental Transaction Day to \$5.50 per Car Rental Transaction Day, effective March 1, 2024. NOW, THEREFORE, Be It Resolved and Adopted by the Authority as follows:

- 1. SECTION 1 (a) of Resolution Number 121010-03 shall be replaced in its entirety and read as follows:
 - (a) "Customer Facility Charge" means a charge of \$5.50 per Car Rental Transaction Day.
- 2. All other sections and provisions of Resolution Number 121010-03 not specifically amended shall remain in full force and effect.
- 3. This Resolution shall take effect at 12:01 A.M., March 1, 2024, and shall apply to each and every Car Rental Contract covering the rental of any passenger motor vehicle at the Airport on or after March 1, 2024.

Adopted this 9th day of February 2024.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

Brad Galbraith Board Chair

Attested by:

Ellen M. Heywood Clerk to the Board



MEMORANDUM

- TO: Members of the Airport Authority
- FROM: Janet Burnette, Chief Financial Officer

DATE: February 9, 2024

ITEM DESCRIPTION – New Business Item B

Approval of Audit Contract for Fiscal Year Ending June 30, 2024

BACKGROUND

In 2021, Authority Staff issued a Request for Proposal for audit services, for up to five years, and the Board chose Martin Starnes & Associates as the Authority's auditors. We have been pleased with their services and would now like to engage them for a fourth year. We are presenting a contract for auditing services with Martin Starnes & Associates for the annual audit for the fiscal year ended June 30, 2024.

ISSUES

None

ALTERNATIVES

The Board could elect to reject the current contract being presented by Martin Starnes & Associates and request staff to seek alternate firms to conduct the fiscal year end audit.

FISCAL IMPACT

The contract fee for services rendered by Martin Starnes & Associates is \$34,400. The expense for audit services will be paid from the FY2025 Finance Department budget.



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY New Business Item B Approval of Audit Contract with Martin Starnes & Associates for Fiscal Year Ending June 30, 2024 Page 2

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the contract for audit services with Martin Starnes & Associates in the amount of \$34,400, and (2) authorize the Board Chair to execute the necessary documents.

Attachment



January 31, 2024

Greater Asheville Regional Airport Authority Attn: Janet Burnette, CFO 61 Terminal Drive, Suite 1 Fletcher, NC 28732

The following represents our understanding of the services we will provide the Greater Asheville Regional Airport Authority.

You have requested that we audit the business-type activities of the Greater Asheville Regional Airport Authority as of June 30, 2024, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Greater Asheville Regional Airport Authority's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal and state award programs for the period ended June 30, 2024. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal and state award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Other Post-Employment Benefits' schedules
- Local Governmental Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the Greater Asheville Regional Airport Authority's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Budgetary schedules
- Schedule of Expenditures of Federal and State Awards
- Passenger Facility Charge Program schedule(s)

Schedule of Expenditures of Federal and State Awards

We will subject the Schedule of Expenditures of Federal and State Awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the Schedule of Expenditures of Federal and State Awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, Schedule of Expenditures of Federal and State Awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Greater Asheville Regional Airport Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Greater Asheville Regional Airport Authority's basic financial statements. Our report will be addressed to the governing body of the Greater Asheville Regional Airport Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Greater Asheville Regional Airport Authority's major federal and state award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended, the Uniform Guidance, and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Single Audit Implementation Act require that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal and state award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal or state programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal and state programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Also, as required by the Uniform Guidance and the State Single Audit Implementation Act, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal and state award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal and state award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- 1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- 2. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- 3. For identifying, in its accounts, all federal and state awards received and expended during the period and the federal and State programs under which they were received;
- 4. For maintaining records that adequately identify the source and application of funds for federal and state funded activities;
- 5. For preparing the Schedule of Expenditures of Federal and State Awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and State Single Audit Implementation Act;
- 6. For designing, implementing, and maintaining effective internal control over federal and state awards that provides reasonable assurance that the entity is managing federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state awards;
- 7. For identifying and ensuring that the entity complies with federal and state laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal and state award programs, and implementing systems designed to achieve compliance with applicable federal and state statutes, regulations and the terms and conditions of federal and state award programs;
- 8. For disclosing accurately, currently and completely the financial results of each federal and state award in accordance with the requirements of the award;
- 9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- 10. For taking prompt action when instances of noncompliance are identified;
- 11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- 12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- 13. For submitting the reporting package and data collection form to the appropriate parties;
- 14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;

- 15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report (if applicable); and
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report (if applicable).
- 16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year or period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- 17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- 18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- 19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant roles in the system of internal control and others where fraud could have a material effect on compliance;
- 20. For the accuracy and completeness of all information provided;
- 21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- 22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the Schedule of Expenditures of Federal and State Awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the Schedule of Expenditures of Federal and State Awards in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (b) to provide us with the appropriate written representations regarding the Schedule of Expenditures of Federal and State Awards, (c) to include our report on the Schedule of Expenditures of Federal and State Awards, (c) to include our report on the Schedule of Expenditures of Federal and State Awards, (c) to such schedule of Expenditures of Federal and State Awards in any document that contains the Schedule of Expenditures of Federal and State Awards with the audited financial statements, or if the schedule of Expenditures of Federal and State Awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited basic financial statements readily available to the intended users of the Schedule of Expenditures of Federal and State Awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- Preparation of auditor portions of Data Collection Form
- Preparation of LGC's data input worksheet
- Clerical services

We will not assume management responsibilities on behalf of the Greater Asheville Regional Airport Authority. However, we will provide advice and recommendations to assist management of the Greater Asheville Regional Airport Authority in performing its responsibilities.

The Greater Asheville Regional Airport Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The Authority is responsible for data backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

Provisions of Engagement Administration and Fees

Paula Hodges is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree

to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are as follows:

Audit Fee (includes up to 3 major programs)	\$ 29,600
Financial Statement Drafting	 3,300
	\$ 32,900
Additional Fees:	
Charge per major program in excess of 3	\$ 1,500

Please note that the audit fees above include up to 3 major programs, as indicated. The "total amount not to exceed" listed on the audit contract includes up to 4 major programs. If the total number of major programs exceeds 4 and the "total amount not to exceed" needs to be increased, we will prepare an amended contract to include the fees necessary based on the per program amount listed as additional fees above.

Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Greater Asheville Regional Airport Authority's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$85-\$400 per hour.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal and state award programs, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & associates, CPas, P.a.

Martin Starnes & Associates, CPAs, P.A. Hickory, North Carolina

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the Greater Asheville Regional Airport Authority by:

Signature:

Title: ______

Date: _____

The	Governing Board
	Board of Directors
of	Primary Government Unit
	Greater Asheville Regional Airport Authority
and	Discretely Presented Component Unit (DPCU) (if applicable)
	N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name
	Martin Starnes & Associates, CPAs, P.A.
	Auditor Address
	730 13th Avenue Drive SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Date Audit Will Be Submitted to LGC
	06/30/24	10/31/24

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

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8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis,

(b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

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CONTRACT TO AUDIT ACCOUNTS

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/ or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

LGC-205

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards,2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title and Unit / Company:	Email Address:
Janet Burnette	CFO, Greater Asheville Regional Airport Authority	jburnette@flyavl.com

OR Not Applicable (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	Greater Asheville Regional Airport Authority
Audit Fee (financial and compliance if applicable)	\$ 29,600 (includes single audit for up to 3 programs)
Fee per Major Program (if not included above)	\$ 1,500 per major program in excess of 3
Additional Fees Not Ir	ncluded Above (if applicable):
Financial Statement Preparation (incl. notes and RSI)	\$ 3,300
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$ 34,400 (includes 4 major programs)
Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

CONTRACT TO AUDIT ACCOUNTS

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)*	Signature*
Amber Y. McGhinnis	amber y Millinn
Date*	Email Address* ()
01/31/24	amcghinnis@msa.cpa

GOVERNMENTAL UNIT

Governmental Unit* Greater Asheville Regional Airport Authority	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)* Brad Galbraith, Chair	Signature*
Date	Email Address* bgalbraith.nc@gmail.com

Chair of Audit Committee (typed or printed, or "NA") Brad Galbraith	Signature
Date	Email Address bgalbraith.nc@gmail.com

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	\$ 34,400 (includes 4 major programs)
Primary Governmental Unit Finance Officer* (typed or printed	Signature*
Janet Burnette, CFO	
Date of Pre-Audit Certificate*	Email Address*
	jburnette@flyavl.com

SIGNATURE PAGE – DPCU (complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
Date DPCU Governing Board Approved Audit Contract*	
(Enter date in box to right)	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA") $\rm N/A$	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)*	Signature*
N/A	
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT



Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates, CPAs, P.A. and the Peer Review Committee, Coastal Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at <u>www.aicpa.org/prsummary</u>. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of pass.

Koonce, Wooten + Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 4, 2021

Raleigh 4060 Barrett Drive Post Office Box 17806 Raleigh, North Carolina 27619

919 782 9265 919 783 8937 FAX Durham 3500 Westgate Drive Suite 203 Durham, North Carolina 27707

919 354 2584 919 489 8183 FAX Pittsboro 579 West Street Post Office Box 1399 Pittsboro, North Carolina 27312

919 542 6000 919 542 5764 FAX Smithfield 212 East Church Street Post Office Box 2348 Smithfield, North Carolina 27577

919 934 1121 919 934 1217 FAX



MEMORANDUM

TO: Members of the Airport Authority

FROM: Jared Merrill Vice President – Planning

DATE: February 9, 2024

ITEM DESCRIPTION – New Business Item C

Approval of Amendment No. 1 to Scope of Services No. 7 with Avcon Engineers and Planners, Inc. for Additional Services on the South Parking Lot

BACKGROUND

In October 2022, the Authority Board approved Scope of Services No. 7 with Avcon for the design and construction administration services on the South Parking Lot Project. At that time, the permitting and construction of the project was expected to be completed in one phase. Due to the permitting requirements through NC Department of Environmental Quality and the 401/404 permitting through the Army Corps of Engineers, the construction of this project had to be divided into three separate phases.

The additional phases have lengthened the overall project schedule by approximately six months and resulted in necessary additional permitting submittals and construction administration services. These additional services include added project meetings, project coordination, quality assurance testing and inspections, site visits, multiple revisions to permitting submittals and coordination with those agencies, etc.

Airport staff have negotiated the total cost of these additional services with Avcon for a total of \$80,441.

ISSUES

None.



ALTERNATIVES

None, this work is necessary to complete the project.

FISCAL IMPACT

The total cost for these additional services with Avcon is \$80,441.00. There is no impact to the overall project budget. The funds will be transferred from the construction allowances to the design budget.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve Amendment No. 1 to Scope of Services No. 7 with Avcon Engineers and Planners, Inc. in the amount of \$80,441.00; (2) authorize the President and CEO to execute the necessary documents; and (3) amend the FY2023/2024 budget by adopting the following budget ordinance amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Capital South Parking Design		\$80,441
Capital South Parking Construction	\$80,441	
Totals	\$80,441	\$80,441

This will result in a net increase of \$0.00 in the appropriations. Revenues will be revised as follows:



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY New Business Item C Amendment to Task Order No. 7 – Avcon South Lot Page 3

REVENUES:

Decrease

Increase

Transfer from GARAA Cash

Totals

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 9th day of February 2024.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Greater Asheville Regional Airport Authority

Scope of Services Number <u>7</u> for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Asheville Regional Airport Authority and <u>AVCON Engineers &</u> <u>Planners, Inc.</u>, dated <u>August 13, 2018</u>.

Project: South Parking Area - Design, Bidding, And Construction Phase Services Contract Amendment 1

The South Parking Area Project at the Asheville Regional Airport (AVL) consists of the development of the South Parking Area as identified by the AVL Master Plan. The overall scope of work will include modifications of Rental Car Road, a new parking lot located between Highway 280 and Rental Car Road along the south side of the airport, and associated erosion and sediment control and stormwater permitting, Buncombe County permitting, and other associated work.

The South Parking Area Project also includes the evaluation, mitigation, and design of the extension and associated grading for existing drainage along an existing stream. The area includes two (2) areas in the same vicinity that are located 1) near the intersection of Rental Car Drive and NC SR 3526 and 2) at the existing FAA ILS Shelter (near NC SR 3526). Each of these areas include upstream drainage, a free-flowing stream, and two (2) sets of dual 72" RCP drainage pipe crossings.

Due to the overall construction schedule of the project, Contract Amendment 1 includes additional construction administration and QA testing to cover expedited costs beyond the original scope of work for Construction Phase Services. The updated scope of work fee is attached as Exhibit A.

Consultant:

Date:

AVCON Engineers & Planners,, Ind

2-1-2024

Sr. Vice President

Consultant Team: AVCON, Inc.

Fees: The Lump Sum (LS) Fee for this additional work is **\$80,441**.

Authority:

President + CEO

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Chief Financial Officer

Attachment: Exhibit A – Fee Spreadsheets

EXHIBIT A

	POSITION			SR. PR	OJECT	SR. EN	IGINEER /	PR	OJECT	SENIO	CADD	C/	ADD	ADMINIS	STRATIVE		ORIGINAL			REVISED		DIFFER	RENCES
	AVCON, INC.	PRIN	CIPAL	MAN	AGER	SR. PI	LANNER	ENC	SINEER	DESI	GNER	TE	СН				TOTAL			TOTAL			
Scope	Rate (\$/Hour):	\$2	59	\$2	36	\$	158	\$	5124	\$1	13	\$	90	\$	73			Avg. Hourly			Avg. Hourly		1
Task No.		labor hours	Cost	labor hours	Cost	labor hours	s Cost	labor hour	s Cost	labor hours	Cost	labor hours	Cost	labor hours	Cost	labor hours	Cost	Rate	labor hours	Cost	Rate	labor hours	Cost
4	CONSTRUCTION PHASE SERVICES																						
4.1	Released for Construction Documents		\$0	4	\$945		:	\$0	8 \$990	8	\$900		\$() 2	\$146	26	\$3,106	\$119	22	\$2,983	\$136	-4	-\$124
4.2	Pre-Construction Conference		\$0	8	\$1,891		1	\$0	8 \$990)	\$0		\$0) 2	\$146	20	\$3,174	\$159	18	\$3,028	\$168	-2	-\$146
4.3	Construction Meeting and Site Visits																						\$0
4.3.1	Sixteen (16) bi-weekly meetings with site visits, Eight (8) additional site visits		\$0	64	\$15,127		;	\$0 12	8 \$15,847		\$0		\$(D	\$(80	\$15,307	\$191	192	\$30,974	\$161	112	\$15,66
4.3.2	Eight (8) site visits and observations for stream work, Two (2) additional site visits		\$0	16	\$3,782		:	\$0 6	4 \$7,924	ł	\$0		\$(D	\$(32	\$7,563	\$236	80	\$11,705	\$146	48	\$4,14
4.3.3	Meeting and Site Visit Notes		\$0	10	\$2,364			\$0 2	4 \$2,971		\$0		\$0	D	\$0	12	\$1,733	\$144	34	\$5,335	\$157	22	\$3,60
4.4	Recommendations with Respect to Defective Work		\$0	2	\$473		:	\$0	2 \$248	3	\$0		\$0	D	\$0	4	\$563	\$141	4	\$720	\$180	0	\$15
4.5	Clarifications and Interpretations		\$0	2	\$473			\$0	8 \$990)	\$0		\$0	D	\$0	14	\$2,093	\$150	10	\$1,463	\$146		-\$63
4.6	Change Orders		\$0	8	\$1,891		:	\$0 2	1.1.	24	\$2,701		\$(D	\$0	20	\$2,859	\$143		\$7,563	\$135		\$4,70
4.7	Shop Drawings and Samples		\$0	4	\$945			\$0 2	4 \$2,971		\$0		\$0	0 4	\$293	32	\$4,480	\$140	32	\$4,209	\$132	0	-\$270
4.8	Substitutes and "or-equal"		\$0	2	\$473			\$0	4 \$495	5	\$0		\$0	0	\$0	6	\$1,035	\$173		\$968	\$161	0	-\$68
4.9	Inspections and Tests		\$0	8	\$1,891		5	\$0 1	6 \$1,981		\$0		\$0	D	\$0	14	\$2,093	\$150	24	\$3,872	\$161	10	\$1,778
4.10	Disagreements between AVL and Contractor		\$0	8	\$1,891			\$0	4 \$495	5	\$0		\$0	0	\$0	16	\$3,016	\$189	12	\$2,386	\$199	-4	-\$630
4.11	Applications for Payment (8)		\$0	8	\$1,891		5	\$0 2	1 1		\$0		\$0	D	\$0	28	\$4,299	\$154	32	1 7	\$152		\$563
4.12	Substantial Completion		\$0	8	\$1,891		1	\$0	8 \$990)	\$0		\$0	D	\$0	18	\$3,028	\$168		\$2,881	\$180		-\$14
4.13	Final Notice of Acceptability of the Work		\$0	2	\$473		1	\$0	8 \$990)	\$0		\$0	0	\$0	14	\$1,756	\$125		\$1,463	\$146		-\$293
4.14	Limitation of Responsibilities		\$0	1	\$236		1	\$0	\$0)	\$0		\$0	D	\$0	1	\$236			\$236	\$236		\$0
4.15	Construction Quality Assurance Testing Services Coordination		\$0	8	\$1,891		5	\$0 2	4 \$2,971		\$0		\$0	0	\$0	19	\$2,532	\$133		\$4,862	\$152		\$2,33
4.16	Construction Quality Assurance Surveying Coordination		\$0		\$0		:	\$0	\$0)	\$0		\$0	D	\$0	7	\$1,047	\$150	0	\$0	\$0		-\$1,04
4.17	Project Coordination		\$0	40	\$9,454		5	\$0 4	8 \$5,943	3	\$0		\$0	0	\$0	32	\$6,663	\$208	88	\$15,397	\$175	56	\$8,73
4.18	Deliverables - Record Drawings		\$0	4	\$945		:	\$0	8 \$990)	\$0	16	\$1,441	1	\$0	30	\$3,534	\$118		\$3,377	\$121	-2	-\$15
	Subtotal Construction Phase Services Labor:	0	\$0	207	\$48,926	. (0 9	\$0 43	4 \$53,732	32	\$3,602	16	\$1,441	1 8	\$58	425	\$70,119	\$165	697	\$108,285	\$155	272	\$38,16
	Construction Phase Direct Expenses																						
	Printing																\$250			\$250			\$
	Mileage																\$2,109			\$5,011			\$2,90
	Per Diem																\$400			\$850			\$45
													Constructio	on Phase Direc	ct Expenses:		\$2,759			\$6,110			\$3,35
	Construction Phase Subcontractors																						
	CQA Topographic Survey (CES)(Budget Only)																\$10,000			\$0			-\$10,00
	CQA Construction Materials Testing (S&ME)																\$15,000			\$45,425			\$30,42
	Clearwater (Additional Environmental)																\$0			\$15,000			\$15,00
	Stormwater CA Services (Aulick)																\$1,600			\$1,600			\$
	Subconsultant Admin Fee (10%)																\$2,700			\$6,200			\$3,50
														on Phase Sub			\$29,300			\$68,225			\$38,92
														Constructio			\$102,179			\$182,620			\$80,44 <i>°</i>
												Addi	tional Co	onstructio	on Phase):			\$80	,441			



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., President & CEO

DATE: February 9, 2024

ITEM DESCRIPTION – Information Section Item A

December, 2023 Traffic Report – Asheville Regional Airport

<u>SUMMARY</u>

December, 2023 overall passenger traffic numbers were up 12.1% compared to the same period last year. Passenger traffic numbers reflect a 12.0% increase in passenger enplanements from December, 2022. Enplanements for Fiscal Year to Date total 645,119 which is a 22.0% increase over the same period last year.

AIRLINE PERFORMANCE

<u>Allegiant Airlines</u>: Year over Year passenger enplanements for Allegiant in December 2023 were up by 8.2%. There were no flight cancellations for the month.

<u>American Airlines</u>: American's December 2023 passenger enplanements represent an 11.8% increase over the same period last year. There were no flight cancellations for the month.

<u>Delta Airlines</u>: Enplanements for Delta in December 2023 increased by 11.7%. There was 1 flight cancellation for the month.

<u>Sun Country</u>: Sun Country saw a decrease in enplanements by 58.7% compared to December, 2022. There were no flight cancellations for the month.

<u>United Airlines</u>: In December 2023, United Airlines saw an increase in enplanements by 63.0% over the same period last year. There were no flight cancellations for the month.

Monthly Traffic Report Asheville Regional Airport December, 2023



Category	Dec 2023	Dec 2022	Percentage Change	*CYTD-2023 **CYTD-2022		Percentage Change	*MOV12- 2023	**MOV12- 2022	Percentage Change
Passenger Traffic									
Enplaned	88,648	79,124	12.0%	1,126,235	922,816	22.0%	1,126,235	922,816	22.0%
Deplaned	89,046	79,408	12.1%	1,120,176	915,977	22.3%	1,120,176	915,977	22.3%
Total	177,694	158,532	12.1 %	2,246,411	1,838,793	22.2 %	2,246,411	1,838,793	22.2 %
Aircraft Operations									
Airlines	1,817	1,474	23.3%	21,238	16,918	25.5%	21,238	16,918	25.5%
Commuter/AirTaxi	513	528	-2.8%	10,031	9,956	0.8%	10,031	9,956	0.8%
Subtotal	2,330	2,002	16.4 %	31,269	26,874	16.4 %	31,269	26,874	16.4 %
GeneralAviation	3,014	2,609	15.5%	45,912	47,017	-2.4%	45,912	47,017	-2.4%
Military	215	324	-33.6%	3,875	5,140	-24.6%	3,875	5,140	-24.6%
Subtotal	3,229	2,933	10.1 %	49,787	52,157	-4.5 %	49,787	52,157	-4.5 %
Total	5,559	4,935	12.6 %	81,056	79,031	2.6 %	81,056	79,031	2.6 %
Fuel Gallons									
FF-100LL	14,741	5,515	167.3%	202,028	170,022	18.8%	202,028	170,022	18.8%
FF-JETA-GA	104,993	135,167	-22.3%	1,914,761	1,910,703	0.2%	1,914,761	1,910,703	0.2%
Subtotal	119,734	140,682	-14.9 %	2,116,789	2,080,725	1.7 %	2,116,789	2,080,725	1.7 %
FF-JETA-AL	933,546	730,824	27.7%	11,142,579	8,768,463	27.1%	11,142,579	8,768,463	27.1%
Subtotal	933,546	730,824	27.7 %	11,142,579	8,768,463	27.1 %	11,142,579	8,768,463	27.1 %
Total	1,053,280	871,506	20.9 %	13,259,368	10,849,188	22.2 %	13,259,368	10,849,188	22.2 %

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

****Previous Year does not include charter activity.**

Airline Enplanements, Seats, and Load Factors Asheville Regional Airport December, 2023



		Dec 2023	Dec 2022	Percentage Change	*CYTD-2023	**CYTD-2022	Percentage Change
Allegiant Air							
	Enplanements	40,546	37,469	8.2%	480,408	411,002	16.9%
	Seats	51,408	45,522	12.9%	571,962	498,846	14.7%
	Load Factor	79.0 %	82.0 %	-3.7%	84.0 %	82.0 %	2.4%
American Air	lines						
	Enplanements	20,677	18,493	11.8%	298,502	238,145	25.3%
	Seats	27,204	24,186	12.5%	385,716	285,237	35.2%
	Load Factor	76.0 %	76.0 %	0.0%	77.0 %	83.0 %	-7.2%
Delta Air Line	es						
	Enplanements	19,074	17,078	11.7%	237,963	190,352	25.0%
	Seats	23,535	20,252	16.2%	285,494	236,245	20.9%
	Load Factor	81.0 %	84.0 %	-3.6%	83.0 %	81.0 %	2.5%
JetBlue Airwa	ays						
	Enplanements	0	0	0.0%	7,409	6,167	20.1%
	Seats	0	0	0.0%	8,450	7,300	15.8%
	Load Factor	0.0 %	0.0 %	0.0%	88.0 %	84.0 %	4.8%
Sun Country							
	Enplanements	531	1,287	-58.7%	16,535	17,595	-6.0%
	Seats	1,116	1,674	-33.3%	23,250	22,062	5.4%
	Load Factor	48.0 %	77.0 %	-37.7%	71.0 %	80.0 %	-11.3%
United Airline	es						
	Enplanements	7,820	4,797	63.0%	85,418	59,555	43.4%
	Seats	8,540	6,100	40.0%	98,490	68,611	43.6%
	Load Factor	92.0 %	79.0 %	16.5%	87.0 %	87.0 %	0.0%
Totals							
	Enplanements	88,648	79,124	12.0%	1,126,235	922,816	22.0%
	Seats	111,803	97,734	14.0%	1,373,362	1,118,301	23.0%
	Load Factor	79.0 %	81.0 %	-2.5%	82.0 %	83.0 %	-1.2%

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

**Previous Year does not include charter activity.

Airline Flight Completions Asheville Regional Airport

December, 2023

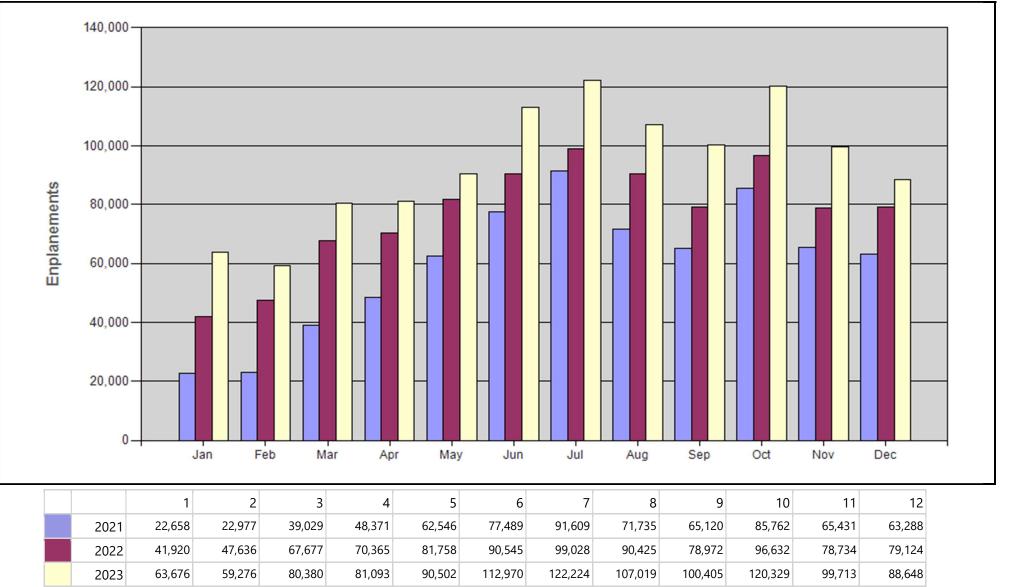


			Cancellation	s Due To			
Airline	Scheduled Flights	Field	Mechanical	Weather	Other	Total Cancellations	Percentage of Completed Flights
Allegiant Air	280	0	0	0	0	0	100.0%
American Airlines	350	0	0	0	0	0	100.0%
Delta Air Lines	239	0	1	0	0	1	99.6%
Sun Country	6	0	0	0	0	0	100.0%
United Airlines	124	0	0	0	0	0	100.0%
Total	999	0	1	0	0	1	99.9%

Monthly Enplanements By Year Asheville Regional Airport

December, 2023

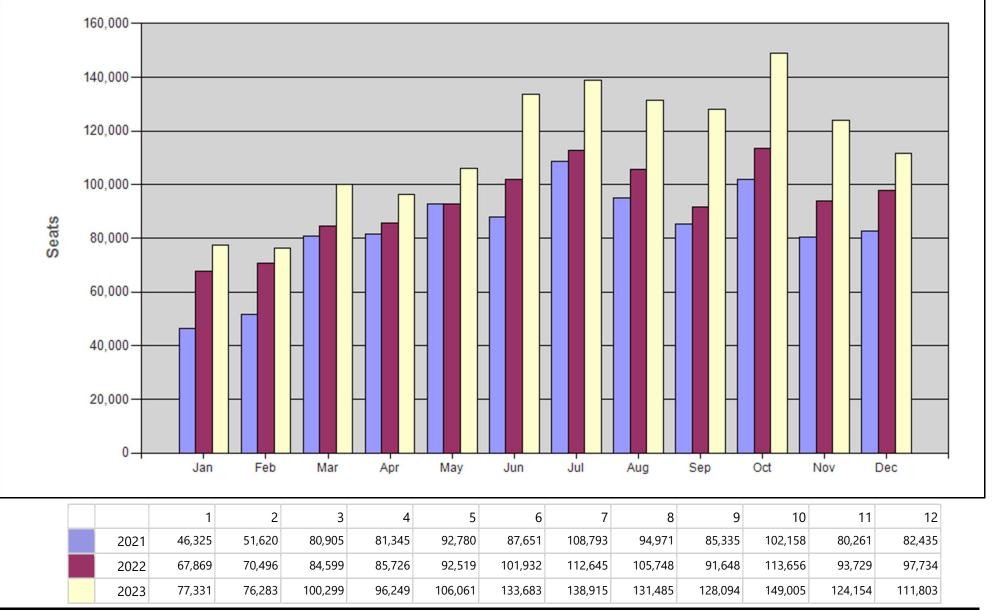




Monthly Seats By Year Asheville Regional Airport

December, 2023

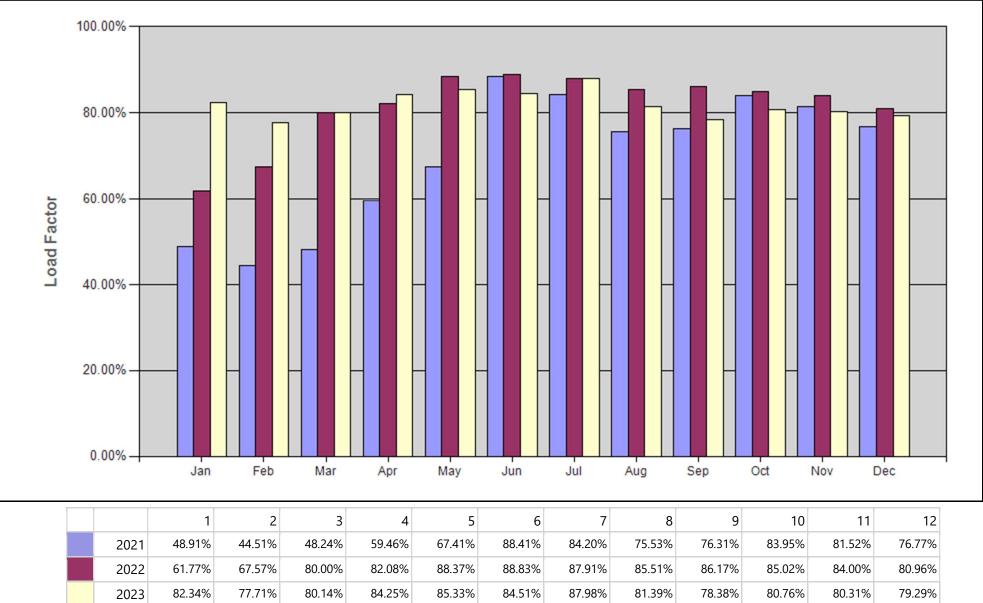




Monthly Load Factors By Year Asheville Regional Airport

December, 2023

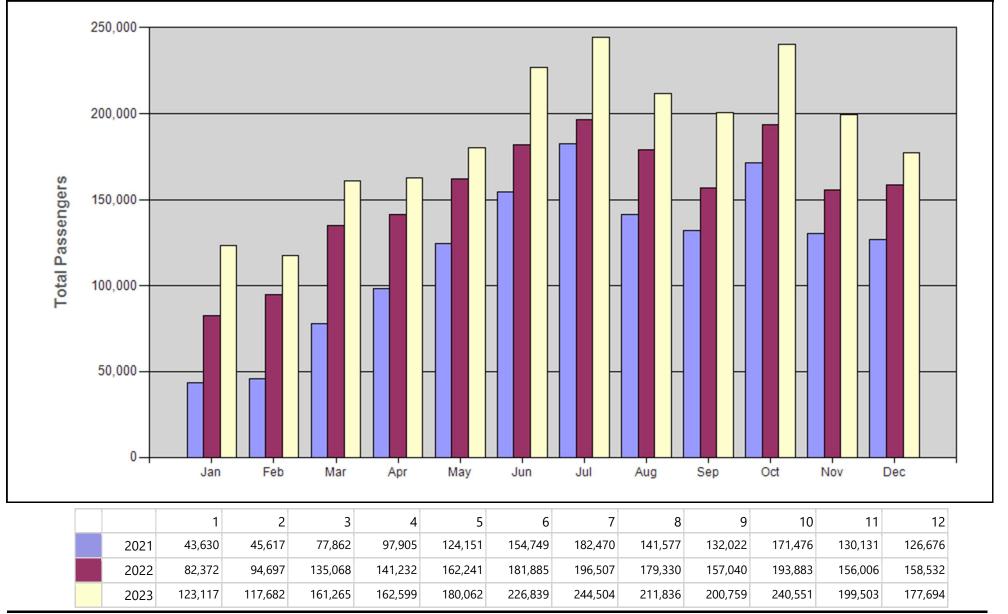




Total Monthly Passengers By Year Asheville Regional Airport



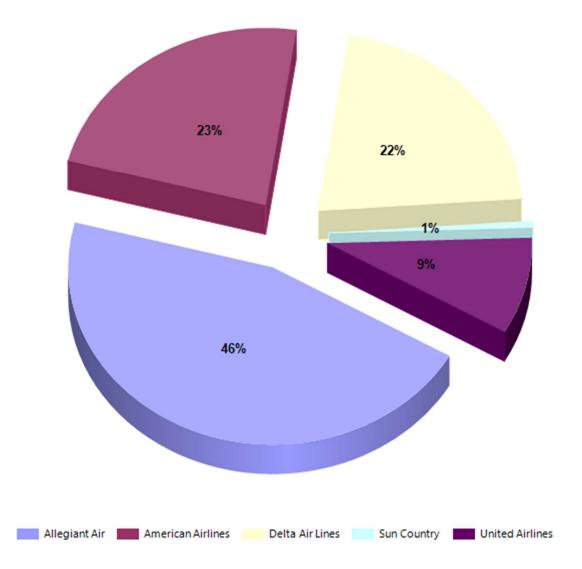




Airline Market Share Analysis (Enplanements) Asheville Regional Airport





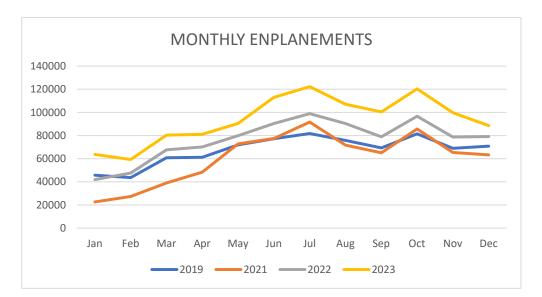


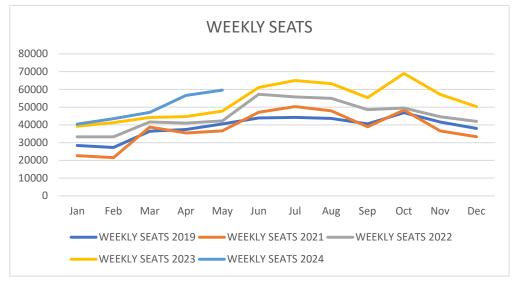
AVL - Three month schedule Summary Report March to May 2024 vs. March to May 2023 29-Jan-24

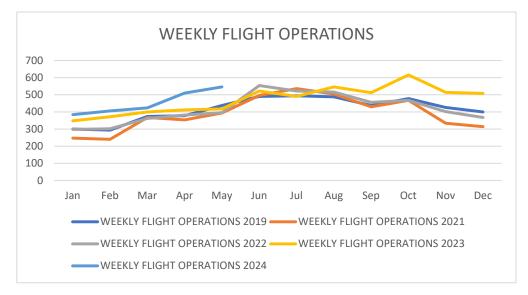
	Travel Pe	riod		Mar 2024		Mar 2023		Diff Y		Percent	
Mkt Al		Orig	Dest	Ops/Week	Seats	Ops/Week	Seats			Ops/Week	Seats
AA	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-
AA AA	AVL-AUS AVL-BOS	AVL AVL	AUS BOS	0 0	0 0	0 0	0 0	0	0 0	-	-
AA	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-
AA	AVL-CLT	AVL	CLT	47	3,327	41	3,781	6	(454)	- 14.6%	(12.0%)
AA	CLT-AVL	CLT	AVL	47	3,327	41	3,781	6	(454)	14.6%	(12.0%)
AA	AVL-DCA	AVL	DCA	6	390	7	455	(1)	(65)	(14.3%)	(14.3%)
AA	DCA-AVL	DCA	AVL	6	390	7	455	(1)	(65)	(14.3%)	(14.3%)
AA	AVL-DFW	AVL	DFW	7	532	14	1,064	(7)	(532)	(50.0%)	(50.0%)
AA	DFW-AVL	DFW	AVL	7	532	14	1,064	(7)	(532)	(50.0%)	(50.0%)
AA	AVL-LGA	AVL	LGA	6	456	7	477	(1)	(21)	(14.3%)	(4.4%)
AA	LGA-AVL	LGA	AVL	6	456	7	477	(1)	(21)	(14.3%)	(4.4%)
AA	AVL-MIA	AVL	MIA	0 0	0 0	0 0	0	0	0	-	-
AA AA	MIA-AVL AVL-ORD	MIA AVL	AVL ORD	0	0	0	0 0	0	0 0	-	-
AA	ORD-AVL	ORD	AVL	0	0	0	0	0	0	-	-
AA	AVL-PHL	AVL	PHL	7	350	0	0	7	350	-	-
AA	PHL-AVL	PHL	AVL	7	350	0	0	7	350	-	
B6	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-
B6	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-
DL	ATL-AVL	ATL	AVL	45	4,950	39	4,290	6	660	- 15.4%	- 15.4%
DL	AVL-ATL	AVL	ATL	45	4,950	39	4,290	6	660	15.4%	15.4%
DL	AVL-DTW	AVL	DTW	0	4,550 0	0	4,230 0	0	0	-	-
DL	DTW-AVL	DTW	AVL	Ő	0 0	0 0	0 0	0	Õ	-	-
DL	AVL-LGA	AVL	LGA	7	526	13	946	(6)	(420)	(46.2%)	(44.4%)
DL	LGA-AVL	LGA	AVL	7	526	13	946	(6)	(420)	(46.2%)	(44.4%)
DL	AVL-MSP	AVL	MSP	0	0	1	132	(1)	(132)	(100.0%)	(100.0%)
DL	MSP-AVL	MSP	AVL	0	0	1	132	(1)	(132)	(100.0%)	(100.0%)
G4	AUS-AVL	AUS	AVL	2	312	2	372	0	(60)	0.0%	(16.1%)
G4	AVL-AUS	AVL	AUS	2	312	2	372	0	(60)	0.0%	(16.1%)
G4	AVL-BOS	AVL	BOS	2	372	2	372	0	0	0.0%	0.0%
G4 G4	BOS-AVL AVL-BWI	BOS AVL	AVL BWI	2 2	372 372	2 2	372 312	0	0 60	0.0% 0.0%	0.0% 19.2%
G4 G4	BWI-AVL	BWI	AVL	2	372	2	312	0	60 60	0.0%	19.2%
G4 G4	AVL-DEN	AVL	DEN	2	372	2	372	0	0	0.0%	0.0%
G4 G4	DEN-AVL	DEN	AVL	2	372	2	372	0	0	0.0%	0.0%
G4	AVL-EWR	AVL	EWR	2	372	2	342	0	30	0.0%	8.8%
G4	EWR-AVL	EWR	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-EYW	AVL	EYW	2	312	2	312	0	0	0.0%	0.0%
G4	EYW-AVL	EYW	AVL	2	312	2	312	0	0	0.0%	0.0%
G4	AVL-FLL	AVL	FLL	13	2,418	12	2,043	1	375	8.3%	18.4%
G4	FLL-AVL	FLL	AVL	13	2,418	12	2,043	1	375	8.3%	18.4%
G4	AVL-HOU	AVL	HOU	2	372	2	312	0	60	0.0%	19.2%
G4 G4	HOU-AVL AVL-LAS	HOU AVL	AVL LAS	2 2	372	2 2	312 372	0	60 0	0.0% 0.0%	19.2% 0.0%
G4 G4	LAS-AVL	LAS	AVL	2	372 372	2	372	0	0	0.0%	0.0%
G4 G4	AVL-MDW	AVL	MDW	2	372	2	312	0	60	0.0%	19.2%
G4 G4	MDW-AVL	MDW	AVL	2	372	2	312	0	60	0.0%	19.2%
G4	AVL-MSP	AVL	MSP	2	372	2	342	0	30	0.0%	8.8%
G4	MSP-AVL	MSP	AVL	2	372	2	312	0	60	0.0%	19.2%
G4	AVL-PBI	AVL	PBI	2	372	2	312	0	60	0.0%	19.2%
G4	PBI-AVL	PBI	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-PGD	AVL	PGD	4	744	4	744	0	0	0.0%	0.0%
G4	PGD-AVL	PGD	AVL	4	744	4	744	0	0	0.0%	0.0%
G4	AVL-PHX	AVL	PHX	2	372	0	0	2	372	-	-
G4 G4	PHX-AVL AVL-PIE	PHX AVL	AVL PIE	2 8	372 1,428	0 6	0 1,056	2	372 372	- 33.3%	- 35.2%
G4 G4	PIE-AVL	PIE	AVL	о 8	1,420	6	1,056	2	372	33.3% 33.3%	35.2% 35.2%
G4 G4	AVL-SFB	AVL	SFB	8	1,428	8	1,488	0	0	0.0%	0.0%
G4 G4	SFB-AVL	SFB	AVL	8	1,488	8	1,488	0	0	0.0%	0.0%
G4	AVL-SRQ	AVL	SRQ	2	372	2	372	Ő	Ő	0.0%	0.0%
G4	SRQ-AVL	SRQ	AVL	2	372	2	372	0	0	0.0%	0.0%
G4	AVL-VPS	AVL	VPS	0	0	0	0	0	0	-	-
G4	VPS-AVL	VPS	AVL	0	0	0	0	0	0	-	-
SY	AVL-MSP	AVL	MSP	0	0	2	372	(2)	(372)	(100.0%)	(100.0%)
SY	MSP-AVL	MSP	AVL	0	0	2	372	(2)	(372)		(100.0%)
UA	AVL-DEN	AVL	DEN	7	490	0	0	7	490	-	-
UA		DEN	AVL	7	490	0	0	7	490	-	-
UA UA	AVL-EWR EWR-AVL	AVL EWR	EWR AVL	7 7	490 490	7 7	490 490	0	0 0	0.0% 0.0%	0.0% 0.0%
UAUA	AVL-IAD	AVL	IAD	0	490 0	0	490 0	0	0	0.0%	0.0%
UA	IAD-AVL	IAD	AVL	0	0	0	0	0	0	-	-
UA	AVL-ORD	AVL	ORD	14	996	21	1,050	(7)	(54)	(33.3%)	(5.1%)
UA	ORD-AVL	ORD	AVL	14	996	21	1,050	(7)	(54)	(33.3%)	(5.1%)
			Total	424	46,602	412	44,984	12	1,618	2.9%	3.6%

Mkt Al	Travel Pe	riod Orig	Dest	Apr 2024 Ops/Week	Seats	Apr 2023 Ops/Week	Seats	Diff Y Ops/Week		Percent Ops/Week	Diff YoY Seats
AA	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-
AA	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-
AA AA	AVL-BOS BOS-AVL	AVL BOS	BOS AVL	0 0	0 0	0 0	0 0	0	0 0	-	-
AA	AVL-CLT	AVL	CLT	55	3,974	40	3,040	15	934	37.5%	30.7%
AA	CLT-AVL	CLT	AVL	55	3,974	40	3,040	15	934	37.5%	30.7%
AA	AVL-DCA	AVL	DCA	14	910	7	532	7	378	100.0%	71.1%
AA	DCA-AVL	DCA	AVL	14	910	7	532	7	378	100.0%	71.1%
AA	AVL-DFW	AVL	DFW	14	1,582	7	896	7	686	100.0%	76.6%
AA AA	DFW-AVL AVL-LGA	DFW AVL	AVL LGA	14 7	1,582 532	7 7	896 455	7 0	686 77	100.0% 0.0%	76.6% 16.9%
AA AA	LGA-AVL	LGA	AVL	7	532	7	455	0	77	0.0%	16.9%
AA	AVL-MIA	AVL	MIA	0	0	0	0	0	0	-	-
AA	MIA-AVL	MIA	AVL	0	0	0	0	0	0	-	-
AA	AVL-ORD	AVL	ORD	7	350	0	0	7	350	-	-
AA	ORD-AVL	ORD	AVL	7	350	0	0	7	350	-	-
AA	AVL-PHL	AVL	PHL	7	350	7	350	0	0	0.0%	0.0%
AA B6	PHL-AVL AVL-BOS	PHL AVL	AVL BOS	7 0	350 0	7 0	350 0	0	0 0	0.0%	0.0%
B6	BOS-AVL	BOS	AVL	0	0	0	0	0	0	_	_
DL	ATL-AVL	ATL	AVL	45	4,950	39	4,478	6	472	15.4%	10.5%
DL	AVL-ATL	AVL	ATL	45	4,950	39	4,478	6	472	15.4%	10.5%
DL	AVL-LGA	AVL	LGA	13	952	13	952	0	0	0.0%	0.0%
DL	LGA-AVL	LGA	AVL	13	952	13	952	0	0	0.0%	0.0%
DL DL	AVL-MSP MSP-AVL	AVL	MSP	7	924	3	471	4	453	133.3%	96.2%
G4	AUS-AVL	MSP AUS	AVL AVL	7 2	924 312	3 2	471 372	4	453 (60)	133.3% 0.0%	96.2% (16.1%)
G4	AVL-AUS	AVL	AUS	2	312	2	372	0	(60)	0.0%	(16.1%)
G4	AVL-BOS	AVL	BOS	4	744	2	372	2	372	100.0%	100.0%
G4	BOS-AVL	BOS	AVL	4	744	2	372	2	372	100.0%	100.0%
G4	AVL-BWI	AVL	BWI	2	372	2	342	0	30	0.0%	8.8%
G4	BWI-AVL	BWI	AVL	2	372	2	342	0	30	0.0%	8.8%
G4 G4	AVL-DEN DEN-AVL	AVL DEN	DEN AVL	2 2	372 372	2 2	312 312	0	60 60	0.0% 0.0%	19.2% 19.2%
G4 G4	AVL-EWR	AVL	EWR	2	372	3	558	(1)	(186)	(33.3%)	(33.3%)
G4	EWR-AVL	EWR	AVL	2	372	3	558	(1)	(186)	(33.3%)	(33.3%)
G4	AVL-EYW	AVL	EYW	2	312	2	312	0	O Ó	0.0%	0.0%
G4	EYW-AVL	EYW	AVL	2	312	2	312	0	0	0.0%	0.0%
G4	AVL-FLL	AVL	FLL	12	2,232	12	1,992	0	240	0.0%	12.0%
G4	FLL-AVL	FLL	AVL	12	2,232	12	1,992	0	240	0.0%	12.0%
G4	AVL-HOU	AVL	HOU	2 2	372	2	342	0	30	0.0%	8.8%
G4	HOU-AVL	HOU	AVL	2	372	2 2	342	0	30 0	0.0%	8.8%
G4 G4	AVL-LAS LAS-AVL	AVL LAS	LAS AVL	2	372 372	2	372 372	0	0	0.0% 0.0%	0.0% 0.0%
G4	AVL-MDW	AVL	MDW	2	372	2	342	0	30	0.0%	8.8%
G4	MDW-AVL	MDW	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-MSP	AVL	MSP	2	372	2	372	0	0	0.0%	0.0%
G4	MSP-AVL	MSP	AVL	2	372	2	372	0	0	0.0%	0.0%
G4	AVL-PBI	AVL	PBI	2	372	2	372	0	0	0.0%	0.0%
G4 G4	PBI-AVL AVL-PGD	PBI AVL	AVL PGD	2 3	372 558	2 4	372 714	0	0 (156)	0.0% (25.0%)	0.0% (21.8%)
G4 G4	PGD-AVL	PGD	AVL	3	558 558	4	714	(1) (1)	(156)	(25.0%)	(21.8%)
G4 G4	AVL-PHX	AVL	PHX	2	372	4	0	2	372	(_0.070)	(= 1.070)
G4	PHX-AVL	PHX	AVL	2	372	0	Ő	2	372	-	-
G4	AVL-PIE	AVL	PIE	7	1,242	6	1,026	1	216	16.7%	21.1%
G4	PIE-AVL	PIE	AVL	7	1,242	6	1,026	1	216	16.7%	21.1%
G4	AVL-SFB	AVL	SFB	6	1,116	6	1,038	0	78	0.0%	7.5%
G4 G4	SFB-AVL AVL-SRQ	SFB AVL	AVL SRQ	6 2	1,116 372	6 2	1,038 372	0	78 0	0.0% 0.0%	7.5% 0.0%
G4 G4	SRQ-AVL	SRQ	AVL	2	372	2	372	0	0	0.0%	0.0%
G4	AVL-VPS	AVL	VPS	0	0	0	0	0	0	-	-
G4	VPS-AVL	VPS	AVL	0	Ő	0	Ő	0	Ő	-	-
SY	AVL-MSP	AVL	MSP	2	372	2	372	0	0	0.0%	0.0%
SY	MSP-AVL	MSP	AVL	2	372	2	372	0	0	0.0%	0.0%
UA	AVL-DEN	AVL	DEN	7	490	0	0	7	490	-	-
UA UA	DEN-AVL AVL-EWR	DEN AVL	AVL EWR	7 7	490 490	0 7	0 476	7 0	490 14	- 0.0%	- 2.9%
UA	EWR-AVL	EWR	AVL	7	490 490	7	476	0	14	0.0%	2.9%
UA	AVL-IAD	AVL	IAD	0	0	0	0	0	0	-	-
UA	IAD-AVL	IAD	AVL	0	0	0	Ő	0	0	-	-
UA	AVL-ORD	AVL	ORD	14	1,022	21	1,050	(7)	(28)	(33.3%)	(2.7%)
UA	ORD-AVL	ORD	AVL	14	1,022	21	1,050	(7)	(28)	(33.3%)	(2.7%)
			Total	510	54,268	412	44,564	98	9,704	23.8%	21.8%

	Travel Per	riod		May 2024		May 2023		Diff	ζoY	Percent	Diff YoY
Mkt Al		Orig	Dest	Ops/Week	Seats	Ops/Week	Seats			Ops/Week	
AA	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-
AA	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-
AA	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-
AA AA	BOS-AVL AVL-CLT	BOS AVL	AVL CLT	0 55	0 4,831	0 40	0 4,199	0 15	0 632	- 37.5%	- 15.1%
AA	CLT-AVL	CLT	AVL	55	4,831	40	4,199	15	632	37.5%	15.1%
AA	AVL-DCA	AVL	DCA	14	910	7	499	7	411	100.0%	82.4%
AA	DCA-AVL	DCA	AVL	14	910	7	499	7	411	100.0%	82.4%
AA	AVL-DFW	AVL	DFW	14	1,582	7	896	7	686	100.0%	76.6%
AA	DFW-AVL	DFW	AVL	14	1,582	7	896	7	686	100.0%	76.6%
AA	AVL-LGA	AVL	LGA	7	532	7	466	0	66	0.0%	14.2%
AA AA	LGA-AVL	LGA AVL	AVL MIA	7 0	532 0	7 0	466 0	0 0	66 0	0.0%	14.2%
AA AA	AVL-MIA MIA-AVL	MIA	AVL	0	0	0	0	0	0	-	-
AA	AVL-ORD	AVL	ORD	7	455	0 0	0	7	455	-	-
AA	ORD-AVL	ORD	AVL	7	455	0	0	7	455	-	-
AA	AVL-PHL	AVL	PHL	7	350	11	550	(4)	(200)	(36.4%)	(36.4%)
AA	PHL-AVL	PHL	AVL	7	350	11	550	(4)	(200)	(36.4%)	(36.4%)
B6	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-
B6	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-
DL DL	ATL-AVL AVL-ATL	ATL AVL	AVL ATL	46 46	5,060 5,060	39 39	4,290 4,290	7 7	770 770	17.9% 17.9%	17.9% 17.9%
DL	AVL-LGA	AVL	LGA	21	1,470	13	4,290 916	8	554	61.5%	60.5%
DL	LGA-AVL	LGA	AVL	21	1,470	13	916	8	554	61.5%	60.5%
DL	AVL-MSP	AVL	MSP	7	1,099	3	471	4	628	133.3%	133.3%
DL	MSP-AVL	MSP	AVL	7	1,099	3	471	4	628	133.3%	133.3%
G4	AUS-AVL	AUS	AVL	2	312	2	372	0	(60)	0.0%	(16.1%)
G4	AVL-AUS	AVL	AUS	2	312	2	372	0	(60)	0.0%	(16.1%)
G4 G4	AVL-BOS BOS-AVL	AVL BOS	BOS AVL	2 2	372 372	2 2	372 372	0 0	0 0	0.0% 0.0%	0.0% 0.0%
G4 G4	AVL-BWI	AVL	BWI	3	558	3	558	0	0	0.0%	0.0%
G4	BWI-AVL	BWI	AVL	3	558	3	558	Ő	Ő	0.0%	0.0%
G4	AVL-DEN	AVL	DEN	2	372	2	342	0	30	0.0%	8.8%
G4	DEN-AVL	DEN	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-EWR	AVL	EWR	2	372	2	372	0	0	0.0%	0.0%
G4	EWR-AVL	EWR	AVL	2	372	2	372	0	0	0.0%	0.0%
G4 G4	AVL-EYW EYW-AVL	AVL EYW	EYW AVL	2 2	312 312	2 2	312 312	0	0 0	0.0% 0.0%	0.0% 0.0%
G4 G4	AVL-FLL	AVL	FLL	12	2,232	12	2,127	0	105	0.0%	4.9%
G4	FLL-AVL	FLL	AVL	12	2,232	12	2,127	0	105	0.0%	4.9%
G4	AVL-HOU	AVL	HOU	2	372	2	342	0	30	0.0%	8.8%
G4	HOU-AVL	HOU	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-LAS	AVL	LAS	2	372	2	372	0	0	0.0%	0.0%
G4	LAS-AVL	LAS	AVL	2	372	2	372	0	0	0.0%	0.0%
G4 G4	AVL-MCO MCO-AVL	AVL MCO	MCO AVL	2 2	372 372	0	0 0	2 2	372 372	-	-
G4 G4	AVL-MDW	AVL	MDW	2	372	2	342	0	30	0.0%	- 8.8%
G4	MDW-AVL	MDW	AVL	2	372	2	342	0	30	0.0%	8.8%
G4	AVL-MSP	AVL	MSP	2	372	0	0	2	372	-	-
G4	MSP-AVL	MSP	AVL	2	372	0	0	2	372	-	-
G4	AVL-PBI	AVL	PBI	2	372	2	372	0	0	0.0%	0.0%
G4 G4	PBI-AVL AVL-PGD	PBI AVL	AVL PGD	2 4	372 744	2 4	372 744	0	0 0	0.0% 0.0%	0.0% 0.0%
G4 G4	PGD-AVL	PGD	AVL	4	744 744	4	744 744	0	0	0.0%	0.0%
G4	AVL-PHX	AVL	PHX	2	372	0	0	2	372	-	-
G4	PHX-AVL	PHX	AVL	2	372	0	0	2	372	-	-
G4	AVL-PIE	AVL	PIE	7	1,242	7	1,302	0	(60)	0.0%	(4.6%)
G4	PIE-AVL	PIE	AVL	7	1,242	7	1,302	0	(60)	0.0%	(4.6%)
G4	AVL-SFB SFB-AVL	AVL SFB	SFB	6	1,098	6	1,047	0	51	0.0% 0.0%	4.9% 4.9%
G4 G4	AVL-SRQ	AVL	AVL SRQ	6 2	1,098 372	6 2	1,047 372	0	51 0	0.0%	4.9% 0.0%
G4 G4	SRQ-AVL	SRQ	AVL	2	372	2	372	0	0	0.0%	0.0%
G4	AVL-VPS	AVL	VPS	0	0	0	0	0	0	-	-
G4	VPS-AVL	VPS	AVL	0	0	0	0	0	0	-	-
SY	AVL-MSP	AVL	MSP	2	372	2	372	0	0	0.0%	0.0%
SY	MSP-AVL	MSP	AVL	2	372	2	372	0	0	0.0%	0.0%
UA UA	AVL-DEN DEN-AVL	AVL DEN	DEN AVL	7 7	490 490	0 0	0 0	7 7	490 490	-	-
UA	AVL-EWR	AVL	EWR	7	490 490	7	350	0	490 140	0.0%	- 40.0%
UA	EWR-AVL	EWR	AVL	7	490	7	350	0	140	0.0%	40.0%
UA	AVL-IAD	AVL	IAD	0	0	0	0	0	0	-	-
UA	IAD-AVL	IAD	AVL	0	0	0	0	0	0	-	-
UA	AVL-ORD	AVL	ORD	21	1,554	21	1,190	0	364	0.0%	30.6%
UA	ORD-AVL	ORD	AVL	21	1,554	21	1,190	0	364	0.0%	30.6%
			Total	546	59,570	418	47,094	128	12,476	30.6%	26.5%
			iolai	J+0	33,370	410	+1,034	.20		00.070	20.070









MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Chief Financial Officer

DATE: February 9, 2024

ITEM DESCRIPTION – Information Section Item B

Greater Asheville Regional Airport – Explanation of Extraordinary Variances Month of December 2023

SUMMARY

Operating Revenues for the month of December were \$2,176,913, 19.8% over budget. Operating Expenses for the month were \$1,323,577, 24.0% under budget. As a result, Net Operating Revenues before Depreciation were \$853,336. Net Non-Operating Revenues were \$603,396.

Year-to-date Operating Revenues were \$15,024,274, 16.1% over budget. Year-to-date Operating Expenses were \$6,980,129, 20.3% under budget. Year-to-date Net Operating Revenues before Depreciation were \$8,044,145. Net Non-Operating Revenues for the year were \$4,656,671.

REVENUES

Significant variations to budget for December were:

Term space rentals - airlines	\$67,811	24.44%	Enplanements over budget
Landing fees	\$52,208	25.90%	Landings over budget
Concessions	\$35,738	63.54%	Advertising and food sales over budget
Auto parking	\$179,252	25.61%	Parking higher than anticipated
Other leases and fees	\$15,610	61.26%	FAA refund of reimbursable funding

Information Section – Item B



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY Information Section Item B Asheville Regional Airport – Explanation of Extraordinary Variances Month Ended December 2023 Page 2

EXPENSES

Significant variations to budget for December were:

Professional services	(\$39,305)	(81.79%)	Minimal invoicing during month
Contracted services	(\$57,763)	(27.53%)	Timing of contractual services
Travel and training	(\$11,407)	(50.74%)	Less travel than anticipated
Utility services	(\$22,235)	(53.84%)	Electricity less than anticipated
Promotional activities	(\$13,871)	(49.30%)	Timing of promotional activities
		()	5 1

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Cash and Cash Equivalents – Cash and Cash Equivalents decreased by \$4.3M mostly due to the terminal, ATC tower and south parking lot construction projects.

Passenger Facility Charges Receivable – Passenger Facility Charges Receivable decreased by \$600K due to receipt of payment lost in mail and subsequently reissued in December.

Grants Receivable – Grants Receivable decreased by \$800K due to receipt of grant funding.

Construction in Progress – Construction in Progress increased by \$9.9M mostly due to the terminal, ATC tower and south parking lot construction projects.

Property and Equipment, Net – Property and Equipment, Net decreased by \$687K due to depreciation.

ASHEVILLE REGIONAL AIRPORT INVESTMENT AND INTEREST INCOME SUMMARY As of December 31, 2023

Institution:	Interest Rate	Investment Amount	Monthly Interest
Bank of America - Operating Account	1.60%	\$ 7,590,771	20,812
NC Capital Management Trust - Cash Portfolio Petty Cash		21,796,147 200	96,920
Restricted Cash:			
Bank of America - PFC Revenue Account BNY Mellon	1.60%	18,171,669 851,627	34,085
NC Capital Mgt Trust - 2022A Construction		162,909,851	724,085
NC Capital Mgt Trust - 2022A Parity Reserve		13,804,511	61,384
NC Capital Mgt Trust - 2022A Capitalized Interest		19,765,735	88,210
NC Capital Mgt Trust - 2023 Construction NC Capital Mgt Trust - 2023 Capitalized Interest		141,983,551	656,401
NC Capital Mgt Trust - 2025 Capitalized Interest		19,114,508	84,996
Total		\$ 405,988,570	\$ 1,766,893
Investment Diversification:			
Banks	7%		
NC Capital Management Trust	93%		
Commercial Paper	0%		
Federal Agencies US Treasuries	0% 0%		
	100%		

ASHEVILLE REGIONAL AIRPORT STATEMENT OF CHANGES IN FINANCIAL POSITION For the Month Ended December 31, 2023

		Prior Period		
Cash and Investments Beginning of Period	\$	410,263,173	\$	408,678,075
Net Income/(Loss) Before Capital Contributions		769,028		1,231,560
Depreciation		687,703		687,703
Decrease/(Increase) in Receivables		1,226,927		5,653,696
Increase/(Decrease) in Payables		1,489,190		1,332,453
Decrease/(Increase) in Prepaid Expenses		-		40,000
Decrease/(Increase) in Fixed Assets		(9,893,952)		(8,201,701)
Principal Payments of Bond Maturities		-		-
Capital Contributions		1,446,501		841,387
Prior period adjustment - Forfeiture Funds		-		-
Increase(Decrease) in Cash		(4,274,603)		1,585,098
Cash and Investments End of Period	\$	405,988,570	\$	410,263,173

ASHEVILLE REGIONAL AIRPORT STATEMENT OF FINANCIAL POSITION As of December 31, 2023

	Current Month	Last Month
ASSETS		
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$29,387,118	\$27,588,661
Accounts Receivable Passenger Facility Charges Receivable	847,163 600,000	789,573 1,200,000
Refundable Sales Tax Receivable	543,341	431,843
Grants Receivable	430,932	1,226,947
Prepaid Expenses	15,399,414	15,399,414
GASB 87 Short-term Lease Receivable	1,762,290	1,762,290
Total Unrestricted Assets	48,970,258	48,398,728
Restricted Assets:		
Cash and Cash Equivalents	376,601,452	382,674,512
Total Restricted Assets	376,601,452	382,674,512
Total Current Assets	425,571,710	431,073,240
New Address		
Noncurrent Assets: Construction in Progress	104,450,128	94,556,176
Net Pension Asset - LGERS	(2,625,838)	(2,625,838)
Benefit Payment - OPEB	526,250	526,250
Contributions in Current Year	2,088,580	2,088,580
GASB 87 Long-term Lease Receivable	14,624,992	14,624,992
Property and Equipment - Net	176,708,306	177,396,009
Total Noncurrent Assets	295,772,418	286,566,169
	\$721,344,128	\$717,639,409
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable & Accrued Liabilities	\$84,901	\$38,134
Customer Deposits Unearned Revenue	121,112 195,460	88,018 385,615
Construction Contract Retainages	2,046,190	2,046,190
Revenue Bond Payable - Current	1,410,000	1,410,000
GASB 87 Short-term Deferred Revenue	2,257,607	2,257,607
Interest Payable	10,729,632	9,130,148
Total Payable from Unrestricted Assets	16,844,902	15,355,712
Total Current Liabilities	16,844,902	15,355,712
Noncurrent Liabilities:		
Pension Deferrals - OPEB	247,467	247,467
Other Postemployment Benefits	1,435,875	1,435,875
Compensated Absences	721,851	721,851
Net Pension Obligation-LEO Special Separation Allowance GASB 87 Long-term Deferred Revenue	703,270 13,753,750	703,270 13,753,750
Revenue Bond Payable - 2016 - Noncurrent	10,860,000	10,860,000
Revenue Bond Payable - 2022A - Noncurrent	196,541,352	196,541,352
Revenue Bond Payable - 2023 - Noncurrent	188,346,050	188,346,050
Total Noncurrent Liabilities	412,609,615	412,609,615
Total Liabilities	429,454,517	427,965,327
Net Assets:		
Invested in Capital Assets	268,888,434	259,682,185
Restricted	376,601,452	382,674,512
Unrestricted	(353,600,275)	(352,682,615)
Total Net Assets	291,889,611	289,674,082
	\$721,344,128	\$717,639,409

Income Statement

Through 12/31/23 Summary Listing

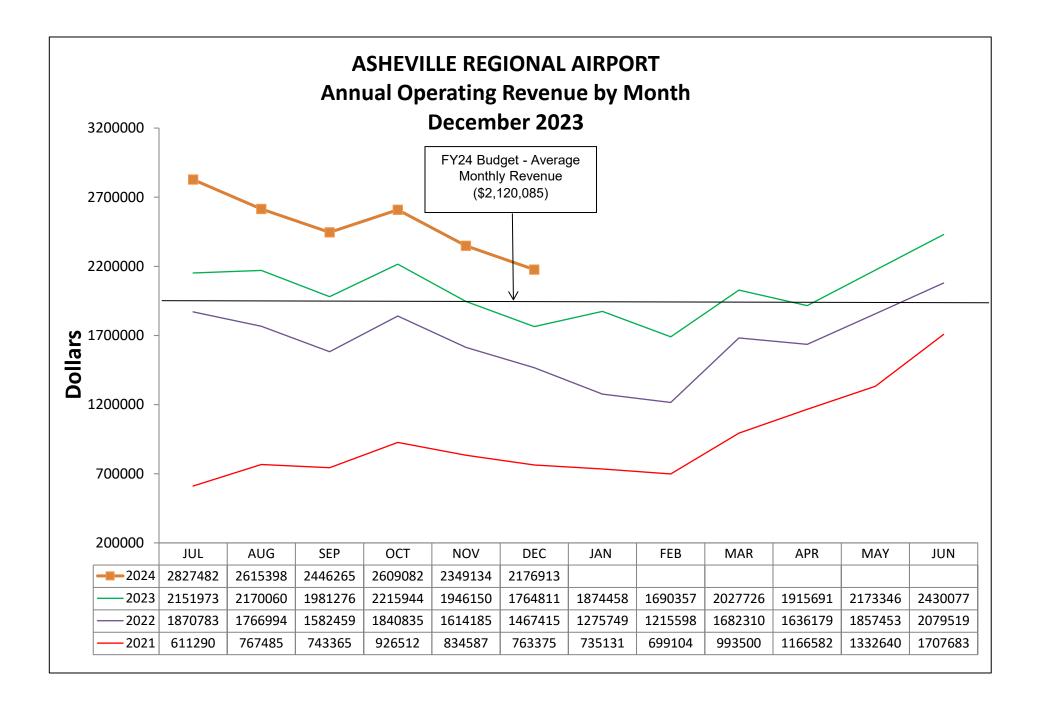
		MTD	YTD	YTD	YTD	Annual	Budget Less
Classification		Actual Amount	Actual Amount	Budget Amount	Variance	Budget Amount	YTD Actual
Fund Category Governmental Funds							
Fund Type General Fund							
Fund 10 - General Fund							
Operating revenues							
Terminal space rentals - non airline		25,179.01	150,273.46	150,704.00	(430.54)	301,408.00	151,134.54
Terminal space rentals - airline		345,320.51	2,290,109.20	2,021,855.22	268,253.98	3,964,422.00	1,674,312.80
Landing fees		253,799.79	1,805,579.77	1,468,743.39	336,836.38	2,879,889.00	1,074,309.23
Concessions		91,982.72	685,410.53	409,785.00	275,625.53	803,500.00	118,089.47
Auto parking		879,252.01	6,032,287.60	5,100,000.00	932,287.60	10,000,000.00	3,967,712.40
Rental car - car rentals		303,128.53	2,476,846.37	2,273,564.70	203,281.67	4,457,970.00	1,981,123.63
Rental car - facility rent		63,311.23	380,634.74	382,721.00	(2,086.26)	765,442.00	384,807.26
Commerce ground transportation		24,251.83	293,188.51	135,150.00	158,038.51	265,000.00	(28,188.51)
FBOs		114,738.70	720,716.54	665,331.50	55,385.04	1,330,663.00	609,946.46
Building leases		4,424.23	26,352.36	25,837.00	515.36	51,674.00	25,321.64
Land leases		30,431.05	181,848.95	157,625.50	24,223.45	315,251.00	133,402.05
Other leases and fees		41,093.45	(18,973.57)	152,900.00	(171,873.57)	305,800.00	324,773.57
	Operating revenues Totals	\$2,176,913.06	\$15,024,274.46	\$12,944,217.31	\$2,080,057.15	\$25,441,019.00	\$10,416,744.54
Non-operating revenue and expense							
Customer facility charges		164,249.75	1,396,006.00	1,122,000.00	274,006.00	2,200,000.00	803,994.00
Passenger facility charges		271,629.17	2,306,017.20	1,938,000.00	368,017.20	3,800,000.00	1,493,982.80
Interest revenue		1,766,893.27	10,502,614.85	6,000,000.00	4,502,614.85	12,000,000.00	1,497,385.15
Interest expense		(1,599,484.63)	(9,596,907.78)	(9,559,942.00)	(36,965.78)	(19,119,884.00)	(9,522,976.22)
Gain or loss on disposal of assets		.00	40,055.00	.00	40,055.00	.00	(40,055.00)
P-card rebate		.00	8,326.66	.00	8,326.66	.00	(8,326.66)
Miscellaneous		108.84	558.84	.00	558.84	.00	(558.84)
	Non-operating revenue and expense Totals	\$603,396.40	\$4,656,670.77	(\$499,942.00)	\$5,156,612.77	(\$1,119,884.00)	(\$5,776,554.77)
Capital contributions		1,446,500.54	9,716,138.90	.00	9,716,138.90	.00	(9,716,138.90)

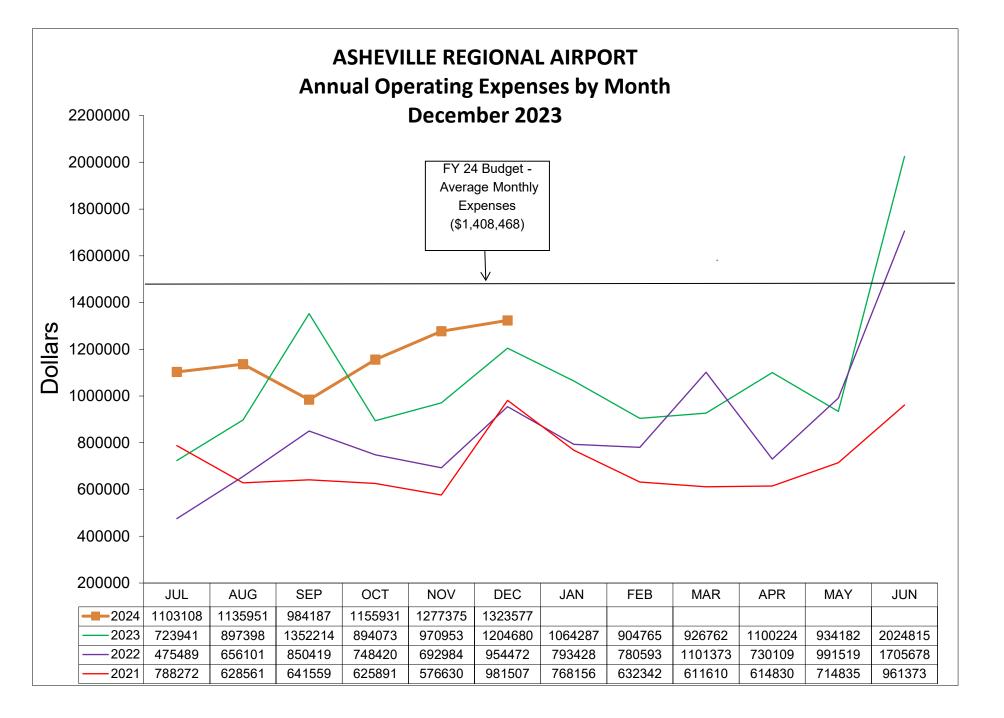
Operating expenses

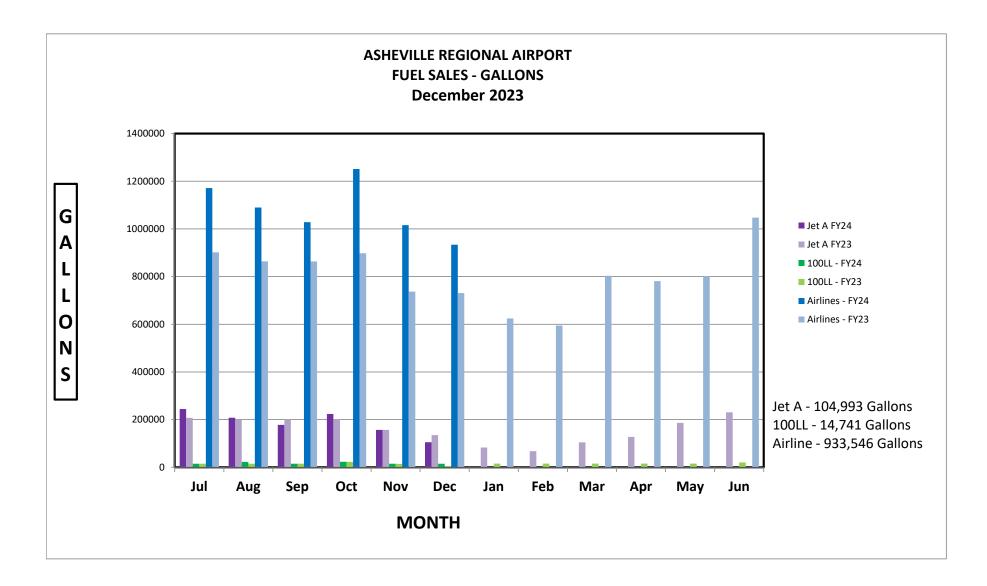
Income Statement

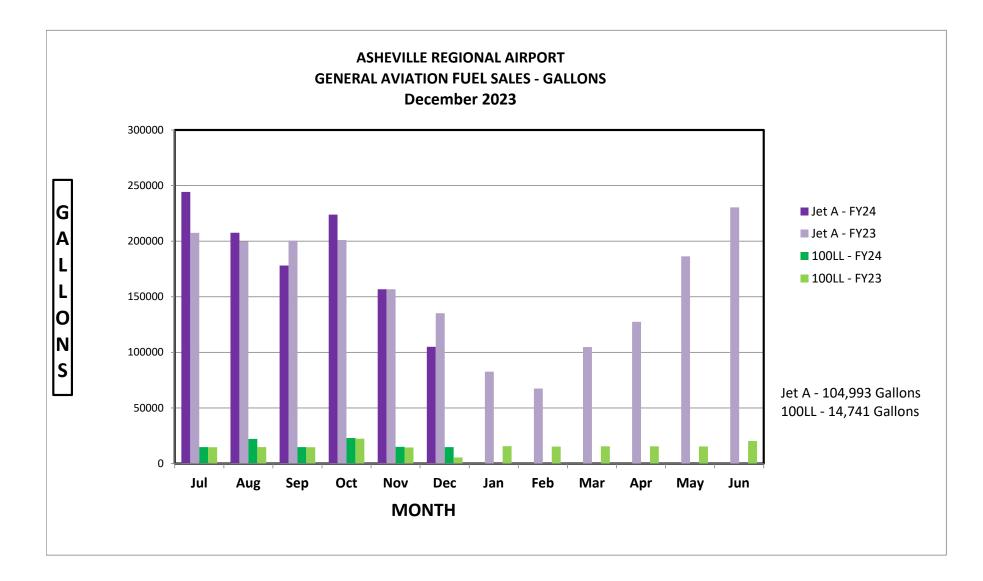
Through 12/31/23 Summary Listing

		MTD	YTD	YTD	YTD	Annual	Budget Less
Classification		Actual Amount	Actual Amount	Budget Amount	Variance	Budget Amount	YTD Actual
Personnel services		1,026,954.89	4,229,876.49	5,400,851.50	(1,170,975.01)	10,801,703.00	6,571,826.51
Professional services		8,753.35	196,856.98	288,350.00	(91,493.02)	576,700.00	379,843.02
Other contractual services		152,039.97	1,017,765.34	1,258,821.00	(241,055.66)	2,517,642.00	1,499,876.66
Travel and training		11,074.43	60,768.54	134,890.00	(74,121.46)	269,780.00	209,011.46
Communiations		4,979.55	25,322.64	28,850.00	(3,527.36)	57,700.00	32,377.36
Utility services		19,061.74	182,514.40	247,782.50	(65,268.10)	495,565.00	313,050.60
Rentals and leases		3,588.28	22,939.08	10,255.00	12,684.08	20,510.00	(2,429.08)
Insurance		.00	367,692.22	364,725.41	2,966.81	398,607.00	30,914.78
Advertising, printing and binding		830.68	5,212.82	4,975.00	237.82	9,950.00	4,737.18
Promotional activities		14,262.28	162,360.76	168,800.00	(6,439.24)	337,600.00	175,239.24
Other current charges and obligations		5,792.40	39,122.10	53,262.50	(14,140.40)	106,525.00	67,402.90
Operating supplies		56,387.53	336,719.15	328,445.00	8,274.15	656,890.00	320,170.85
Publications, subscriptions, memberships, etc.		1,512.80	42,797.50	38,040.00	4,757.50	76,080.00	33,282.50
Repairs and maintenance		13,738.94	136,500.82	106,600.00	29,900.82	213,200.00	76,699.18
Small equipment		4,600.61	53,744.07	45,750.00	7,994.07	91,500.00	37,755.93
Contingency		.00	.00	50,000.00	(50,000.00)	100,000.00	100,000.00
Emergency repairs		.00	37,328.13	25,000.00	12,328.13	50,000.00	12,671.87
Business development		.00	55,791.89	200,000.00	(144,208.11)	400,000.00	344,208.11
Bad debt expense		.00	6,816.99	.00	6,816.99	.00	(6,816.99)
	Operating expenses Totals	\$1,323,577.45	\$6,980,129.92	\$8,755,397.91	(\$1,775,267.99)	\$17,179,952.00	\$10,199,822.08
Depreciation							
Depreciation		687,703.58	4,126,221.48	.00	4,126,221.48	.00	(4,126,221.48)
	Depreciation Totals	\$687,703.58	\$4,126,221.48	\$0.00	\$4,126,221.48	\$0.00	(\$4,126,221.48)
	Grand Totals						
	REVENUE TOTALS	4,226,810.00	29,397,084.13	12,444,275.31	16,952,808.82	24,321,135.00	(5,075,949.13)
	EXPENSE TOTALS	2,011,281.03	11,106,351.40	8,755,397.91	2,350,953.50	17,179,952.00	6,073,600.60
	Grand Total Net Gain (Loss)	\$2,215,528.97	\$18,290,732.73	\$3,688,877.41	\$14,601,855.33	\$7,141,183.00	\$11,149,549.73









	Design Phase													
Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 2/1/2024)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 2/1/2024)	Start Date	End Date	Current Project Status (as of 2/1/2024)
1	Terminal Building Renovations	Phase 2 - Terminal Building Modernization Design	Gresham Smith	\$12,608,794.00	N/A	N/A	\$7,843,633	60.4%	\$20,141,760	75.2%	\$15,149,685	Nov-19	Apr-27	CA services continue.
2	Terminal Building Renovations	Program Management Services	Parsons Transportation Group, Inc.	\$1,279,968.00	N/A	N/A	\$0	0.0%	\$1,279,968	37.1%	\$474,310	Jul-23	Dec-27	Project management continues.
3	Air Traffic Control Tower	Design new facility	Pond Company	\$4,157,923.00	N/A	N/A	\$661,133	15.9%	\$4,819,056	88.0%	\$4,239,040	Mar-21	Dec-24	Project management in process.
4	Airport Master Plan	Update current Master Plan	СНА	\$989,004.00	N/A	N/A	\$0	0.0%	\$989,004	79.3%	\$784,369	Jul-21	Dec-23	Progressing financial report. Last PA Meeting scheduled for February.
5	South Parking Lot	Enabling Pre-Construction work including design, tree removal and clearing.	AVCON	\$374,976.00	N/A	N/A	\$0	0.0%	\$374,976	92.7%	\$347,545	Jan-23	Nov-23	Project management in process. Developing alternatives for additiona drainage capacity.
						Cons	struction Phas	е						
Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 2/1/2024)	Percent of Original Contract	*Board Approved Project Cost	Percent Complete	Expensed to Date (thru 2/1/2024)	Start Date	End Date	Current Project Status (as of 2/1/2024)
1	Terminal Building Modernization - CMR Construction	CGMP-1 Utilities relocation \$6,215,900 CGMP-2 CEP and Equipment Purchase \$77,999,756 and CGMP-3 \$261,577,165	Gresham Smith	Construction Cost	Hensel Phelps	\$345,792,821.00	\$0	0.00%	\$345,792,821.00	17.5%	\$60,601,825	Jan-22	Apr-27	CEP storm water and sanitary piping installed. Rental Car offices move in March. North Concourse steel installation continues.
2	Air Traffic Control Tower	Construction of ATCT and Base Building Facility	Pond	Construction Cost	J Kokolakis Contracting	\$44,344,052.00	\$0	0.00%	\$46,561,255.00	18.3%	\$8,515,018	Dec-22	Dec-24	Progressing foundations for Base Building and Tower. Tracon perimete stem walls installed. Mud mat poured Rebar installed for pile cap.
3	South Parking Lot	Construction work including clearing, paving, stormwater pipe and landscaping		Construction Cost	Tennoca Construction Company	\$8,388,839.20	\$69,583.81	0.00%	\$10,897,307.01 *(bal of approved	43.1%	\$4,698,981	Jun-23	Jul-24	Clearing and grading progressing fo construction of entrance off Termina Drive behind Gas Station

contract)

Key strategic priorities

<u>**Governance vs. Management</u></u>: Focus on setting governing direction ("guard rails") for the organizational and holding management accountable for the execution of operational tactics. Pursue continuous educational opportunities for Authority Member development.</u>**

- 1. Organizational Relevance: Remaining relevant in an era of airport consolidation
- 2. **Financial Stewardship**: Sustainability/Operating Performance/Audit & Compliance
- 3. Municipal Relations: Positive relationships with all municipalities surrounding the airport
- 4. Stakeholder Relations: Positive relationships with neighbors and other community organizations
- 5. Community Image: Public Perception/Public Relations/Customer Service/Legal Entity
- 6. Facilities Stewardship: Future Master Facilities Plan
- 7. Environmental Stewardship: Accountability/Awareness of Environmental Issues
- 8. **Economic Development**: Engage Community Partners/Airline Service Development
- 9. Vendor-Partner Relations: General Aviation/Rental Car Agencies/Vendors
- 10. <u>Public Safety</u>: Airport Emergency Safety/TSA Relations/Municipal Partners
- 11. Organizational Accountability: President & CEO Supervision

