AGENDA

Greater Asheville Regional Airport Authority Regular Meeting
Friday, October 9, 2026, 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 BOARD MEMBER: Shantelle Simpson

III: PRESENTATIONS: None

IV. FINANCIAL REPORT (**document**)

V. CONSENT ITEMS:

A. Approval of the Greater Asheville Regional Airport Authority August 14, 2026 Regular Meeting Minutes (**document**)

B. Approval of Amendment to the FY26/27 Budget – Public Safety Salary Local Law Enforcement Officer Compensation Bonus Program (**document**)

VI. OLD BUSINESS: None

VII. NEW BUSINESS:

A. Presentation of the Draft Annual Audited Financial Report for Fiscal Year 2025/2026 (**document**)

B. Resolution Adding Truist Bank as Official Depository - Trustee Accounts (**document**)

C. Approval of the Greater Asheville Regional Airport Authority Board Schedule for 2027 (**document**)

VIII. PRESIDENT'S REPORT:

A. 2026 Industry Metrics

B. Moody Bond Rating

C. Topping Out Ceremony

D. Updated FY27 Org Chart

E. Industry Conference Schedule

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

A. August 2026 Traffic Report (**document**)

B. August 2026 Monthly Financial Report (**document**)

C. October 2026 Development/Project Status Report (**document**)

D. Potential Board Items for the Next Regular Meeting:

- None identified at this time

X. PUBLIC AND TENANTS' COMMENTS

XI. CALL FOR NEXT MEETING: November 13, 2026

XII. CLOSED SESSION

XIII. AUTHORITY MEMBER REPORTS:

A. Key Strategic Elements (**document**)

XIV. 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.

Asheville Regional Airport

Executive Summary

August-26

AIRPORT ACTIVITY

	Month	Variance to Prior Year	Calendar Year to Date	Variance to Prior Year
Passenger Enplanements	105,591	(2.6%)	734,717	1.1%
Aircraft Operations				
Commercial	3,293	(2.9%)	21,846	2.6%
Scheduled Flights	1,330	5.1%		
Flight Cancellations	33			
Seats	136,310	2.0%	949,975	6.0%
Load Factor	77.5%	(4.5%)	77.3%	(4.7%)
General Aviation	4,148	13.7%	29,597	15.4%
Military	268	44.1%	2,167	50.2%

FINANCIAL RESULTS

	Month	Variance to Budget	Fiscal Year to Date	Variance to Budget
Operating Revenues	$3,755,488	(0.9%)	$ 7,985,496	0.3%
Operating Expenses	1,490,379	(27.5%)	3,581,896	(25.6%)
Net Operating Revenues before Depreciation	$2,265,109		$ 4,403,600	
Net Non-Operating Revenues	$ (4,049)		$ 31,333	
Grants:				
Federal Grants	$ -		$ -	
NC Dept of Transportation Grants (1)	-		-	
Total	$ -		$ -	

CASH

Restricted - PFC Revenue Account	$ 26,072,715
Restricted - NCCMT (Debt Service Series 2016)	11,915
Restricted - Bond Series 2022A	156,283,516
Restricted - Bond Series 2023	58,659
Designated for O&M Reserve	21,915,943
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	59,106,621
Total	$ 264,099,369

RECEIVABLES PAST DUE

	Total	1-30 Days	31-60 Days	Over 60 Days
Advertising Customers	10,771	6,233	2,125	2,413
American Airlines	2,123	-	-	2,123
Signature Flight	4,151	4,151	-	-
Total	$ 17,046	$ 10,384	$ 2,125	$ 4,536
% of Total Receivables	0.70%			

Note: Excludes balances paid subsequent to month-end.

REVENUE BONDS PAYABLE

	Original Amount	Current Balance
Parking Garage Revenue Bond, Series 2016A	$ 15,750,000	$ 7,940,000
Terminal Revenue Bond, Series 2022A	185,000,000	185,000,000
Terminal Revenue Bond, Series 2023	175,000,000	175,000,000
	$ 375,750,000	$ 367,940,000

CAPITAL EXPENDITURES

Annual Budget	$ 177,423,525
Year-to-Date Spending	$ 1,135,156

REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 14, 2026

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, August 14, 2026 at 8:30 a.m. in Council Chambers at the Fletcher Town Hall, 300 Old Cane Creek Road, Fletcher, NC 28732.

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

MEMBERS ABSENT: Susan Russo Klein; Gene O. Bell; Shantelle Simpson

STAFF AND LEGAL COUNSEL PRESENT: Sabrina P. Rockoff, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Tina Kinsey, Chief Administrative Officer; Lexie Farmer, Chief Operations Officer; Amy Harris, Chief Financial Officer; John Coon, VP – Operations and Maintenance; Christina Madsen, Vice President – Business Development and Properties; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; Angie Daus, VP – Air Service and Corporate Communications; Tom Avolese, Firefighter; Sam Finkelstein, IT Systems Technician; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Yvonna Matthis; Marshall Stevens, AAAE Chairman; Amanda Bastianelli, McFarland Johnson; Travis Bird, Avcon, Inc.; Raynetta Waters, Paradies Lagardere

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

The Chair noted that the following Board Members have recently been sworn in by the clerk for their positions on the Authority Board: Britt Lovin as Chair, Nathan Kennedy as a re-appointed Board Member and Vice-Chair, Gene Bell as a re-appointed Board Member, and Shantelle Simpson as Board Member.

PRESENTATION OF AAAE DISTINGUISHED SERVICE AWARD: Marshall Stevens, Chairman of the American Association of Airport Executives ("AAAE") presented the AAAE Distinguished Service Award to Lew Bleiweis. Mr. Stevens noted that the award is one of AAAE's highest levels of recognition and airport professionals receive the award as a reflection of outstanding accomplishments in their professional and personal lives. The Board congratulated the president on the significant accomplishment.

EMPLOYEE RECOGNITION: The Chair recognized Tom Avolese with a service award and gift for his 20 years of service with the Authority.

PRESENTATIONS: None

FINANCIAL REPORT: The president delivered a review of enplanements, aircraft operations, and general aviation activity for the month of June. Amy Harris reported on the financial results for the month of June.

CONSENT ITEMS: The Chair stated that Consent Item E, Approval of the Greater Asheville Regional Airport Authority June 12, 2026 Closed Session Minutes Parts A and B would be removed from the agenda.

A. Approval of the Greater Asheville Regional Airport Authority June 12, 2026 Regular Meeting Minutes:

B. Approval of Amendment to the FY26/27 Budget – Capital Carryover, Revenue and Salary Adjustments:

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, 2027:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Administrative Department	$494,391	
Planning Department		$22,191
Executive Department		$103,654
Finance Department		$26,026
Guest Services Department		$17,636
Technology Department		$25,990
Marketing Department		$17,223
Maintenance Department		$58,784
Operations Department		$51,898
Custodial Department		$13,336
Properties Department		$16,621
Public Safety Department		$72,630
ARFF Department		$42,859
Telecommunications Department		$25,543
Capital Improvements	$8,494,358	
Totals	$8,988,749	$494,391

This will result in a net increase of $8,494,358 in the appropriations. Revenues will be revised as follows:

REVENUES:

	Decrease	Increase
Transfer from GARAA Cash	$8,494,358	
Totals	$8,494,358	

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 14th day of August, 2026.

_____
Britt Lovin, Chair

Attested by:

_____
Ellen Heywood, Clerk to the Board

C. Approval of Amended Administrative Policies and Procedures:

D. Approval of Amended Human Resources Policies and Procedures:

Dr. Leatherwood moved to approve Consent Items A through D. Mr. Ricker seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Two New Operations Positions and Associated Budget Amendment: John Coon reported that the Authority has relied on PASSUR Aerospace, Inc. for gate scheduling since 2019. PASSUR will discontinue day-to-day gate scheduling after September 30, 2026, though software access will continue until December 31, 2026. Staff determined that two additional operations positions are needed to manage gate scheduling for 8 gates and 8 hardstand locations, increasing total FTEs from 114.5 to 116.5. New gate scheduling software will be purchased.

Mr. Coon further stated that $161,306 will be transferred from the Information Technology Department's budget from vacant positions to the Operations Department to fund the new

roles. The IT positions will remain unfunded for the remainder of FY 2026-2027. Remaining funds in the FY26/27 budget for PASSUR software will be used for new gate management software. Mr. Coon advised the Board that the following budget amendment will be necessary:

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, 2027:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Operations Dept		$161,306
Information Technology Dept	$161,306	
Totals	$161,306	$161,306

This will result in a net increase of $0 in the appropriations. Revenues will be revised as follows:

REVENUES:

	Decrease	Increase
		$0
Totals		$0

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 14th day of August, 2026.

_____

Britt Lovin, Chair

Attested by:

_____

Ellen Heywood, Clerk to the Board

Mr. Kennedy moved to approve the addition of two new positions in the Operations Budget; authorize the President & CEO to execute the necessary documents; and amend the FY26/27 Budget by adopting the budget ordinance amendment presented by staff. Dr. Leatherwood seconded the motion and it carried unanimously.

B. <u>Approval of Change Order No. 10 with Hensel Phelps for Extended General Conditions Related to Impacts from the Air Traffic Control Tower Project Delays</u>: Jared Merrill stated that as the Board may remember, Change Order No. 9 and a project budget amendment was approved in December 2025 to address owner-requested changes and delays related to the Air Traffic Control Tower (ATCT) Project. The new ATCT was commissioned on May 18, 2026, and the existing tower was decommissioned on June 17, 2026. Following these milestones, staff negotiated the General Conditions costs associated with the project delay with Hensel Phelps.

Change Order No. 10 covers extended General Conditions due to ATCT project delays, totals $2,387,032 and 184 additional calendar days. This cost is within the amount previously approved in the December 2025 budget amendment. Mr. Merrill informed the Board that the total contract with Hensel Phelps now stands at $386,375,618 and provided a review of the substantial completion dates for the project.

Mr. Ricker moved to approve Change Order No. 10 with Hensel Phelps in the amount of $2,387,032 and 184 days for the terminal project; and authorize the President and CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

C. <u>Approval of Amendment 2I to Gresham Smith for Terminal Project Design Contract Construction Administration Additional Service</u>: Jared Merrill reminded the Board of the approval in April 2022 of Task Order 2C with Gresham Smith for Contract Construction Administration Services for the Terminal Project, originally scheduled for completion in April 2026. Due to project rephasing and delays from the Air Traffic Control Tower project, the terminal construction schedule was extended to June 2028. Airport staff negotiated with Gresham Smith to extend construction administration services through project closeout in September 2028 at an additional cost.

Mr. Merrill stated that the original design contract was $12,608,794.00, with construction administration services at $7,232,602.00 and additional amendments totaling $1,712,831.00. Amendment 2I adds $2,631,808.00, bringing the total Terminal Project contract with Gresham Smith to $24,186,035.00, approximately 6.3% of the total construction cost. The change order does not require a budget amendment, as it falls within the previously approved project budget amendment.

Dr. Leatherwood moved to approve the Amendment 2I to the design contract with Gresham Smith in the amount of $2,631,808.00 and authorize the President & CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

D. <u>Approval to Purchase Stream Mitigation Credits from Anderson Farm Stream Mitigation Bank for the Overlook Parking Lot and Northeast Drainage Outfall Improvements Project</u>: Jared Merrill stated that the Authority Board previously approved design and permitting tasks for the Overlook Parking Lot and Stormwater Improvements

Project, including extensions and additional documentation. Kimley-Horn, in coordination with airport staff, completed design, bidding, and environmental documentation required by the FAA, NCDEQ, and US Army Corps of Engineers. As part of the Section 404/401 Permit Application, a Compensatory Mitigation Plan was required to offset permanent stream impacts.

To offset 276 linear feet of permanent stream impacts, 276 stream mitigation credits will be purchased from Anderson Farm Stream Mitigation Bank for a total fee of $251,712. The cost falls within the previously approved project budget and does not require a budget amendment.

Mr. Kennedy moved to approve the Stream Mitigation Credit purchase of $251,712 and authorize the President & CEO to execute the necessary documents. Dr. Leatherwood seconded the motion and it carried unanimously.

E. <u>Adoption of the Asheville Regional Airport Five-Year Capital Improvement Plan for FY2028-2032</u>: Jared Merrill presented the Capital Improvement Plan ("CIP") for FY2028-2032 and reminded the Board that the CIP allows the FAA to update available funding requirements. The priorities identified in the CIP through FY2032 include, but are not limited to, the Terminal Building Modernization Program, rehabilitation of Taxiway A, stormwater improvements, rehabilitation of the runway, roadway improvements and future development projects. Mr. Merrill stated that the CIP does not approve any contracts and does not provide staff with any authorization to award design or construction projects.

Mr. Ricker moved to adopt the Asheville Regional Airport Five-Year Capital Improvement Plan for FY2028-2032. Dr. Leatherwood seconded the motion and it carried unanimously.

F. <u>Approval of an Increase in Scope and Budget for Runway/Taxiway Sealcoat Capital Project</u>: Jared Merrill reported that the Board previously approved a capital project for Runway/Taxiway Sealcoat in the amount of $1,111,111, deferred from the FY25/26 Budget to the FY26/27 Budget. Staff evaluated emergency repairs and engaged a consultant to assess pavement discrepancies, recommending expanded work including joint and crack repair, crack seal, and seal coat for the runway, as well as additional work on Taxiway A and B not covered by the Taxiway A Rehabilitation project.

The recommended scope includes extensive repairs, crack sealing, seal coating, updated painting, and rubber removal for FAA compliance. Two quotes from Hi-Lite, per their State of NC contract pricing, were obtained: $1,099,137.30 for runway work and $885,943.35 for Taxiway A and B, totaling $1,989,916.50. Mr. Merrill informed the Board that the total cost exceeds the original budget by $888,889, requiring the following budget 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, 2027:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Capital Improvements		$888,889
Totals		$888,889

This will result in a net increase of $888,889 in the appropriations. Revenues will be revised as follows:

REVENUES:

	Decrease	Increase
Transfer from GARAA Cash		$888,889
Totals		$888,889

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 14th day of August, 2026.

_____
Britt Lovin, Chair

Attested by:

_____
Ellen Heywood, Clerk to the Board

Dr. Leatherwood moved to approve the increase in the scope of work for the Runway/Taxiway Sealcoat Capital Project; authorize the President & CEO to execute the necessary documents; and amend the FY26/27 Budget by adopting the budget ordinance amendment as presented by staff. Mr. Kennedy seconded the motion and it carried unanimously.

G. <u>Award of Contract with K. West Group, LLC for the Taxiway A Rehabilitation Project</u>: Jared Merrill stated that the Authority Board previously approved design work for the Taxiway A Rehabilitation Project with AVCON Engineers and Planners, Inc. The project scope includes rehabilitation of 6,820 feet of Taxiway A, reworking Taxiways C, D, E, G, H, J, and K, slope stabilization, removal of Taxiways H and J, the creation of a new Taxiway H, and widening/strengthening of Taxiways G and K per FAA standards and the Master Plan Update. Mr. Merrill noted that the scope does not include Resident Project Representative and Quality Assurance costs. The intent was to fill those roles with third-party firms at time of construction, however, staff requested approval of the estimated budget for those services as part of the total project budget.

The project underwent multiple bid cycles due to high costs and limited bidders. After extensive outreach and repackaging, the lowest responsible bid was received from K. West Group, LLC at $21,310,250. The total construction budget, including allowances and quality assurance, is $24,241,250.

The project will be funded by a $4 million FAA grant already executed, with an additional $8 million anticipated. The remainder will be funded by Airport Funds and will require 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, 2027:

Section 1. To amend the appropriations as follows:

<u>EXPENDITURES</u>:

	Decrease	Increase
Capital Improvements		$24,241,250
Totals		$24,241,250

This will result in a net increase of $24,241,250 in the appropriations. Revenues will be revised as follows:

<u>REVENUES</u>:

	Decrease	Increase
Transfer from GARAA Cash		$24,241,250
Totals		$24,241,250

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 14th day of August 2026.

_____
Britt Lovin, Chair

Attested by:

_____
Ellen Heywood, Clerk to the Board

The Board inquired if staff anticipated receiving the additional grant from the FAA in the current fiscal year. Mr. Merrill stated that the grant was expected in FY28, however, construction on the project would not begin until the spring so the timing of the funding should coincide with the project timeline.

Mr. Ricker moved to approve the award of the contract with K. West Group, LLC in the amount of $21,310,250 and a total project budget of $24,241,250; authorize the President & CEO to execute the necessary documents; and amend the FY2026/2027 Budget by adopting the budget ordinance amendment as presented by staff. Mr. Kennedy seconded the motion and it carried unanimously.

H. Approval of Amendment to Parking Rates and Supplemental Fees and Charges Schedule:

I. Approval of a Parking Re-configuration Project and Task Order for Entrance/Exit Re-design:

The president stated that New Business Items H and I would be presented to the Board together by Ms. Harris and Ms. Farmer since the two items were linked and dependent upon approval of both items.

Amy Harris provided background information on New Business Item H, stating that after the Board's request for a review of public parking rates, a consultant was engaged to conduct a comprehensive assessment of parking operations. After a review of the consultant's data, staff recommended combining the Hourly, Garage and northern portions of the Daily Lot into a single Premium Lot and restructuring the lower portion of the Daily Lot into a Standard Lot. Ms. Harris further stated that staff recommends the following adjustments to the parking rates effective September 10, 2026:

Premium Parking: $22/day
Standard Parking: $15/day
Shuttle Parking: $12/day (no change)

In preparation for the changes to the parking areas recommended by staff, Lexie Farmer spoke about the need for updates to the parking areas, advising the Board that these updates were included in New Business Item I. A task order with Avcon Engineering ("Avcon") will design the re-configuration of the Premium Lot Entrance and the Toll Plaza exit to prepare for the addition of newer technology including License Plate Readers that will make online reservations, booking, and customer amenities possible. The cost for the task order with Avcon amounts to $40,000.00 for the entrance/exit redesign. An additional $45,000.00 would be necessary for the product re-configuration signage, markings, and gate arm for a total phase 1 parking re-configuration project cost of $85,000.00.

The Board inquired if the re-design would make it easier for passengers to navigate the parking system. Ms. Farmer replied that the new configuration would be a better experience for passengers as the multiple pass-through gates within the current parking system would be replaced with a single entrance and single exit for access to each parking area. The president remarked that access to the parking areas will be more user friendly, and the updated parking configuration will also allow for staff to add passenger amenities.

Ms. Harris stated that in addition to the changes to the parking rates, an increase to the TNC Drop-off Fee was due to increase on July 1, 2026, however, the increase was not captured in the Supplemental Fees and Charges Schedule for FY2026/2027. The proposed TNC Drop-off Fee would increase to $2.50/trip.

Ms. Harris further stated that staff recommends a change to the Tenant Employee Parking Rate in the FY2026/2027 Supplemental Fees and Charges Schedule to $22.00/month. To provide adequate notice to the tenants, the tenant employee parking rate would be effective October 1, 2026.

Ms. Harris remarked that while additional revenue is expected due to the recommendations brought to the Board, staff did not recommend increasing the FY2026/2027 parking or supplemental fee revenue budgets at present.

The Board asked about the expected revenue from the proposed parking rate adjustments, and Ms. Harris explained that based on an extensive pro-forma analysis, the changes are projected to generate approximately $1.5 million in additional annual revenue.

Ms. Harris respectfully requested Board consent for New Business Item H, Approval of Amendment to Parking Rates and Supplemental Fees and Charges Schedule.

Dr. Leatherwood moved to approve the Amended Supplemental Fees and Charges Schedule that includes the amended public parking rates effective September 10, 2026, approve the amended TNC drop-off fee effective July 1, 2026, and approve the amended tenant employee parking fees effective October 1, 2026. Mr. Ricker seconded the motion and it carried unanimously.

After a brief discussion including new signage, equipment, and communication for the traveling public regarding the updates to the parking areas, Ms. Farmer respectfully requested Board consent for New Business Item I, Approval of a Parking Re-configuration Project and Task Order to Entrance/Exit Re-design.

Mr. Kennedy moved to approve a parking re-configuration phase 1 project budget of $85,000.00; approve a Task Order with Avcon Engineers in the amount of $40,000.00 for the re-design of the entrances/exits; authorize the President & CEO to execute the necessary documents; and amend the FY26/27 budget by adopting the following budget ordinance amendment. Dr. Leatherwood seconded the motion and it carried unanimously:

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, 2027:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Capital Improvements		$85,000
Totals		$85,000

This will result in a net increase of $85,000 in the appropriations. Revenues will be revised as follows:

REVENUES:

	Decrease	Increase
Transfer from GARAA Cash		$85,000
Totals		$85,000

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 14th day of August, 2026.

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Britt Lovin, Chair

Attested by:

_____

Ellen Heywood, Clerk to the Board

J. Approval of a Task Order for Parking Management Services RFP Document Development: Lexie Farmer informed the Board that the current Parking Management Service Agreement with Laz will expire in October 2027. Staff recommend engaging a consultant to develop a comprehensive Request for Proposal (RFP) for Parking Management Services, aligning with the Parking Facilities and Amenities Study Phase 2. Three companies were contacted for quotes; staff recommend awarding the task order to Frasca and Associates, LLC, the lowest quote at $40,000. Ms. Farmer stated that the cost is within the approved Parking Facilities and Amenities Phase 2 project budget and will be funded with Airport Funds.

A question was raised concerning an upgrade to the current parking equipment and Ms. Farmer responded that the consultant's expertise was necessary to ensure that the RFP for parking services fully addresses the equipment, amenities, and other operational components needed to better serve the airport's customers and further improve the financial pro forma.

Dr. Leatherwood moved to approve a Task Order with Frasca and Associates, LLC in the amount of $40,000.00 and authorize the President & CEO to execute the necessary documents. Mr. Ricker seconded the motion and it carried unanimously.

PRESIDENT'S REPORT:

A. USDOT BUILD Grant: The president announced that a $2.5 million grant from the USDOT BUILD grant program was awarded to the airport and will be used for roadway and entrance changes.

B. TSA Pre-check Event: The Board was apprised of a pre-check event to be held at the airport from September 1-4. The TSA mobile unit will be parked in the cell phone lot.

C: Air Traffic Control Tower Ribbon Cutting: The president updated the Board on the ribbon cutting event held on August 7th as well as a meeting held between staff, the Chair, and FAA Administrator Bedford on August 6th. The Chair expressed his appreciation to staff for the ribbon cutting event.

D. ACI/AAAE Airport Customer Experience Symposium: The AAAE/ACI Airport Customer Experience Symposium will be held at the Renaissance Hotel in Asheville in the spring of 2027. The president stated that as one of the larger specialized conferences, approximately 300 people are expected to attend.

E. Living Wall: The president informed the Board that the living wall in baggage claim has been installed. The president shared some photos of the display of live plants.

F. Talking Points for Parking Changes: Talking points concerning upcoming changes to the parking area and rates were available for the Board Members.

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 September 18, 2026 in Council Chambers, Fletcher Town Hall.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: None

ADJOURNMENT: Mr. Kennedy moved to adjourn the meeting at 9:40 a.m. Dr. Leatherwood seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood
Clerk to the Board

Approved:

Britt Lovin
Chair

MEMORANDUM

TO: Members of the Airport Authority

FROM: Amy Harris, Chief Financial Officer

DATE: October 9, 2026

ITEM DESCRIPTION – Consent Item B

Approval of Amendment to the FY26/27 Budget – Public Safety Salary
Local Law Enforcement Officer Compensation Bonus Program

SUMMARY

In compliance with Section 41.3 of North Carolina Session Law 2026-41, sworn local law enforcement officers employed as of June 30, 2026 are eligible to receive a compensation bonus in the amount of $1,750 each. The state also includes reimbursement for Authority's portion of FICA. These compensation bonuses will be awarded by the State Bureau of Investigation. This program was not known to exist during the preparation of the FY26/27 budget and so this bonus amount was not included as expense or revenue. The State Bureau of Investigation will distribute funding to the Authority based on information certified by the GARAA Finance team and bonuses will be distributed with the next payroll on October 16, 2026. The total amount of expense that will be incurred, and reimbursed, is approximately $33,910.

It is recommended that the Airport Authority Board amend the FY26/27 budget as outlined below.

ISSUES

None.

ALTERNATIVES

None.

61 Terminal Drive, Suite 1, Fletcher, NC 28732 | 828.684.2226 | flyavl.com

FISCAL IMPACTS

The budget amendment will increase FY26/27 budgeted revenues and expenditures by $33,910. There is no overall budget increase or decrease related to the bonus payments.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to amend the FY26/27 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, 2026:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Public Safety Department		$33,910
Totals		$33,910

This will result in a net increase of $33,910 in the appropriations. Revenues will be revised as follows:

REVENUES:

	Decrease	Increase
State Grant Revenue		$33,910
Totals		$33,910

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.

61 Terminal Drive, Suite 1, Fletcher, NC 28732 | 828.684.2226 | flyavl.com

Adopted this 9th day of October, 2026.

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Britt Lovin, Chair

Attested by:

_____
Ellen Heywood, Clerk to the Board

61 Terminal Drive, Suite 1, Fletcher, NC 28732 | 828.684.2226 | flyavl.com

MEMORANDUM

TO: Members of the Airport Authority

FROM: Amy Harris, Chief Financial Officer

DATE: October 9, 2026

ITEM DESCRIPTION – New Business Item A

Presentation of the Draft Annual Audited Financial Report for Fiscal Year 2025 / 2026

BACKGROUND

The annual audit for the fiscal year ended June 30, 2026 was performed by the auditing firm, Martin Starnes & Associates, CPAs, P.A., and the findings are hereby submitted for the Board's review and acceptance. The report is still in draft status pending the release of the new Federal Compliance Supplements which have not been made available yet. No significant changes are expected and, if any arise, an updated report will be presented to the GARAA Board for review. Once finalized, the audited financial statements will be submitted to the Local Government Commission ("LGC").

ISSUES

None. An unmodified opinion will be issued by the auditors.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to accept the 2025/2026 Audit Report as presented.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

ANNUAL FINANCIAL REPORT

FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

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FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of management's discussion and analysis (MDA) is to help readers understand what the financial statements and notes in this financial report say about the Greater Asheville Regional Airport Authority ("the Authority") financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the Authority's finances.

If you have questions about this report or require further information, contact the Chief Financial Officer, Greater Asheville Regional Airport Authority, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732. You may also call (828) 684-2226, visit our website www.flyavl.com, or send an email to pr@flyavl.com for more information.

OVERVIEW OF THE FINANCIAL STATEMENTS AND REPORTING ENTITY

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The Authority's basic financial statements are designed to provide readers with a broad overview of the Airport's finances and operations. Because the Authority operates as a single enterprise fund, the financial statements present the Airport's financial position, results of operations, and cash flows using the economic resources measurement focus and accrual basis of accounting. See Figure A-1.

The statements of net position presents information on the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The statements of revenues, expenses, and changes in net position reports the results of the Airport's operations during the fiscal year. The statements of cash flows provides information regarding the sources and uses of cash and cash equivalents.

The notes to financial statements delve deeper into the Authority's finances as reported in the financial statements. The information in the notes is as important to understanding the Authority's finances as the information in the financial statements. The Authority uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

The Asheville Regional Airport Authority was established in 1980 by the provisions of Article 20 of Chapter 160A of the General Statutes of North Carolina and by the Agreement of November 29, 1979, by and between the County of Buncombe (the "County") and the City of Asheville (the "City"). It was organized for, and has as its sole purpose, the management, operation, and maintenance of the Asheville Regional Airport (the "Airport"). On June 28, 2012, the General Assembly of North Carolina passed Session Law 2012-121 which changed the structure of the entity to an independent airport authority with more regional representation and governance. The law also changed the official name to the Greater Asheville Regional Airport Authority (the "Authority"). Pursuant to the state statute, the agreement with Buncombe County and the City of Asheville is no longer applicable.

The Authority is governed by seven members: two registered voters of the County, appointed by the Board of Commissioners of Buncombe County; two registered voters of the City, appointed by the Asheville City Council; two registered voters of the County of Henderson, appointed by the Board of Commissioners of Henderson County; and one member appointed by the other six members of the Authority. Members of the Authority serve four-year terms. Any member may serve a total of two consecutive terms, after which said member may not be reappointed to the Authority until four years after his or her most recent appointment.

The Authority employs a managing director (the "President and CEO"), who is the chief administrator and executive officer of the Authority. The President and CEO manages the Airport under the Authority's

control with a staff of 96.5 full-time employees. The staff is responsible for the day-to-day financial, administration, and operational matters pertaining to the Airport and for the contractual arrangements with various aeronautical and non-aeronautical businesses at the Airport.

The Authority is a small hub airport engaged in the business of facilitating commercial and general aviation passenger, cargo, and mail transportation and is the 102nd largest airport in the United States based on the number of passenger-boardings during calendar year 2025.[1]

As of June 30, 2026, the Authority had non-stop commercial flights to 26 destinations (Atlanta, Austin, Baltimore, Boston, Charlotte, Chicago, Chicago Midway, Dallas/Ft. Worth, Denver, Destin, Fort Lauderdale, Houston, Key West, Las Vegas, Minneapolis, Newark, New York City, Miami, Orlando, Sanford, Philadelphia, Punta Gorda, Sarasota, St. Petersburg/Clearwater, Washington D.C. and West Palm Beach. The commercial airline carriers included Allegiant Air, American Airlines, Delta Air Lines, , Sun Country Airlines and United Airlines. JetBlue Airways also offered commercial service through May, 2026.

The mission of the Greater Asheville Regional Airport Authority is to champion exceptional experiences and economic vitality and the vision is to be an authentic and convenient gateway for business and adventure.

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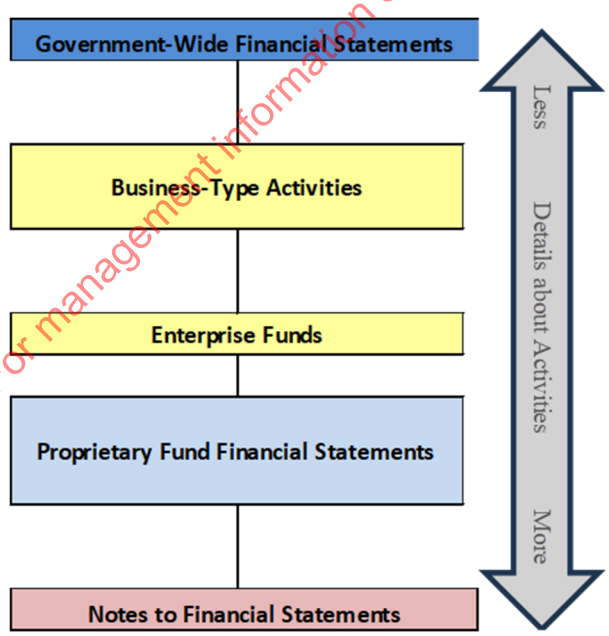
CONTENTS OF THE BASIC FINANCIAL STATEMENTS

Figure A-1



Although Figure A-1 above illustrates the various reporting perspectives within the financial reporting model, the Authority operates only one enterprise fund and reports only business-type activities. Therefore, the Authority's basic financial statements present this information once rather than in separate government-wide and fund-level statements.

[1] Federal Aviation Administration, passenger-boardings calendar year 2025

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS

The Authority's financial statements use the *economic resources measurement focus and accrual basis of accounting.* See Figure A-2. In other words, they comprehensively report all types of financial statement elements:

- Assets - resources the Authority controls, from short-term assets like cash to long-term assets like buildings and equipment
- Liabilities - amounts the Authority owes, from short-term liabilities such as salaries payable to long-term liabilities such as outstanding debt and net amounts owed to employees for pensions
- Deferred outflows of resources and deferred inflows of resources—flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related
- Revenues and expenses - inflows and outflows of economic resources, respectively, related to the current year.

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Figure A-2

	Financial Statements
	Proprietary Fund
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term
Types of revenues/additions	All types of revenues/additions that flow into the government during the year that relate to that year, regardless of when cash is received
Types of expenses/ deductions/expenditures	All types of expenses/deductions that flow out of the government during the year that relate to that year, regardless of when cash is paid
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the government during the year that relate to a future year

More details about the measurement focuses and bases of accounting can be found in the first note to financial statements, the summary of significant accounting policies.

AIRPORT ACTIVITIES AND HIGHLIGHTS

For Year Ended June 30	2026	2025	2024
Enplanements	1,136,638	1,047,794	1,179,637
Revenues per enplanement:			
Airlines	$ 10.97	$ 8.56	$ 6.48
Rental cars	4.82	4.92	4.26
Parking facility	10.98	10.85	10.15
Concessionaires	1.81	1.11	1.14

Enplanements increased by 9.3% in fiscal year 2026:

	2026	2025	2024
Aircraft Movements (Land or Takeoff):			
Airline	33,597	31,420	32,652
General aviation	41,510	37,482	45,863
Military	3,006	2,563	3,849
Total	78,113	71,465	82,364

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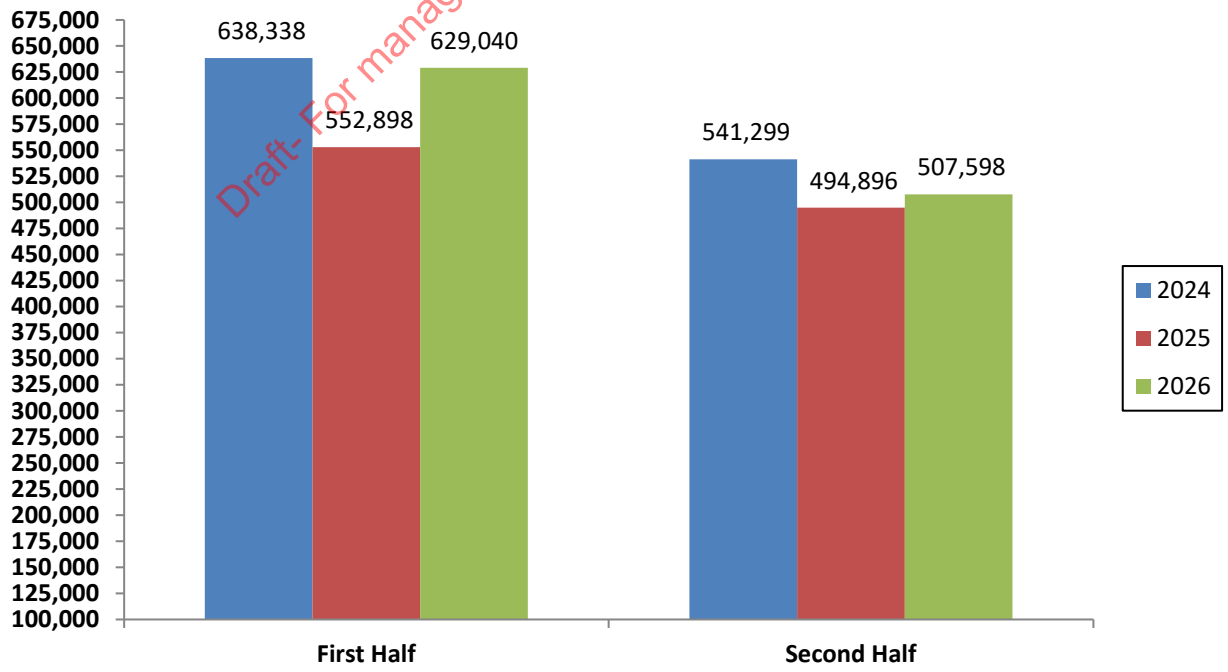
Passenger Enplanements for Fiscal Year



ANALYSIS OF THE AUTHORITY'S FINANCES

Table A-1

Asheville Regional Airport's Net Position

	2026	2025	2024	Total Percentage Change 2026-2025
Assets and Deferred Outflows:				
Current assets	$ 88,722,040	$ 89,799,635	$ 58,902,024	-1.20%
Restricted assets	203,218,533	236,159,358	331,182,512	-13.95%
Capital assets	574,464,139	505,846,917	370,471,902	13.56%
Deferred outflows of resources	2,870,632	2,859,027	3,314,709	0.41%
Total assets and deferred outflows of resources	869,275,344	834,664,937	763,871,147	4.15%
Liabilities and Deferred Inflows:				
Current liabilities	37,437,661	66,725,984	34,673,739	-43.89%
Non-current liabilities	395,978,068	398,494,032	400,696,917	-0.63%
Deferred inflows of resources	7,739,244	11,813,751	14,172,804	-34.49%
Total liabilities and deferred inflows of resources	441,154,973	477,033,767	449,543,460	-7.52%
Net Position:				
Net investment in capital assets	326,825,176	286,978,822	254,007,998	13.88%
Restricted	197,115,510	228,060,331	329,248,761	-13.57%
Unrestricted	(95,820,315)	(157,407,983)	(268,929,072)	-39.13%
Total net position	$ 428,120,371	$ 357,631,170	$ 314,327,687	19.71%

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Table A-1 shows that as of June 30, 2026, the Authority's total net position (assets and deferred outflows minus liabilities and deferred inflows) was 428,120,371. This is an increase of 70,489,201 or 19.71 percent compared with 2025. This increase is primarily due to an increase in Capital assets and Construction in Process from ongoing capital projects including the Terminal Expansion and Air Traffic Control Tower Program. Also, a reduction in Current Liabilities due to payment of Retainage on construction contracts and reduced Accounts Payable year over year contributed to the increase in net position. Most of the increase in net position was the result of the financial performance of the Authority's activities. The following sections of MDA analyze the finances of the business-type activities.

Asheville Regional Airport's Changes in Net Position

Table A-2

For Year Ended June 30	2026	2025	2024	Total Percentage Change 2026-2025
Operating revenues	$ 36,339,772	$ 29,650,756	$ 28,881,725	22.56%
Operating expenses	29,921,843	26,042,286	24,447,330	14.90%
Operating gain (loss) before non-operating revenues and expenses	6,417,929	3,608,470	4,434,395	77.86%
Non-operating revenues and expenses, net	64,071,272	39,695,013	10,256,802	61.41%
Income (loss) before capital contributions	70,489,201	43,303,483	14,691,197	62.78%
Capital contributions	-	-	26,037,612	#DIV/0!
Increase in net position	$ 70,489,201	$ 43,303,483	$ 40,728,809	62.78%

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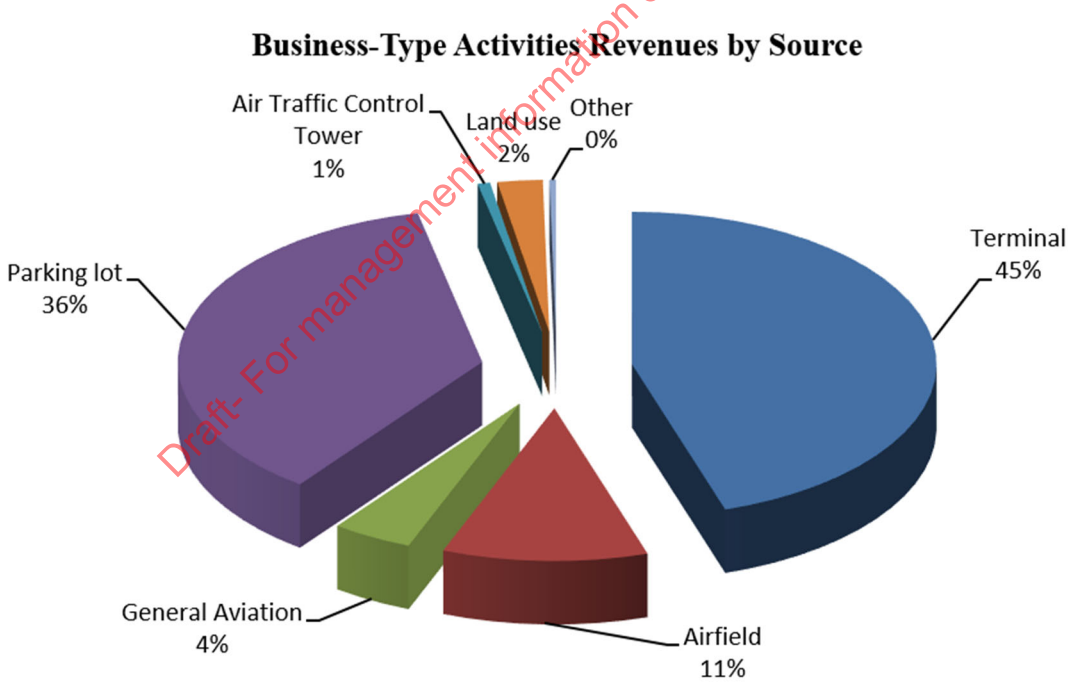
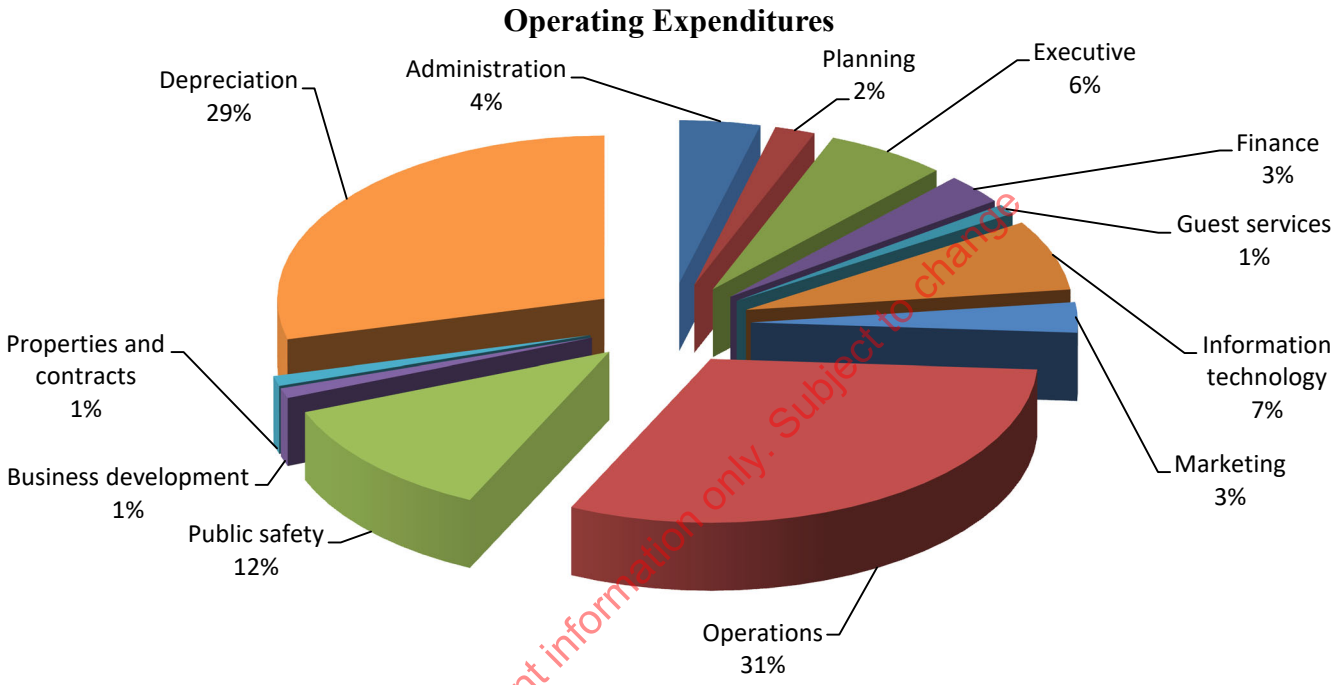
Figure A-3



Fiscal Year 2026 Operating revenues increased by $6.7 million overall as operations and passenger activities recovered from Hurricane Helene and terminal facilities opened in June of FY 2025 were available for the full fiscal year. Terminal Revenue increased by 40% with increased enplanements leading to higher Gate Area Fees. The opening of the new North Concourse, Phase 1 of the Terminal Expansion Program, led to increased Food, Beverage and Retail Sales revenues due to new concessions options. Parking revenues also increased by 12% year-over-year as passenger levels increased as recovery progressed. In

addition, the Airport received a Business Continuity Insurance claim payment during 2026, recovering revenues lost due to the impact of Hurricane Helene. This led to an 113% increase in Other Revenue for the fiscal year.

Figure A-4



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Increases in revenue were accompanied by an increase in the Authority's costs of providing services in Fiscal Year 2026, with a total increase of $3.9 million, or 14.9 percent, over Fiscal Year 2025. These increases were primarily in Operations, Marketing, Public Safety and Depreciation. Operations, which is comprised of Maintenance, Custodial and Operations, had an increase of 40.7 percent due to the outsourcing of Custodial Services as well as the addition of Maintenance / Support Services for new passenger boarding bridges and baggage processing equipment. Marketing and Public Safety Expenses increased year-over-year by 58.9 percent and 3.4 percent respectively due to increased Personnel Services expenses for the fiscal year. Finally, Depreciation Expenses increased by just over 2 percent due to the addition of new depreciable assets in recent fiscal years.

Business-Type Activities and Enterprise Funds

The total net position of the Authority's business-type activities (which also are reported as major enterprise funds) increased in 2026. Business-type activities net position increased $70.49 million or 19.7 percent to $428.12 million from the prior year. The increase reflects increased net revenue for the fiscal year as described above, along with increased Federal and State Grant reimbursement for capital project activity. Finally, there was an increase in Gain on Disposal of Assets due to a land swap and sale of parcels held by the Authority for many years.

SIGNIFICANT CAPITAL ASSETS AND LONG-TERM DEBT FINANCING ACTIVITY

The discussion thus far has only touched upon certain significant transactions and events during 2026 with respect to capital assets and long-term debt. Overall, the carrying value of capital assets—original cost minus accumulated depreciation—increased 16 percent over 2025. That change does capture the substantial amount of capital investment activity that occurred in 2026.

During fiscal year 2026, the Authority expended $83 million on capital activities. This included the following major projects:

- $72.2 million on terminal and ATC design and construction
- $3.6 million on Remain Overnight Parking construction
- $2.9 million on Overlook Parking design and construction
- $1.3 million on a new Aircraft Rescue and Firefighting truck

Acquisitions are funded using a variety of sources, including federal and state grants, operating revenues, and net position appropriations.

Total revenue bonds outstanding decreased by 0.39% to $369,415,000 in 2026.

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ASHEVILLE REGIONAL AIRPORT – CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The Authority is aware of the following developments that will have an impact on the Authority's finances in the future and were therefore incorporated into next year's budget:

- Land Lease Revenue is expected to increase with the first full year of revenue for the FAA Air Traffic Control Tower lease as well as the opening of a new gas station / convenience store developed on the Airport's non-aeronautical land.
- Operating expenses are expected to increase due to evolving custodial requirements, an increase in parking management fees due to the addition of new shuttle buses and additional security costs related to staffing requirements for later flights. Additional insurance costs are also expected as coverage will be added for new facilities and equipment. These increases are minimized by reductions in spare parts and minimal additions of full-time employees.
- Principal payments on the 2022A and 2023 series bonds begin in Fiscal Year 2027. Debt service will continue to be paid through a combination of state grant funding, Passenger Facility Charges (PFCs) and airport cash.
- Significant capital investments include ongoing construction expense for the Terminal Expansion Program – Phase II, the completion of the Overlook and RON Parking projects and a new Stormwater Improvements project expected to begin during Fiscal Year 2027.

Asheville Regional Airport – Business Update Report

Introduction: This report provides an update on the Greater Asheville Regional Airport's recent progress and future outlook, reinforcing our commitment to transparent and responsible management. It summarizes our continued growth, financial stability, strategic initiatives, and dedication to advancing the region's aviation infrastructure.

Passenger Utilization and Regional Connectivity: Following the catastrophic flooding and widespread infrastructure damage caused by Hurricane Helene in late Fiscal Year 2025, the airport demonstrated strong operational resilience and a sustained commitment to the Western North Carolina region. Passenger activity recovered, driving higher enplanements and increased utilization of parking facilities and car rental services. This recovery, coupled with the airport's focus on supporting long-term regional growth, is reflected most clearly in the opening and successful activation of new terminal facilities, including the North Concourse, which completed its first full year of operations in Fiscal Year 2026.

Air Traffic Control Tower and Terminal Expansion: New terminal facilities, including the expansion of Food, Beverage, and Retail offerings contributed to an increase in concessions revenue, while the new facilities' utilization of passenger boarding bridges and enhanced baggage processing systems improved operational efficiency. Together, these improvements underscore not only financial growth but also strengthened service delivery for the airport's passengers and partners.

In addition, after extensive effort and a sustained focus on safety and efficiency, the new Air Traffic Control Tower opened in late Fiscal Year 2026 to broad acclaim. As the newest tower in the nation, it represents a major achievement and underscores the airport's strong partnership with the FAA. In fact, while the Authority retains ownership of the tower, a 20-year lease is now in place with the FAA for their operations. This milestone project has benefited from significant federal grant funding, including Bipartisan Infrastructure Law program funding, reflecting the continued commitment from the FAA and recognition of the importance of the airport to regional, state and national airspace goals. The terminal expansion project has also secured FAA grant support, allowing further reinforcement of our long-term strategic vision and its larger significance.

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Diversified Revenue Streams and Enriched Connectivity: We recognize that our financial strength should encompass diverse revenue sources. Through non-aeronautical land development, we are strengthening our economic resilience beyond traditional aviation activities. At the same time, our focus on enhancing connectivity is exemplified by the significant investments made by our airline partners including Allegiant, American, Delta, Sun Country and United, who continue to grow at AVL.

Region's Allure and Terminal Expansion Progress: Western North Carolina's timeless appeal as a premier destination—and our commitment to serving both visitors and the local community—continues to drive our growth and reinforces our dedication to Asheville and the surrounding region. The new North Concourse stands as a clear testament to our ongoing efforts to meet rising demand and enhance the travel experience. Moreover, momentum is building as Phase 2 of the Terminal Expansion Project advances, signaling even greater progress on the horizon

Conclusion: In summary, the Greater Asheville Regional Airport Authority's continued growth, financial stability, and strategic initiatives define our path forward. Supported by diversified revenues, expanding connectivity, strong regional demand, and sustained investment in future growth, along with consistent financial stewardship and conservative expense management, we are building momentum and are well-positioned for continued progress. Our efforts strengthen the national airspace system, advance key state aviation priorities, and contribute meaningfully to North Carolina's economic vitality, reinforcing our role as a critical asset to the state's continued transportation and economic expansion.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	2026	2025
Assets:		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	$ 75,154,471	$ 63,903,889
Accounts receivable	3,466,806	4,237,846
Grants receivable	6,959,471	18,518,720
Lease receivable	2,094,466	2,028,135
Passenger facility charges receivable	856,487	897,803
Prepaid expenses	190,339	213,242
Inventories	-	-
Total current assets	88,722,040	89,799,635
Restricted assets:		
Cash and cash equivalents	203,218,533	236,159,358
Total restricted assets	203,218,533	236,159,358
Non-current assets:		
Prepaid expenses	7,108,329	14,134,862
Lease receivable	9,708,882	10,751,976
Non-depreciable capital assets	397,616,022	315,838,313
Depreciable capital assets, net	160,030,906	165,121,766
Total non-current assets	574,464,139	505,846,917
Total assets	866,404,712	831,805,910
Deferred Outflows of Resources:		
Pension deferrals	2,701,573	2,730,238
OPEB deferrals	169,059	128,789
Total deferred outflows of resources	2,870,632	2,859,027
Liabilities:		
Current liabilities:		
Payable from unrestricted assets:		
Accounts payable	1,102,137	2,459,741
Construction contracts payable	14,247,706	29,584,162
Construction contract retainages	3,339,489	13,648,902
Compensated absences	288,640	279,462
Accrued liabilities	218,419	203,075
Prepaid fees	139,982	472,776

The accompanying notes are an integral part of these financial statements.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	2026	2025
Accrued interest payable	9,562,791	9,580,058
Advance from grantor	5,975,560	7,979,567
Long-term debt, current portion	2,435,474	2,398,778
Payable from restricted assets:		
Security deposits	127,463	119,463
Total current liabilities	37,437,661	66,725,984
Non-current liabilities:		
OPEB liability	1,181,113	1,150,138
Compensated absences	600,457	606,276
Pension liability - LEOSSA	656,148	941,041
Net pension liability - LGERS	4,091,780	4,028,299
Revenue bonds payable - net unamortized premium	389,448,570	391,768,278
Total non-current liabilities	395,978,068	398,494,032
Total liabilities	433,415,729	465,220,016
Deferred Inflows of Resources:		
Leases	7,193,757	11,551,620
Pension deferrals	425,118	136,327
OPEB deferrals	120,369	125,804
Total deferred inflows of resources	7,739,244	11,813,751
Net Position:		
Net investment in capital assets	326,825,176	286,978,822
Restricted	197,115,510	228,060,331
Unrestricted	(95,820,315)	(157,407,983)
Total net position	$ 428,120,371	$ 357,631,170

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The accompanying notes are an integral part of these financial statements.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Operating Revenues:		
Terminal	$ 16,372,329	$ 11,695,204
Airfield	3,954,674	4,077,813
General aviation	1,551,384	1,448,044
Parking lot	13,223,926	11,847,128
Land use	872,351	524,185
Air Traffic Control Tower	240,707	-
Other	124,401	58,382
Total operating revenues	36,339,772	29,650,756
Operating Expenses:		
Administration	1,322,059	1,333,575
Planning	726,959	523,350
Executive	1,632,425	1,604,658
Finance	749,044	681,742
Guest services	404,761	327,349
Information technology	2,051,089	1,949,210
Marketing	961,979	605,582
Operations	9,337,411	6,634,604
Properties and contracts	326,423	385,534
Public safety	3,678,786	3,556,225
Business development	163,421	75,609
Depreciation	8,567,486	8,364,848
Total operating expenses	29,921,843	26,042,286
Operating income (loss)	6,417,929	3,608,470
Operating income (loss) and non-capital subsidies	6,417,929	3,608,470
Other Non-Operating Revenues (Expenses):		
Passenger facility charges	4,699,151	4,318,150
Customer facility charges	3,593,756	3,245,017
FEMA grant	-	246,472
Insurance proceeds	791,769	94,998
P-Card Rebate	21,237	-
Disaster relief expenditures	-	(336,315)
Interest revenue	13,772,717	14,856,202
Gain on disposal of capital assets	10,384,629	-
Interest expense	(18,385,716)	(18,424,049)
Federal and state grants	49,193,729	35,694,538
Total non-operating revenues (expenses), net	64,071,272	39,695,013

The accompanying notes are an integral part of these financial statements.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Change in net position	70,489,201	43,303,483
Net Position:		
Beginning of year, July 1	357,631,170	314,327,687
Prior period adjustment (Note 4)	-	-
Net position, beginning,	357,631,170	314,327,687
End of year, June 30	$ 428,120,371	$ 357,631,170

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The accompanying notes are an integral part of these financial statements.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Cash Flows from Operating Activities:		
Cash received for providing services	$ 32,037,886	$ 28,810,137
Cash paid for goods and services	(6,748,792)	(10,181,808)
Cash paid to, or on behalf of, employees for services	(7,439,560)	(6,710,064)
Cash received from miscellaneous operating revenues	-	-
Net cash provided (used) by operating activities	17,849,534	11,918,265
Cash Flows from Non-Capital Financing Activities:		
Insurance proceeds	791,769	94,998
Net disaster expenditures with grant proceeds	-	(89,843)
Net cash provided (used) by non-capital financing activities	791,769	5,155
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(83,206,685)	(145,855,925)
Cash received for the sale of capital assets	8,249,148	-
Passenger facility charges	4,740,467	4,445,347
Customer facility charges	3,593,756	3,245,017
Long term debt issued	-	-
Advance grant funds	(2,004,007)	6,199,607
Premium issued	-	-
Proceeds from revenue bonds	-	-
Principal payments of bond maturities	(1,445,000)	(1,410,000)
Interest paid on bond maturities	(19,139,051)	(19,285,607)
Charge on bond issuance	-	-
Federal and state grants	35,107,109	44,921,920
Net cash provided (used) by capital and related financing activities	(54,104,263)	(107,739,641)
Cash Flows from Investing Activities:		
Interest income	13,772,717	14,856,202
Net cash provided (used) by investing activities	13,772,717	14,856,202
Net increase (decrease) in cash and cash equivalents	(21,690,243)	(80,960,019)
Cash and Cash Equivalents:		
Beginning of year, July 1	300,063,247	381,023,266
End of year, June 30	$ 278,373,004	$ 300,063,247

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	$ 6,417,929	$ 3,608,470
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	8,567,486	8,364,848
Non-operating miscellaneous		
Changes in assets, deferred outflows of resources, and liabilities:		
(Increase) decrease in accounts receivable	771,040	(847,228)
(Increase) decrease in other receivables	-	-
(Increase) decrease in prepaid items	6,940,794	42,630
(Increase) decrease in net pension assets	-	-
(Increase) decrease in deferred outflows	(11,605)	455,682
(Increase) decrease in inventory	-	-
(Increase) decrease in leases receivable	976,763	1,844,881
Increase (decrease) in deferred inflows - leases	(4,357,863)	(2,202,130)
Increase (decrease) in security deposits	8,000	(40,335)
Increase (decrease) in accounts payable	(1,357,604)	1,244,278
Increase (decrease) in accrued liabilities	15,344	(15,734)
Increase (decrease) in prepaid fees	(332,794)	(239,571)
Increase (decrease) in other post-employment benefits	103,561	67,800
Increase (decrease) in compensated absences	3,359	(173,685)
Increase (decrease) in net pension liabilities	(178,232)	(34,718)
Increase (decrease) in deferred inflows	283,356	(156,923)
Total adjustments	11,431,605	8,309,795
Net cash provided by operating activities	$ 17,849,534	$ 11,918,265
Non-Cash Capital and Related Financing Activities:		
Value of assets received in trade	$ 2,285,550	$ -
Book value of disposals	(237,900)	-
Supplemental Cash Flow Information:		
Net change in construction contracts and retainage payable	$ (25,645,869)	$ 25,113,276

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

1. Organization and Summary of Significant Accounting Policies

The accounting policies of the Greater Asheville Regional Airport Authority conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Asheville Regional Airport Authority (the "Authority") was established by joint agreement between the City of Asheville and the County of Buncombe on November 29, 1979, pursuant to Article 20 of Chapter 160A of the North Carolina General Statutes. The agreement originally covered a twenty-five-year period beginning July 1, 1980. On April 19, 1988, this term was extended to April 30, 2018, by mutual agreement of the contracting parties. On January 22, 2008, the agreement was amended again with the term remaining the same, including a year-to-year extension after the term has been reached. Under the agreement, Buncombe County was responsible for funding any operating deficits of the Authority during the term of the agreement. On June 28, 2012, the General Assembly of North Carolina enacted the Greater Asheville Regional Airport Authority Act in Session Law 2012-121, making the Authority an independent airport authority and changing the official name to Greater Asheville Regional Airport Authority. Pursuant to the state statute, the agreement with Buncombe County and the City of Asheville is no longer applicable.

On June 28, 2017, the Federal Aviation Administration issued an Airport Operating Certificate in the name of the Greater Asheville Regional Airport Authority, allowing the Authority to act as the sole sponsor to operate the airport. The real property of the Authority was also deeded in the name of the Greater Asheville Regional Airport Authority. There are no outstanding liabilities, including grant reimbursements, regarding any payment to the City. Furthermore, all grant obligations incurred by the City, on behalf of the airport, were transferred in the transaction and are now the direct responsibility of the Authority. Also, the Authority is fully empowered to issue debt on behalf of the airport in support of future capital improvement needs.

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B. Basis of Presentation

Fund financial statements provide information about the Authority's funds. Statements for the proprietary fund category are presented.

Proprietary funds include the following fund type:

Enterprise Funds. Enterprise fund accounts account for those operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Authority has one enterprise fund for airport operations.

C. Measurement Focus and Basis of Accounting

The proprietary fund financial statements are reported using the economic resources measurement focus. These statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Enterprise funds distinguish operating revenues and expenses from noncapital subsidies and other nonoperating revenues and expenses. Nonoperating revenues and expenses include contributions revenues and expenses related to financing; gains and losses from the disposal of capital assets; investment income and expenses; and subsidies received. Revenues and expenses that otherwise would be classified as nonoperating are classified as operating if the transactions constitute the enterprise fund's principal ongoing operations.

Subsidies are resources received from or provided to another party or fund without the proprietary fund providing or receiving goods or services in return and include all other transfers. Noncapital subsidies are presented separately from other nonoperating revenues and expenses. Subsidies are classified as noncapital unless the resource provider limits the use of the resources to the acquisition of capital assets, in which case they are reported as other nonoperating revenues and expenses.

The principal operating revenues of the Authority's enterprise funds are charges to customers for sales and services. The Authority primarily recognizes operating revenue from Terminal, Airfield, Parking lot and General Aviation Fees. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets.

D. Budgetary Data

The Authority's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the enterprise fund. All annual appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the department level for all operating departments. The Budget Officer may transfer amounts between line-item expenditures, within a budget ordinance line item/cost center, without limitation and without a report being required. These changes should not result in increased recurring obligations. The President and CEO may transfer amounts which are identified in each annual budget from contingency to other line items within the same fund. An official report on such transfers must be made at the next regular meeting of the Board. Any other amendments must be approved by the governing board. During the year, several amendments to the original budget were made. The budget ordinance must be adopted by May 15 for the upcoming fiscal year, or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Estimates

The preparation of financial statements, in conformity with U.S. generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The Authority's use of estimates includes depreciation methods and useful lives, accrued expenses, deferred inflows, and pension and OPEB liabilities and deferrals. Accordingly, actual results could differ from those estimates.

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Assets, Liabilities, and Net Position

Deposits and Investments

All deposits of the Authority are made in Board-designated official depositories and are secured as required by state law [G.S. 159-31]. The Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30] authorizes the Authority to invest in obligations of the United States or obligations fully guaranteed, both as to principal and interest by the United States; obligations of the state of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high-quality issues of commercial paper and bankers' acceptances, and mutual fund shares whom the mutual fund is certified by the Local Government Commission.

The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, that is certified by the Local Government Commission under the provisions of G.S. 159-30(c)(8) and the North Carolina Administrative Code. The Government Portfolio is a 2a7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAm by S&P and AAAmf by Moody's Investors Service and reported at fair value. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

Cash and Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

Restricted Assets

Restricted assets consist of monies and other resources which are legally restricted as described below:

Cash and Cash Equivalents. The Authority receives from the airline carriers enplaning passengers at the Greater Asheville Regional Airport a facility charge of $4.50 per passenger. Every air carrier servicing the Airport must collect $4.50 from passengers on all tickets sold and remit $4.39 of these funds to the Authority. The Authority must use these funds for Federal Aviation Administration (FAA) approved capital improvement projects. Passenger facility charge collections that have been collected, but not yet disbursed on eligible projects, are restricted.

The unexpended debt proceeds are classified as restricted because their use is restricted to the purpose for which the debt was awarded.

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The sinking fund balance for debt service bond repayment is restricted for the purpose of future debt retirement. The advance grant funding is classified as restricted because their use is restricted to the purpose for which the grant was awarded.

Forfeiture funds hold proceeds from seized assets and must be used for public safety.

Security deposits held by the Authority are restricted to the service for which the deposit was collected.

Restricted cash and cash equivalents at June 30, 2026 and 2025 were as follows:

	2026	2025
Passenger facility charge collections, undisbursed	$ 25,053,745	$ 26,279,970
Debt service sinking funds - bond repayment	11,107,938	1,588,309
Forfeiture funds	7,301	6,250
Security deposits	127,463	119,463
Advance grant funding	5,975,560	7,979,567
Unexpended debt proceeds	160,946,526	200,185,799
Total restricted cash and cash equivalents	$ 203,218,533	$ 236,159,358

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Allowance for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. The Authority did not have any accounts that were considered uncollectible by management for the years ended June 30, 2026 and 2025.

Lease Receivable

The Authority's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the Authority may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets in the Statement of Net Position and the fund financial statements and are expensed as the items are used.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015, are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization cost is $5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated over their useful lives on a straight-line basis as follows:

Asset	Estimated Useful Lives
Leasehold improvements	5-40 years
Public safety and maintenance equipment	3-20 years
Vehicles	3-20 years
Furniture	5-10 years
Computer software	5 years
Computer equipment	5 years

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Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The Authority has two items that meet this criteria – pension and OPEB deferrals.

In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The Authority has three items that meet this criteria – leases, pension and OPEB deferrals.

Compensated Absences

Airport personnel policies permit an employee to earn vacation based on years of service. Accumulated annual leave in excess of 240 or 480 hours, depending upon date of hire, will be forfeited at December 31, unless it is determined that the employee was prevented from using such leave. Excess leave, where it is determined that the employee was prevented from taking the leave, will be paid with the first payroll of the new calendar year, upon approval of the President/CEO. Employees who resign, are laid off, or otherwise separated from the Authority shall be entitled to be paid for any unused annual leave earned by them as of the date of termination, not to exceed the above referenced limits.

A specific number of professional leave hours are available to exempt employees. Employees must be employed for 180 days of the calendar year to be eligible for professional leave for that year. The professional leave does not accrue and rollover from year to year. Unused professional leave is not paid upon termination. No accrual has been made for professional leave.

The Authority's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave is earned by regular, full-time employees at a rate of 12 days per year. All employees who properly resign, are laid off, or otherwise separated from the Authority in good standing shall be entitled to be paid for 33% of up to 240 hours of earned, but unused sick leave. The Authority has accrued sick pay in accordance with GASB Statement 101.

The Authority has assumed a first-in, first-out method of using all accumulated compensated time. The portion of time estimated to be used in the next fiscal year has been designated as a current liability in the financial statements.

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Long-Term Obligations

In the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expenses in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

Net Position

Net position in proprietary fund financial statements is classified as net investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through state statute.

The Authority spends grant revenue as allowed within grant agreements. Matching funds for federal grants may be paid from state, local non-Authority and/or Authority funds. For purposes of net position classification, expenses are paid from restricted first then unrestricted. Net investment in capital assets is not a viable source for expenses, as this represents capital assets and related accumulated depreciation.

Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Authority's employer contributions are recognized when due and the Authority has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

Change in Accounting Principle

For the fiscal year ended June 30, 2026, the Authority implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve the effectiveness of the financial reporting model in providing information that is useful for making decisions and assessing a government's accountability.

The implementation of GASB Statement No. 103 resulted in changes to the presentation and disclosure of certain financial statement information, including the presentation of proprietary fund operating and non-operating revenues and expenses, the presentation of unusual or infrequent items, management's discussion and analysis, budgetary comparison information, and other financial reporting requirements, as applicable. The 2025 comparative financial statement information has been reclassified, as applicable, to conform to the 2026 presentation.

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2. Detailed Notes On All Funds

A. Assets

Deposits

All the deposits of the Authority are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Authority's agents in its name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the state Treasurer's agent in the name of the state Treasurer. Since the state Treasurer is acting in a fiduciary capacity for the Authority, these deposits are considered to be held by the Authority's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the state Treasurer the adequacy of their pooled collateral covering uninsured deposits. The state Treasurer does not confirm this information with the Authority or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Authority under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows; however, the state Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The state Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The Authority relies on the state Treasurer to monitor those financial institutions. The Authority analyzes the financial soundness on any other financial institution used by the Authority. The Authority complies with the provisions, G.S. 159-31, when designating official depositories and verifying that deposits are properly secured. The Authority does not have a policy regarding custodial credit risk for deposits.

At June 30, 2026, the Authority's deposits had a carrying amount of $4,481,993 and a bank balance of $5,681,011. Of the bank balance, $250,000 was covered by federal depository insurance, and $5,431,011 was covered under the Pooling Method. The Authority maintains petty cash of $300.

At June 30, 2025, the Authority's deposits had a carrying amount of $18,686,054 and a bank balance of $19,383,132. Of the bank balance, $250,000 was covered by federal depository insurance, and $19,133,132 was covered under the Pooling Method. The Authority maintains petty cash of $300.

Investments

At June 30, 2026, the Authority's investments and maturities were as follows:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 Months
North Carolina Capital Management Trust - Government Portfolio	Fair Value Level 1	$273,890,711	$273,890,711

At June 30, 2025, the Authority's investments and maturities were as follows:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 Months
North Carolina Capital Management Trust - Government Portfolio	Fair Value Level 1	$281,376,893	$281,376,893

* Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAm rating from S&P and AAA-mf by Moody's Investors Service.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of Fair Value Hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits at least half of the Authority's investment portfolio to maturities of less than 12 months. Also, the Authority's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of not more than three years.

Credit Risk. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the Authority has no formal policy on managing credit risk.

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Accounts Receivable

The balance of accounts receivable at June 30, 2026 and 2025 consisted of the following:

	2026	2025
Trade receivables	$ 2,520,044	$ 1,923,552
Sales tax refunds receivables	946,762	2,314,294
Total	$ 3,466,806	$ 4,237,846

Lease Receivable

At June 30, 2026, the Authority had leases with vendors that under the leases, the lessees paid both fixed and variable payments. In months where the lessee's gross revenue exceeds certain amounts as stated in the lease agreements, the lessees make additional variable payments. The lease receivable is measured as the present value of the future minimum fixed rent payments expected to be received during the lease term at a discount rate of 2.62% for undeveloped land, 8.25% for commercial property, and 5.336% for residential property.

In fiscal year 2026, the Authority recognized $915,389 of lease revenue and $907,746 of interest revenue under the leases. In fiscal year 2025, the Authority recognized $1,019,825 of lease revenue and $1,139,661 of interest revenue under the leases. The future payments to be received are as follows:

Year Ending June 30	Principal	Interest	Total
2027	$ 2,094,466	$ 889,738	$ 2,984,204
2028	2,273,898	710,604	2,984,502
2029	2,468,706	516,122	2,984,828
2030	2,680,205	304,975	2,985,180
2031	58,047	189,496	247,543
Thereafter	2,228,026	3,238,290	5,466,316
Total	$ 11,803,348	$ 5,849,225	$ 17,652,573

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Capital Assets

The capital assets of the Authority at June 30, 2026 are as follows:

	July 1, 2025	Increases	Decreases	Transfers	June 30, 2026
Business-Type Activities:					
Non-Depreciable Capital Assets:					
Land	$ 10,669,599	$ 2,285,550	$ (237,900)	$ -	$ 12,717,249
Construction in progress	305,168,715	83,204,685	-	(3,474,627)	384,898,773
Total non-depreciable capital assets	315,838,314	85,490,235	(237,900)	(3,474,627)	397,616,022
Depreciable Capital Assets:					
Leasehold improvements	251,156,368	-	(4,433,369)	1,713,544	248,436,543
Equipment	8,409,498	-	(595,543)	364,657	8,178,612
Furniture	198,448	-	(22,332)	-	176,116
Vehicles	4,478,873	2,000	(36,801)	1,396,426	5,840,498
Total depreciable capital assets	264,243,187	2,000	(5,088,045)	3,474,627	262,631,769
Less Accumulated Depreciation:					
Leasehold improvements	90,124,352	7,582,850	(4,433,366)	-	93,273,836
Equipment	5,880,181	548,256	(595,543)	-	5,832,894
Furniture	197,217	1,231	(22,332)	-	176,116
Vehicles	2,919,672	435,146	(36,801)	-	3,318,017
Total accumulated depreciation	99,121,422	8,567,483	(5,088,042)	-	102,600,863
Total depreciable capital assets, net	165,121,765				160,030,906
Business-type activities capital assets, net	$ 480,960,079				$ 557,646,928

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The capital assets of the Authority at June 30, 2025 are as follows:

	July 1, 2024	Increases	Decreases	Transfers	June 30, 2025
Business-Type Activities:					
Non-Depreciable Capital Assets:					
Land	$ 10,669,599	$ -	$ -	$ -	$ 10,669,599
Construction in progress	168,437,421	145,833,773	-	(9,102,479)	305,168,715
Total non-depreciable capital assets	179,107,020	145,833,773	-	(9,102,479)	315,838,314
Depreciable Capital Assets:					
Leasehold improvements	243,797,956	-	-	7,358,412	251,156,368
Equipment	7,485,165	22,152	-	902,181	8,409,498
Furniture	198,448	-	-	-	198,448
Vehicles	3,762,733	-	(125,746)	841,886	4,478,873
Total depreciable capital assets	255,244,302	22,152	(125,746)	9,102,479	264,243,187
Less Accumulated Depreciation:					
Leasehold improvements	82,555,749	7,568,603	-	-	90,124,352
Equipment	5,397,680	482,501	-	-	5,880,181
Furniture	195,366	1,851	-	-	197,217
Vehicles	2,733,525	311,893	(125,746)	-	2,919,672
Total accumulated depreciation	90,882,320	8,364,848	(125,746)	-	99,121,422
Total depreciable capital assets, net	164,361,982				165,121,765
Business-type activities capital assets, net	$ 343,469,002				$ 480,960,079

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Construction Commitments

The Authority has active construction projects as of June 30, 2026. At year-end, the Authority's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
ATCT and Base Building Facility - Design (Pond)	$ 4,596,570	$ 434,331
ATCT and Base Building Facility - Construction (Kokolakis)	47,127,185	519,744
Parking Lot South Area - Construction (Tennoca)	8,799,108	56,768
Taxiway A Rehab - Design (AVCON)	757,131	372,011
Terminal Building Modernization-Expansion - Design (GS)	20,259,059	984,501
Terminal Building Modernization-Expansion - Construction ([illegible]	279,322,577	104,666,009
ATCT and Base Building Facility - Project Management (Pars	845,719	96,085
Terminal Building Project Management FY25 (Parsons)	1,472,283	189,161
Terminal Building Project Management FY26 (Parsons)	1,484,264	514,532
Terminal Building Project Management FY27 (Parsons)	-	1,823,451
Overlook Parking - Design (Kimley-Horn)	1,824,714	464,677
RON-Overnight Parking - Design (McFarland-Johnson)	452,191	99,449
Parking Garage - Design (McFarland-Johnson)	677,431	4,286,887
Emergency Runway- Design (AVCON)	48,968	2,685
RON Apron-Construction (KWest)	3,218,979	1,579,143
Airport Entrance & Signage- Design (McFarland Johnson)	24,023	67,252
Overlook Parking- Construction (Kwest)	1,868,092	6,801,524
Total	$ 372,778,294	$ 122,958,210

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B. Liabilities

Payables

Payables at June 30, 2026 and 2025 were as follows:

	Vendors	Salaries and Benefits	Total
June 30, 2026:			
Accounts payable	$ 1,102,137	$ -	$ 1,102,137
Accrued liabilities	-	218,419	218,419
Total	$ 1,102,137	$ 218,419	$ 1,320,556
June 30, 2025:			
Accounts payable	$ 2,459,741	$ -	$ 2,459,741
Accrued liabilities	-	203,075	203,075
Total	$ 2,459,741	$ 203,075	$ 2,662,816

Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. The Authority is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the state of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities, firefighters and rescue squad workers. Benefit provisions are established by General Statute 128-27 and may be amended only by the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the state Treasurer and state Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the state of North Carolina. The state's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement, disability and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with unreduced retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with reduced retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters and rescue squad workers). Disabled members may qualify for disability benefits at earlier ages. Survivor benefits are available to eligible beneficiaries of general employee plan members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad workers who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members. The plan does not provide for automatic post-retirement benefit increases. Cost of living benefit increases are contingent upon investment gains of the plan at the discretion of the LGERS Board of Trustees, except as authorized by the General Assembly.

LGERS plan members who are LEOs are eligible to retire with unreduced retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with reduced retirement benefits at age 50 with 15 years of creditable service as an officer. LEOs who complete 25 years of creditable service with 15 years as an officer are eligible to retire with reduced retirement benefits. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service

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regardless of age or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their annual pay. The required contribution rates for employers are set periodically and affirmed annually by the LGERS Board of Trustees. The Authority's contractually required contribution rate for the year ended June 30, 2026, was 16.08% of compensation for law enforcement officers and 14.38% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Authority were $1,100,658 for the year ended June 30, 2026. For the year ended June 30, 2025, the Authority's contractually required contribution rate was 15.04% for law enforcement officers and 13.64% for general employees. Contributions to the pension plan from the Authority were $968,631 for the year ended June 30, 2025.

Refunds of Contributions. Authority employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members include interest (currently 4% per year) regardless of the number of years of retirement service credit or for the reason for separation from service. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to any other retirement or survivor benefit provided by LGERS.
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026 and 2025, the Authority reported a liability of $4,091,780 and $4,028,299, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024. The total pension liability was then rolled forward to the measurement date of June 30, 2025, utilizing update procedures incorporating the actuarial assumptions. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2026, the Authority's proportion was 0.06622% (measured as of June 30, 2025), which was an increase of 0.00647% from its proportion as of June 30, 2025 (measured as of June 30, 2024.)

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For the years ended June 30, 2026 and 2025, the Authority recognized pension expense of $1,208,020 and $1,275,322, respectively. At June 30, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 997,975	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	121,863
Changes in proportion and differences between Authority contributions and proportionate share of contributions	361,102	41,797
Authority contributions subsequent to the measurement date	1,100,658	-
Total	$ 2,459,735	$ 163,660

$1,100,658 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2027. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2027	$ 1,061,990
2028	244,777
2029	39,520
2030	(150,870)
2031	-
Total	$ 1,195,417

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Actuarial Assumptions. The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increase	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

The plan actuary currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. public plan population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions and methods used in the December 31, 2024 valuation were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

Future ad hoc cost of living amounts are not considered to be substantively automatic and are, therefore, not included in the measurement. The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2025, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	2.4%
Global equity	42.0%	6.8%
Real estate	8.0%	6.1%
Alternatives	8.0%	7.9%
Opportunistic fixed income	7.0%	5.1%
Inflation sensitive	6.0%	4.2%
Total	100.0%	

The information above is based on 30-year expectations developed with an investment consulting firm. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. Return projections do not include any excess return expectations over benchmark averages for public markets. All rates of return and inflation are annual amounts.

Discount Rate. The discount rate used to measure the total pension liability was 6.50%. This discount rate is within a reasonable range of the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Authority's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Authority's proportionate share of the net pension liability (asset)	$ 7,802,011	$ 4,091,780	$ 1,042,527

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report (ACFR) for the state of North Carolina.

Law Enforcement Officers' Special Separation Allowance

Plan Description. The Authority administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the Authority's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. Effective July 1, 2025, per Session Law 2025-8, eligible officers must make an irrevocable election for the benefit to be paid either a) based upon final salary times years of service, payable until age 62, or b) based on salary at 30 years times 30 years of service, payable for the number of years between age 30-year milestone and age 62. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

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All full-time law enforcement officers of the Authority are covered by the Separation Allowance. At December 31, 2024, the Separation Allowance's membership consisted of:

Retirees receiving benefits	4
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	15
Total	19

Summary of Significant Accounting Policies

Basis of Accounting. The Authority has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. A separate report is not issued for the plan.

The Separation Allowance has no assets accumulated in a trust that meet the criteria, which are outlined in GASB Statement 73.

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2024 valuation. The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increase	3.25 - 9.50%
Discount rate	4.82%

The discount rate used to measure the TPL is the Bond Buyer's General Obligation 20-Year Municipal Bond Interest Rate. The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ended December 31, 2024.

Mortality Assumption: All mortality rates use Pub-2016 amount-weighted tables.

Mortality Projection: All mortality rates are projected from 2016 using generational improvement with Scale MP-2021.

Deaths After Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 106%. Because the retiree tables have no rates prior to age 45, the Safety Mortality Table for Employees is used for ages less than 45.

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Deaths After Retirement (Disabled Members at Retirement): Mortality rates are based on the General Mortality Table for Disabled Retirees. Rates for all members are multiplied by 101%.

Deaths After Retirement (Survivors of Deceased Members): Mortality rates are based on the Below-Median General Mortality Table for Contingent Survivors. Because the contingent survivor tables have no rates prior to age 45, the Below-Median General Mortality Table for Employees is used for ages less than 45.

Deaths Prior to Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

Contributions. The Authority is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the operating budget. There were no contributions made by employees. The Authority's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administrative costs of the Separation Allowance are financed through investment earnings. The Authority paid $80,191 as benefits came due for the reporting period.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026 and 2025, the Authority reported a total pension liability of $699,328 and $981,137, respectively. The total pension liability was measured as of December 31, 2025 based on a December 31, 2024 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2025 utilizing update procedures incorporating the actuarial assumptions. For the years ended June 30, 2026 and 2025, the Authority recognized pension expense of $75,679 and $140,340, respectively.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 187,629	$ 93,898
Changes of assumptions	11,029	167,560
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Authority	-	-
Benefit payments and administrative expenses subsequent to the measurement date	43,180	-
Total	$ 241,838	$ 261,458

$43,180 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2027. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2027	$ (21,142)
2028	(24,604)
2029	(30,409)
2030	12,508
2031	847
Thereafter	-
Total	$ (62,800)

Sensitivity of the Authority's Total Pension Liability to Changes in the Discount Rate. The following presents the Authority's total pension liability calculated using the discount rate of 4.82 percent, as well as what the Authority's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.82 percent) or 1-percentage-point higher (5.82 percent) than the current rate:

	1% Decrease (3.82%)	Discount Rate (4.82%)	1% Increase (5.82%)
Total pension liability	$ 746,272	$ 699,328	$ 656,473

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Schedule of Changes in Total Pension Liability

	2026	2025
Total beginning pension liability as of December 31	$ 981,137	$ 942,674
Changes for the year:		
Service cost at end of year	30,377	37,696
Interest	40,277	36,672
Change in benefit terms	-	-
Difference between expected and actual experience	(124,583)	35,844
Changes of assumptions and other inputs	(147,689)	(19,991)
Benefit payments	(80,191)	(51,758)
Other	-	-
Net changes	(281,809)	38,463
Total ending pension liability as of December 31	$ 699,328	$ 981,137

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Total Expense, Liabilities, and Deferred Outflows and Inflows of Resources of Related to Pensions

Following is information related to the proportionate share and pension expense for all pension plans:

	LGERS	LEOSSA	Total
Pension expense	$ 1,208,020	$ 75,679	$ 1,283,699
Pension liability	4,091,780	699,328	4,791,108
Proportionate share of the net position liability	0.06622%	n/a	n/a
Deferred Outflows of Resources:			
Differences between expected and actual experience	$ 997,975	$ 187,629	$ 1,185,604
Changes of assumptions	-	11,029	11,029
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	361,102	-	361,102
Contributions and administrative costs paid subsequent to the measurement date	1,100,658	43,180	1,143,838
Total	$ 2,459,735	$ 241,838	$ 2,701,573
Deferred Inflows of Resources:			
Differences between expected and actual experience	$ -	$ 93,898	$ 93,898
Changes of assumptions	-	167,560	167,560
Net difference between projected and actual earnings on plan investments	121,863	-	121,863
Changes in proportion and differences between contributions and proportionate share of contributions	41,797	-	41,797
Total	$ 163,660	$ 261,458	$ 425,118

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Supplemental Retirement Income Plan

Plan Description. The Authority contributes to the Supplemental Retirement Income Plan (the "Plan"), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to employees of the Authority. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (the "ACFR") for the state of North Carolina. The state's ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the Authority to contribute each month an amount equal to 5% of each officer's salary. In addition to the required contribution for law enforcement officers, the Authority makes a monthly contribution equal to 5% of non-law enforcement officer's salary. Also, law enforcement officers and non-law enforcement officers of the Authority may make voluntary contributions to the Plan.

The Authority made contributions of $65,796 and $313,298 for law enforcement officers and non-law enforcement officers, respectively, for the year ended June 30, 2026. The Authority made contributions of $79,168 and $268,631 for law enforcement officers and non-law enforcement officers, respectively, for the year ended June 30, 2025. No amounts were forfeited in 2026 or 2025.

Other Employment Benefits

The Authority has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple employer, state-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed $50,000 or be less than $25,000. Because all death benefit payments are made from the Death Benefit Plan, the Authority does not determine the number of eligible participants. The Authority has no liability beyond the payment of the monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based on rates established annually by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Authority considers these contributions to be immaterial.

The Department of State Treasurer uses funds derived from court costs to offset employer contribution rates to the LGERS Death Benefit Plan for law enforcement officers. During the fiscal year ended June 30, 2026, these offset funds matched the total contribution rate of .20%.

The Authority provides health, dental, short-term and long-term disability, life insurance, and a 457 deferred compensation plan to its regular full-time employees. Regular part-time employees, working at least 1,000 hours annually, qualify for these benefits.

Other Post-Employment Benefits (OPEB)

Healthcare Benefits

Plan Description. Under the terms of an Authority resolution, the Authority administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan.") The Authority Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

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Benefits Provided. The Plan provides post-employment healthcare benefits to retirees of the Authority up to age 65, provided they participate in the North Carolina Local Governmental Employees' Retirement System, were hired prior to July 1, 2011, and were covered by the Authority's group health plan for the three years immediately preceding retirement. The Authority pays the full cost of coverage for these benefits through private insurers. Also, the Authority's retirees can purchase coverage for their dependents at the Authority's group rates. Employees hired on or after July 1, 2011, are not eligible for the Authority's post-employment healthcare benefits. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will no longer be eligible for post-employment healthcare benefits by the Authority. The Authority Board may amend the benefit provisions. A separate report was not issued for the Plan.

Membership of the Retiree Health Plan consisted of the following at June 30, 2025, the date of the latest actuarial valuation:

Retirees receiving benefits	7
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	13
Total	20

Total OPEB Liability

At June 30, 2026 and 2025, the Authority reported a total OPEB liability of $1,253,699 and $1,219,112, respectively. The total OPEB liability was measured as of June 30, 2025 and was determined by an actuarial valuation as of June 30, 2025.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including inflation	
General Employees	3.25 - 8.41 percent, including wage inflation
Firefighters	3.25 - 8.15 percent, including wage inflation
Law Enforcement Officers	3.25 - 7.90 percent, including wage inflation
Discount rate	
Prior measurement date	3.93 percent
Measurement date	5.20 percent
Healthcare cost trends	
Pre-Medicare	7.00 percent for 2025 decreasing to an ultimate
	4.50 percent by 2035

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The Authority selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the TOL.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increase used in the June 30, 2025 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, adopted by the LGERS Board. The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2025 valuation were based on a review of recent plan experience done concurrently with the June 30, 2025 valuation.

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Schedule of Changes in Total OPEB Liability

	2026	2025
Total beginning OPEB liability as of June 30	$ 1,219,112	$ 1,151,312
Changes for the year:		
Service cost at end of year	36,531	37,347
Interest	47,651	44,739
Change in benefit terms	-	-
Difference between expected and actual experience	107,757	69,758
Changes of assumptions and other inputs	(70,221)	(23,973)
Benefit payments and implicit subsidy credit	(87,131)	(60,071)
Other	-	-
Net changes	34,587	67,800
Total ending pension liability as of June 30	$ 1,253,699	$ 1,219,112

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB liability	$ 1,339,993	$ 1,253,699	$ 1,173,863

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 1,161,744	$ 1,253,699	$ 1,356,273

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the years ended June 30, 2026 and 2025, the Authority recognized OPEB expense of $88,149 and $40,023, respectively. At June 30, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 83,646	$ 23,988
Changes of assumptions	12,826	96,381
Benefit payments and administrative costs made subsequent to the measurement date	72,586	-
Total	$ 169,058	$ 120,369

$72,586 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ending June 30, 2027. Other amounts reported as deferred inflows and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2027	$ (27,289)
2028	(3,541)
2029	6,933
2030	-
2031	-
Thereafter	-
Total	$ (23,897)

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Long-Term Debt

On September 1, 2016, the Authority issued $21,000,000 of direct placement revenue bonds entitled Greater Asheville Regional Airport Authority System Revenue Bonds 2016A and 2016B. These bonds provide financing for the construction of a parking deck for the airport system. The bonds require sinking fund payments beginning July 1, 2017, ranging from $955,000 to $1,665,000 annually, including semi-annual interest ranging from 2.39% to 2.59%, until July 1, 2031. The balance of the bonds was $9,415,000 and $10,860,000 as of June 30, 2026 and 2025, respectively.

On June 1, 2022, the Authority issued $185,000,000 of direct placement revenue bonds entitled Greater Asheville Regional Airport Authority system revenue bonds 2022A. This bond provides financing for various improvements to the Authority's airport system. The bonds require sinking fund payments beginning July 1, 2027 ranging from $3,550,000 to $57,165,000 annually, including semi-annual interest ranging from 5.00% to 5.50%, until July 1, 2052. The balance of the bonds was $185,000,000 and $185,000,000 as of June 30, 2026 and 2025, respectively.

On May 16, 2023, the Authority issued $175,000,000 of direct placement revenue bonds entitled Greater Asheville Regional Airport Authority system revenue bonds. This bond provides financing for various improvements to the Authority's airport system. The bonds require principal payments beginning July 1, 2027, ranging from $3,160,000 to $11,610,000 annually, including semi-annual interest ranging from 5.00% to 5.25%, until July 1, 2053. The balance of the bonds was $175,000,000 and $175,000,000 as of June 30, 2026 and 2025, respectively.

The revenue bonds mature as follows:

Year Ending June 30	Principal	Interest
2027	1,475,000	19,107,955
2028	8,225,000	18,904,474
2029	8,590,000	18,524,098
2030	8,980,000	18,125,759
2031	9,385,000	17,887,025
2032-2036	46,705,000	83,048,584
2037-2041	57,550,000	69,008,806
2042-2046	74,245,000	53,598,106
2047-2051	96,425,000	32,024,344
2052-2053	57,835,000	4,045,138
Total	$ 369,415,000	$ 334,274,289

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The Authority is in compliance with the covenants of the bond order. The bond order requires the debt service coverage ratio to be no less than 125%. The debt service coverage ratio calculation for the year ended June 30, 2026 is as follows:

Net revenues	$ 21,269,433
Debt service: **	
Principal	$ 1,475,000
Interest	19,125,581
	$ 20,600,581
Debt service coverage ratio	**103.25%**

* excludes capital outlay, debt service, and depreciation
** per bond indenture, debt service for a fiscal year ending June 30, includes amounts of principal and interest due on the following July 1

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The Authority has pledged future airport system revenues, net of specified operating expenses, to repay the $369,415,000 in airport system direct placement revenue bonds issued in 2016, 2022, and 2023. Proceeds from the bonds provided financing for the construction of the parking deck and other improvements. The bonds are payable solely from airport system net revenues and are payable through FY 2053.

Future airport system revenues, net of specified operating expenses, as well as PFC and state grant funding have been pledged to repay $360 million in revenue bonds issued in 2022 and 2023. Proceeds from these bonds provide financing for the construction of a new, expanded terminal and air traffic control tower. Annual interest payments on the 2022 and 2023 bonds will be paid from capitalized interest accounts through 2025. Beginning in 2026, the 2022A bonds will be payable from airport system net revenues, PFCs and state grant funds and are payable through 2052. Beginning in 2027, the 2023 bonds will be payable from airport system net revenues, PFC and state grant funds and are payable through 2053.

The total principal and interest remaining to be paid on the bonds is $703,689,289. Principal and interest paid for the current year and total customer net revenues were $20,587,849 and $21,270,474 respectively.

Changes in Long-Term Liabilities

Changes in long-term liabilities are as follows:

	July 1, 2025	Additions	Retirements	June 30, 2026	Current
Direct placement revenue bonds	$ 370,860,000	$ -	$ 1,445,000	$ 369,415,000	$ 1,475,000
Direct placement revenue bond premiums	23,197,986	-	844,708	22,353,278	844,708
Compensated absences	885,738	13,507	10,148	889,097	288,640
Total pension liability (LEO)	981,137	-	281,809	699,328	43,180
Net pension liability (LGERS)	4,028,299	63,481	-	4,091,780	-
Total OPEB liability	1,219,112	34,587	-	1,253,699	72,586
Total	$ 401,172,272	$ 111,575	$ 2,581,665	$ 398,702,182	$ 2,724,114

Prior Year:

	July 1, 2024	Additions	Retirements	June 30, 2025	Current
Direct placement revenue bonds	$ 372,270,000	$ -	$ 1,410,000	$ 370,860,000	$ 1,445,000
Direct placement revenue bond premiums	24,042,694	-	844,708	23,197,986	844,708
Compensated absences	1,059,423	-	173,685	885,738	279,462
Total pension liability (LEO)	942,674	38,463	-	981,137	40,096
Net pension liability (LGERS)	4,101,479	-	73,180	4,028,299	-
Total OPEB liability	1,151,312	151,844	84,044	1,219,112	68,974
Total	$ 403,567,582	$ 190,307	$ 2,585,617	$ 401,172,272	$ 2,678,240

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Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has property, general liability, flood, automobile, workers' compensation, crime, public officials, law enforcement, and employment practices coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

The Authority carries flood insurance as part of the property insurance policy through Federal Insurance Company in the amount of $10,000,000.

The Authority's crime insurance covers all employees, with a limit of $250,000 per loss. The Finance Officer is bonded for $1,000,000 in order to comply with S.L.2022-53, Section 9(a).

A cyber insurance policy for up to $1,000,000 single and aggregate limit for both first party and third-party claims is carried by the Airport to insure against losses and damages and address major cyber risks such as data breach, business interruption, data theft or corruption, and cyber extortion.

Net Position

The Authority Board has established an operations and maintenance designation equal to six months of the Airport's subsequent year's operations and maintenance budget. The Board has also designated $650,000 for emergency repairs. Unrestricted net position consists of the following:

	2026	2025
Unrestricted net position, designated for:		
Operating and maintenance designation	$ 19,730,628	$ 14,775,556
Emergency repair designation	650,000	650,000
Undesignated, unrestricted net position	(116,200,943)	(172,833,539)
Total unrestricted net position	$ (95,820,315)	$ (157,407,983)

Revenue and Expenses

Regulated Leases

At June 30, 2026, the Authority had one or more leases regulated by the Federal Aviation Administration. The leases are subject to fixed monthly rent payments that are adjusted annually using CPI or 3%, whichever is highest. One of the leases will be subject to variable payments based on revenue beginning in 2035. In fiscal years 2026 and 2025, the Authority recognized $2,322,345 and $1,959,232, respectively, of lease revenue from regulated leases.

Year Ending June 30	Amount
2027	$ 3,977,647
2028	4,084,276
2029	4,193,808
2030	4,306,383
2031	4,319,705
2032-2036	23,442,131
2037-2041	24,361,210
2042-2046	24,635,097
2047-2051	14,482,462
2052-2056	16,789,142
2057-2061	6,015,800
2062-2066	3,356,242
2067-2071	3,890,805
2072-2075	3,554,305
Total	$ 141,409,013

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Passenger Facility Charges

The Authority receives from the airline carriers enplaning passengers at the Greater Asheville Regional Airport a facility charges $4.50 per passenger. Every air carrier servicing the Airport must collect $4.50 from passengers on all tickets sold and remit $4.39 of these funds to the Authority. The Authority must use these funds for Federal Aviation Administration (FAA) approved capital improvement projects. Revenues from passenger facility charges totaled $4,699,151 for the year ended June 30, 2026, and $4,318,150 for the year ended June 30, 2025.

3. Commitments and Contingencies (Including Litigation)

A. Construction Contract Commitments

The Authority has commitments of approximately $123 million for the construction/renovation of facilities. These projects are to be funded through federal grants, state grants, customer facility charges and Authority funding.

The underlying contracts have termination provisions. The contract with architectural/engineering consulting firms representing approximately $8.9 million of the commitment amount allows either party to terminate the agreement with a seven-day written notice and the consultant is entitled to payment for work executed and costs incurred by reason of such termination.

The contracts with the construction firms representing $114.1 million of the commitment amount allows the attachment of surety bond for the faithful performance of work specified in strict conformity with specifications set forth. If said work is not completed within the time stated, the contractor shall be liable to pay the Authority liquidated damages in the amount of $3,000 per calendar day for each day thereafter that said work remains substantially incomplete.

B. Federal and State-Assisted Programs

The Authority has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

C. Contingent Liabilities

The Authority adopted a Supplemental Executive Retirement Plan effective July 1, 2023 for President and CEO Lew Bleiweis, A.A.E. Following the adoption of the Plan, the Authority made all appropriate filings as required by Employee Retirement Income and Security Act with the Department of Labor.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS*

Schedule of Changes in Total Pension Liability

	2026	2025	2024	2023	2022
Beginning balance	$ 981,137	$ 942,674	$ 703,270	$ 654,955	$ 614,383
Changes for the year:					
Service cost at end of year	30,377	37,696	35,217	38,503	41,359
Interest	40,277	36,672	29,455	14,290	11,484
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	(124,583)	35,844	193,736	149,641	41,051
Changes of assumptions and other inputs	(147,689)	(19,991)	20,701	(114,414)	(14,609)
Benefit payments	(80,191)	(51,758)	(39,705)	(39,705)	(38,713)
Other	-	-	-	-	-
Net changes	(281,809)	38,463	239,404	48,315	40,572
Ending balance of the total pension liability	$ 699,328	$ 981,137	$ 942,674	$ 703,270	$ 654,955

Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll

	2026	2025	2024	2023	2022
Total pension liability	$ 699,328	$ 981,137	$ 942,674	$ 703,270	$ 654,955
Covered-employee payroll	1,171,151	1,362,645	1,213,829	889,156	983,184
Total pension liability as a percentage of covered-employee payroll	59.71%	72.00%	77.66%	79.09%	66.62%

Notes to the Schedule:
The Authority has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

* The amounts presented for each fiscal year were determined as of the prior calendar year ending December 31.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS*

Schedule of Changes in Total Pension Liability

	2021	2020	2019	2018	2017
Beginning balance	$ 439,521	$ 453,052	$ 474,558	$ 441,122	$ 446,133
Changes for the year:					
Service cost at end of year	16,438	14,922	21,066	18,349	21,843
Interest	14,097	16,242	14,748	16,298	15,375
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	(68)	(42,639)	(22,507)	7,343	-
Changes of assumptions and other inputs	158,583	11,606	(19,141)	29,226	(11,280)
Benefit payments	(14,188)	(13,662)	(15,672)	(37,780)	(30,949)
Other	-	-	-	-	-
Net changes	174,862	(13,531)	(21,506)	33,436	(5,011)
Ending balance of the total pension liability	$ 614,383	$ 439,521	$ 453,052	$ 474,558	$ 441,122

Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll

	2021	2020	2019	2018	2017
Total pension liability	$ 614,383	$ 439,521	$ 453,052	$ 474,558	$ 441,122
Covered-employee payroll	675,287	621,433	731,825	740,566	740,566
Total pension liability as a percentage of covered-employee payroll	90.98%	70.73%	61.91%	64.08%	59.57%

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2026	2025	2024	2023	2022
Service cost	$ 36,531	$ 37,347	$ 42,761	$ 53,370	$ 57,504
Interest	47,651	44,739	44,002	29,211	28,064
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	107,757	69,758	(135,188)	6,833	(50,055)
Changes of assumptions	(70,221)	(23,973)	29,007	(135,793)	102,249
Benefit payments and implicit subsidy credit	(87,131)	(60,071)	(58,525)	(46,445)	(55,793)
Net change in total OPEB liability	34,587	67,800	(77,943)	(92,824)	81,969
Total OPEB liability - beginning	1,219,112	1,151,312	1,229,255	1,322,079	1,240,110
Total OPEB liability - ending	$ 1,253,699	$ 1,219,112	$ 1,151,312	$ 1,229,255	$ 1,322,079
Covered-employee payroll	$ 1,450,109	$ 1,742,088	$ 1,742,088	$ 1,469,523	$ 1,469,523
Total OPEB liability as a percentage of covered-employee payroll	86.46%	69.98%	66.09%	83.65%	89.97%

Notes to the Schedule:
This schedule is intended to show 10 years of information, additional years' information will be displayed as it becomes available.
The Authority has no assets accumulated in a trust that meets the criteria for an OPEB trust as defined by GASB Statemnent 68.
Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

Fiscal Year	Rate
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%
2024	3.65%
2025	3.93%
2026	5.20%

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2021	2020	2019	2018
Service cost	$ 44,254	$ 73,409	$ 75,000	$ 79,544
Interest	39,123	48,250	42,614	35,421
Changes of benefit terms		-	-	-
Differences between expected and actual experience	(3,428)	(266,103)	(693)	265
Changes of assumptions	112,453	22,464	(39,497)	(65,963)
Benefit payments and implicit subsidy credit	(51,193)	(38,594)	(29,661)	(28,486)
Net change in total OPEB liability	141,209	(160,574)	47,763	20,781
Total OPEB liability - beginning	1,098,901	1,259,475	1,211,712	1,190,931
Total OPEB liability - ending	$ 1,240,110	$ 1,098,901	$ 1,259,475	$ 1,211,712
Covered-employee payroll	$ 1,525,141	$ 1,525,141	$ 1,794,239	$ 1,794,239
Total OPEB liability as a percentage of covered-employee payroll	81.31%	72.05%	70.20%	67.53%

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS*

	Local Governmental Employees' Retirement System				
	2026	2025	2024	2023	2022
Authority's proportion of the net pension liability (asset) (%)	0.06622%	0.05975%	0.06193%	0.05109%	0.05617%
Authority's proportion of the net pension liability (asset) ($)	$ 4,091,780	$ 4,028,299	$ 4,101,479	$ 2,882,207	$ 861,420
Authority's covered payroll	$ 6,981,872	$ 5,886,880	$ 5,336,464	$ 4,112,609	$ 3,866,009
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	58.61%	68.43%	76.86%	70.08%	22.28%
Plan fiduciary net position as a percentage of the total pension liability (asset)**	85.68%	83.30%	82.49%	84.14%	95.51%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

** This will be the same percentage for all participant employers in the LGERS plan.

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS*

	Local Governmental Employees' Retirement System				
	2021	2020	2019	2018	2017
Authority's proportion of the net pension liability (asset) (%)	0.05189%	0.04671%	0.05106%	0.05238%	0.05093%
Authority's proportion of the net pension liability (asset) ($)	$ 1,854,251	$ 1,275,614	$ 1,211,318	$ 800,221	$ 1,080,905
Authority's covered payroll	$ 3,701,694	$ 3,368,784	$ 3,206,342	$ 3,226,530	$ 3,067,020
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.09%	37.87%	37.78%	24.80%	35.24%
Plan fiduciary net position as a percentage of the total pension liability (asset)**	88.61%	90.86%	91.63%	94.18%	91.47%

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS

Local Governmental Employees' Retirement System

	2026	2025	2024	2023	2022
Contractually required contribution	$ 1,100,658	$ 968,631	$ 773,344	$ 658,590	$ 475,241
Contributions in relation to the contractually required contribution	1,100,658	968,631	773,344	658,590	475,241
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 8,019,827	$ 6,981,872	$ 5,886,880	$ 5,336,464	$ 4,112,609
Contributions as a percentage of covered payroll	13.72%	13.87%	13.14%	12.34%	11.56%

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Notes or the Required Supplementary Information for LGERS:

For 2023, the total pension liability for the December 31, 2021 actuarial valuation was determined using the following actuarial changes of assumptions:

Inflation and Payroll Growth	2.50% from 3.00%
Mortality Rates	RP-2010 Total Data Set for Healthy Annuitants

For 2022, the discount rate and the investment rate were changed to 6.50% from 7.0%.

For 2020, the total pension liability for the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Smoothed Fair Value
Assumptions:	
Inflation	3.00%
Discount Rate	7.00%
Real Wage Growth	0.50%
Payroll Growth	3.50%
Mortality	RP-2014 Total Data Set for Healthy Annuitants

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS

Local Governmental Employees' Retirement System

	2021	2020	2019	2018	2017
Contractually required contribution	$ 399,893	$ 338,123	$ 267,877	$ 247,476	$ 241,459
Contributions in relation to the contractually required contribution	399,893	338,123	267,877	247,476	241,459
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 3,866,009	$ 3,701,694	$ 3,368,784	$ 3,206,342	$ 3,226,530
Contributions as a percentage of covered payroll	10.34%	9.13%	7.95%	7.72%	7.48%

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2025

	2026			2025
	Final Budget	Actual	Variance Over/(Under)	Actual
Operating revenues:				
Terminal	$ 15,667,949	$ 16,372,329	$ 704,380	$ 11,695,204
Airfield	4,031,160	3,954,674	(76,486)	4,077,813
General aviation	1,441,461	1,551,384	109,923	1,448,044
Parking lot	14,055,000	13,223,926	(831,074)	11,847,128
Land use	-	872,351	872,351	524,185
Air Traffic Control Tower	-	240,707	240,707	-
Interest income	4,800,000	13,772,717	8,972,717	14,856,202
Other	956,808	145,639	(811,169)	58,382
Reimbursable costs	-	4,250	4,250	850
Customer facility charges	2,800,000	3,593,756	793,756	3,245,017
Total operating revenues	43,752,378	53,731,733	9,979,355	47,752,825
State grant reimbursements	8,643,276	9,529,676	886,400	-
Federal airport improvement program grants	32,611,808	-	(32,611,808)	-
FEMA grant	-	-	-	246,472
Insurance proceeds	-	791,769	791,769	94,998
Passenger facility charges	4,500,000	4,699,151	199,151	4,318,150
	45,755,084	15,020,596	(30,734,488)	4,659,620
Total revenues	89,507,462	68,752,329	(20,755,133)	52,412,445
Operating expenses:				
Administration	1,478,425	1,318,700	(159,725)	1,175,418
Planning	840,341	726,959	(113,382)	523,350
Executive	1,729,419	1,632,425	(96,994)	1,604,658
Finance	1,025,481	749,044	(276,437)	681,742
Guest services	427,370	404,761	(22,609)	327,349
Information technology	2,802,672	2,051,089	(751,583)	1,949,210
Marketing	1,017,916	961,979	(55,937)	605,582
Operations	9,944,970	9,249,401	(695,569)	6,634,604
Properties and contracts	391,747	326,423	(65,324)	385,534
Public safety	4,047,171	3,678,786	(368,385)	3,556,225
Debt service - principal	1,445,000	1,445,000	-	1,410,000
Debt service - interest	19,155,582	19,139,051	(16,531)	19,176,967
Disaster relief expenses	-	-	-	336,315
Emergency repair	50,000	-	(50,000)	-

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2025

	2026			2025
	Final Budget	Actual	Variance Over/(Under)	Actual
Business development	400,000	167,671	(232,329)	76,459
Contingency	67,327	-	(67,327)	-
Equipment and small capital outlay	553,000	-	(553,000)	-
Carry-over capital expenditures from prior year	208,125,770	-	(208,125,770)	-
Renewal and replacement capital outlay	559,250	2,000	(557,250)	22,152
Capital project expenditures	55,781,503	-	(55,781,503)	-
Total expenditures	309,842,944	41,853,289	(267,989,655)	38,465,565
Revenues over (under) expenditures	(220,335,482)	26,899,040	247,234,522	13,946,880
Other Financing Sources (Uses)				
Transfers (to)/from operating cash	220,335,482	(43,540,633)	(263,876,115)	(110,139,236)
Proceeds on sale of assets	-	8,373,625	8,373,625	2,489
Total other financing sources (uses)	220,335,482	(35,167,008)	(255,502,490)	(110,136,747)
Revenues and other financing sources over (under) expenditures and other financing uses	-	(8,267,968)	(8,267,968)	(96,189,867)
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual:				
Capital outlay expenditures		2,000		22,152
Capital project expenditures		-		-
Proceeds from revenue bonds issued		-		-
Amortization of prepaid bond insurance		(108,640)		(108,640)
Amortization of bond premium		844,708		844,708
Net revenue from capital project consolidation		39,664,052		35,694,537
Principal payments of bond maturities		1,445,000		1,410,000
Increase (decrease) in net pension asset (LGERS)		-		-
Increase (decrease) in deferred outflows of resources		11,605		(455,682)
(Increase) decrease in accrued interest payable		17,267		16,850
(Increase) decrease in accrued compensated absences		(3,359)		173,685
(Increase) decrease in total pension liability (LEOSSA)		281,809		(38,463)
(Increase) decrease in net pension liability (LGERS)		(63,481)		73,181
(Increase) decrease in total OPEB liability		(34,587)		(67,800)
(Increase) decrease in deferred inflows of resources		(283,356)		156,923
Transfers (to)/from operating cash		43,540,633		110,139,236
Non cash value of land received in swap		2,285,550		-
Book value of disposed assets and associated costs		(274,546)		(2,489)
Depreciation		(8,567,486)		(8,364,848)
Change in net position		$ 70,489,201		$ 43,303,483

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

CAPITAL IMPROVEMENTS SUPPLEMENTAL SCHEDULE
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2026

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/(Under)
Operating Revenues:					
Federal airport improvement program grants	$ 78,400,134	$ 50,190,386	$ 35,109,006	$ 85,299,392	$ 6,899,258
TSA - OTA grant	19,783,677	13,460,154	2,551,068	16,011,222	(3,772,455)
Passenger facility charges	44,128,521	9,710,523	-	9,710,523	(34,417,998)
State grants	9,052,651	9,052,651	2,003,978	11,056,629	2,003,978
Total operating revenues	151,364,983	82,413,714	39,664,052	122,077,766	(29,287,217)
Operating Expenditures:					
Terminal & ATC construction	499,329,854	291,945,664	72,176,480	364,122,144	(135,207,710)
South parking lot construction	11,372,219	9,631,789	1,227,015	10,858,804	(513,415)
Taxiway A rehab design	1,129,142	620,694	137,110	757,804	(371,338)
South GA Apron / Remain Overnight Parking Construction	6,029,762	279,319	3,556,544	3,835,863	(2,193,899)
ARFF vehicle	1,340,850	11,702	1,257,111	1,268,813	(72,037)
Runway Taxiway Sealcoat Design and Construction	1,111,111	-	-	-	(1,111,111)
Overlook Parking / Airfield Stormwater Improvements	12,526,007	936,385	2,913,540	3,849,925	(8,676,082)
Parking Garage - Design	4,964,318	204,599	433,631	638,230	(4,326,088)
Airport Entrance and Signage Design	4,750,000	-	63,224	63,224	(4,686,776)
Other	6,291,213	1,538,563	1,440,030	2,978,593	(3,312,620)
Total expenditures	548,844,476	305,168,715	83,204,685	388,373,400	(160,471,076)
Revenues under expenditures	(397,479,493)	(222,755,001)	(43,540,633)	(266,295,634)	(189,758,293)
Other Financing Sources (Uses):					
Transfers (to)/from operating cash	12,138,273	230,813,705	43,540,633	274,354,338	262,216,065
Revenue bond issuance	360,000,000	360,000,000	-	360,000,000	-
Premium on revenue bonds issued	25,341,220	25,341,220	-	25,341,220	-
Total other financing sources (uses)	397,479,493	616,154,925	43,540,633	659,695,558	262,216,065
Revenues and other financing sources over (under) expenditures and other financing uses	$ -	$ 393,399,924	$ -	$ 393,399,924	$ 72,457,772

Note: Schedule represents cumulative activity for active capital improvement projects. Budget and actual activity is accounted for in the Operating Fund; not a separate fund. This schedule is for additional detail of active capital improvement projects.

Draft - For management information only. Subject to change

ASHEVILLE REGIONAL AIRPORT

MEMORANDUM

TO: Members of the Airport Authority

FROM: Amy Harris, Chief Financial Officer

DATE: October 9, 2026

ITEM DESCRIPTION – New Business Item B

Resolution Adding Truist Bank as Official Depository – Trustee Accounts

SUMMARY

Since the issuance of the 2022A and 2023 bonds, the Authority has utilized The Bank of New York Mellon as the Bond Trustee Bank. At the beginning of this fiscal year, the Finance Department conducted a review of bank fees for potential cost savings and to seek improved customer service by reaching out to recommended banking partners with experience managing Bond Trustee accounts. Quotes were received from Truist Bank and Regions Bank with Truist Bank offering lower fees that will result in approximately $6,500 in future annual savings per year. Based on this analysis, it is recommended that the Authority shift Trustee Bank accounts from The Bank of New York Mellon to Truist Bank.

North Carolina General Statutes require that Authority funds be deposited only in banks that the Authority Board has designated as "official depositories." The Authority previously had relationships with Bank of America, N.A., First-Citizens Bank & Trust Company, The Bank of New York Mellon Corporation and The North Carolina Capital Management Trust, as official depositories.

ISSUES

None.

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ALTERNATIVES

The Board could elect not to make a change to Trustee Banks and retain The Bank of New York Mellon as the acting Trustee Bank.

FISCAL IMPACTS

This change is projected to result in an annual reduction in Bank Fees of approximately $6,500 in future fiscal years. For FY 26 / 27, there will be a minimal amount of legal fees incurred for the transition resulting in the requested budget amendment below.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to:

1. Approve the Resolution Designating Official Banking Depositories of the Greater Asheville Regional Airport Authority.

2. Amend the FY26/27 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, 2026:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	Decrease	Increase
Finance Department		$11,000
Totals		$11,000

This will result in a net increase of $11,000 in the appropriations. Revenues will be revised as follows:

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REVENUES:

	Decrease	Increase
Transfer from GARAA Cash		$11,000
Totals		$11,000

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 October, 2026.

_____
Britt Lovin, Chair

Attested by:

_____
Ellen Heywood, Clerk to the Board

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RESOLUTION DESIGNATING OFFICIAL BANKING DEPOSITORIES OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

WHEREAS, the Greater Asheville Regional Airport Authority ("GARAA") is a public authority pursuant to the laws of North Carolina; and,

WHEREAS, the GARAA last updated its official banking depositories by resolution dated February 14, 2025; and,

WHEREAS, the GARAA official depositories list requires an update; and

WHEREAS, the GARAA is of the opinion that it is in the best interests of the GARAA to designate the depositories listed below as its official depositories.

NOW, THEREFORE, BE IT RESOLVED by the Greater Asheville Regional Airport Authority that:

1. The Finance Officer of the GARAA is authorized to deposit funds of the GARAA in the following depositories:

- Bank of America, N.A.
- The North Carolina Capital Management Trust
- Truist Bank

2. As a public authority pursuant to the laws of North Carolina, all employees of the GARAA and all board members of the GARAA shall abide by the requirements of the North Carolina Local Government Budget and Fiscal Control Act as set forth therein.

3. Copies of this resolution shall be forwarded to the depositories designated herein.

4. All prior resolutions in conflict herewith are hereby repealed to the extent of such conflict.

5. All acts and doings of officers, employees and agents of the GARAA, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.

6. That this resolution is effective upon its adoption.

This the 9th day of October, 2026.

_____

Britt Lovin, Chair

Attested by:

_____

Ellen Heywood, Clerk to the Board

100926-1

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: October 9, 2026

ITEM DESCRIPTION – New Business Item C

Approval of the Greater Asheville Regional Airport Authority Board 2027 Schedule

Below are the proposed dates for the 2027 Board Meetings to note on your calendars:

January 8	July 9
February 12	August 13
March 19	September 10
April 9	October 15
May 14	November 12
June 11	December 10

All Authority Board Meetings will be held at 8:30 a.m. in the Council Chambers at the Fletcher Town Hall, 300 Old Cane Creek Road, Fletcher, NC 28732. The telephone number for the Airport Authority is (828) 684-2226.

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MEMORANDUM

TO: Members of the Airport Authority

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

DATE: October 9, 2026

ITEM DESCRIPTION – Information Section Item A

August 2026 Traffic Report – Asheville Regional Airport

SUMMARY

August 2026 overall passenger traffic numbers were down 2.7% compared to the same period last year. Passenger traffic numbers reflect a 2.6% decrease in passenger enplanements from August 2025. Enplanements for Fiscal Year to Date total 229,549 which is a 1.9% decrease from the same period last year.

AIRLINE PERFORMANCE

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in August 2026 were down by 3.8%. There were 9 flight cancellations for the month.

American Airlines: American's August 2026 passenger enplanements represent a 10.5% decrease over the same period last year. There were 20 flight cancellations for the month.

Delta Airlines: Enplanements for Delta in August 2026 increased by 3.9% compared to August 2025. There were no flight cancellations for the month.

United Airlines: In August 2026, United Airlines saw an increase in enplanements by 23.3% from the same period last year. There were 4 flight cancellations for the month.

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Monthly Traffic Report
Asheville Regional Airport
August, 2026

Category	Aug 2026	Aug 2025	Percentage Change	*CYTD-2026	*CYTD-2025	Percentage Change	*MOV12-2026	*MOV12-2025	Percentage Change
Passenger Traffic									
Enplaned	105,591	108,459	-2.6%	734,717	726,950	1.1%	1,131,703	1,033,254	9.5%
Deplaned	102,851	105,727	-2.7%	730,384	720,041	1.4%	1,127,284	1,019,237	10.6%
Total	**208,442**	**214,186**	**-2.7 %**	**1,465,101**	**1,446,991**	**1.3 %**	**2,258,987**	**2,052,491**	**10.1 %**
Aircraft Operations									
Airlines	1,999	2,141	-6.6%	13,743	14,580	-5.7%	21,337	21,699	-1.7%
Commuter/AirTaxi	1,294	1,251	3.4%	8,103	6,708	20.8%	12,214	9,627	26.9%
Subtotal	3,293	3,392	-2.9 %	21,846	21,288	2.6 %	33,551	31,326	7.1 %
GeneralAviation	4,148	3,649	13.7%	29,597	25,641	15.4%	42,129	36,881	14.2%
Military	268	186	44.1%	2,167	1,443	50.2%	3,084	2,537	21.6%
Subtotal	4,416	3,835	15.1 %	31,764	27,084	17.3 %	45,213	39,418	14.7 %
Total	**7,709**	**7,227**	**6.7 %**	**53,610**	**48,372**	**10.8 %**	**78,764**	**70,744**	**11.3 %**
Fuel Gallons									
FF-100LL	21,883	12,831	70.6%	115,926	105,393	10.0%	160,421	170,928	-6.2%
FF-JETA-GA	212,732	214,436	-0.8%	1,327,153	1,355,462	-2.1%	1,864,066	2,035,329	-8.4%
Subtotal	234,615	227,267	3.2 %	1,443,079	1,460,855	-1.2 %	2,024,487	2,206,257	-8.2 %
FF-JETA-AL	1,166,853	1,089,932	7.1%	7,867,181	7,593,200	3.6%	11,848,665	10,981,478	7.9%
Subtotal	1,166,853	1,089,932	7.1 %	7,867,181	7,593,200	3.6 %	11,848,665	10,981,478	7.9 %
Total	**1,401,468**	**1,317,199**	**6.4 %**	**9,310,260**	**9,054,055**	**2.8 %**	**13,873,152**	**13,187,735**	**5.2 %**

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

Airline Enplanements, Seats, and Load Factors
Asheville Regional Airport
August, 2026

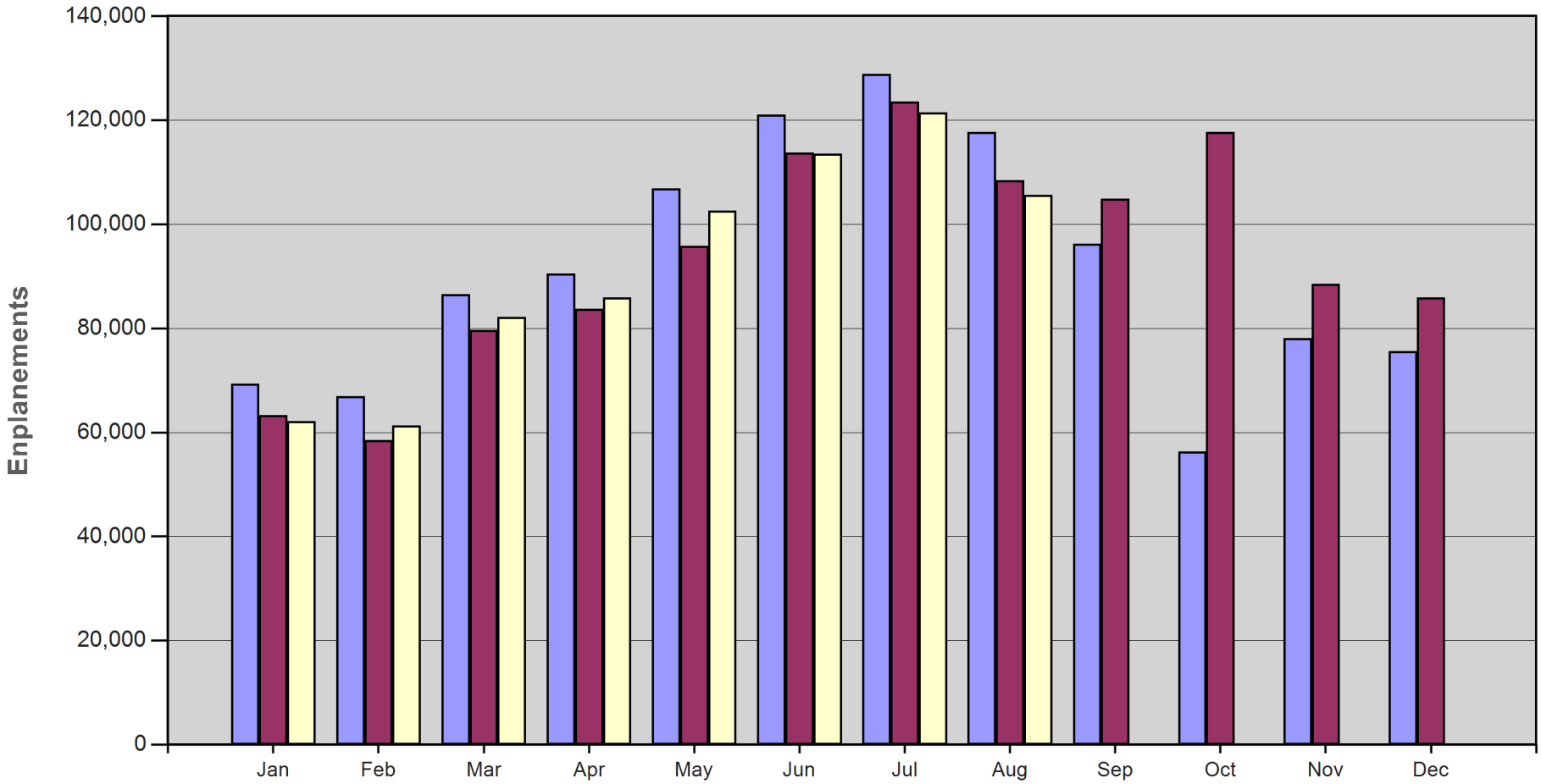
	Aug 2026	Aug 2025	Percentage Change	*CYTD-2026	*CYTD-2025	Percentage Change
Allegiant Air						
Enplanements	39,880	41,450	-03.79%	292,330	312,739	-06.53%
Seats	50,748	53,568	-05.26%	375,754	398,933	-05.81%
Load Factor	78.58%	77.38%	01.55%	77.80%	78.39%	-00.75%
American Airlines						
Enplanements	28,275	31,586	-10.48%	195,780	193,247	01.31%
Seats	38,747	38,917	-00.44%	263,892	239,760	10.07%
Load Factor	72.97%	81.16%	-10.09%	74.19%	80.60%	-07.95%
Delta Air Lines						
Enplanements	26,306	25,316	03.91%	170,196	160,282	06.19%
Seats	31,923	29,374	08.68%	207,077	184,220	12.41%
Load Factor	82.40%	86.19%	-04.40%	82.19%	87.01%	-05.54%
JetBlue Airways						
Enplanements	0	2,274	-100.00%	0	5,657	-100.00%
Seats	0	2,620	-100.00%	0	6,680	-100.00%
Load Factor	00.00%	86.79%	-100.00%	00.00%	84.69%	-100.00%
Sun Country						
Enplanements	1,474	0	00.00%	7,111	0	00.00%
Seats	1,860	0	00.00%	8,928	0	00.00%
Load Factor	79.25%	00.00%	00.00%	79.65%	00.00%	00.00%
United Airlines						
Enplanements	9,656	7,833	23.27%	69,300	55,025	25.94%
Seats	13,032	9,182	41.93%	94,324	66,574	41.68%
Load Factor	74.09%	85.31%	-13.15%	73.47%	82.65%	-11.11%
Totals						
Enplanements	105,591	108,459	-02.64%	734,717	726,950	01.07%
Seats	136,310	133,661	01.98%	949,975	896,167	06.00%
Load Factor	77.46%	81.14%	-04.54%	77.34%	81.12%	-04.66%

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

Airline Flight Completions
Asheville Regional Airport
August, 2026

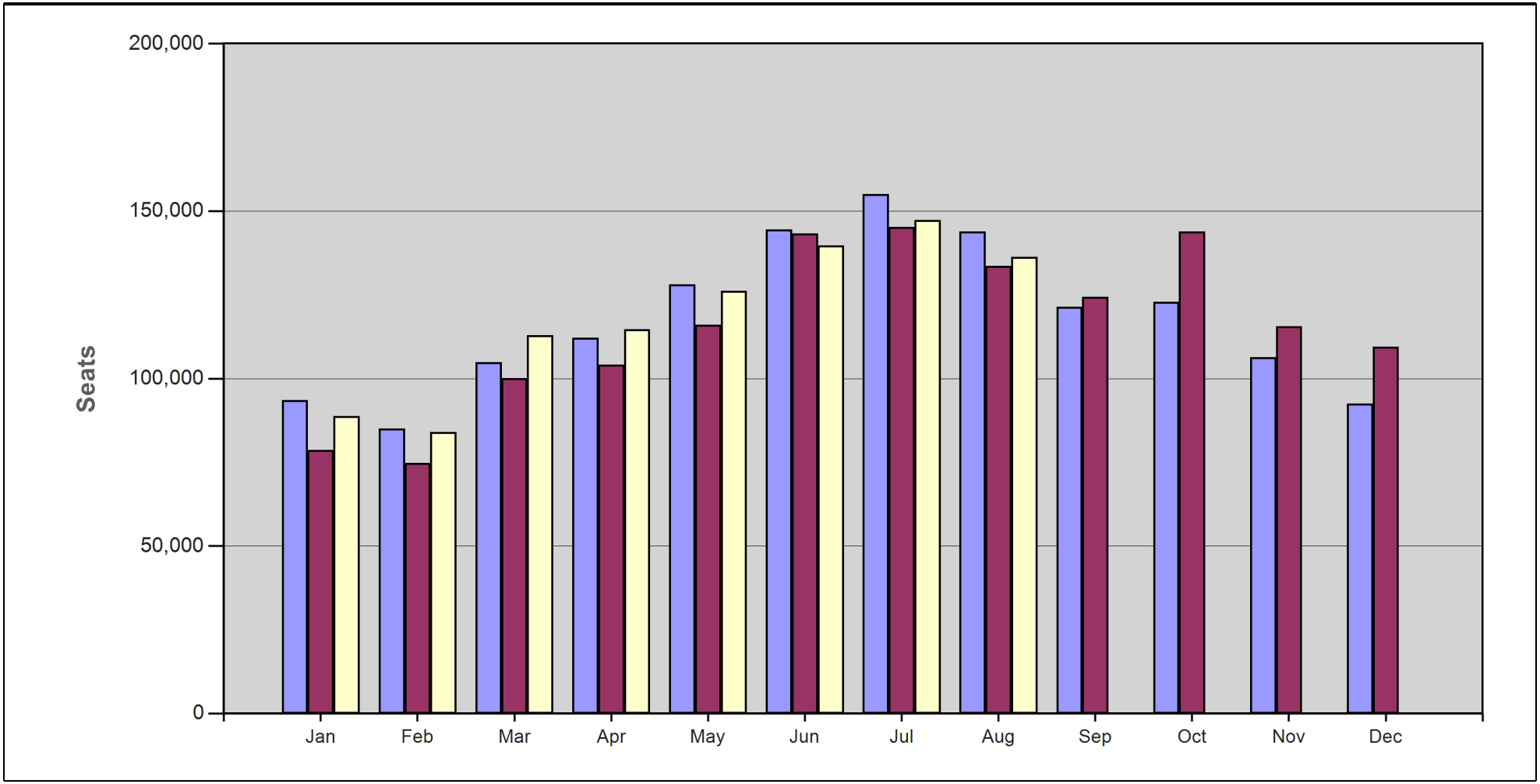
Airline	Scheduled Flights	Cancellations Due To Field	Mechanical	Weather	Other	Total Cancellations	Percentage of Completed Flights
Allegiant Air	282	0	0	0	9	9	96.8%
American Airlines	560	0	0	20	0	20	96.4%
Delta Air Lines	317	0	0	0	0	0	100.0%
Sun Country	10	0	0	0	0	0	100.0%
United Airlines	161	0	0	0	4	4	97.5%
Total	1,330	0	0	20	13	33	97.5%

Monthly Enplanements By Year
Asheville Regional Airport
August, 2026



		1	2	3	4	5	6	7	8	9	10	11	12
	2024	69,298	66,942	86,585	90,518	106,873	121,083	128,856	117,738	96,274	56,335	78,083	75,612
	2025	63,282	58,501	79,702	83,759	95,851	113,801	123,595	108,459	104,883	117,724	88,494	85,885
	2026	62,151	61,274	82,126	85,953	102,569	113,525	121,528	105,591				

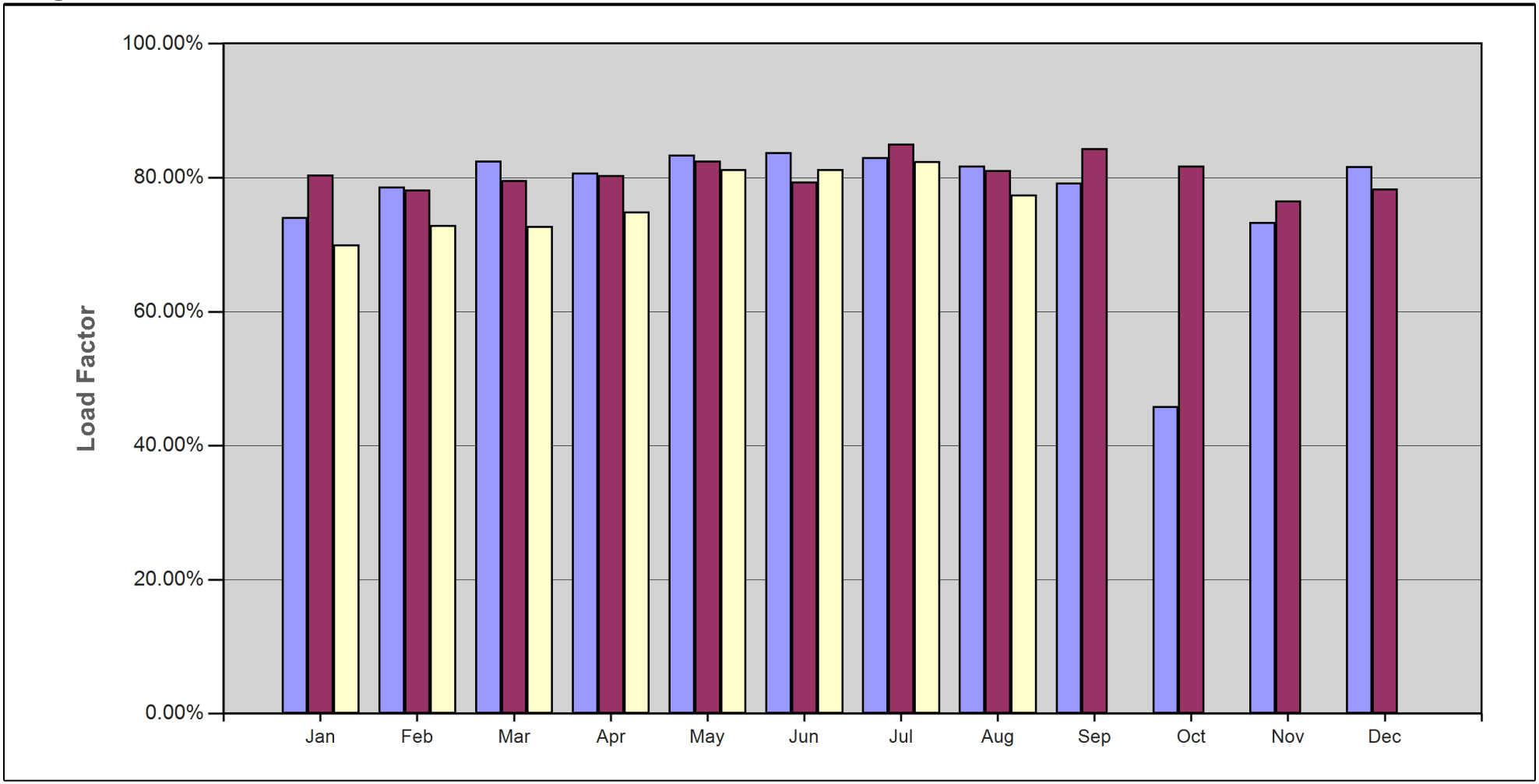
Monthly Seats By Year
Asheville Regional Airport
August, 2026



		1	2	3	4	5	6	7	8	9	10	11	12
	2024	93,525	85,102	104,933	112,150	128,091	144,497	155,097	143,970	121,457	122,864	106,380	92,511
	2025	78,671	74,832	100,101	104,205	116,121	143,320	145,256	133,661	124,326	143,921	115,622	109,564
	2026	88,731	84,037	112,899	114,745	126,161	139,690	147,402	136,310				

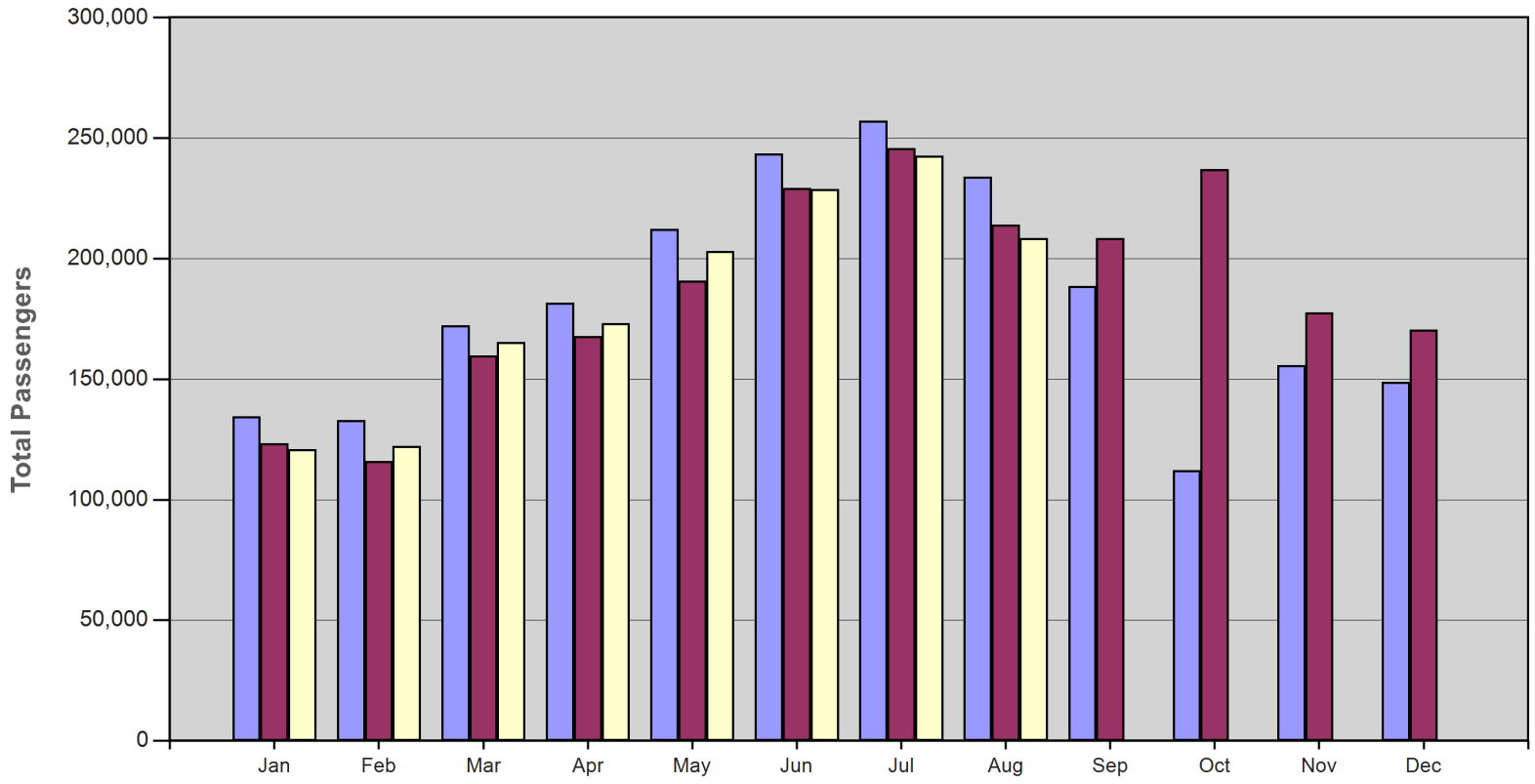
Monthly Load Factors By Year
Asheville Regional Airport

August, 2026



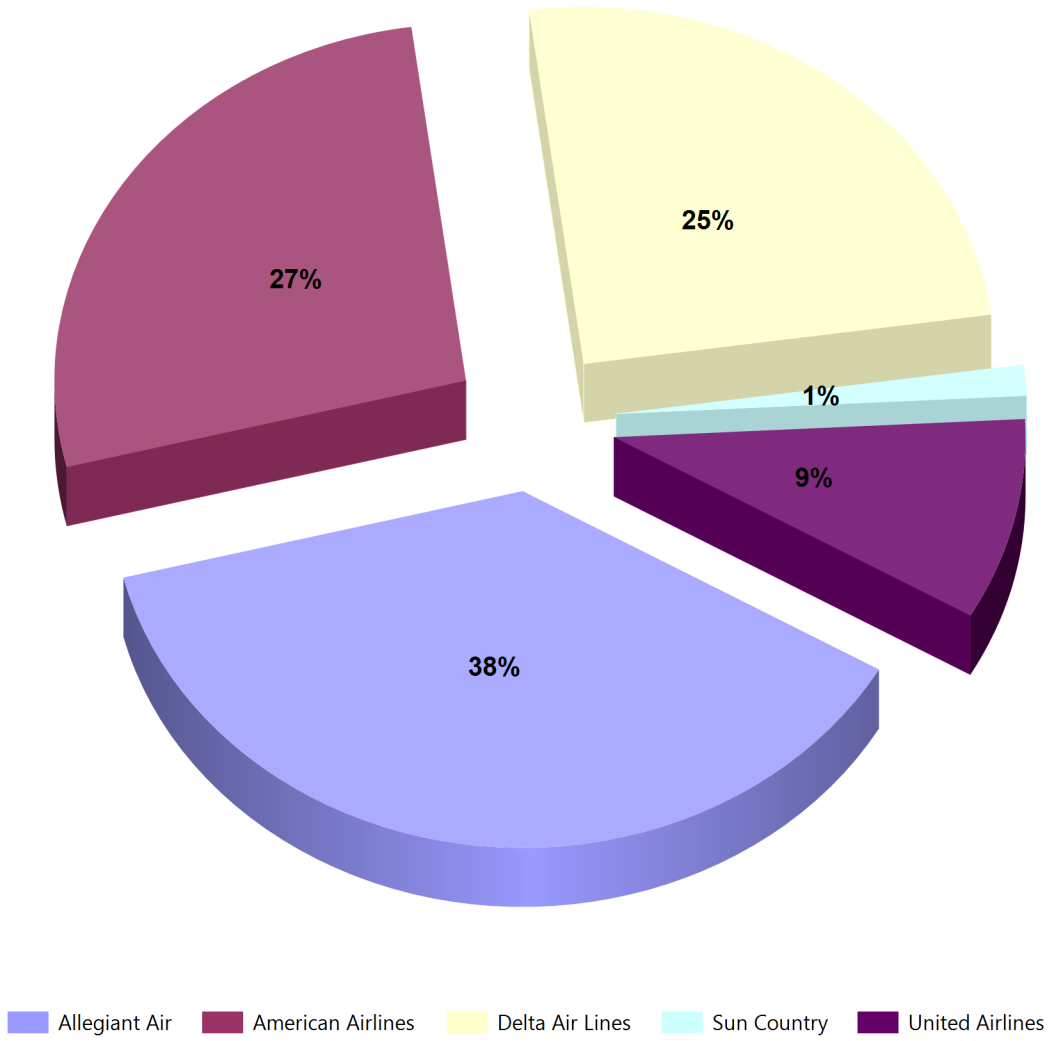
		1	2	3	4	5	6	7	8	9	10	11	12
	2024	74.10%	78.66%	82.51%	80.71%	83.44%	83.80%	83.08%	81.78%	79.27%	45.85%	73.40%	81.73%
	2025	80.44%	78.18%	79.62%	80.38%	82.54%	79.40%	85.09%	81.14%	84.36%	81.80%	76.54%	78.39%
	2026	70.04%	72.91%	72.74%	74.91%	81.30%	81.27%	82.45%	77.46%				

Total Monthly Passengers By Year
Asheville Regional Airport
August, 2026



		1	2	3	4	5	6	7	8	9	10	11	12
	2024	134,630	133,022	172,380	181,705	212,267	243,473	257,095	234,053	188,581	112,191	155,790	148,938
	2025	123,260	116,053	159,813	167,837	190,838	229,188	245,816	214,186	208,540	237,147	177,625	170,574
	2026	120,991	122,268	165,450	173,285	203,160	228,829	242,676	208,442				

Airline Market Share Analysis (Enplanements)
Asheville Regional Airport
August, 2026

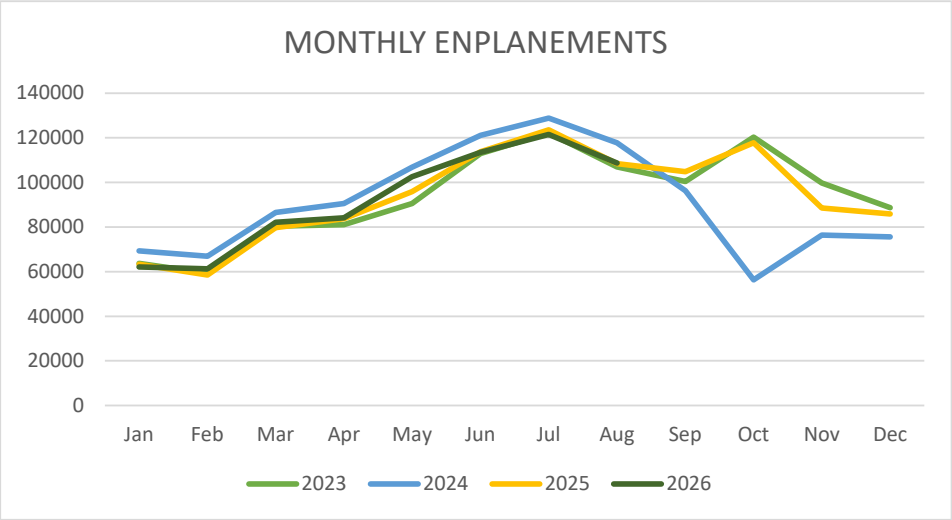


AVL - Three Month Schedule Summary Report
December 2026 to February 2027 versus same months last year
September 28, 2026
Note: Monthly schedule data is used to calculate weekly figures

	Travel Period			Dec 2026		Dec 2025		Diff YoY		Percent Diff YoY		
Mkt Al		Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	
AA	AVL-CLT	AVL	CLT	46	2,684	37	2,215	9	469	24.2%	21.2%	
AA	CLT-AVL	CLT	AVL	47	2,696	37	2,204	9	492	25.6%	22.3%	
AA	AVL-DCA	AVL	DCA	12	887	7	490	5	397	71.0%	81.1%	
AA	DCA-AVL	DCA	AVL	12	887	7	490	5	397	71.0%	81.1%	
AA	AVL-DFW	AVL	DFW	14	2,017	14	1,426	0	592	0.0%	41.5%	
AA	DFW-AVL	DFW	AVL	14	2,017	14	1,426	0	592	0.0%	41.5%	
AA	AVL-LGA	AVL	LGA	7	502	9	627	(1)	(126)	(13.2%)	(20.0%)	
AA	LGA-AVL	LGA	AVL	7	502	9	627	(1)	(126)	(13.2%)	(20.0%)	
AA	AVL-MIA	AVL	MIA	7	532	2	120	5	412	342.9%	342.9%	
AA	MIA-AVL	MIA	AVL	7	532	2	137	5	395	287.5%	287.5%	
AA	AVL-ORD	AVL	ORD	17	1,279	11	705	7	575	60.4%	81.6%	
AA	ORD-AVL	ORD	AVL	17	1,282	11	705	7	577	60.4%	81.9%	
AA	AVL-PHL	AVL	PHL	13	655	7	350	6	305	87.1%	87.1%	
AA	PHL-AVL	PHL	AVL	13	644	7	350	6	294	83.9%	83.9%	
DL	ATL-AVL	ATL	AVL	45	4,289	44	4,261	0	27	1.0%	0.6%	
DL	AVL-ATL	AVL	ATL	45	4,289	44	4,269	0	19	1.0%	0.5%	
DL	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-	
DL	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-	
DL	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-	
DL	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-	
DL	AVL-LGA	AVL	LGA	11	807	11	822	(0)	(16)	(2.1%)	(1.9%)	
DL	LGA-AVL	LGA	AVL	11	807	11	822	(0)	(16)	(2.1%)	(1.9%)	
DL	AVL-MSP	AVL	MSP	0.5	49	0	0	0	49	-	-	2 flts in December 5&12th
DL	MSP-AVL	MSP	AVL	0.5	49	0	0	0	49	-	-	2 flts in December 5&12th
G4	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-	
G4	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-	
G4	AVL-BOS	AVL	BOS	4	691	3	488	1	203	41.7%	41.7%	
G4	BOS-AVL	BOS	AVL	4	691	3	488	1	203	41.7%	41.7%	
G4	AVL-DEN	AVL	DEN	0	0	0	0	0	0	-	-	
G4	DEN-AVL	DEN	AVL	0	0	0	0	0	0	-	-	
G4	AVL-DJT	AVL	DJT	3	569	3	528	0	41	7.7%	7.7%	
G4	DJT-AVL	DJT	AVL	3	569	3	528	0	41	7.7%	7.7%	
G4	AVL-EWR	AVL	EWR	4	772	3	610	1	163	26.7%	26.7%	
G4	EWR-AVL	EWR	AVL	4	772	3	610	1	163	26.7%	26.7%	
G4	AVL-EYW	AVL	EYW	2	447	2	406	0	41	10.0%	10.0%	
G4	EYW-AVL	EYW	AVL	2	447	2	406	0	41	10.0%	10.0%	
G4	AVL-FLL	AVL	FLL	14	2,626	14	2,579	0	47	1.6%	1.8%	
G4	FLL-AVL	FLL	AVL	14	2,626	14	2,579	0	47	1.6%	1.8%	
G4	AVL-HOU	AVL	HOU	0	0	0	0	0	0	-	-	
G4	HOU-AVL	HOU	AVL	0	0	0	0	0	0	-	-	
G4	AVL-IAD	AVL	IAD	1	203	2	325	(1)	(122)	(37.5%)	(37.5%)	
G4	IAD-AVL	IAD	AVL	1	203	2	325	(1)	(122)	(37.5%)	(37.5%)	
G4	AVL-LAS	AVL	LAS	0	0	2	360	(2)	(360)	(100.0%)	(100.0%)	
G4	LAS-AVL	LAS	AVL	0	0	2	360	(2)	(360)	(100.0%)	(100.0%)	
G4	AVL-MCO	AVL	MCO	2	447	2	366	0	81	22.2%	22.2%	
G4	MCO-AVL	MCO	AVL	2	447	2	366	0	81	22.2%	22.2%	
G4	AVL-MDW	AVL	MDW	0	0	0	0	0	0	-	-	
G4	MDW-AVL	MDW	AVL	0	0	0	0	0	0	-	-	
G4	AVL-MSP	AVL	MSP	0	0	0	0	0	0	-	-	
G4	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-	
G4	AVL-PGD	AVL	PGD	5	935	5	975	(0)	(41)	(4.2%)	(4.2%)	
G4	PGD-AVL	PGD	AVL	5	935	5	975	(0)	(41)	(4.2%)	(4.2%)	
G4	AVL-PHX	AVL	PHX	0	0	0	0	0	0	-	-	
G4	PHX-AVL	PHX	AVL	0	0	0	0	0	0	-	-	
G4	AVL-PIE	AVL	PIE	10	1,810	11	1,958	(1)	(148)	(6.2%)	(7.5%)	
G4	PIE-AVL	PIE	AVL	10	1,810	11	1,958	(1)	(148)	(6.2%)	(7.5%)	
G4	AVL-SFB	AVL	SFB	11	2,046	12	2,213	(1)	(167)	(7.4%)	(7.6%)	
G4	SFB-AVL	SFB	AVL	11	2,046	12	2,213	(1)	(167)	(7.4%)	(7.6%)	
G4	AVL-SRQ	AVL	SRQ	2	447	2	406	0	41	10.0%	10.0%	
G4	SRQ-AVL	SRQ	AVL	2	447	2	406	0	41	10.0%	10.0%	
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	0	0	0	0	-	-	
SY	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-	
UA	AVL-DEN	AVL	DEN	5	364	3	257	2	106	53.3%	41.2%	
UA	DEN-AVL	DEN	AVL	5	364	3	257	2	106	53.3%	41.2%	
UA	AVL-EWR	AVL	EWR	7	385	7	420	0	(35)	0.0%	(8.4%)	
UA	EWR-AVL	EWR	AVL	7	385	7	420	0	(35)	0.0%	(8.4%)	
UA	AVL-ORD	AVL	ORD	17	1,013	18	989	(1)	23	(3.8%)	2.4%	
UA	ORD-AVL	ORD	AVL	17	1,018	18	990	(1)	28	(3.8%)	2.8%	
Weekly Total			**Total**	**527**	**52,920**	**463**	**47,811**	**63**	**5,109**	**13.6%**	**10.7%**	
Monthly Total			**Total**	**2,332**	**234,359**	**2,052**	**211,734**	**280**	**22,625**	**13.6%**	**10.7%**	

	Travel Period			Jan 2027		Jan 2026		Diff YoY		Percent Diff YoY		
Mkt Al		Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	
AA	AVL-CLT	AVL	CLT	42	2,283	46	3,340	(4)	(1,057)	(8.9%)	(31.6%)	
AA	CLT-AVL	CLT	AVL	42	2,283	46	3,351	(4)	(1,068)	(9.4%)	(31.9%)	
AA	AVL-DCA	AVL	DCA	12	842	7	467	5	375	71.0%	80.2%	
AA	DCA-AVL	DCA	AVL	12	842	7	467	5	375	71.0%	80.2%	
AA	AVL-DFW	AVL	DFW	14	1,840	12	1,510	2	330	14.8%	21.9%	
AA	DFW-AVL	DFW	AVL	14	1,840	12	1,505	2	336	17.0%	22.3%	
AA	AVL-LGA	AVL	LGA	7	520	9	672	(2)	(152)	(22.5%)	(22.6%)	
AA	LGA-AVL	LGA	AVL	7	520	9	689	(2)	(169)	(24.4%)	(24.6%)	
AA	AVL-MIA	AVL	MIA	7	532	1	86	6	446	520.0%	520.0%	
AA	MIA-AVL	MIA	AVL	7	532	1	86	6	446	520.0%	520.0%	
AA	AVL-ORD	AVL	ORD	14	999	1	73	13	926	1140.0%	1261.8%	
AA	ORD-AVL	ORD	AVL	14	999	1	73	13	926	1140.0%	1261.8%	
AA	AVL-PHL	AVL	PHL	2	90	1	56	1	34	60.0%	60.0%	
AA	PHL-AVL	PHL	AVL	2	90	1	56	1	34	60.0%	60.0%	
DL	ATL-AVL	ATL	AVL	39	4,159	39	3,876	0	283	0.6%	7.3%	
DL	AVL-ATL	AVL	ATL	39	4,159	39	3,885	0	273	0.0%	7.0%	
DL	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-	
DL	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-	
DL	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-	
DL	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-	
DL	AVL-LGA	AVL	LGA	7	532	7	495	0	37	0.0%	7.4%	
DL	LGA-AVL	LGA	AVL	7	532	7	495	0	37	0.0%	7.4%	
DL	AVL-MSP	AVL	MSP	0	0	0	0	0	0	-	-	
DL	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-	
G4	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-	
G4	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-	
G4	AVL-BOS	AVL	BOS	1	122	0	81	0	41	50.0%	50.0%	
G4	BOS-AVL	BOS	AVL	1	122	0	81	0	41	50.0%	50.0%	
G4	AVL-DEN	AVL	DEN	0	0	0	0	0	0	-	-	
G4	DEN-AVL	DEN	AVL	0	0	0	0	0	0	-	-	
G4	AVL-DJT	AVL	DJT	3	528	2	406	1	122	30.0%	30.0%	
G4	DJT-AVL	DJT	AVL	3	528	2	406	1	122	30.0%	30.0%	
G4	AVL-EWR	AVL	EWR	3	488	2	406	0	81	20.0%	20.0%	
G4	EWR-AVL	EWR	AVL	3	488	2	406	0	81	20.0%	20.0%	
G4	AVL-EYW	AVL	EYW	2	406	2	366	0	41	11.1%	11.1%	
G4	EYW-AVL	EYW	AVL	2	406	2	366	0	41	11.1%	11.1%	
G4	AVL-FLL	AVL	FLL	12	2,195	11	2,053	1	142	6.0%	6.9%	
G4	FLL-AVL	FLL	AVL	12	2,195	11	2,053	1	142	6.0%	6.9%	
G4	AVL-HOU	AVL	HOU	0	0	0	0	0	0	-	-	
G4	HOU-AVL	HOU	AVL	0	0	0	0	0	0	-	-	
G4	AVL-IAD	AVL	IAD	0.2	41	0	81	(0)	(41)	(50.0%)	(50.0%)	1 flt in Jan
G4	IAD-AVL	IAD	AVL	0.2	41	0	81	(0)	(41)	(50.0%)	(50.0%)	1 flt in Jan
G4	AVL-LAS	AVL	LAS	0	0	2	325	(2)	(325)	(100.0%)	(100.0%)	
G4	LAS-AVL	LAS	AVL	0	0	2	325	(2)	(325)	(100.0%)	(100.0%)	
G4	AVL-MCO	AVL	MCO	2	366	2	366	0	0	0.0%	0.0%	
G4	MCO-AVL	MCO	AVL	2	366	2	366	0	0	0.0%	0.0%	
G4	AVL-MDW	AVL	MDW	0	0	0	0	0	0	-	-	
G4	MDW-AVL	MDW	AVL	0	0	0	0	0	0	-	-	
G4	AVL-MSP	AVL	MSP	0	0	0	0	0	0	-	-	
G4	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-	
G4	AVL-PGD	AVL	PGD	3	488	3	612	(1)	(124)	(20.0%)	(20.3%)	
G4	PGD-AVL	PGD	AVL	3	488	3	612	(1)	(124)	(20.0%)	(20.3%)	
G4	AVL-PHX	AVL	PHX	0	0	0	0	0	0	-	-	
G4	PHX-AVL	PHX	AVL	0	0	0	0	0	0	-	-	
G4	AVL-PIE	AVL	PIE	7	1,322	8	1,434	(0)	(112)	(5.7%)	(7.8%)	
G4	PIE-AVL	PIE	AVL	7	1,322	8	1,434	(0)	(112)	(5.7%)	(7.8%)	
G4	AVL-SFB	AVL	SFB	9	1,582	9	1,612	0	(31)	0.0%	(1.9%)	
G4	SFB-AVL	SFB	AVL	9	1,582	9	1,612	0	(31)	0.0%	(1.9%)	
G4	AVL-SRQ	AVL	SRQ	2	366	2	325	0	41	12.5%	12.5%	
G4	SRQ-AVL	SRQ	AVL	2	366	2	325	0	41	12.5%	12.5%	
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	0	0	0	0	-	-	
SY	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-	
UA	AVL-DEN	AVL	DEN	7	490	5	395	2	95	34.8%	24.1%	
UA	DEN-AVL	DEN	AVL	7	490	5	395	2	95	34.8%	24.1%	
UA	AVL-EWR	AVL	EWR	1	57	7	526	(6)	(469)	(87.1%)	(89.2%)	
UA	EWR-AVL	EWR	AVL	1	57	7	526	(6)	(469)	(87.1%)	(89.2%)	
UA	AVL-ORD	AVL	ORD	20	1,187	20	1,029	0	158	1.1%	15.4%	
UA	ORD-AVL	ORD	AVL	20	1,187	20	1,023	0	164	1.1%	16.0%	
Weekly Total			**Total**	**430**	**42,869**	**400**	**41,214**	**31**	**1,655**	**7.7%**	**4.0%**	
Monthly Total			**Total**	**1,906**	**189,848**	**1,770**	**182,518**	**136**	**7,330**	**7.7%**	**4.0%**	

	Travel Period			Feb 2027		Feb 2026		Diff YoY		Percent Diff YoY	
Mkt Al		Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
AA	AVL-CLT	AVL	CLT	47	3,092	43	3,191	3	(99)	7.5%	(3.1%)
AA	CLT-AVL	CLT	AVL	47	3,092	43	3,191	4	(99)	8.1%	(3.1%)
AA	AVL-DCA	AVL	DCA	9	629	7	463	2	166	32.1%	35.7%
AA	DCA-AVL	DCA	AVL	9	629	7	463	2	166	32.1%	35.7%
AA	AVL-DFW	AVL	DFW	14	1,802	14	1,590	0	213	0.0%	13.4%
AA	DFW-AVL	DFW	AVL	14	1,802	14	1,577	0	226	0.0%	14.3%
AA	AVL-LGA	AVL	LGA	7	532	8	578	(1)	(46)	(9.7%)	(8.0%)
AA	LGA-AVL	LGA	AVL	7	532	8	559	(1)	(27)	(6.7%)	(4.8%)
AA	AVL-MIA	AVL	MIA	3	190	0	0	3	190	-	-
AA	MIA-AVL	MIA	AVL	3	190	0	0	3	190	-	-
AA	AVL-ORD	AVL	ORD	14	987	9	632	6	355	64.7%	56.1%
AA	ORD-AVL	ORD	AVL	14	987	9	632	6	355	64.7%	56.1%
AA	AVL-PHL	AVL	PHL	0	0	4	213	(4)	(213)	(100.0%)	(100.0%)
AA	PHL-AVL	PHL	AVL	0	0	4	213	(4)	(213)	(100.0%)	(100.0%)
DL	ATL-AVL	ATL	AVL	43	4,758	42	4,299	1	459	2.4%	10.7%
DL	AVL-ATL	AVL	ATL	43	4,758	42	4,272	1	486	3.0%	11.4%
DL	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-
DL	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-
DL	AVL-BOS	AVL	BOS	0	0	0	0	0	0	-	-
DL	BOS-AVL	BOS	AVL	0	0	0	0	0	0	-	-
DL	AVL-LGA	AVL	LGA	7	532	7	513	0	20	0.0%	3.8%
DL	LGA-AVL	LGA	AVL	7	532	7	513	0	20	0.0%	3.8%
DL	AVL-MSP	AVL	MSP	0	0	0	0	0	0	-	-
DL	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-
G4	AUS-AVL	AUS	AVL	0	0	0	0	0	0	-	-
G4	AVL-AUS	AVL	AUS	0	0	0	0	0	0	-	-
G4	AVL-BOS	AVL	BOS	1	225	1	225	0	0	0.0%	0.0%
G4	BOS-AVL	BOS	AVL	1	225	1	225	0	0	0.0%	0.0%
G4	AVL-DEN	AVL	DEN	1	225	1	225	0	0	0.0%	0.0%
G4	DEN-AVL	DEN	AVL	1	225	1	225	0	0	0.0%	0.0%
G4	AVL-DJT	AVL	DJT	2	360	2	360	0	0	0.0%	0.0%
G4	DJT-AVL	DJT	AVL	2	360	2	360	0	0	0.0%	0.0%
G4	AVL-EWR	AVL	EWR	2	360	2	360	0	0	0.0%	0.0%
G4	EWR-AVL	EWR	AVL	2	360	2	360	0	0	0.0%	0.0%
G4	AVL-EYW	AVL	EYW	2	405	2	360	0	45	12.5%	12.5%
G4	EYW-AVL	EYW	AVL	2	405	2	360	0	45	12.5%	12.5%
G4	AVL-FLL	AVL	FLL	11	2,000	11	1,995	0	5	0.0%	0.3%
G4	FLL-AVL	FLL	AVL	11	2,000	11	1,995	0	5	0.0%	0.3%
G4	AVL-HOU	AVL	HOU	0	0	0	0	0	0	-	-
G4	HOU-AVL	HOU	AVL	0	0	0	0	0	0	-	-
G4	AVL-IAD	AVL	IAD	0	0	0	0	0	0	-	-
G4	IAD-AVL	IAD	AVL	0	0	0	0	0	0	-	-
G4	AVL-LAS	AVL	LAS	0	0	2	360	(2)	(360)	(100.0%)	(100.0%)
G4	LAS-AVL	LAS	AVL	0	0	2	360	(2)	(360)	(100.0%)	(100.0%)
G4	AVL-MCO	AVL	MCO	2	315	2	360	(0)	(45)	(12.5%)	(12.5%)
G4	MCO-AVL	MCO	AVL	2	315	2	360	(0)	(45)	(12.5%)	(12.5%)
G4	AVL-MDW	AVL	MDW	0	0	0	0	0	0	-	-
G4	MDW-AVL	MDW	AVL	0	0	0	0	0	0	-	-
G4	AVL-MSP	AVL	MSP	0	0	0	0	0	0	-	-
G4	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-
G4	AVL-PGD	AVL	PGD	3	495	3	450	0	45	10.0%	10.0%
G4	PGD-AVL	PGD	AVL	3	495	3	450	0	45	10.0%	10.0%
G4	AVL-PHX	AVL	PHX	0	0	0	0	0	0	-	-
G4	PHX-AVL	PHX	AVL	0	0	0	0	0	0	-	-
G4	AVL-PIE	AVL	PIE	7	1,308	7	1,318	0	(10)	0.0%	(0.8%)
G4	PIE-AVL	PIE	AVL	7	1,308	7	1,318	0	(10)	0.0%	(0.8%)
G4	AVL-SFB	AVL	SFB	8	1,503	8	1,405	1	98	6.5%	6.9%
G4	SFB-AVL	SFB	AVL	8	1,503	8	1,405	1	98	6.5%	6.9%
G4	AVL-SRQ	AVL	SRQ	2	360	2	360	0	0	0.0%	0.0%
G4	SRQ-AVL	SRQ	AVL	2	360	2	360	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	0	0	0	0	-	-
SY	MSP-AVL	MSP	AVL	0	0	0	0	0	0	-	-
UA	AVL-DEN	AVL	DEN	7	490	6	456	1	34	16.7%	7.5%
UA	DEN-AVL	DEN	AVL	7	490	6	456	1	34	16.7%	7.5%
UA	AVL-EWR	AVL	EWR	5	225	7	422	(3)	(197)	(35.7%)	(46.6%)
UA	EWR-AVL	EWR	AVL	5	225	7	422	(3)	(197)	(35.7%)	(46.6%)
UA	AVL-ORD	AVL	ORD	17	1,007	17	937	(0)	71	(1.5%)	7.5%
UA	ORD-AVL	ORD	AVL	17	1,007	17	943	(0)	64	(1.5%)	6.8%
Weekly Total			**Total**	**427**	**43,597**	**413**	**42,086**	**14**	**1,511**	**3.3%**	**3.6%**
Monthly Total			**Total**	**1,706**	**174,386**	**1,651**	**168,342**	**55**	**6,044**	**3.3%**	**3.6%**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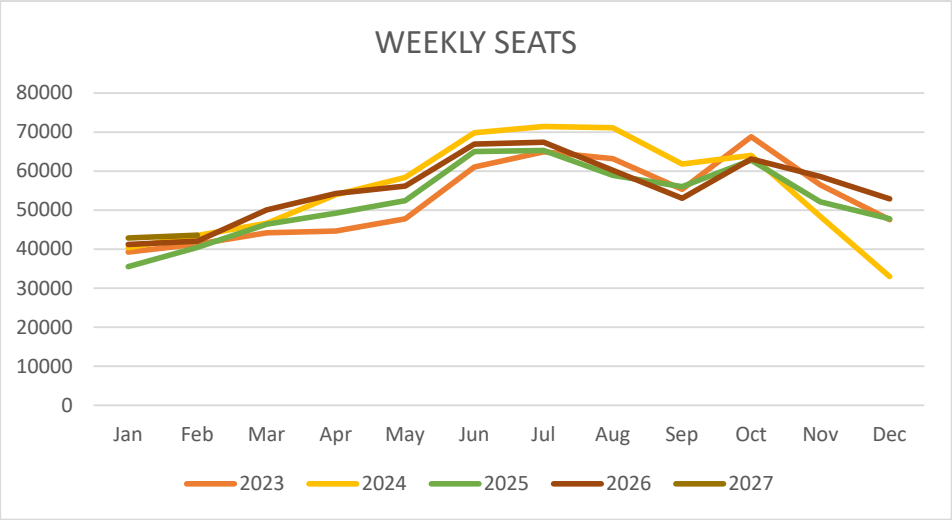
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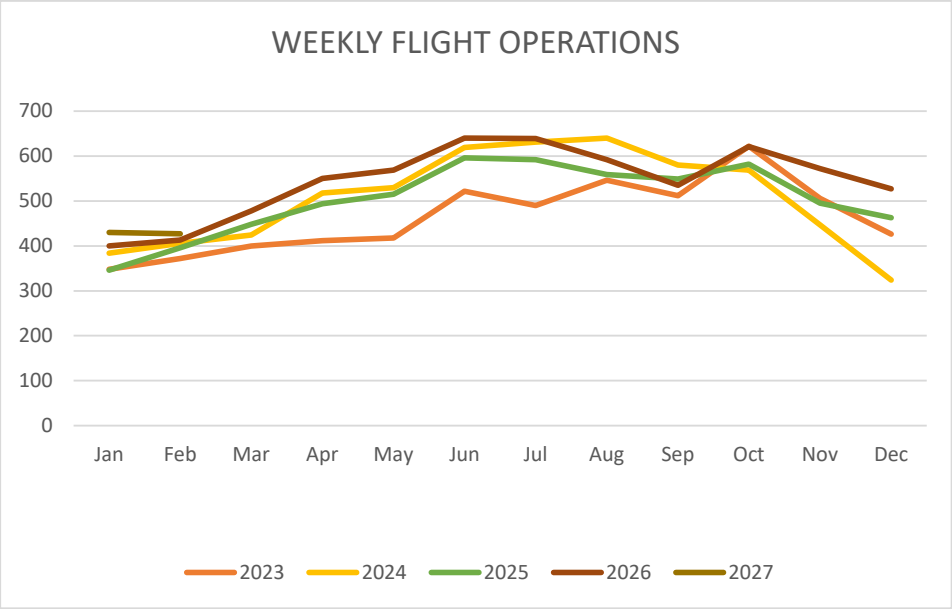
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MEMORANDUM

TO: Members of the Airport Authority

FROM: Amy Harris, Chief Financial Officer

DATE: October 9, 2026

ITEM DESCRIPTION – Information Section Item B

Greater Asheville Regional Airport Authority – Explanation of Extraordinary Variances
Month of August 2026.

SUMMARY

Operating Revenues for the month of August were $3,755,488, which was (.9%) under budget for the month. Operating Expenses for the month of August were $1,490,379, which was (27.5%) under budget for the month. Net Operating Revenues before Depreciation were $2,265,109 and net Non-Operating Revenues were ($4,049), in August.

Fiscal Year 2026-2027 year-to-date Operating Revenues were $7,985,496 which is .3% over budget and year-to-date Operating Expenses were $3,581,896 which is (25.6%) under budget. Net operating revenues before Depreciation for the year so far were $4,403,600 and net non-operating revenues year-to-date were $31,333.

REVENUES

Significant variations to budget for August were:

Concessions	$33,704	20.2%	Minimum Annual Guarantee for Concessions provider exceeded budget in August.
Commercial Ground Transportation	$31,409	62.9%	Transportation Network Companies (TNCs)- (peer-to-peer transportation services) and TURO fees exceeded budget in August.
Auto Parking	($133,206)	(10.8%)	Parking revenue under monthly budget for August.

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EXPENSES

Significant variations to budget for August were:

Utility Services	$60,802	133.9%	Electricity rate increase and higher than budgeted expense for the month
Insurance	$17,213	100.0%	Timing – historically, August has not had spend on insurance so budget at $0 for the month for continuity / analysis.
Other Contractual Services	($110,767)	(72.2%)	Custodial services invoices held due to ongoing negotiations related to Custodial company employee turnover.
Parking Management	($62,726)	(33.0%)	Parking Management company reported operational expenses less than monthly budget.
Operating Supplies	($41,797)	(54.4%)	Utilizing existing supplies on-hand.
Professional Services	($34,960)	(70.8%)	All divisions under budget for Professional Services in August.
Software and Licensing	($30,724)	(77.1%)	Timing - fewer Technology Licensing invoices processed during August.
Security Services	($20,917)	(100.0%)	Timing - no Security Services invoices processed during August.
Promotional Activities	($16,722)	(55.3%)	Minimal Promotional Activities expense during August.
Business Development	($16,667)	(100.0%)	No Business Development expense during August.
Repairs and Maintenance	($10,266)	(33.1%)	Minimal Repairs and Maintenance required during August.

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Cash and Cash Equivalents – Unrestricted Cash and Cash Equivalents increased by $1,728,082, primarily due to receipt of payments on account and reduced accounts payable due to lower operating expenses.

Construction in Progress – Construction in Progress decreased by $1.1M primarily related to Technology expenses on the Overlook Parking project.

Property and Equipment, Net – Property and Equipment, net decreased by $714k due to depreciation.

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ASHEVILLE REGIONAL AIRPORT
STATEMENT OF FINANCIAL POSITION
As of August 31, 2026

	Current Month	Last Month
ASSETS		
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	$81,672,565	$79,944,483
Accounts Receivable	2,445,212	2,681,235
Passenger Facility Charges Receivable	853,797	850,973
Refundable Sales Tax Receivable	975,030	954,503
Grants Receivable	1,371,144	1,371,144
Prepaid Expenses	7,216,969	7,216,969
GASB 87 Short-term Lease Receivable	2,094,466	2,094,466
Total Unrestricted Assets	96,629,183	95,113,773
Restricted Assets:		
Cash and Cash Equivalents	182,426,803	181,453,479
Total Restricted Assets	182,426,803	181,453,479
Total Current Assets	279,055,986	276,567,252
Noncurrent Assets:		
Construction in Progress	386,033,926	384,908,742
Net Pension Asset - LGERS	(4,091,782)	(4,091,782)
Benefit Payment - OPEB	410,897	410,897
Contributions in Current Year	2,459,735	2,459,735
GASB 87 Long-term Lease Receivable	9,708,882	9,708,882
Property and Equipment - Net	171,320,243	172,034,200
Total Noncurrent Assets	565,841,901	565,430,674
	$844,897,887	$841,997,926
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Payable from Unrestricted Assets		
Accounts Payable & Accrued Liabilities	9,277	288,080
Customer Deposits	127,463	127,463
Unearned Revenue	6,206,632	6,196,021
Construction Contract Retainages	3,369,572	3,339,489
Revenue Bond Payable - Current	8,225,000	8,225,000
GASB 87 Short-term Deferred Revenue	1,316,863	1,316,863
Interest Payable	3,181,721	1,590,861
Total Payable from Unrestricted Assets	22,436,528	21,083,777
Total Current Liabilities	22,436,528	21,083,777
Noncurrent Liabilities:		
Pension Deferrals - OPEB	545,487	545,487
Other Postemployment Benefits	1,253,699	1,253,699
Compensated Absences	889,098	889,098
Net Pension Obligation-LEO Special Separation Allowance	699,328	699,328
GASB 87 Long-term Deferred Revenue	5,876,894	5,876,894
Revenue Bond Payable - 2016 - Noncurrent	6,425,000	6,425,000
Revenue Bond Payable - 2022A - Noncurrent	191,797,419	191,797,419
Revenue Bond Payable - 2023 - Noncurrent	183,845,861	183,845,861
Total Noncurrent Liabilities	391,332,786	391,332,786
Total Liabilities	413,769,314	412,416,563
Net Assets:		
Invested in Capital Assets	542,704,169	542,292,942
Restricted	182,426,803	181,453,479
Unrestricted	(294,002,400)	(294,165,058)
Total Net Assets	431,128,573	429,581,363
	$844,897,887	$841,997,926
Restricted Forfeiture Funds	7,452	7,375

ASHEVILLE REGIONAL AIRPORT
As of August 31, 2026

Institution:	**Interest Rate**	**Investment Amount**	**Monthly Interest****
Bank of America - Operating Account	1.86%	$ 3,356,710	5,792
NC Capital Management Trust - Cash Portfolio	3.59% *	78,315,555	237,135
Petty Cash		300	
Restricted Cash:			
Bank of America - PFC Revenue	1.86%	1,634,298	2,460
NC Capital Mgt Trust - PFC Revenue	3.59% *	24,438,417	74,182
NC Capital Mgt Trust - 2016 Debt Service Fund	3.59% *	11,915	36
NC Capital Mgt Trust - 2022A Construction	3.59% *	140,785,466	427,346
NC Capital Mgt Trust - 2022A Parity Reserve	3.59% *	15,498,050	47,044
NC Capital Mgt Trust - 2022A Capitalized Interest	3.59% *	-	-
NC Capital Mgt Trust - 2022A Debt Service	3.59% *	30,499	93
NC Capital Mgt Trust - 2023 Debt Service	3.59% *	28,160	85
NC Capital Mgt Trust - 2023 Capitalized Interest	3.59% *	-	-
NC Capital Mgt Trust - 2023 Debt Service	3.59% *	-	-
Total		**$ 264,099,369**	**$ 794,173**

* Interest Rate = 30-day yield at month end

** Monthly Interest shown here does not include $190.56 received from FAA and recorded as Interest Income on Income Statement

Investment Diversification:

Banks	2%
NC Capital Management Trust	98%
Commercial Paper	0%
Federal Agencies	0%
US Treasuries	0%
	100%

ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month of August 2026

	Current Month	Previous Month
Cash and Investments Beginning of Period	**$ 261,397,992**	**$ 278,372,997**
Net Income/(Loss) Before Capital Contributions	**1,547,103**	**1,459,916**
Depreciation	**713,957**	**713,957**
Decrease/(Increase) in Receivables	**212,672**	**5,424,907**
Increase/(Decrease) in Payables	**1,352,751**	**(16,420,618)**
Decrease/(Increase) in Prepaid Expenses	**-**	**81,700**
Decrease/(Increase) in Fixed Assets	**(1,125,184)**	**(9,972)**
Principal Payments of Bond Maturities		**-**
Non-operating Decrease/(Increase) in Receivables - Current	**-**	**-**
Non-operating Decrease/(Increase) in Receivables - Non-Current	**-**	**-**
Non-operating Decrease/(Increase) in LGERS/OPEB Assets - Non-Current	**-**	**-**
Non-operating (Decrease)/Increase in Liabilities	**-**	**(8,225,000)**
Audit adjustment		**30**
	-	**-**
Capital Contributions	**77**	**75**
Liabilities - Noncurrent	**2,701,377**	**(16,975,005)**
Increase(Decrease) in Cash		
Cash and Investments End of Period	**$ 264,099,369**	**$ 261,397,992**

Income Statement
Through 8/31/26
Summary Listing

Classification	MTD Actual Amount	YTD Actual Amount	YTD Budget Amount	YTD Variance	Annual Budget Amount	Budget Less YTD Actual
Operating revenues						
Terminal space rentals - non airline	8,361	16,723	13,750	2,972	82,502	(65,779)
Terminal space rentals - airline	986,405	2,115,145	2,125,014	(9,869)	11,184,283	(9,069,138)
Landing fees	420,625	867,068	894,107	(27,039)	4,705,824	(3,838,756)
Concessions	200,334	507,353	351,776	155,578	1,851,450	(1,344,097)
Auto parking	1,104,294	2,306,378	2,612,500	(306,122)	13,750,000	(11,443,622)
Rental car - car rentals	465,401	984,200	906,063	78,137	4,768,755	(3,784,555)
Rental car - facility rent	81,265	162,529	154,801	7,728	928,806	(766,277)
Commerce ground transportation	81,359	175,847	105,450	70,397	555,000	(379,153)
FBOs	139,077	280,221	292,496	(12,275)	1,539,454	(1,259,233)
Building leases	195,849	391,604	405,272	(13,668)	2,431,631	(2,040,027)
Land leases	56,526	100,171	71,276	28,895	427,656	(327,485)
Other leases and fees	15,993	78,257	32,401	45,856	194,404	(116,147)
Operating revenues Totals	**$ 3,755,488**	**$ 7,985,496**	**$ 7,964,905**	**$ 20,591**	**$ 42,419,765**	**$ (34,434,269)**
Non-operating revenue and expense						
Customer facility charges	367,736	753,137	527,374	225,763	2,775,652	(2,022,515)
Passenger facility charges	424,903	864,270	847,565	16,705	4,460,870	(3,596,600)
GASB 87	-	-	-	-	-	-
Interest revenue	794,173	1,595,597	500,000	1,095,597	3,000,000	(1,404,403)
Interest expense	(1,590,861)	(3,181,721)	(3,183,974)	2,252	(19,103,842)	15,922,121
Bond premium revenue	-	-	-	-	-	-
Bond expense	-	-	-	-	-	-

Prepared by Karen O'Conner, Controller. Reviewed and Approved by Amy Harris, CFO.

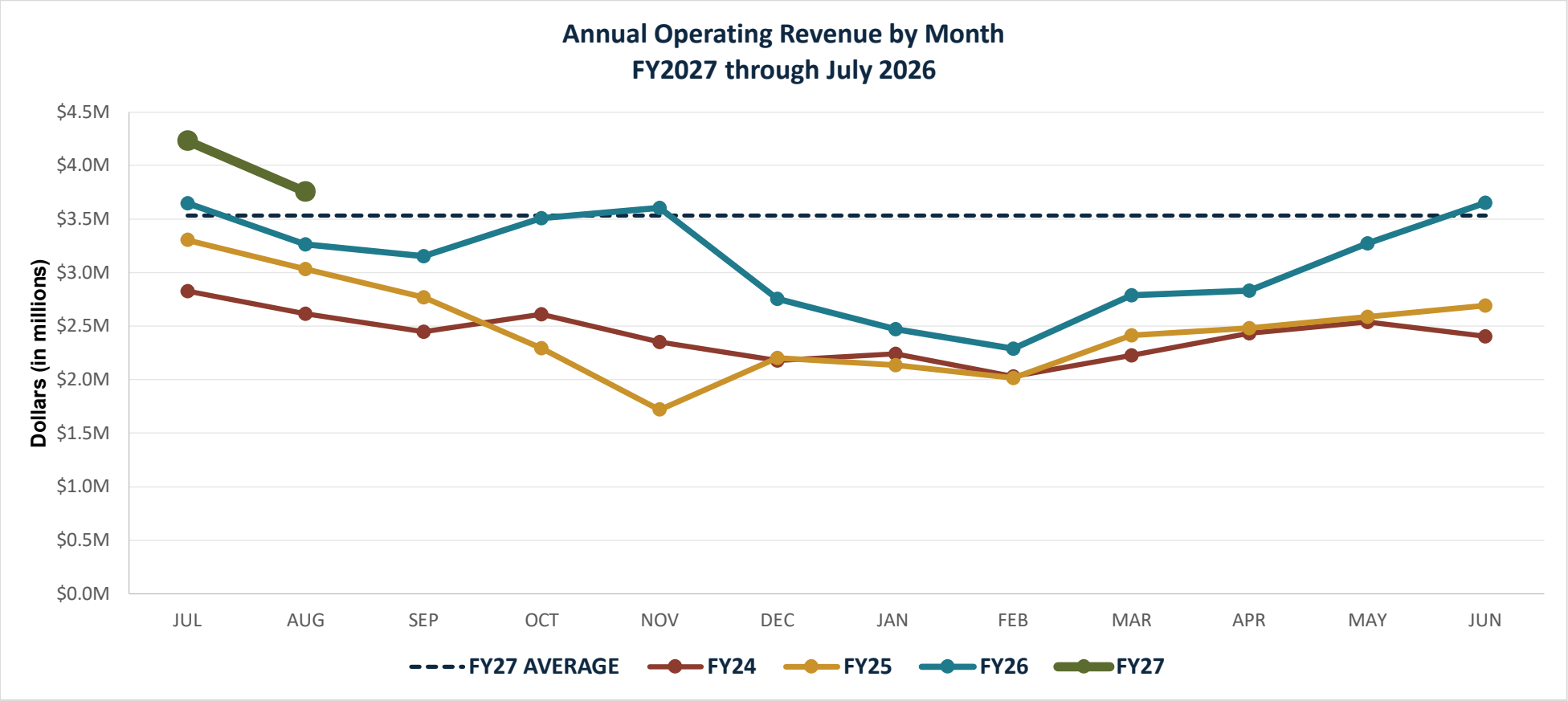
Income Statement
Through 8/31/26
Summary Listing

Classification	MTD Actual Amount	YTD Actual Amount	YTD Budget Amount	YTD Variance	Annual Budget Amount	Budget Less YTD Actual
Gain or loss on disposal of assets	-	-	-	-	-	-
P-card rebate	-	-	-	-	-	-
Miscellaneous	-	50	-	50	-	50
Non-operating revenue and expense Totals	**(4,049)**	**31,333**	**(1,309,034)**	**1,340,367**	**(8,867,320)**	**8,898,653**
Capital contributions	**-**	**-**	**-**	**-**	**-**	**-**
Operating expenses						
Personnel services	887,630	1,643,883	2,307,023	(663,140)	14,980,667	(13,336,784)
Professional services	14,394	99,128	98,708	420	592,250	(493,122)
Other contractual services	42,710	62,676	306,953	(244,277)	1,841,716	(1,779,040)
Service and Support Agreements	25,196	323,780	60,612	263,167	363,673	(39,893)
Software and Licensing	9,120	106,688	79,688	27,000	478,127	(371,439)
Maintenance Contracts	125,148	134,082	248,917	(114,835)	1,493,500	(1,359,418)
Security Services	-	-	41,833	(41,833)	251,000	(251,000)
Parking Management	127,327	129,694	380,107	(250,412)	2,280,639	(2,150,945)
Travel and training	17,742	26,468	50,687	(24,219)	304,120	(277,652)
Communications	5,934	11,542	14,718	(3,177)	88,310	(76,768)
Utility services	106,204	104,422	90,805	13,617	544,832	(440,410)
Rentals and leases	7,226	8,952	4,585	4,367	27,510	(18,558)
Insurance	17,213	659,761	705,722	(45,961)	882,153	(222,392)
Advertising, printing and binding	-	322	2,142	(1,819)	12,850	(12,528)
Promotional activities	13,510	36,208	60,463	(24,254)	362,775	(326,567)

Income Statement
Through 8/31/26
Summary Listing

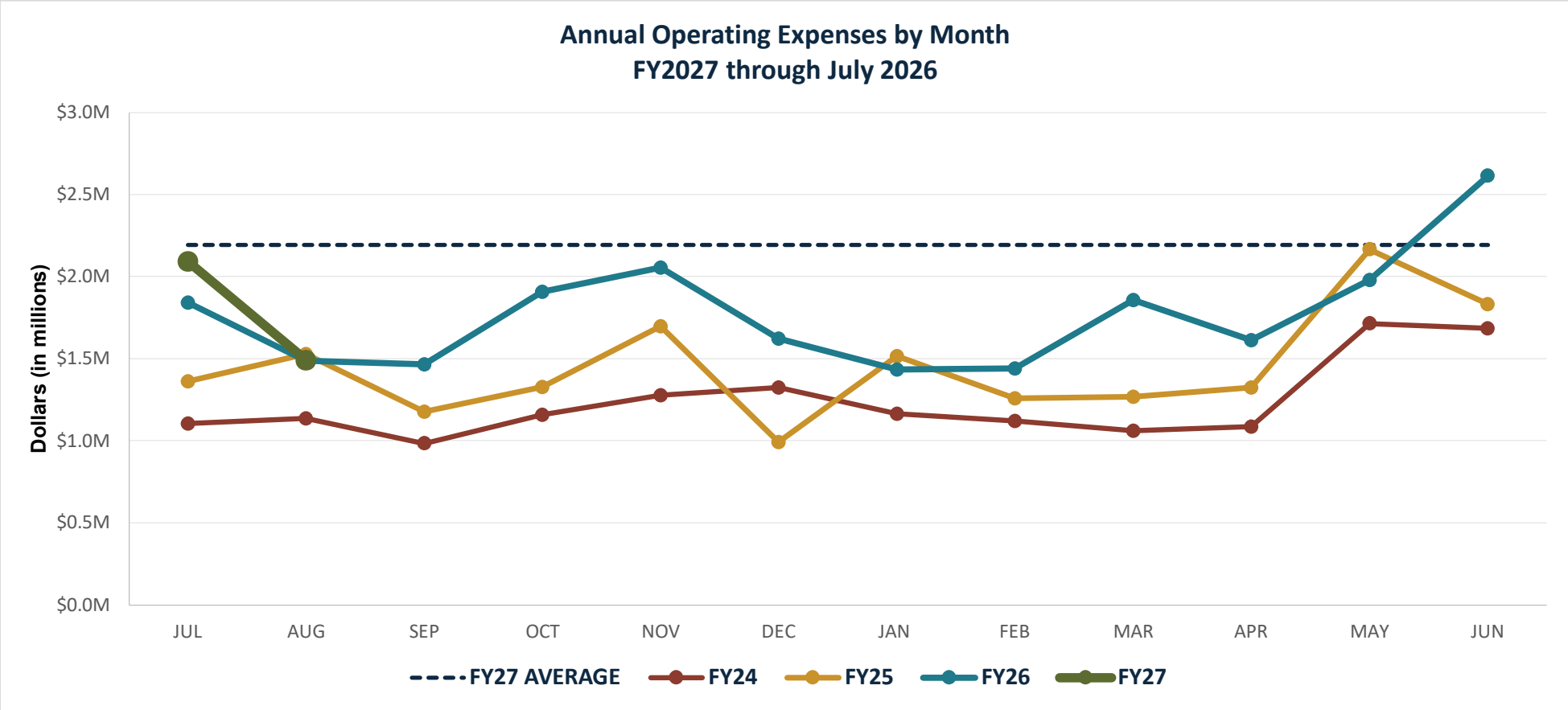
Classification	MTD Actual Amount	YTD Actual Amount	YTD Budget Amount	YTD Variance	Annual Budget Amount	Budget Less YTD Actual
Other current charges and obligations	25,799	50,807	58,492	(7,685)	350,950	(300,143)
Operating supplies	34,967	96,049	153,527	(57,477)	921,160	(825,111)
Publications, subscriptions, memberships, etc.	2,272	11,180	14,362	(3,181)	86,169	(74,989)
Repairs and maintenance	20,776	38,520	62,083	(23,563)	372,500	(333,980)
Small equipment	7,210	10,985	17,123	(6,139)	102,740	(91,755)
Contingency	-	-	16,667	(16,667)	100,000	(100,000)
Emergency repairs	-	-	8,333	(8,333)	50,000	(50,000)
Business development	-	26,750	33,333	(6,583)	200,000	(173,250)
Operating expenses Totals	**1,490,379**	**3,581,896**	**4,816,882**	**(1,234,986)**	**26,687,641**	**(23,105,746)**
Non-operating capital expense						
Capital expense	-	-	-	-	-	-
Capital expense Totals	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation						
Depreciation	713,957	1,427,914	-	1,427,914	-	1,427,914
Depreciation Totals	**713,957**	**1,427,914**	**-**	**1,427,914**	**-**	**1,427,914**
REVENUE TOTALS	**3,751,439**	**8,016,829**	**6,655,871**	**1,360,958**	**33,552,445**	**(25,535,616)**
EXPENSE TOTALS	**2,204,336**	**5,009,810**	**4,816,882**	**192,928**	**26,687,641**	**(21,677,832)**
Grand Total Net Gain (Loss)	**1,547,103**	**3,007,019**	**1,838,989**	**1,168,030**	**6,864,804**	**(3,857,785)**

Prepared by Karen O'Conner, Controller. Reviewed and Approved by Amy Harris, CFO.



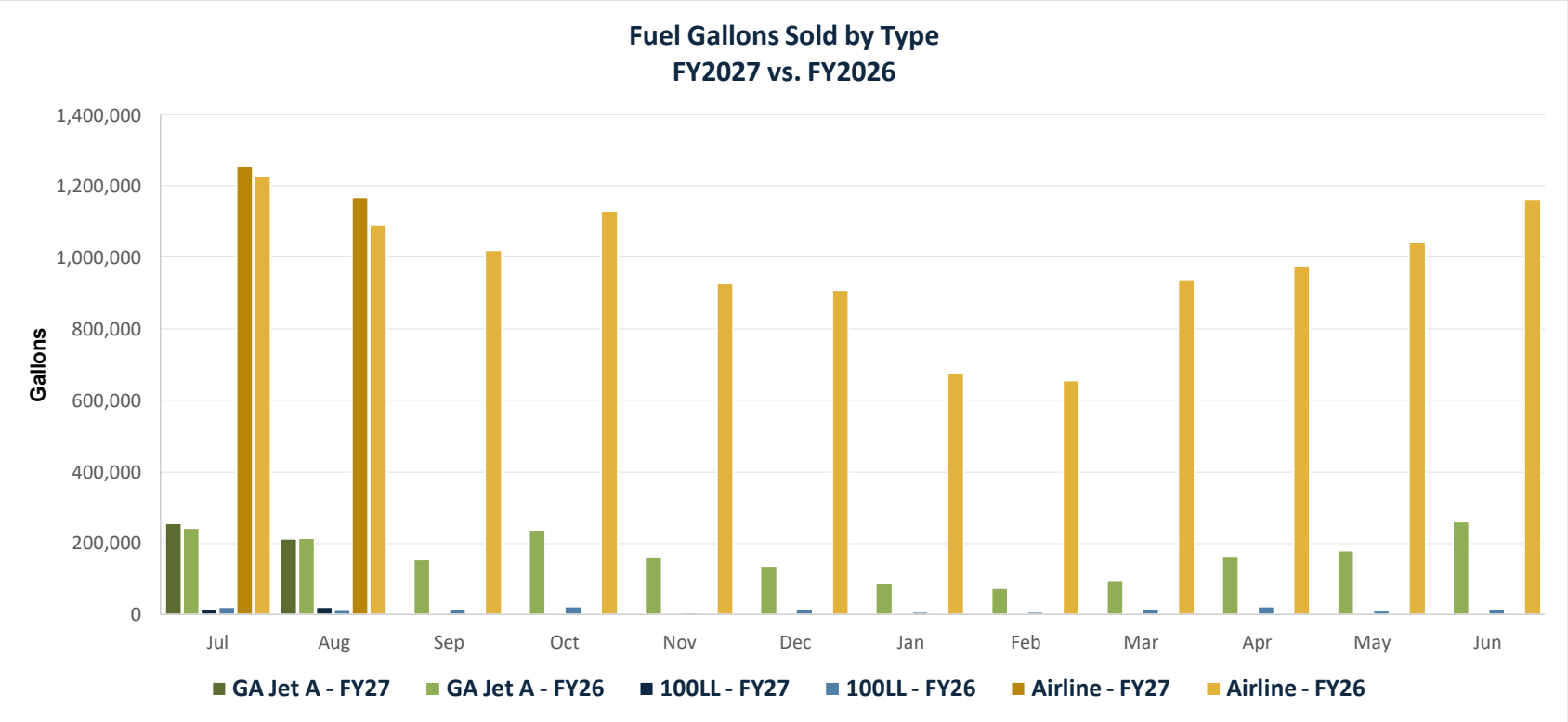
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY27 AVERAGE	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980	$3,534,980
FY24	$2,827,482	$2,615,398	$2,446,265	$2,609,082	$2,349,134	$2,176,799	$2,240,605	$2,031,187	$2,226,599	$2,431,758	$2,535,942	$2,401,361
FY25	$3,303,967	$3,032,969	$2,768,582	$2,292,634	$1,720,983	$2,201,701	$2,132,696	$2,013,186	$2,414,867	$2,478,326	$2,586,018	$2,690,342
FY26	$3,647,963	$3,264,015	$3,154,243	$3,507,994	$3,601,518	$2,754,962	$2,470,854	$2,290,467	$2,785,262	$2,830,103	$3,271,076	$3,652,852
FY27	$4,230,008	$3,755,488										

FY27 reflects actual results reported to date (Aug); remaining months populate as each month closes. Source: Chart Data tab.



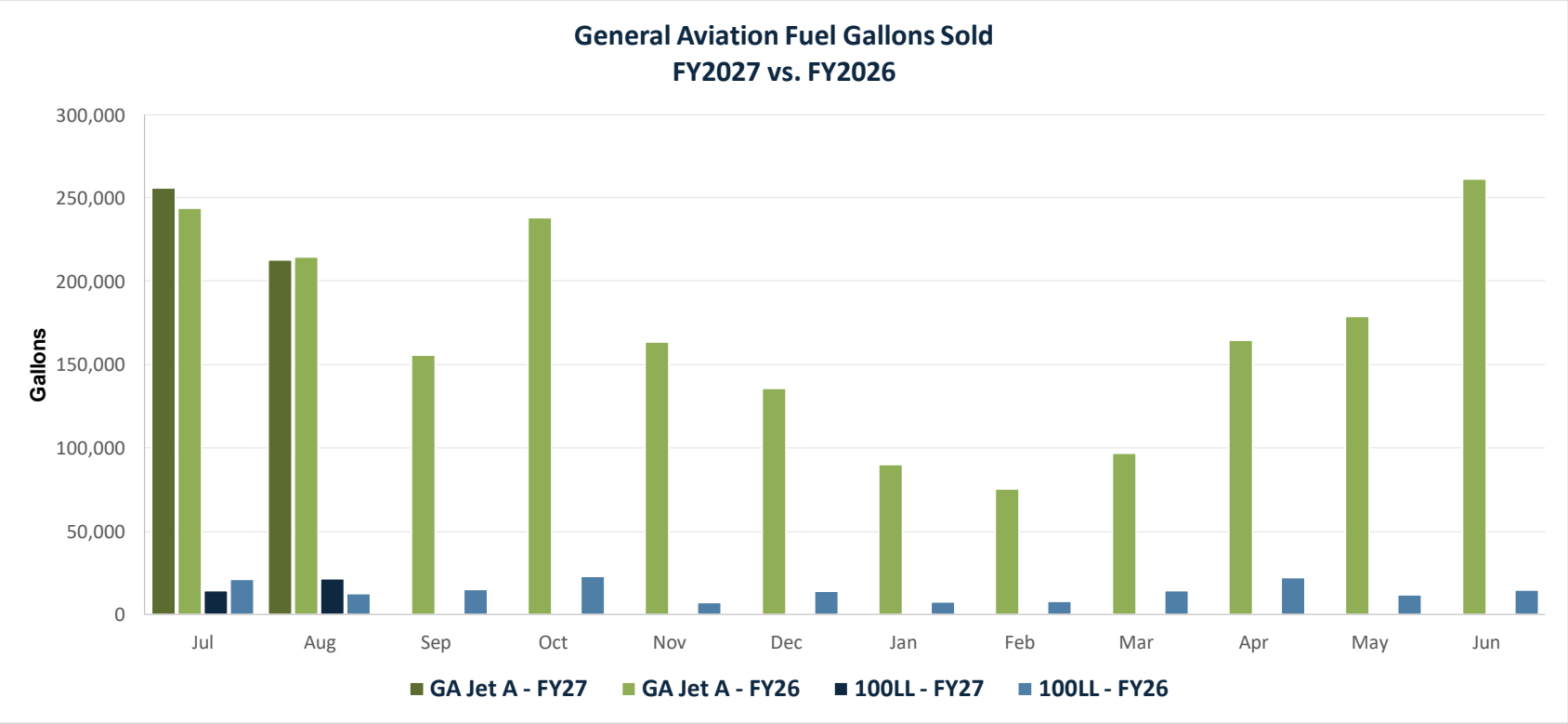
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY27 AVERAGE	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594	$2,191,594
FY24	$1,103,108	$1,135,951	$984,187	$1,155,931	$1,277,375	$1,323,577	$1,162,760	$1,118,844	$1,058,605	$1,086,390	$1,714,067	$1,682,357
FY25	$1,359,848	$1,526,496	$1,176,297	$1,324,945	$1,695,955	$991,982	$1,515,101	$1,256,400	$1,266,420	$1,322,820	$2,166,154	$1,832,386
FY26	$1,840,898	$1,487,795	$1,465,759	$1,906,751	$2,053,234	$1,622,117	$1,433,220	$1,437,830	$1,856,861	$1,612,496	$1,978,716	$2,614,372
FY27	$2,091,517	$1,490,379										

FY27 reflects actual results reported to date (Aug); remaining months populate as each month closes. Source: Chart Data tab.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
GA Jet A - FY27	255,951	212,732										
GA Jet A - FY26	243,707	214,436	155,456	237,940	163,372	135,601	89,845	75,453	96,792	164,510	178,850	261,044
100LL - FY27	14,737	21,883										
100LL - FY26	21,306	12,831	15,281	23,148	7,284	14,063	7,662	8,024	14,536	22,298	11,948	14,838
Airline - FY27	1,254,342	1,166,853										
Airline - FY26	1,226,036	1,089,932	1,018,333	1,129,001	926,403	907,747	675,401	654,677	936,813	975,667	1,040,857	1,162,571

FY27 shown through Aug; FY26 shown for the full fiscal year as a comparison. Source: Fuel Data tab.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
GA Jet A - FY27	255,951	212,732										
GA Jet A - FY26	243,707	214,436	155,456	237,940	163,372	135,601	89,845	75,453	96,792	164,510	178,850	261,044
100LL - FY27	14,737	21,883										
100LL - FY26	21,306	12,831	15,281	23,148	7,284	14,063	7,662	8,024	14,536	22,298	11,948	14,838

FY27 shown through Aug; FY26 shown for the full fiscal year as a comparison. Source: Fuel Data tab.

Greater Asheville Regional Airport Authority
Construction Project Report - October 2026

Design Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 10/1/2026)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 10/1/2026)	Start Date	End Date	Current Project Status (as of 10/1/2026)
1	Terminal Building Renovations	Phase 2 - Terminal Building Modernization Design	Gresham Smith	$12,608,794	N/A	N/A	$11,266,574	85.3%	$24,186,035	84.2%	$20,356,671	Nov-19	Sep-28	CA services continue.
2	Terminal Building Renovations	Program Management Services	Parsons Transportation Group, Inc.	$1,823,451	N/A	N/A	$0	10.0%	$1,823,451	10.0%	$182,915	Jul-23	Jun-27	Project management continues.
3	Air Traffic Control Tower	Design new facility	Pond Company	$4,157,923	N/A	N/A	$872,978	91.4%	$5,030,901	91.4%	$4,596,569	Mar-21	Nov-25	Project in closeout with design team.
4	Taxiway A Rehabilitation	Design and Construction Administration	AVCON	$1,129,142	N/A	N/A	$0	67.1%	$1,129,142	67.1%	$758,091	Jun-24	Oct-26	Contractor approved. Work to begin spring 2027.
5	RON Apron	Design and Construction Administration	McFarland Johnson	$408,380	N/A	N/A	$143,260	83.3%	$551,640	83.3%	$459,480	Nov-24	Nov-26	CA services continue.
6	Overlook Parking Lot	Design and Construction Administration	Kimley-Horn	$1,778,149	N/A	N/A	$511,242	79.7%	$2,289,391	79.7%	$1,824,713	Nov-24	Nov-26	Stormwater Improvements project bids delayed until October.
7	Parking Garage & Roadway Improvements	Design and Construction Administration	McFarland Johnson	$4,964,318	N/A	N/A	$0	13.6%	$4,964,318	13.6%	$677,430	Mar-25	Mar-27	Planning phase design services have been put on hold.
8	Airport Entrance	Planning & Conceptual Design	McFarland Johnson	$91,275	N/A	N/A	$0	26.3%	$91,275	26.3%	$24,022	Sep-25	Sep-26	Planning and design being evaluated after BUILD Grant award.
9	Emergency Runway Reparis	Design and Construction Administration	AVCON	$51,653	N/A	N/A	$0	94.8%	$51,653	94.8%	$48,967	Mar-26	Nov-26	Proceeding with Maintenance measures.
10	Parking Reconfiguration	Design and Construction Administration	AVCON	$40,000	N/A	N/A	$0	0.0%	$40,000	0.0%	$0	Aug-26	Aug-27	Parking lot names have been changed. Signage updates ongoing. Design team continuing design for new entrance.

Construction Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 10/1/2026)	Percent of Original Contract	*Board Approved Project Cost	Percent Complete	Expensed to Date (thru 10/1/2026)	Start Date	End Date	Current Project Status (as of 10/1/2026)
1	Terminal Building Modernization - CMR Construction	Utilities relocation, Central Energy Plant, Equipment Purchase, Terminal building construction	Gresham Smith	Construction Cost	Hensel Phelps	$346,881,091	$39,494,527	72.7%	$386,375,618	72.7%	$280,904,364	Jan-22	Apr-28	South Concourse framing, and rough-ins progressing. North Bag Claim starts steel mid September. South ATO starts steel October 5.
2	Overlook Parking Lot	Construction of Overlook Parking Lot and WBW extension	Kimley-Horn	Construction Cost	K.West Group	$8,669,616	$0	28.1%	$10,236,616	23.8%	$2,439,667	Nov-25	Oct-26	Phase 1 open. Phase 2 progressing grading and stormwater installation.
3	RON Apron	Construction of the RON Apron	McFarland Johnson	Construction Cost	K.West Group	$4,798,121	$0	67.1%	$5,478,121	58.8%	$3,218,978	Feb-26	Sep-26	Phases 2, 3, & 4 will be completed in September. Waiting on new lights to complete electrical installation.

***(bal of approved contract)**

Key strategic priorities

Governance vs. Management : 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.

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. **Public Safety**: Airport Emergency Safety/TSA Relations/Municipal Partners
11. **Organizational Accountability**: President & CEO Supervision

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ASHEVILLE REGIONAL AIRPORT