



## AGENDA

Asheville Regional Airport Authority Regular Meeting  
Friday, October 9, 2009, 8:30 a.m.  
Conference Room at Administrative Offices

### \* NOTE TO ALL PUBLIC ATTENDEES:

The public may speak on any item on the agenda. There are request cards located outside the public seating area. These cards must be completed and presented to the Recording Secretary prior to the item being heard. Your comments will be addressed prior to the Board's discussion and you will have 5 minutes to address the Board. Thank you for your attention.

- I. CALL TO ORDER:
- II. APPEARANCES: None
- III. PRESENTATIONS:
  - A. Honor Air
  - B. Operations and Maintenance – David Nantz ([document](#))
  - C. Construction Update – Kevin Howell ([document](#))
- IV. CONSENT AGENDA:
  - A. Approval of the Asheville Regional Airport Authority August 14, 2009 Regular Meeting Minutes ([document](#))
  - B. Approval of the Asheville Regional Airport Authority August 14, 2009 Closed Session Minutes
- V. OLD BUSINESS: None
- VI. NEW BUSINESS:
  - A. Asheville Regional Airport Authority 2008/2009 Annual Audit Acceptance ([document](#))
  - B. Ratification of Capital Improvement Project Budget Amounts ([document](#))



VII. DIRECTOR'S REPORT:

- A. United Express Service
- B. Civil Air Patrol Lease and Status
- C. Current AIP Status
- D. Industry Outlook
- E. Part 16 Determination

VIII. INFORMATION SECTION:

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

- A. August, 2009 Traffic Report ([document](#))
- B. August, 2009 Monthly Financial Report ([document](#))
- C. October, 2009 Marketing and Public Relations Report ([document](#))
- D. October, 2009 Development/Project Status Report ([document](#))
- F. Potential Board Items for the Next Regular Scheduled Meeting:
  - None Identified at This Time

IX. AUTHORITY MEMBERS' REPORTS:

- A. Adoption of an Authority Environmental Policy

X. PUBLIC AND TENANTS' COMMENTS:

XI. CLOSED SESSION: None

XII. ADJOURNMENT.



Respectfully submitted,

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Lew Bleiweis, A.A.E.  
Airport Director

Approved:

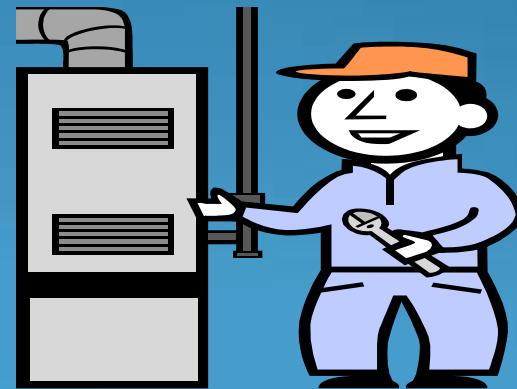
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David Hillier  
Chairman

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# Airport Operations & Maintenance Department

- ✓ Maintenance
- ✓ Operations
- ✓ Parking
- ✓ Custodial



# STAFF



# THE NEED FOR MAINTENANCE

Maintenance has a greater purpose than simply fixing equipment and doing service.

In today's competitive world, maintenance has grown into the need to manage plant and equipment over the operating life of a business' asset.

It is seen as a subset of Asset Management, which is the management of physical assets over the whole life cycle to optimize operating profit.



**The Maintenance Department's mission is to maintain airport facilities, equipment and services in a safe, and efficient manner for the benefit of Airport staff & visitors.**



# We Maintain:

Over 25 Vehicles



Over 30 support equipment





# PREVENTIVE MAINTENANCE


Maintenance provides the Airport with safe, efficient equipment.

Vehicle preventive maintenance is performed at various intervals to eliminate unnecessary downtime due to mechanical failures.



- Performing preventive & routine maintenance on mechanical, electrical & plumbing systems to ensure optimum efficiency while minimizing down time





**The Maintenance team is  
dedicated to maximizing the  
level of proficiency,  
performance and productivity  
of the department**

**Maintenance is operating with bio diesel fuel as a cost effective device as well as contributing to a healthy environment**





**ADDITIONAL  
MAINTENANCE  
FUNCTIONS INCLUDE:**

# GROUNDS MAINTENANCE



❖ Over 800 acres of grass is maintained at the Asheville Regional Airport, both landside & airside

*1500 hours per year are put into keeping the green areas of the airport looking its best!*



# Tree Trimming is part of landscaping the Airport





# Lighting Surfaces

There are **3000** light fixtures at the Airport



# Lighting The Airfield Is An Important Component of Maintenance

We Maintain:

- 159 Centerline Lights
- 75 Runway Edge Lights
- 395 Blue Taxiway Lights
- 25 Red Taxiway Lights
- 14 Amber Taxiway Lights
- 126 Touch Down Zone Lights
  - 16 Threshold Lights
- 15 Spot Lights on Windsocks
  - 1 Beacon Light
- Total of **826** Runway Lights



# Runway Surfaces

**Airfield  
Painting  
requires  
over  
1,500  
gallons of  
paint and  
10,500  
pounds of  
beads**



A photograph showing a dense network of fiber optic cables, primarily yellow and orange, plugged into server racks. The cables are bundled and organized, with some bundles secured by black Velcro straps. The server racks are dark-colored and feature various ports and indicators. The background is slightly blurred, emphasizing the intricate web of cables in the foreground.

**The Airport's  
seven constant  
current  
regulators power  
over 50 miles of  
cable to operate  
the airfield  
lighting system**

- **The airfield was set-up by airport maintenance to provide better lighting reliability by having two lighting circuits and a backup regulator capable of handling our lighting needs should the equipment go out of service. This is a triple back-up system by providing back-up power, back-up lighting circuit and a back-up regulator. These two additional systems provide for increased safety, reliability and redundancy.**



# Fabrication & Welding

This in-house service and capability is cost effective, saving the Airport thousands of dollars each year



# Maintenance of Over 20 Miles of Fences



# All Interior & Exterior Surfaces for Functional & Aesthetic Purposes





# WINTER OPERATIONS



# Did You Know?

There is 10 miles of airfield pavement surface area that is required to be plowed during snow removal operations



During winter months dedicated snow removal vehicles are checked weekly to assure readiness for potential snow emergencies



# Snow Desk Procedures:

**DPS** will contact Airport Operations & Maintenance Department after evaluating anticipated accumulation.

**Airport Operations** will activate the Snow Desk after careful consideration of the information provided by DPS and onsite inspection.

**After the Snow Desk** is activated, the Airlines will request and obtain information regarding weather conditions, runway, ramp and taxiway by calling the Snow Desk phone number (828-654-3249)

# Snow Events

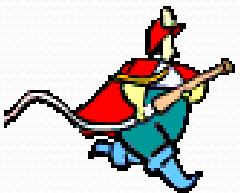
**Snow depths are very critical to turbojet operations. Snow removal is not considered completed if there is more than 1/2" of snow on the runway. Runways and taxiways should be cleared full width and full length whenever possible for both day and night operations.**



## Previous Snow Event Facts:

- ❖ 11.9" of snowfall
- ❖ 256 man hours required to remove snow
- ❖ 73.2 surface acres plowed (runway, taxiways & ramps)
- ❖ 1,320 acres just to plow the runway every 1/4" of snow

# Maintenance supports all other departments in projects and service





**Maintenance provides professional support and services to staff and visitors to create and maintain a comfortable, safe and functional airport environment**







The Maintenance Personnel are an integral component of the Airport

They perform a wide range of in-house construction projects

They serve to identify & locate problems through preventive maintenance & repairs.



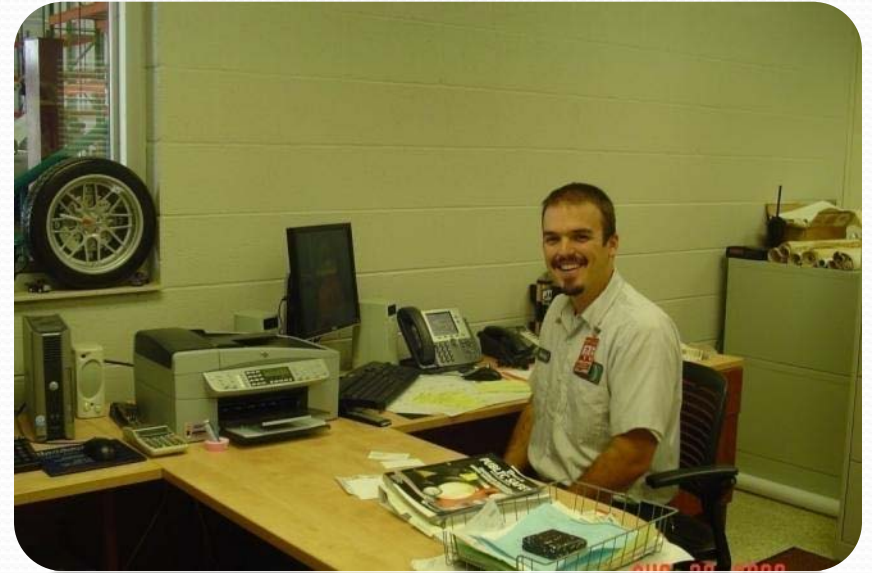
As a service-oriented department, Maintenance responds quickly and safely with the appropriate resources to complete necessary repairs in a timely fashion



# The Airport supports two rental homes with remodeling and maintenance



**We empower every member of the team to add value to processes, products and services (to equip ourselves to do the job, both in people & equipment)**



# OPERATIONS



**Under direction of the Operations Supervisor, our purpose is to effectively represent airport management to ensure safe and efficient day-to-day operations and administration of airport rules and regulations in conformance with established local, state, and federal aviation regulations**



# Other Operation Responsibilities Include:



# Ground Transportation

The Airport  
has 38 *Ground  
Transportation*  
companies  
with 166  
vehicles





# Employee Parking Permits

The Airport has issued over 400 employee parking permits for all of the tenants. We process about 50 to 75 new parking permits per year.



# Commuter Parking Permits

**78 Outstanding Permits**



# Airfield Driver Training

- We teach airfield driver training under FAA part 139 with information and teaching tools supplied by the FAA. Our non-movement training is now computer based training at the Department of Public Safety building and was produced exclusively for us by AAAE



**In 2008, Operations started a recycling program for the Airport by purchasing indoor and outdoor recycling containers for the terminal area...this program has been highly successful!**



# WILDLIFE

- We have a very good working relationship with the USDA Wildlife Services.
- We had a Wildlife Biologist & a Wildlife Specialist onsite completing a year long wildlife study for our airport.



# Captured birds are relocated to other parts of the state

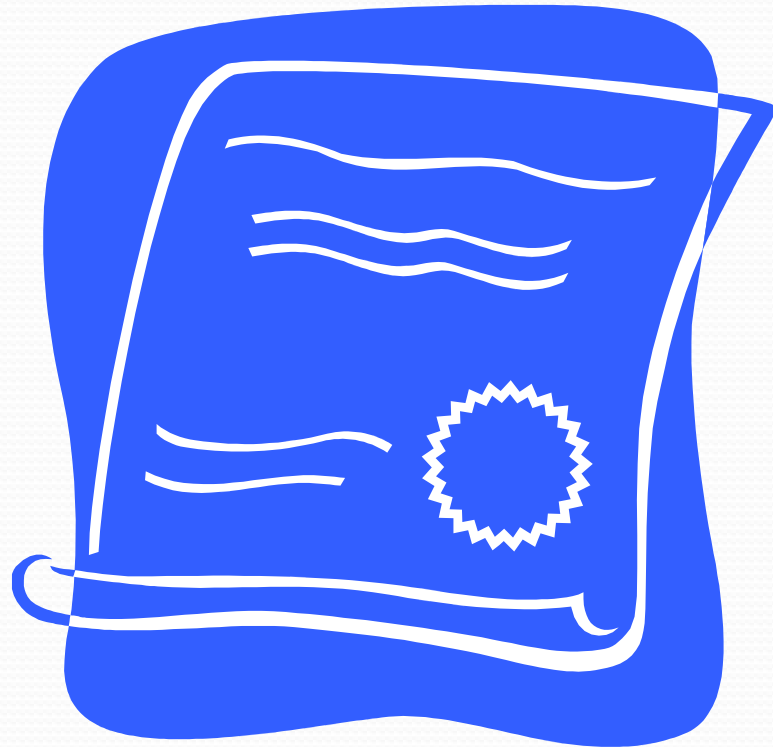


# AIRPORT CERTIFICATION

Monitoring Operations involves enforcing airport rules and regulations and ensures airport compliance with Federal Aviation Administration.

Airfield, terminal, landside and leased facility inspections are conducted annually with corrective action taken where needed.

The Asheville Regional Airport has received a “No Discrepancies” inspection for the past four years.



# PARKING







**The Airport parking lot is run 24/7 by 8 cashiers, 1 maintenance person, 1 manager and 1 assistant manager**




# Public Parking Spaces

(including handicap)

200 Short Term

941 Long Term





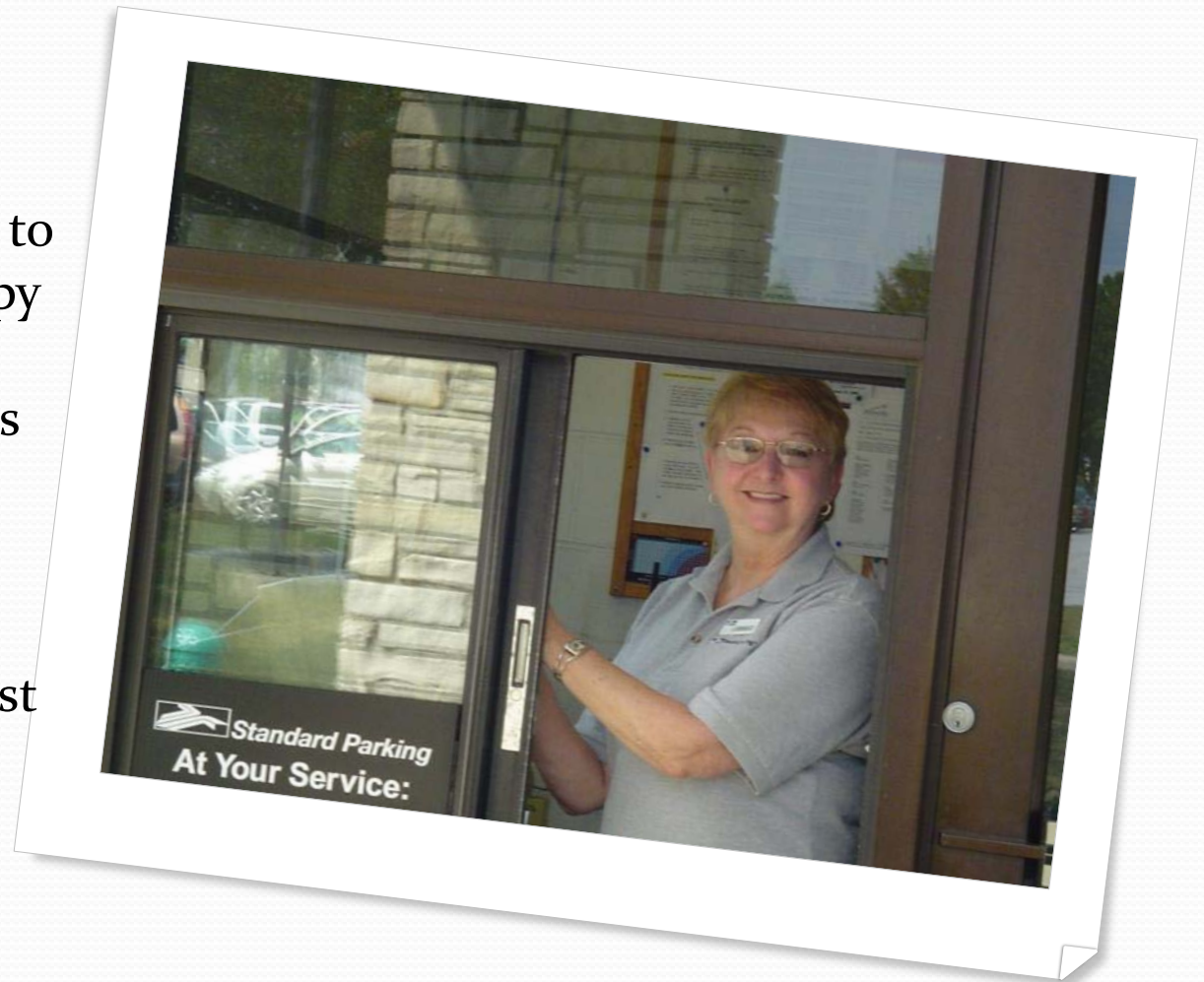
In 2007, the Airport  
had 193,820 short  
term and long term  
parking transactions.

The Airport issued 8,884 “no charge” tickets for parking



Our primary objective is to keep our customers happy and to keep the ticket dispensers, cash registers and gates operational.

We are the customer's last physical contact prior to leaving the facility.



# CUSTODIAL



Custodial services strives to provide and maintain a beautiful, clean, safe, and healthy building environment that is maintained at required standards for the use and enjoyment of the staff and visitors.





DID YOU  
KNOW:



# Custodial Staff is responsible for the cleaning of 120,000 square feet of terminal area...which includes:



44 faucets



40 water closets



80 toilet  
paper  
dispensers



24 paper  
towel  
dispensers

**Custodial employees work hard to ensure a clean, neat, professional appearance of the airport terminal building.**





Through a total commitment to customer satisfaction and excellence in performance, the Custodial staff is dedicated to having the best trained, and highest quality custodians available to the Airport.



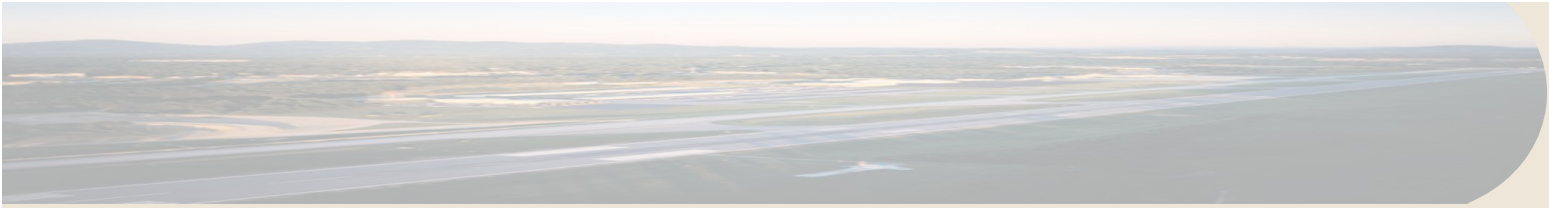
It is the responsibility of the Maintenance & Operations Department to coordinate and supervise the personnel and resources allocated by the airport, as well as to deal with the many entities that function within the airport.



**We hope you have learned something you might not have known about Maintenance & Operations, and the integral part they play in the day-to-day running of the Airport.**

**Thank you for your time, and attention!**





# Project Update



# Terminal Drive & Parking Lot Project



# Terminal Drive & Parking Lot Project





# Terminal Drive & Parking Lot Project



# Terminal Drive & Parking Lot Project



# Toll Plaza Project



# Wright Brothers Way Project



# Wright Brothers Way Project



# North General Aviation Expansion Project



# North General Aviation Expansion Project



# North General Aviation Expansion Project





# North General Aviation Expansion Project



# Triturator / Lav Cart Facility Project

- **Equipment on the way**
- **Contractor NTP for site work 10/12/09**



# Pre-Conditioned Air / Fixed Ground Power Project

- **Equipment in manufacturing**



# A Gates Terminal Project



# A Gates Terminal Project



# A Gates Terminal Project



# A Gates Terminal Project



# A Gates Terminal Project - PBB



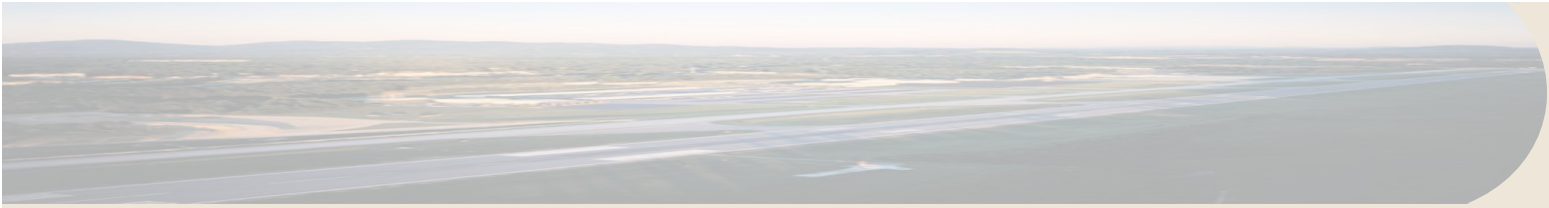


# A Gates Terminal Project - PBB



# A Gates Terminal Project - PBB





# Questions / Comments



**REGULAR MEETING**  
**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**August 14, 2009**  
**8:30 a.m.**

The Asheville Regional Airport Authority ("Authority") met on Friday, August 14, 2009 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

**MEMBERS PRESENT:** David R. Hillier, Chairman; David Gantt, Vice-Chairman; Chuck McGrady, Secretary-Treasurer; Rhett Grotzinger; Susan C. Fisher; Brownie Newman; and Jeffrey A. Piccirillo.

**MEMBERS ABSENT:** None

**STAFF AND LEGAL COUNSEL PRESENT:** Victor Buchanan, Authority Legal Counsel; Lew Bleiweis, Airport Director; D. David Nantz, Director of Operations and Maintenance; Kevin Howell, Director of Properties and Development; Patti Michel, Director of Marketing and Public Relations; Royce Holden, IT Director; C. Jeffrey Augram, Chief of Public Safety; Suzie Baker, Administration Manager; Vickie Thomas, Director of Finance and Accounting; and Ellen Heywood, Recording Secretary.

**ALSO PRESENT:** Joe Weinflash, Civil Air Patrol; Mike Darcangelo, AVCON; Nate Otto, RS&H; Kevin Frank, Odyssey Aviation; and Paul Wood, Landmark Aviation.

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

The Director introduced Vickie Thomas as the new Director of Finance and Accounting to the Board. The Board welcomed Mrs. Thomas to the Authority.

The Chairman informed the Board of Mr. Bleiweis' acceptance into the Leadership Asheville program.

The Director reported to the Board that due to his dedication and diligence, Mr. Howell was appointed Director of Properties and Development in June. The Director further stated that Mr. Howell has been participating in ACI's Airport Management Professional Accreditation Program (AMPAP) and has earned his International Airport Professional (IAP) designation.

Mr. McGrady arrived at 8:33 a.m.

**APPEARANCES:** None

**PRESENTATIONS:**

**A. Airline Route Development and Airline Relations:** Ms. Michel appeared before the Board and gave a presentation on air service and the approach staff takes with prospective airlines. Ms. Michel touched upon the components of a typical presentation to an airline including an economic picture of the community, current air service data, top 20 origin and destination markets, leakage, amenities and marketing, recent upgrades and development projects, rate structure and the incentive program.

A discussion of the percentage of leakage to surrounding airports and the difficulty in tracking this ensued. Mr. Gantt inquired if the Authority's incentive package was competitive compared to airports of our size. Ms. Michel responded that it was and that staff does not pitch anything that wouldn't fit the needs of both the Authority and the airline. Ms. Michel further stated that staff not only wants to acquire new service but to retain the existing service as well.

The travel needs of the business community were also discussed and Ms. Michel informed the Board that it is a goal of staff this year to reach out to the business community for help in marketing the airport as well as increasing passenger traffic. Mr. Newman inquired if partnering with the tourism industry would help with attracting service and passenger traffic. Ms. Michel replied that the Convention and Visitors Bureau (CVB) typically pursues the drive market but that she would welcome any support the CVB was willing to provide. Mr. Gantt inquired if a resolution urging the Buncombe County Tourism Development Authority (TDA) to support Asheville Airport would be beneficial and suggested this be included on the agenda for the next Authority Board meeting. Ms. Michel stated that she would be happy to make a presentation to the TDA and Mr. Gantt replied that he would work on having this added to a future TDA meeting agenda.

**B. Construction Update:** Mr. Howell gave a brief update to the Board on the following construction projects:

Landside Parking Lot and Terminal Drive Project: There are five phases to this project. The first phase is the north end portion of long-term parking. Work has started in phase one, mainly demo, milling, curb repair and prepping for new landscaping. The project should be finished by Thanksgiving.

Wright Brothers Way - General Aviation Access Road Improvements Project: This project is off to a very good start. The contractor started working on cut and fill operations. Relocation of the utilities will be starting soon.

Parking Lot Toll Plaza Expansion Project: There is a slight delay to this project due to permits on hold from the City of Asheville for storm water retention.

North General Aviation Project: The contractor is making good progress on the fill operation and has done some preliminary planning for the west side.

Triturator: The contractor has submitted shop drawings to the engineer. However, there is a long lead time for the grinder pump system.

Hangar Building: A few minor punch list items remain and staff is going through close out documentation with the contractor. The building has been turned over to Odyssey Aviation.

Terminal/Baggage Claim Project: The project is basically closed out with Perry Bartsch Jr. Construction Company with only very minor punch list items to be addressed.

PC Air and Fixed Ground Power Units: Specifications and shop drawings have been submitted to the contractor for review so that manufacturing can be started.

A Gates/Terminal Improvements: This area has been turned over to the contractor. City permits were recently released and the contractor has started doing prep work. Demolition is expected to start in about two weeks.

Passenger Boarding Bridges: Shop drawings have started and staff expects manufacturing to be started later this fall.

Mr. Howell reported to the Board that projects on hold are the Runway Rehabilitation, General Aviation Aprons Expansion and Connector Taxiway Project, and Purchase of a Rapid Intervention Firefighting Vehicle pending further word of funding from the FAA.

### **CONSENT AGENDA:**

The Chairman stated that Consent Agenda Item B would be pulled to be reviewed in Closed Session. The Chairman further stated that Consent Agenda Item C would be moved to Old Business.

**A. Approval of the Asheville Regional Airport Authority June 12, 2009**

**Regular Meeting Minutes:** Mr. Grotzinger requested the addition of the total amount approved by the Board for the AirTran incentives be reflected in the minutes under Consent Agenda Item, Ratification of Agreements/Purchases Related to the Provision of Air Service Incentives for AirTran Airways. The Director stated that the incentives for AirTran as discussed during the Closed Session at the March 13, 2009 Authority Board meeting would be in the area of \$585,000.00. Mr. McGrady agreed with Mr. Grotzinger and requested the minutes be amended to include ratification of the provision of air service incentives in the total amount of \$585,000.00 and authorize the Director to execute the necessary contracts and documents associated with the provision of such incentives. Mr. McGrady moved to approve as corrected the regular meeting minutes of the June 12, 2009 Authority Board. Mr. Grotzinger seconded the motion and it carried by unanimous consent.

**D. Approval of a Utility Easement Agreement for the Wright Brothers Way**

**Improvements Project:** Mr. McGrady made a motion to approve the Utility Easement Agreement for the Wright Brothers Way Improvements Project. Mr. Gantt seconded the motion and it carried by unanimous consent.

**OLD BUSINESS:**

**A. Ratification of the Appointment of the Deputy Finance Officer and**

**Finance Officer:** Mr. McGrady moved to appoint and approve, and ratify the appointment and approval of, Ms. Pamela Sue Baker as the temporary Deputy Finance Officer of the Asheville Regional Airport Authority for the period which began on June 26, 2009, and ended at 11:59 p.m. on July 12, 2009, and Ms. Vickie Thomas (whose employment title is Director of Finance and Accounting) as the Finance Officer of the Asheville Regional Airport Authority effective July 13, 2009, for the purpose of preauditing instruments and signing certificates as referred to in Subsection 159-28(a) of the General Statutes of North Carolina and for such additional purpose or purposes as may be appropriate. Mrs. Fisher seconded the motion and it carried by unanimous consent.

**NEW BUSINESS:**

**A. Approval of Space/Use/Operating Permit with Civil Air Patrol:**

The Director informed the Board that staff has not received the Space/Use/Operating Permit back from the Civil Air Patrol (CAP) as the Permit must go to the United States government for approval. The Director further stated that the appearance of this item on the agenda was for transparency purposes as the O.D. Lacy Griffin building has been leased to WNC Aviation and the CAP moved to a trailer. Since time is of the essence and staff does not want to further impact the CAP, the Director will go ahead with the approval of the Space/Use/Operating Permit when the instrument is returned as it is

within his signing authority. The Director will keep the Board apprised of this issue and will ratify approval of the lease at the next Authority Board meeting.

**B. Director's Goals and Objectives:** Mr. Grotzinger commented with regard to goal number 9 that the Authority currently has a solid, effective model which was used for air service discussions with Continental Airlines and believes this model could be used with other carriers for new air service. The Director stated that it was his intent to establish a group of community leaders and business people to participate in an effort to market air service for Asheville Regional Airport.

Mrs. Fisher noted that the goals and objectives were a great start in terms of helping the Board to measure performance of the new Director in the evaluation process later in the year.

Mr. McGrady was supportive of what was proposed but would like to see the second goal of establishing working relationships with community leaders expanded to include adjoining property owners of the airport. The Director agreed to make this change and will forward a revised list to the Board members.

Mr. Newman suggested the addition of a goal for a specific plan for a multi-year strategy for growing the business of the airport through a number of different strategies, from increasing service, reducing leakage, reducing the cost of service in the airport or other strategies the Director thinks will be successful in terms of growing the number of enplanements.

Mr. Gantt suggested adding some type of environmental statement to reduce energy costs and that the exploration of alternative energy and greenway policies also be included in the goals. The Director agreed that the airport needs to include an environmental policy but believes this type of policy should be established by the Board to be carried out and followed by the Director and staff.

The Chairman suggested the approval of the goals and objects with the specific addition of establishing working relationships with adjacent property owners to goal number two and for the Director to commit to the creation of a business plan by the end of the year for continued growth consistent with Mr. Newman's suggestion. The Chairman further stated the draft of an environmental policy should be included on the agenda for the next Authority Board meeting.

Mr. McGrady moved to approve the Airport Director's Goals for 2009/2010 as stated with the addition of establishing working relationships with adjacent property owners to goal number two and further request the Airport Director to propose to the Board an



additional goal reflective of the comments made. Mr. Newman seconded the motion and it carried by unanimous consent.

**C. Summarization of Understanding of Employment of Lew Bleiweis:** Mr. McGrady moved to approve and ratify the June 12, 2009, summarization of the understanding concerning the employment of Lew Bleiweis, A.A.E., as Airport Director. Mr. Gantt seconded the motion and it carried by unanimous consent.

#### **DIRECTOR'S REPORT:**

**A. FAA Part 139 Inspection:** The Director reported to the Board that the FAA completed their Part 139 Inspection of the airport and for the fourth consecutive year there were no discrepancies reported.

**B. Aviation Liability Insurance Inspection:** The Director informed the Board that Ace Aviation Insurance conducted a risk assessment and inspection in July and concluded the Authority is operating in a safe manner. Staff is awaiting a written report as there will be a few recommendations made by Ace.

**C. Update on AIP Funding:** The Director reported that the FAA Reauthorization did move through the House with a two-year authorization plan. The Senate Subcommittee approved its version of an authorization plan on July 21. The Senate Subcommittee has left the PFC's at \$4.50 and there are no provisions on the concerns the airport industry has on the ARFF issues. The House bill did raise the PFC's to \$7 but they did include an ARFF amendment asking for higher staffing. Additional ARFF requirements would add approximately \$1 million in annual operating costs to the Authority budget for additional staff. New facilities would also be required. Trade associations are fighting this issue.

**D. Art in the Airport:** Our 9<sup>th</sup> exhibit began in July. The program is doing well overall and the airport has sold art in all but one of the exhibits.

The Director reported to the Board that due to some errors made in the financials in April, accrued liabilities that have not been accounted for in the past, as well as true-ups with rental car companies completed earlier than usual, the bottom line figure to the FY 09 Budget will be just over \$1 million rather than the \$1.2 to \$1.3 million figure reported at the June Board meeting.

**INFORMATION SECTION:** There was a discussion on the increase of enplanements, the reduction of flights being offered by the airlines, the merge of airlines, and the need to increase capacity to avoid more leakage. The Director stated that it boils down to

supply and demand. The airplanes are full, fares will start to rise as the demand increases, it's cyclical and the Director plans on working with the airlines to increase capacity and hopefully reverse the start of this trend that the Authority doesn't want to see.

**AUTHORITY MEMBERS' REPORTS:** None

**PUBLIC AND TENANTS' COMMENT:** No Comments

**CLOSED SESSION:** At 9:55 a.m. Mr. McGrady made a motion to go into closed session pursuant to subsection 143-318.11 (a) (3) of the General Statutes of North Carolina, in order to consult with the Asheville Regional Airport Authority's legal counsel, and during this closed session, or a portion thereof, the Asheville Regional Airport Authority expects to receive advice from its legal counsel concerning an existing lawsuit commenced in the Buncombe County Superior Court, File Number 08 CVS 697, the parties to which are Asheville Jet, Inc., d/b/a/ Million Air Asheville (which is now d/b/a Odyssey Aviation), as plaintiff, and the City of Asheville, the Asheville Regional Airport Authority, and possibly the County of Buncombe, as defendants.

Open Session resumed at 10:44 a.m.

**MOTION FOR APPROVAL AND SEALING OF CLOSED SESSION MINUTES:** Mr. McGrady moved to approve the minutes for the June 12, 2009, Closed Session and to seal and withhold the minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof, with the exception that the last four paragraphs thereof (beginning with the paragraph entitled "Resolution of Appreciation") shall be unsealed and shall not be withheld. Mr. Grotzinger seconded the motion and it carried by unanimous vote.

**ADJOURNMENT:** Mr. McGrady moved to adjourn the meeting at 10:45 a.m. Mr. Grotzinger seconded the motion and it carried by unanimous vote.

The Chairman informed the Board that the Board would not meet in September unless it was determined there was a need by the Chairman in consultation with the Airport Director.

The next regular meeting of the Authority will be on Friday, October 9, 2009 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport, 61 Terminal Drive, Suite 1, Asheville, NC 28732.

Respectfully submitted,

Charles W. McGrady  
Secretary-Treasurer

Approved:

David R. Hillier  
Chairman



## **MEMORANDUM**

TO: Members of the Airport Authority  
FROM: Lew Bleiweis, A.A.E., Airport Director  
DATE: October 9, 2009

### **ITEM DESCRIPTION – New Business Item A**

Presentation of the Final Draft Annual Audit Report for Fiscal Year 2008/2009

### **BACKGROUND**

The annual audit was performed by the auditing firm, Burleson & Earley PA., and the findings are hereby submitted for the Board's review and acceptance. The Audit has been submitted to the Local Government Commission ("LGC") and we are waiting for final approval.

### **ISSUES**

None. An unqualified opinion was issued by the auditors.

### **RECOMMENDED ACTION**

It is respectfully requested that the Airport Authority Board resolve to accept the 2008/2009 Audit Report as presented. Staff has included a copy for your convenience.

# BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the  
Asheville Regional Airport Authority  
Fletcher, North Carolina

In planning and performing our audit of the financial statements of the Asheville Regional Airport Authority for the year ended June 30, 2009, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated September 15, 2009 on the financial statements of the Asheville Regional Airport Authority. We will review the status of these comments at our next audit engagement. We have already discussed many of these comments and suggestions with various Authority personnel, and will be pleased to discuss any of these comments in further detail with you at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

## Budget Process and Presentation

The Authority adopts an annual budget ordinance for the Enterprise fund. This ordinance includes the annual budget appropriations of both the operating and the capital improvements funds. Because of the quantity of Authority's projects and material dollar value of the capital improvements fund, this method makes it difficult to identify, capture, and manage the revenues and financing sources of the capital improvement fund projects. The Local Government Commission recommends that capital projects be budgeted through project ordinances, which cover the revenues and expenditures related to the projects without regard to time. We recommend that the Authority consider the following changes to the presentation of its budget:

### Operating fund budget

- Present an annual operating fund budget ordinance that includes a line item for the transfers required from operating to the capital improvements fund for the Authority's annual budgeted share of the construction projects that are part of the capital improvements fund.
- Include in the operating fund budget, as capital outlay expenditures, capital items that are not considered to be part of the capital improvements fund. These items will include small capital projects that are funded entirely from Authority revenues and will be completed within one fiscal year.
- Exclude from the operating fund budget the revenues and other financing sources that are solely for the use of the capital improvements fund, i.e. federal and grant revenues and passenger facility charges.

### Capital improvements fund budget

- The capital improvements budget should include the revenues, other financing sources and expenditures that will be realized for the capital projects.
- Included in the other financing sources will be the transfers budgeted from the operating fund for the Authority's share of these project expenditures.

### Budget Amendments

#### *Operating Fund*

No budget amendments were made during the year. This was contrary to the fact that several categories in both revenues and expenditures contain unfavorable variances. In reviewing the financial statement schedule that compares budget to actual, you will see that the most significant unfavorable variance is in the actual use of appropriated fund balance as compared to the amount that was budgeted. It appears that a large part of this occurred due to spending in excess of budget for the capital improvements fund. We recommend that the Authority utilize a schedule for comparing budget versus actual in a format that mirrors the budget ordinance in order to monitor the variances. This schedule should include as an other financing use, any funds that are required to be transferred from the operating fund to the capital improvements fund. Periodic budget amendments may be necessary and should be presented to the Board for approval.

#### *Capital Improvements Fund*

A single source document of the final capital improvements fund budget was not available. In order to develop the Schedule of Revenues and Expenditures – Budget and Actual for the Capital Improvements Fund, Authority staff had to go through the board minutes for this year and the previous year to determine, by project, the approved expenditures and the sources of the funding for the project. There were several instances where the additional expenditures were discussed in the Board minutes but the corresponding additional source of the revenues was not documented. While updates to many of the capital project budgets were presented to the Board during the fiscal year, there was inconsistency in the formal adoption of the required budget amendments. Any amendments needed throughout the life of a project must be self-balancing, adjusting both revenues and expenditures as necessary. We recommend also that the capital improvements fund budget be maintained in a single document, which should be updated with each budget amendment.

### Reserve Funds Policy – Operations and Maintenance Reserve

The Authority has established a reserve funds policy to assist in allocating revenues to fund the operating cycle and capital needs for the Authority and to provide back-up operating and other working capital reserves. The operations and maintenance reserve is established to maintain a reserve equal to six months of the Authority's current year operations and maintenance budget. This reserve is currently presented as an expenditure on the budget ordinance. Unlike certain other reservations such as the small equipment and capital outlay reserve and the renewal and replacement reserve, which appear to represent actual budgeted expenditures for the next fiscal year, this reserve is not normally used to offset current year expenditures. We recommend that this reserve balance be calculated and maintained, with other reserves of this nature, in consort with but separate from the Authority's budget ordinance.

Reserve Funds Policy – Undesignated Unrestricted Net Assets

As presented in the notes to the financial statements, unrestricted net assets includes any amounts designated as reserve funds in the following year budget ordinance. The balance, after the reserve funds, is considered as undesignated unrestricted net assets. At June 30, 2009, after presentation of the various reserved funds, there are no undesignated unrestricted net assets. We recommend that the reserve policy be reviewed to determine which amounts should be presented as a reserve of net assets and which are a component of the next year's operating fund budget ordinance to be funded with the subsequent year's revenues.

This report is intended solely for the information and use of the Board of Directors, management, and others within the administration and is not intended to be and should not be used by anyone other than these specified parties.

Burleson & Earley, P.A.  
Certified Public Accountants  
September 15, 2009

# BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

September 28, 2009

To the Board of Directors,  
Lew S. Bleiweis, Airport Director and  
Vickie Thomas, Director of Finance and Accounting  
Asheville Regional Airport Authority  
Fletcher, NC

We have audited the financial statements of the business-type activities, and the aggregate remaining fund information of Asheville Regional Airport Authority for the year ended June 30, 2009, and have issued our report thereon dated September 15, 2009. Professional standards require that we provide you with the following information related to our audit.

## Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 15, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

## Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 15, 2009.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Asheville Regional Airport Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2009. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the depreciable lives assigned to fixed assets is based on the estimated useful life of the asset. We evaluated the key factors and assumptions used to develop the depreciable lives assigned to fixed assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates and assumptions utilized in the calculation of the liability for other postemployment benefits for retiree health care are based on estimates of future health care cost increases and expected retirement age. We evaluated the key factors and assumptions used to calculate this liability in determining that they are reasonable in relation to the financial statements taken as a whole.



#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 15, 2009.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors, Lew S. Bleiweis and Vickie Thomas and management of the Asheville Regional Airport Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Burleson & Earley, P.A.*

Certified Public Accountants



**Basic Financial Statements**

**For the Year Ended June 30, 2009**

# ASHEVILLE REGIONAL AIRPORT AUTHORITY

## Board of Directors

Dave Hillier, Chairman  
David Gantt, Vice-Chairman  
Chuck McGrady, Secretary/Treasurer

Susan Fisher  
Rhett Grotzinger  
Jeffrey A. Piccirillo  
Brownie Newman

## Airport Director

Lew S. Bleiweis, A.A.E

# ASHEVILLE REGIONAL AIRPORT AUTHORITY

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# BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

To the Board of Directors  
Asheville Regional Airport Authority  
Fletcher, North Carolina

We have audited the accompanying statement of net assets of the Asheville Regional Airport Authority, as of and for the year ended June 30, 2009, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Asheville Regional Airport Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Asheville Regional Airport Authority as of June 30, 2009, and the changes in its net assets and cash flows for the year then ended in conformity with auditing standards generally accepted in the United States of America.

Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress, the Law Enforcement Officers' Special Separation Allowance Schedule of Employer Contributions and Notes to the Financial Statements, and the Other Postemployment Benefits - Healthcare - Schedule of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

In accordance with Government Auditing Standards, we have also issued our report dated September 15, 2009 on our consideration of Asheville Regional Airport Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The schedules of revenues and expenditures - budget and actual and the schedules of expenditures by cost center, as well as the accompanying schedule of expenditures of Federal and State awards and Passenger facility charges collected and expended as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Burleson & Earley, P.A.*  
Certified Public Accountants  
September 15, 2009

## **ASHEVILLE REGIONAL AIRPORT AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following Management Discussion and Analysis (MD&A) of the Asheville Regional Airport's activities and financial performance provides the reader with an overview to the financial statements of the Asheville Regional Airport Authority for the fiscal year ended June 30, 2009. The information contained in this MD&A should be considered in conjunction with the financial information contained in the various sections of this audit report.

### **THE REPORTING ENTITY**

The Asheville Regional Airport Authority (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 (County) and the City of Asheville (City). It was organized for and has as its sole purpose the management, operation and maintenance of the Asheville Regional Airport (Airport) and other properties, either acquired by or placed under the control of the Authority as outlined in Chapter 160A.

The Authority operates as an Enterprise Fund within the constraints of the County's annual budget ordinance and is governed by seven members: three citizens and residents of the County of Buncombe appointed by the Buncombe County Board of Commissioners; three citizens and residents of the City of Asheville appointed by the Asheville City Council; and one citizen and resident of the Counties of Buncombe or Henderson appointed at large by the other six members of the Authority. All 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 two years after his or her most recent appointment.

The Authority employs a Managing Director (Airport Director), who is the chief administrative and executive officer of the Authority. The Airport Director manages the Airport under the Authority's control with a staff of 55 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 Airport is a non-hub airport engaged in the business of facilitating commercial and general aviation passenger, cargo, and mail transportation and is the 156th largest airport in the United States based on the number of passenger boardings during calendar year 2008<sup>1</sup>.

As of June 30, 2009, Asheville Regional Airport had twenty six non-stop commercial flights to eight hub cities (Atlanta, Cincinnati, Charlotte, Houston, Detroit, New York-LaGuardia, Orlando, and Newark). The commercial airline carriers included AirTran Airways, Continental Airlines, Delta Air Lines, , Northwest Airlines, and US Airways.

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<sup>1</sup> Federal Aviation Administration, passenger boardings calendar year 2008.

## AIRPORT ACTIVITIES AND HIGHLIGHTS

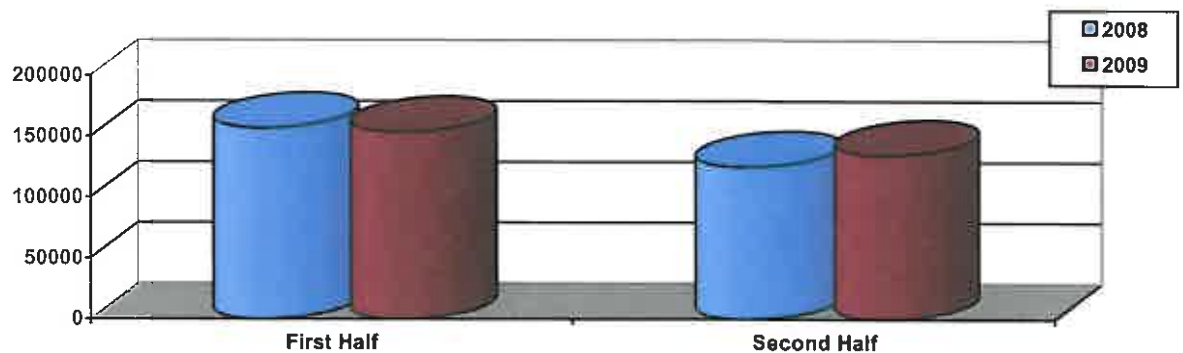
<u>Fiscal year ended June 30</u>	<u>2009</u>	<u>2008</u>
Enplanements	288,941	282,538
Revenue per enplanement:		
Airlines	\$5.93	\$6.89
Rental Cars	\$5.57	\$5.30
Parking Facility	\$8.06	\$8.26
Concessionaires	\$ .43	\$ .40

Enplanements increased by 2.3% in fiscal year 2009.

The following information is presented on a calendar year basis:

	<u>2009</u>	<u>2008</u>
<i>Aircraft Movements (Land or Takeoff)</i>		
Airline	883	1,523
General Aviation	47,223	58,682
Air Taxi	18,521	18,954
Military	<u>3,228</u>	<u>2,467</u>
Total	69,855	81,626

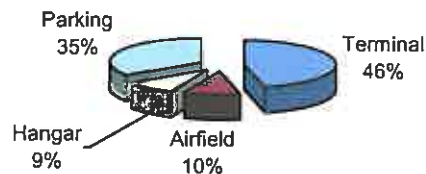
### Passenger Enplanements for Fiscal Year



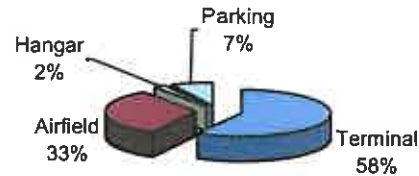
## SUMMARY OF OPERATIONS AND CHANGES IN NET ASSETS

<u>For the Fiscal Year Ended June 30</u>	<u>2009</u>	<u>2008</u>
Operating Revenues	\$ 6,754,657	\$ 6,901,813
Operating Expenses	6,180,564	5,655,913
Operating Income Before Depreciation	574,093	1,245,900
Depreciation	3,232,925	2,963,037
Operating Loss Before Nonoperating Revenues and Expenses	(2,658,832)	(1,717,137)
Nonoperating Revenues and Expenses, net	2,170,386	2,375,591
Income (Loss) Before Capital Contributions	(488,446)	658,454
Capital Contributions	5,710,017	2,986,611
Increase in Net Assets	<u>\$ 5,221,571</u>	<u>\$ 3,645,065</u>

**Operating Revenues**



**Operating Expenses**



## FINANCIAL POSITION SUMMARY

Net Assets may serve over time as a useful indicator of the Authority's financial position. The Authority's net assets exceeded liabilities by \$64.8 million at June 30, 2009, a \$5.2 million increase from June 30, 2008.

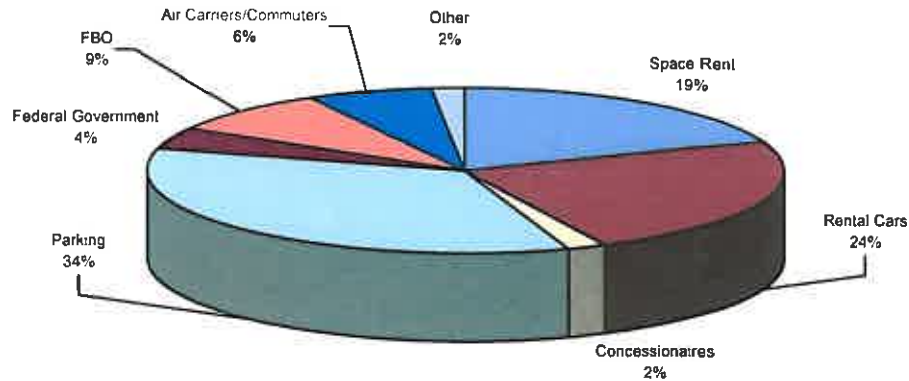
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Current Assets	\$ 10,858,823	\$ 13,229,444
Capital Assets	61,196,177	54,088,989
Total Assets	<u>72,055,000</u>	<u>67,318,433</u>
<b>Liabilities</b>		
Total Liabilities	<u>7,267,817</u>	<u>7,752,821</u>
<b>Net Assets</b>		
Invested in Capital Assets	55,380,043	47,470,462
Restricted	2,910,968	3,367,445
Unrestricted	6,496,172	8,727,705
Total Net Assets	<u>\$ 64,787,183</u>	<u>\$ 59,565,612</u>



## REVENUES

The daily operations of the Asheville Regional Airport are funded through the collection of user fees such as parking receipts, rental car privilege fees, landing fees, space rental, and concessions fees.

The following chart shows the major sources and the percentage of operating revenues for the year ended June 30, 2009.



## SUMMARY OF CASH FLOW ACTIVITIES

The following is a summary of the major sources and uses of cash and cash equivalents. Cash equivalents are considered cash-on-hand, bank deposits and highly liquid investments with an original maturity of three months or less.

### For the Year Ended June 30

	<u>2009</u>	<u>2008</u>
Cash flow from Operating Activities	\$ 1,323,775	\$ 1,180,214
Cash flow from Investing Activities	1,245,535	3,616,354
Cash flow from Capital and Related Financing Activities	<u>(4,755,228)</u>	<u>(2,934,715)</u>
Net increase (decrease) in Cash and Cash Equivalents	(2,185,918)	1,861,853
Cash and Cash Equivalents:		
Beginning of year	<u>9,945,673</u>	<u>8,083,820</u>
End of year	<u>\$ 7,759,755</u>	<u>\$ 9,945,673</u>

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

During fiscal year 2009, the Authority expended \$10.3 million on capital activities. This included approximately \$700,000 for new equipment, furniture and improvements, and \$9.6 million for major construction activities. The major activities include the following:

- Terminal Renovation and Improvements – Phase I
- Bulk Hangar #2 - 168 Wright Brothers Way
- Landside Parking and Roadway Access
- Security System and Access Control
- North General Aviation Expansion
- A Gates - Terminal Renovation and Improvements

Acquisitions are funded using a variety of sources, including Federal and State grants, Passenger Facility Charges, operating revenues and fund balance appropriations.

### Long-term Debt

As of June 30, 2009, the Authority had total bond debt outstanding of \$4,295,085.

<u>Rental Car Facilities Taxable Revenue Bond, Series 2007</u>			
<u>Balance</u>			<u>Balance</u>
<u>June 30, 2008</u>	<u>Borrowings</u>	<u>Repayments</u>	<u>June 30, 2009</u>
<u>\$ 4,661,626</u>	<u>\$ -</u>	<u>\$ 366,541</u>	<u>\$ 4,295,085</u>

## RECENT DEVELOPMENTS

The industry is expected to post a \$4.7 billion dollar loss in 2009 and further losses are possible next year. This can be contributed to a weak economy, shrinking demand, and airlines reducing capacity. The aviation industry continues to be highly competitive and volatile.

Overall passenger traffic shrunk 3.7% in 2008 with domestic traffic down 4.5%. The system-wide load factor (the amount of occupied seats on commercial service passenger aircraft) decreased to 73.0% in January 2009.

It is anticipated that the entire airline industry, including air carriers currently operating at the Asheville Regional Airport, will continue to improve their financial performance over the next couple of years based on a combination of the following factors:

- Increased fuel efficiency
- Fleet Modernization
- Increased load factors for the air carriers
- Modernization of the U.S. air traffic control system
- Increased employee productivity resulting from employee reductions and cost savings.

Recognizing the need for comprehensive planning to best utilize its facilities and properties, the Authority continued to work with its various planning and architectural firms to implement projects identified in its terminal area plan which serves as the backbone for the Authority to meet the existing and projected growth at the Airport over the next 20 years.

## THE FUTURE

Despite uncertainty in the aviation industry, the Authority, management and staff have focused with even more precision on the core fundamentals of solidifying our position in a tough business environment. Authority management will continue to seek additional non-stop air service to the top 20 origin and destination markets at the Airport. This will promote profitable routes to new or existing airlines currently operating at the Airport. Through continued emphasis and focus on the relationships with our community, suppliers, and passengers, we will continue to build a strong team vision and foundation for success as we move into the next fiscal year and beyond.

Over the next few fiscal years, the Authority will continue implementation on certain capital projects identified in the terminal area planning study to provide the necessary facilities at the Airport to support future growth in air traffic. Management will continue to expand the Airport and its facilities in a financially prudent manner, maximizing Federal, State, and other revenues to minimize the local funding required, thereby maximizing the Authority's return on its investment.

## REQUESTS FOR INFORMATION

This report is designed to provide an overview of the Authority's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance and Accounting, Asheville Regional Airport Authority, 61 Terminal Drive, Suite 1, Fletcher, NC 28732.



***The mission of the Asheville Regional Airport is to be the premier airport of choice for Western North Carolina travelers, by providing an array of choices and amenities, distinctive customer service, value, and convenience.***

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**STATEMENT OF NET ASSETS**  
**June 30, 2009**

(With comparative totals for June 30, 2008)

Assets	2009	2008
<b>Current assets:</b>		
<b>Unrestricted net assets:</b>		
Cash and equivalents	\$ 4,848,787	\$ 6,578,228
Investments	-	993,807
Accounts receivable	602,903	1,043,619
Capital fund receivables	2,333,165	1,045,607
Passenger facility charges receivables	163,000	200,738
Total unrestricted assets	7,947,855	9,861,999
<b>Restricted assets:</b>		
Cash and equivalents	2,910,968	3,367,445
Total restricted assets	2,910,968	3,367,445
Total current assets	10,858,823	13,229,444
<b>Noncurrent assets:</b>		
<b>Capital assets</b>		
Property and equipment - net	61,196,177	54,088,989
Total noncurrent assets	61,196,177	54,088,989
	\$ 72,055,000	\$ 67,318,433
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
<b>Payable from unrestricted assets:</b>		
Accounts payable	\$ 299,106	\$ 476,551
Construction contracts payable	1,233,648	1,471,070
Construction contract retainages	287,401	485,831
Accrued liabilities	656,967	503,885
Unearned revenue	115,300	-
Total payable from unrestricted assets	2,592,422	2,937,337
<b>Payable from restricted assets:</b>		
Revenue bond payable - current	388,335	366,540
Total payable from restricted assets	388,335	366,540
Total current liabilities	2,980,757	3,303,877
<b>Noncurrent liabilities:</b>		
Other postemployment benefits	380,310	153,858
Revenue bond payable - noncurrent	3,906,750	4,295,086
Total noncurrent liabilities	4,287,060	4,448,944
Total liabilities	7,267,817	7,752,821
<b>Net assets:</b>		
Invested in capital assets	55,380,043	47,470,462
Restricted	2,910,968	3,367,445
Unrestricted	6,496,172	8,727,705
Total net assets	64,787,183	59,565,612
	\$ 72,055,000	\$ 67,318,433

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

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**Year ended June 30, 2009**

(With comparative totals for year ended June 30, 2008)

	<u>2009</u>	<u>2008</u>
<b>Operating revenues:</b>		
Terminal	\$ 3,135,353	\$ 2,940,153
Airfield	678,631	949,065
Hangar	587,166	683,539
Parking	2,353,507	2,329,056
Total operating revenues	<u>6,754,657</u>	<u>6,901,813</u>
<b>Operating expenses:</b>		
Terminal	3,569,736	3,005,718
Airfield	2,014,085	2,045,205
Hangar	136,120	116,442
Parking	460,623	488,548
Total operating expenses	<u>6,180,564</u>	<u>5,655,913</u>
<b>Operating income before depreciation</b>	574,093	1,245,900
<b>Depreciation</b>	<u>3,232,925</u>	<u>2,963,037</u>
<b>Operating loss before nonoperating revenues and expenses</b>	(2,658,832)	(1,717,137)
<b>Nonoperating revenues (expenses):</b>		
Passenger facility charges	1,331,120	1,147,585
Customer facility charges	856,240	777,860
Interest revenue	112,577	492,503
Interest expense	(260,282)	(182,925)
Sale of fixed assets	-	60
Land use fees	131,195	140,508
Land use expenses	(464)	-
Total nonoperating revenues - net	<u>2,170,386</u>	<u>2,375,591</u>
<b>Income (loss) before capital contributions</b>	(488,446)	658,454
<b>Capital contributions</b>	<u>5,710,017</u>	<u>2,986,611</u>
<b>Net assets</b>		
Increase in net assets	5,221,571	3,645,065
Total net assets, beginning of year	<u>59,565,612</u>	<u>55,920,547</u>
<b>Total net assets, end of year</b>	<u>\$ 64,787,183</u>	<u>\$ 59,565,612</u>

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

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**Year ended June 30, 2009**

(With comparative totals for year ended June 30, 2008)

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from providing services	\$ 7,303,003	\$ 6,254,700
Cash paid for goods and services	(3,489,968)	(3,206,434)
Cash paid to or on behalf of employees for services	(2,489,260)	(1,868,052)
Net cash provided by operating activities	<u>1,323,775</u>	<u>1,180,214</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(10,775,962)	(11,184,508)
Proceeds from sale of capital assets	-	60
Passenger facility charges	1,368,858	1,052,168
Customer facility charges	856,240	777,860
Proceeds from revenue bond issuance	-	4,750,000
Principal payments of bond maturities	(366,541)	(88,374)
Interest paid on bond maturities	(260,282)	(182,925)
Capital contributions	4,422,459	1,941,004
Net cash used by capital and related financing activities	<u>(4,755,228)</u>	<u>(2,934,715)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments matured	993,807	12,000,001
Investments purchased	-	(9,084,760)
Land use fees, net of expenses	130,731	140,508
Interest income	120,997	560,605
Net cash provided by investing activities	<u>1,245,535</u>	<u>3,616,354</u>
 Net increase (decrease) in cash and cash equivalents	(2,185,918)	1,861,853
Balance-beginning of the year	9,945,673	8,083,820
Balance-end of the year	<u>\$ 7,759,755</u>	<u>\$ 9,945,673</u>
 <b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating loss before nonoperating revenues and expenses	<u>\$ (2,658,832)</u>	<u>\$ (1,717,137)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,232,925	2,963,037
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	432,296	(647,112)
(Increase) decrease in prepaid items	-	127,182
Increase (decrease) in accounts payable and accrued liabilities	(24,366)	300,386
Increase (decrease) in unearned revenue	115,300	-
Increase (decrease) in other post employment benefits	226,452	153,858
Total adjustments	<u>3,982,607</u>	<u>2,897,351</u>
Net cash provided by operating activities	<u>\$ 1,323,775</u>	<u>\$ 1,180,214</u>

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

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2009**

**Note A – Organization and Summary of Significant Accounting Policies**

The accounting policies of the 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:

**Reporting Entity**

The Asheville Regional Airport Authority (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 is responsible for funding any operating deficits of the Authority during the term of the agreement.

The Authority's purpose under this agreement is to maintain, operate, regulate and improve the Asheville Regional Airport. Under the terms of the agreement, the Airport, at July 1, 1980, remains the property of the City of Asheville and is leased to the Authority for \$1 per year. The financial statements of the Authority include only this amount for use of the Airport. Any capital improvements shall belong to the City of Asheville upon termination of the agreement. Issuance of revenue bonds by the Authority is subject to prior approval by Buncombe County. In accordance with governmental accounting principles, the Authority is a component unit of Buncombe County because of the County's oversight responsibility and its responsibility for funding any operating deficits.

**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 Funds 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 operation. For financial reporting purposes, a Capital Project Fund has been consolidated with the Enterprise operating fund.

**Measurement Focus and Basis of Accounting**

The proprietary fund financial statements are reported using the flow of 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. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants.

As permitted by U.S. generally accepted accounting principles, the Authority has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989 that do not contradict GASB pronouncements in its accounting and reporting practices for its proprietary operations.

## **Note A – Organization and Summary of Significant Accounting Policies – continued**

### **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. Project ordinances are adopted for the Capital Projects Fund, which are consolidated with the operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. All amendments must be approved by the governing board. No amendments to the original budget were made. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted. The Authority is required under the terms of their agreement with Buncombe County to provide their budget to the County by April 30 of each year.

### **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. Accordingly, actual results could differ from those estimates.

### **Reclassifications**

Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation.

### **Assets, Liabilities, and Fund Equity**

#### **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(c)] 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 the North Carolina Capital Management Trust (NCCMT).

The Authority's investments with a maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less reported at amortized cost. Non-participating interest earning investment contracts are reported at cost.

#### **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* – The revenue bond agreement requires that the Authority maintain restricted cash reserves equal to fifty percent of the outstanding principal balance of the revenue bonds. This cash is maintained in the North Carolina Capital Management Trust Account. Additionally, the agreement requires that net revenues generated from the rental car facility be maintained in a revenue fund to service the operating expenses and debt service of the facility.



## **Note A – Organization and Summary of Significant Accounting Policies – continued**

### **Fixed Assets**

Property, plant, and equipment are recorded at original cost at the time of acquisition and depreciated over their useful lives on a straight-line basis as follows:

Leasehold Improvements	5 – 40 years
Public Safety and Maintenance	
Equipment	3 – 20 years
Vehicles	3 – 20 years
Furniture	5 – 10 years

### **Compensated Absences**

Airport personnel policies permit an employee to earn vacation as of January 1 of the related calendar year based on their years of service. Accumulated annual leave in excess of 60 days 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 Airport Director. Employees who resign, are laid off, or otherwise separate 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 60 days. Accrued vacation pay amounted to \$124,637 and \$99,275 at June 30, 2009 and 2008, respectively.

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 from year to year. Unused professional leave as of December 31 will be paid out to the employee on the first payroll of the new calendar at a rate of 50% of its value. Unused professional leave is not paid upon termination, thus no accrual has been made.

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 separate from the Airport Authority in good standing shall be entitled to be paid for thirty-three percent of any unused sick leave balance earned by them not to exceed 240 hours. Accrued sick pay amounted to \$123,431 at June 30, 2009.

### **Net Assets**

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

State law [G.S. 159-13(b)(16)] restricts appropriation of fund balance for the subsequent year's budget to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

## **Note B – Stewardship, Compliance, and Accountability**

### **Excess of Expenditures over Appropriations**

Actual expenditures exceeded budget appropriations in the parking lot cost center, equipment and small capital outlay and the appropriated fund balance. Additionally, the capital project expenditures exceeded the current year budget appropriation.

## Note C – Detail Notes on All Funds

### Deposits

All the deposits of the Authority are collateralized by using the pooling method. 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 under-collateralization, 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 Authority does not have a deposit policy for custodial credit risk.

At June 30, 2009, the Authority's deposits had a carrying amount of \$3,191,676 and a bank balance of \$3,389,607. Of the bank balance, \$500,000 was covered by federal depository insurance and \$2,889,607 was covered under the Pooling method.

The Authority maintains petty cash of \$100.

### Investments

At June 30, 2009, the Authority's investments and maturities were as follows:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Less Than 6 Months</b>
North Carolina Capital Management Trust		
Cash Portfolio	\$ 4,567,979	N/A
	<u>\$ 4,567,979</u>	<u>\$ -</u>

There were no realized or unrealized gains or losses on the Authority's investments during 2009.

*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. As of June 30, 2009, the Authority's investment in the North Carolina Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2009.

*Concentration of Credit Risk.* The Authority places no limit on the amount that the Authority may invest in any one issuer. More than 5 percent of the Authority's investments are in the following:

North Carolina Capital Management Trust - 100%

### Accounts Receivable

The balance of Accounts Receivable at June 30, 2009 consisted of the following:

Trade, net of allowance	\$ 569,857
Other	<u>33,046</u>
	<u>\$ 602,903</u>

The Authority considers all accounts receivable collectible, thus there is no allowance for doubtful accounts.

**Note C – Detail Notes on All Funds – continued**

**Fixed Assets**

The fixed assets of the Authority at June 30, 2009 are as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 3,725,790	\$ -	\$ -	\$ 3,725,790
Capital projects	<u>15,417,717</u>	<u>9,978,191</u>	<u>9,651,939</u>	<u>15,743,969</u>
Total capital assets not being depreciated	<u>19,143,507</u>	<u>9,978,191</u>	<u>9,651,939</u>	<u>19,469,759</u>
Capital assets being depreciated:				
Leasehold improvements	57,326,536	9,290,954		66,617,490
Public safety & maintenance equipment	3,514,093	461,308		3,975,401
Computer equipment	579,946	159,694		739,640
Furniture	102,448	16,112		118,560
Vehicles	<u>3,094,948</u>	<u>85,793</u>	<u>41,853</u>	<u>3,138,888</u>
Total capital assets being depreciated	<u>64,617,971</u>	<u>10,013,861</u>	<u>41,853</u>	<u>74,589,979</u>
Less accumulated depreciation for:				
Leasehold improvements	24,596,397	2,724,078		27,320,475
Public safety & maintenance equipment	2,495,795	232,656		2,728,451
Computer equipment	323,221	110,562		433,783
Furniture	47,535	9,098		56,633
Vehicles	<u>2,209,541</u>	<u>156,531</u>	<u>41,853</u>	<u>2,324,219</u>
Total accumulated depreciation	<u>29,672,489</u>	<u>3,232,925</u>	<u>41,853</u>	<u>32,863,561</u>
Total capital assets being depreciated, net	<u>34,945,482</u>	<u>6,780,936</u>	<u>-</u>	<u>41,726,418</u>
Business-type activities capital assets, net	<u>\$54,088,989</u>	<u>\$16,759,127</u>	<u>\$ 9,651,939</u>	<u>\$61,196,177</u>

**Liabilities**

**Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

*Plan Description.* The Authority contributes to 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 provides retirement and disability benefits to plan members and beneficiaries.

Article 3 of G.S. 12 Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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, or by calling (919) 981-5454.

**Note C – Detail Notes on All Funds – continued**

**Local Governmental Employees' Retirement System - continued**

Funding Policy. Plan members are required to contribute 6% of their annual covered salary. The Authority is required to contribute at an actuarially determined rate. For the Authority, the current rate for employees not engaged in law enforcement and for law enforcement officers is 4.88% and 4.86%, respectively, of annual covered payroll. The contribution requirements of members and of the Authority are established and may be amended by the North Carolina General Assembly. The Authority's contributions to LGERS for the years ended June 30, 2009, 2008, and 2007 were \$108,394, \$114,369, and \$130,160, respectively. The contributions made by the Authority equaled the required contributions for each year.

**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. 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.

All full-time law enforcement officers of the Authority are covered by the Separation Allowance. At December 31, 2008, the Separation Allowance's membership consisted of:

Retirees receiving benefits	5
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>14</u>
Total	<u>19</u>

A separate report was not issued for the plan.

**Summary of Significant Accounting Policies:**

Basis of Accounting. The Authority has chosen to fund the Separation Allowance on a pay as you go basis.

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

**Contributions.**

The Authority is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the Enterprise Fund operating budget. The Authority's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2008 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.5 – 12.3% per year.

Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include postretirement benefit increases.

**Note C – Detail Notes on All Funds – continued**

**Liabilities (continued)**

**Law Enforcement Officers Special Separation Allowance (continued)**

*Annual Pension Cost and Net Pension Obligation.* The Authority's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 20,572
Interest on net pension obligation	3,202
Adjustment to annual required contribution	<u>(2,700)</u>
Annual pension cost	21,074
Contributions made	<u>( 52,913)</u>
Increase (decrease) in net pension obligation	(31,839)
Net pension obligation beginning of year	<u>44,159</u>
Net pension obligation end of year	<u>\$ 12,320</u>

**3 Year Trend Information**

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$25,271	168.79%	\$68,543
6/30/2008	\$23,401	204.20%	\$44,159
6/30/2009	\$21,074	251.80%	\$12,320

**Funded Status and Funding Progress.**

As of December 31 2008, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$232,926, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$232,926. The covered payroll (annual payroll of active employees covered by the plan) was \$508,081, and the ratio of the UAAL to the covered payroll was 45.84 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Supplemental Retirement Income Plan**

*Plan Description.* The Authority contributes to the Supplemental Retirement Income Plan (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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. 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 employee's salary. All amounts contributed are vested immediately. Also, the employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2009 were \$160,837, which consisted of \$111,197 from the Authority and \$49,640 from the employees.

## Note C – Detail Notes on All Funds – continued

### Liabilities (continued)

#### 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 \$20,000. All death benefit payments are made from the Death Benefit Plan. The Authority has no liability beyond the payment of the monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the Authority, the Authority does not determine the number of eligible participants. For the fiscal year ended June 30, 2009, the Authority made contributions to the State for the death benefits of \$2,443. The Authority's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .08% and .14%, respectively, of covered payroll. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

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

#### Other Postemployment 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 plan provides postemployment healthcare benefits to retirees of the Authority up to age sixty-five, provided they participate in the North Carolina Local Governmental Employees'

Retirement System. To be eligible, an employee must have either reached sixty years of age and have five years of service, reached fifty years of age and have twenty years of service, or be any age and have thirty years of service. Also, the employee must have been 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. The Authority board may amend the benefit provisions. A separate report was not issued for the plan.

*Funding Policy.* By Authority resolution, the Authority pays the full cost of coverage for the healthcare benefits paid to qualified retirees. The Authority's retirees pay the full cost for any dependent coverage. The Authority has chosen to fund the healthcare benefits on a pay as you go basis. Postemployment expenditures are made from the proprietary fund, which is maintained on the accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due. In fiscal year ended June 30, 2009, the Authority's total contributions were \$33,894 and total members' contributions were \$10,508 for dependent coverage.

*Annual OPEB Cost and Net OPEB Obligation.* The Authority's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*.

**Note C – Detail Notes on All Funds – continued**

**Liabilities (continued)**

**Other Postemployment Benefits (OPEB) (continued)**

The Authority has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Authority's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the Authority's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 247,949
Interest on net OPEB obligation	12,397
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	260,346
Contributions made	(33,894)
Increase (decrease) in net OPEB obligation	226,452
Net OPEB obligation, beginning of year	153,858
Net OPEB obligation, end of year	<u>\$ 380,310</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

<u>For Year Ended June 30</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2008	\$ 183,849	16.31%	\$ 153,858
2009	\$ 260,346	13.02%	\$ 380,310

*Funding Status and Funding Progress.* As of June 30, 2009, the actuarial accrued liability for benefits was \$915,011 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$2,545,647, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 35.94 percent. The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial value of plan assets and the actuarial accrued liabilities for benefits.

**Unearned Revenue**

Unearned revenue represents customer prepayments of revenues for the next fiscal year and totals \$115,300 at June 30, 2009.

**Note C – Detail Notes on All Funds – continued**

**Liabilities (continued)**

**Long-Term Debt**

During the fiscal year ended June 30, 2008, the Authority issued bonds entitled Rental Car Facilities Taxable Revenue Bond, Series 2007. These bonds provided financing for the rental car facility. Interest only was payable until May 2008 at which time payments of principal and interest began in the amount of \$52,235 monthly. The bonds bear interest at 5.79% and will mature in March 2018. The future payment of the bonds are as follows:

	<u>Principal</u>	<u>Interest</u>
2010	\$ 388,335	\$ 238,488
2011	411,426	215,397
2012	435,890	190,932
2013	461,809	165,014
2014	489,268	137,554
2015-2018	<u>2,108,357</u>	<u>242,227</u>
	<u>\$4,295,085</u>	<u>\$1,189,612</u>

The Authority has pledged future net revenues derived from the rental car facility to repay these revenue bonds. The total principal and interest remaining to be paid on the bonds is \$5,484,697. Principal and interest paid for the current year and total customer net rental car facility revenues were \$626,823 and \$1,071,434, respectively.

The Authority covenants and agrees that it will fix rates, rentals, fees and charges related to the Rental Car Facilities, including the Common Area Maintenance Fee, the Customer Facility Charge, and the Rental Fees, and from time to time it will revise such rates, rentals, fees and charges in such manner that the net revenues for each fiscal year beginning with the first full fiscal year following the fiscal year during which the rental car facility is first put into use for its intended purpose and thereafter shall not be less than the sum of 120% of the principal and interest requirements on the bonds for such fiscal year. The rental car facility was placed in service during the fiscal year ended June 30, 2009. Thus, the covenant will be first required to be calculated during the fiscal year ending June 30, 2010.

**Commitments**

*Construction Contracts* - The Authority has commitments of approximately \$5.2 million for the construction/renovation of facilities. These projects are being funded through Federal grants and passenger facility charges totaling \$1.8 million and Authority funds of \$3.4 million.

**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; and natural disasters. The Authority has property, general liability, auto liability, workers' compensation, and employee health coverage. Claims have not exceeded coverage in any of the past three fiscal years. The Authority does not carry flood insurance.

**Net Assets**

The Authority has established a reserve funds policy to assist the Authority in allocating revenues to fund the operating cycle and capital needs for the Airport and to provide back-up operating and other working capital reserves.

*Operations and maintenance reserve* – established to maintain an overall operations and maintenance reserve for the Airport equal to six months of the Airport's current year operations and maintenance budget.

*Renewal and replacement reserve* – established for the purpose of providing ready access to funds required for repairs, renewals or replacements which are emergency in nature or are unforeseen capital outlays.

*Equipment and small capital outlays* – established to set aside funds for replacement of capital equipment and other individual annual capital outlays of approximately \$100,000 or less.



**Note C – Detail Notes on All Funds – continued**

**Net Assets – continued**

*Improvement and capital fund* – established to fund the Airport's share of major elements of its multi-year capital improvements plan not otherwise funded from its Airport Improvement Program (AIP), Passenger Facility Charges (PFC), or other non-local sources of capital funding; to advance PFC or AIP's share of projects pending receipt of funds from those sources; to provide funds for future debt financing (i.e., debt service reserve and bond coverage); and to provide a source of other Airport working capital.

*Debt service fund* – established to fund set aside funds for the next fiscal year debt service payments.

*Business development fund* – established to fund airline service and business incentives.

Unrestricted net assets consist of the following:

Designations of unrestricted net assets	
Operating and maintenance reserve	\$ 3,144,880
Renewal and replacement reserve	750,000
Renewal and replacement fund	142,277
Equipment and small capital outlay fund	104,440
Improvement and capital fund	1,427,752
Debt service fund	626,823
Business development/agreement obligations fund	<u>300,000</u>
Total designations	6,496,172
Undesignated unrestricted net assets	-
Total unrestricted net assets	<u>\$ 6,496,172</u>

**Prior Period Restatement**

In the prior year, certain assumptions and data used in the calculation of the OPEB liability were incorrect. These errors resulted in an understatement of the OPEB annual required cost expense and related liability and an overstatement of net assets. These corrections have been applied to the prior year balances as presented comparatively in these financial statements as follows:

	<u>Operating Expenses</u>					
	<u>Terminal</u>	<u>Airfield</u>	<u>Hangar</u>	<u>Parking</u>	<u>OPEB Liability</u>	<u>Net Assets</u>
As originally presented	\$2,913,403	\$1,999,048	\$ 108,749	\$ 480,855	\$ -	\$59,719,470
Prior period restatement	<u>92,315</u>	<u>46,157</u>	<u>7,693</u>	<u>7,693</u>	<u>153,858</u>	<u>(153,858)</u>
As restated	<u>\$3,005,718</u>	<u>\$2,045,205</u>	<u>\$ 116,442</u>	<u>\$488,548</u>	<u>\$ 153,858</u>	<u>\$59,565,612</u>

**Revenue and Expenses**

**Leases and Other Noncancelable Agreements**

The Authority leases land and facilities to tenants under various cancelable and noncancelable agreements. Some agreements require a fixed monthly rent and others a minimum annual guarantee privilege fee plus a percentage of gross sales by the tenant. The future noncancelable minimum annual rentals and privilege fees to be received under agreements in effect at June 30, 2009 are as follows:

2010	\$ 2,171,967
2011	2,179,308
2012	2,093,812
2013	2,160,169
2014	549,465
Thereafter	<u>2,949,897</u>
	<u>\$12,104,618</u>

## **Note D – Summary Disclosure of Significant Contingencies**

### **Passenger Facility Charges**

The Authority receives from the airline carriers enplaning passengers at the Asheville Regional Airport a facility charge of \$4.39 per passenger. Every air carrier servicing the Airport must collect this charge on all tickets sold and remit these funds to the Authority. The Authority must use these funds for Federal Aviation Administration approved capital improvement projects. Revenues from passenger facility charges totaled \$1,331,120 for the year ended June 30, 2009.

### **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.

## **Note E – Litigation**

On February 6, 2008, a fixed based operator (the Plaintiff) filed an action against the City of Asheville, Asheville Regional Airport Authority and the County of Buncombe (the defendants). The Plaintiff alleges that the Authority breached its contract with the plaintiff by providing substantially more favorable lease terms to a third-party fixed based operator. The defendants filed a joint answer on April 14, 2008. On May 30, 2008, the County of Buncombe was voluntarily dismissed without prejudice from the case. The Authority and the City of Asheville, the remaining defendants, filed a motion to dismiss in August 2008. The Court denied the motion and on September 24, 2008, a Notice of Appeal to the North Carolina Court of Appeals was filed. Appeal briefs were filed. Oral arguments before the appeals court were held on August 19, 2009. The remaining defendants are awaiting a decision from the North Carolina Court of Appeals.

The parties are currently in settlement discussions. If settlement negotiations are unsuccessful, the Authority continues to deny the allegations and intends to vigorously defend this matter. The Authority is covered by insurance related to this matter in the event that they are not successful in their defense.

A Part 16 complaint was filed against the Asheville Regional Airport Authority by one of its fixed based operators (the complainant) with the Federal Aviation Administration (the FAA). In its complaint, the complainant alleges that the Authority violated certain grant assurances contained in the Authority's grant agreements with the United States of America when it entered into a lease agreement with another fixed based operator, including the prohibition on unjust discrimination between aeronautical users of the Asheville Regional Airport. The Authority is vigorously contesting the allegations in the complaint. The Complainant is not seeking any monetary relief from the Authority. The attorneys believe that it is more likely than not that the Authority will prevail in this action. In addition, if the FAA were to conclude that any of the Complainant's allegations had merit, the FAA would likely give the Authority a reasonable time to cure these violations before the FAA would take any action to terminate the Authority's Federal grant agreements. Since the second fixed based operator's rights under its lease with the Authority are expressly subordinate to the Authority's obligations under its Federal grant agreements, the Authority attorneys believe that it is more likely than not that the Authority would be allowed to timely cure any violation alleged by the Complainant in the complaint, if the FAA found any such violation to have merit.

**REQUIRED SUPPLEMENTAL FINANCIAL DATA**

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2003	-	\$ 264,511	\$ 264,511	0.00%	\$ 490,297	53.95%
12/31/2004	-	\$ 264,421	\$ 264,421	0.00%	\$ 514,320	51.41%
12/31/2005	-	\$ 295,190	\$ 295,190	0.00%	\$ 529,431	55.76%
12/31/2006	-	\$ 263,109	\$ 263,109	0.00%	\$ 575,361	45.73%
12/31/2007	-	\$ 256,896	\$ 256,896	0.00%	\$ 402,947	63.75%
12/31/2008	-	\$ 232,926	\$ 232,926	0.00%	\$ 508,081	45.84%

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NOTES TO THE REQUIRED  
SCHEDULES**

<b>Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Net Pension Obligation End of Year</b>
2007	\$ 25,271	168.79%	\$ 68,543
2008	\$ 23,401	204.20%	\$ 44,159
2009	\$ 21,074	251.08%	\$ 12,320

**Notes to the Required Schedules:**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	22 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases*	4.5 - 12.3%
*Includes inflation at	3.75%
Cost-of-living adjustments	N/A

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
OTHER POSTEMPLOYMENT BENEFITS - HEALTHCARE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL)- Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
6/30/08	\$ -	\$ 752,739	\$ 752,739	0%	\$ 1,834,165	41.04%
6/30/09	\$ -	\$ 915,011	\$ 915,011	0%	\$ 2,545,647	35.94%

**Schedule of Employer Contributions**

Year Ending June 30	Annual Required Contribution	Percentage Contributed
2008	\$ 183,849	16.31%
2009	\$ 260,346	13.02%

**INDIVIDUAL FUND FINANCIAL STATEMENTS SECTION**

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)**

**Enterprise Fund**

**Year ended June 30, 2009**

(With comparative actual amounts for the year ended June 30, 2008)

	2009		Variance Favorable (Unfavorable)	2008
	Budget	Actual		Actual
<b>Revenues:</b>				
Terminal	\$ 3,672,789	\$ 3,135,353	\$ (537,436)	\$ 2,940,153
Airfield	641,395	678,631	37,236	949,065
Hangar	763,344	587,166	(176,178)	683,539
Parking lot	2,317,280	2,353,507	36,227	2,329,056
Interest Income	237,600	112,577	(125,023)	492,503
Land use fees	143,050	131,195	(11,855)	140,508
Sale of fixed assets	-	-	-	60
Customer facility charges	795,000	856,240	61,240	777,860
	<u>8,570,458</u>	<u>7,854,669</u>	<u>(715,789)</u>	<u>8,312,744</u>
<b>Expenditures:</b>				
Terminal	3,801,022	3,433,865	367,157	2,913,403
Airfield	2,070,183	1,946,149	124,034	1,999,048
Hangar	142,961	124,798	18,163	108,749
Parking lot	404,006	449,301	(45,295)	480,855
Land use	7,363	464	6,899	-
Debt service	695,574	626,823	68,751	271,299
Equipment and small capital outlay	323,000	378,788	(55,788)	253,356
Emergency repair capital outlay	750,000	69,860	680,140	-
Renewal and replacement capital outlay	140,000	60,000	80,000	-
Business development capital outlay	269,518	195,565	73,953	-
Capital projects expenditures:				
Prior year approved projects	6,750,000	8,127,527	(1,377,527)	
New projects in current year	2,172,270	1,508,373	663,897	10,931,154
	<u>17,525,897</u>	<u>16,921,513</u>	<u>604,385</u>	<u>16,957,864</u>
Revenues over (under) expenditures per budget ordinance	(8,955,439)	(9,066,844)	(111,405)	(8,645,120)
<b>Other financing sources (uses):</b>				
State grant reimbursements for prior year expenditures	600,000	1,784,865	1,184,865	-
Federal airport improvement program grants	880,986	3,925,153	3,044,167	2,986,611
Revenue bond proceeds	-	-	-	4,750,000
Commercial borrowings	2,000,000	-	(2,000,000)	-
Passenger facility charges	1,200,000	1,331,120	131,120	1,147,585
Capital funds carryover from prior year	6,750,000	-	(6,750,000)	-
Operating and maintenance reserve from fund balance	(3,197,527)	-	3,197,527	-
Appropriated fund balance	721,980	-	(721,980)	-
	<u>8,955,439</u>	<u>7,041,138</u>	<u>(1,914,301)</u>	<u>8,884,196</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>(2,025,706)</u>	<u>\$ (2,025,706)</u>	239,076
<b>Reconciling items to convert from budgetary basis (modified accrual) to full accrual:</b>				
Capital outlay expenditures		704,213		253,356
Capital projects expenditures		9,635,900		10,931,154
Revenue bond proceeds		-		(4,750,000)
Principal payments of bond maturities		366,541		88,374
OPEB annual required contribution in excess of actual payments		(226,452)		(153,858)
Depreciation		(3,232,925)		(2,963,037)
Increase in net assets		<u>\$ 5,221,571</u>		<u>\$ 3,645,065</u>



**Asheville Regional Airport Authority**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**Capital Improvements Fund**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Federal Airport Improvement Program Grants	\$ 19,675,473	\$ 2,973,621	\$ 3,904,956	\$ 6,878,577	\$ (12,796,896)
Passenger Facility Charges	4,611,089	2,124,659	1,331,120	3,455,779	(1,155,310)
Total operating revenues	<u>24,286,562</u>	<u>5,098,280</u>	<u>5,236,076</u>	<u>10,334,356</u>	<u>(13,952,206)</u>
<b>Expenditures</b>					
Terminal Renovation and Improvements - Phase I	6,496,046	3,435,949	3,284,944	6,720,893	(224,847)
Bulk Hangar #2 - 168 Wright Brothers Way	2,500,000	155,440	1,991,366	2,146,806	353,194
Landside Parking and Roadway Access	5,293,994	158,383	489,926	648,309	4,645,685
Security System and Access Control	2,062,062	1,601,420	327,955	1,929,375	132,687
North General Aviation Expansion	3,700,000	630,529	1,946,950	2,577,479	1,122,521
Rental Car Facility	7,982,270	7,625,153	86,386	7,711,539	270,731
A Gates - Terminal Renovations and Improvements	10,486,704	-	950,393	950,393	9,536,311
Runway Rehabilitation Including Lighting & Shoulders - Design	186,633	-	172,429	172,429	14,205
General Aviation Apron and Connector	188,000	-	169,675	169,675	18,325
ARFF Equipment Purchase	382,347	-	-	-	382,347
Pre-Conditioned Air and Fixed Ground Power	561,080	-	7,403	7,403	553,677
Aircraft Lavatory Cart Facility	266,827	-	32,419	32,419	234,408
Roof Replacement	181,125	-	27,466	27,466	153,659
Building Automation	165,000	-	148,589	148,589	16,411
Total expenditures	<u>40,452,088</u>	<u>13,606,874</u>	<u>9,635,900</u>	<u>23,242,774</u>	<u>17,209,314</u>
Revenue over (under) expenditures	(16,165,526)	(8,508,594)	(4,399,824)	(12,908,418)	3,257,108
<b>Other financing sources (uses):</b>					
Bond proceeds	4,750,000	4,750,000	-	4,750,000	-
Long term borrowings	2,000,000	-	-	-	2,000,000
Transfers from operating fund	9,415,526	3,758,594	4,399,824	8,158,418	1,257,108
Total other sources	<u>16,165,526</u>	<u>8,508,594</u>	<u>4,399,824</u>	<u>12,908,418</u>	<u>3,257,108</u>
<b>Revenues and other financing sources over expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**SCHEDULES OF EXPENDITURES BY COST CENTER -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**Year ended June 30, 2009**

(With comparative actual amounts for the year ended June 30, 2008)

	<u>2009</u>			<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Actual</u>
<b>Administration:</b>				
Salaries	\$ 1,015,029	\$ 1,022,695	\$ (7,666)	\$ 729,979
Payroll taxes and employee benefits	357,754	283,722	74,032	205,405
Professional services	238,335	186,510	51,825	160,601
Telephone	40,703	41,053	(350)	23,006
Printing	23,325	8,186	15,139	11,328
Travel	105,400	97,456	7,944	99,221
Training	24,150	18,397	5,753	9,824
Maintenance and repair	33,443	21,164	12,279	28,668
Postage	7,945	7,588	357	10,511
Advertising	225,625	263,814	(38,189)	241,273
Supplies	110,320	72,031	38,289	67,445
Contracted services	84,237	84,558	(321)	76,102
Dues and subscriptions	35,318	16,920	18,398	24,057
Insurance and bonds	207,500	208,601	(1,101)	347,555
Contingency	100,000	46,117	53,883	545
Business Development	30,482	30,482	-	
Miscellaneous	72,393	85,856	(13,463)	75,629
Total	<u>\$ 2,711,959</u>	<u>\$ 2,495,150</u>	<u>\$ 216,809</u>	<u>\$ 2,111,149</u>
<b>Allocated to:</b>				
Terminal (60%)	\$ 1,627,175	\$ 1,497,090	\$ 130,085	\$ 1,266,689
Airfield (30%)	813,588	748,545	65,043	633,345
Hangar (5%)	135,598	124,758	10,840	105,557
Parking lot (5%)	135,598	124,758	10,840	105,557
	<u>\$ 2,711,959</u>	<u>\$ 2,495,150</u>	<u>\$ 216,809</u>	<u>\$ 2,111,149</u>

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
SCHEDULES OF EXPENDITURES BY COST CENTER-  
BUDGET AND ACTUAL (NON-GAAP) - CONTINUED  
Year ended June 30, 2009**

(With comparative actual amounts for the year ended June 30, 2008)

	<u>2009</u>			<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Actual</u>
<b>Terminal:</b>				
Salaries	\$ 820,682	\$ 766,044	\$ 54,638	511,102
Payroll taxes and employee benefits	344,095	306,060	38,035	154,736
Professional services		1,748	(1,748)	-
Telephone	300	265	35	3,489
Travel	21,400	12,477	8,923	6,773
Training	3,200	599	2,601	95
Utilities	268,755	264,029	4,726	248,823
Maintenance and repair -				
Buildings and grounds	257,000	202,847	54,153	134,021
Equipment	37,955	88,934	(50,979)	65,833
Supplies	120,800	93,851	26,949	116,663
Uniforms	6,100	5,241	859	1,310
Contracted services	289,625	147,284	142,341	273,773
Miscellaneous	3,935	47,396	(43,461)	10,096
Airline Reserve		-	-	120,000
Administrative expenses allocated	1,627,175	1,497,090	130,085	1,266,689
	<u>\$ 3,801,022</u>	<u>\$ 3,433,865</u>	<u>\$ 367,157</u>	<u>\$ 2,913,403</u>

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
SCHEDULES OF EXPENDITURES BY COST CENTER-  
BUDGET AND ACTUAL (NON-GAAP) - CONTINUED**

Year ended June 30, 2009

(With comparative actual amounts for the year ended June 30, 2008)

	2009			2008
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<b>Airfield:</b>				
Salaries	\$ 738,702	\$ 756,908	\$ (18,206)	\$ 733,091
Payroll taxes and employee benefits	336,300	220,292	116,008	227,844
Professional services	2,200	1,355	845	46,921
Telephone	960	1,098	(138)	1,087
Training	3,000	2,858	142	4,332
Utilities	66,268	143,307	(77,039)	135,100
Maintenance and repair -				
Buildings and grounds		6,028	(6,028)	65,222
Equipment	5,000	4,904	96	39,917
Vehicles		-	-	8,578
Miscellaneous		54	(54)	217
Supplies	32,400	22,888	9,512	36,270
Uniforms	19,280	9,285	9,995	16,493
Dues and subscriptions	2,425	1,285	1,140	1,220
Contracted services	9,160	9,995	(835)	31,134
Travel	40,900	17,347	23,553	18,277
Administrative expenses allocated	813,588	748,545	65,043	633,345
	<u>\$ 2,070,183</u>	<u>\$ 1,946,149</u>	<u>\$ 124,034</u>	<u>\$ 1,999,048</u>
<b>Hangar:</b>				
Professional services	\$ -	\$ 40	\$ (40)	\$ 3,192
Utilities	7,363	-	7,363	-
Administrative expenses allocated	135,598	124,758	10,840	105,557
	<u>\$ 142,961</u>	<u>\$ 124,798</u>	<u>\$ 18,163</u>	<u>\$ 108,749</u>
<b>Parking lot:</b>				
Utilities	\$ 18,408	\$ -	\$ 18,408	\$ -
Maintenance and repair -				
Buildings		3,823	(3,823)	11,348
Vehicles		-	-	97
Supplies		209	(209)	2,858
Contracted services	250,000	320,511	(70,511)	360,995
Administrative expenses allocated	135,598	124,758	10,840	105,557
	<u>\$ 404,006</u>	<u>\$ 449,301</u>	<u>\$ (45,295)</u>	<u>\$ 480,855</u>

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
SCHEDULES OF EXPENDITURES BY COST CENTER-  
BUDGET AND ACTUAL (NON-GAAP) - CONTINUED  
Year ended June 30, 2009**

(With comparative actual amounts for the year ended June 30, 2008)

	<u>2009</u>				
	<u>Administrative</u>	<u>Terminal</u>	<u>Airfield</u>	<u>Hangar</u>	<u>Parking lot</u>
Budgetary expenditures before administrative allocation	\$ 2,495,150	\$ 1,936,775	\$ 1,197,604	\$ 40	\$ 324,543
Administrative allocation	<u>(2,495,150)</u>	<u>1,497,090</u>	<u>748,545</u>	<u>124,758</u>	<u>124,758</u>
Expenses after allocation	<u>\$ -</u>	<u>\$ 3,433,865</u>	<u>\$ 1,946,149</u>	<u>\$ 124,798</u>	<u>\$ 449,301</u>
	<u>2008</u>				
	<u>Administrative</u>	<u>Terminal</u>	<u>Airfield</u>	<u>Hangar</u>	<u>Parking lot</u>
Budgetary expenditures before administrative allocation	\$ 2,111,149	\$ 1,646,714	\$ 1,365,703	\$ 3,192	\$ 375,298
Administrative allocation	<u>(2,111,149)</u>	<u>1,266,689</u>	<u>633,345</u>	<u>105,557</u>	<u>105,557</u>
Expenses after allocation	<u>\$ -</u>	<u>\$ 2,913,403</u>	<u>\$ 1,999,048</u>	<u>\$ 108,749</u>	<u>\$ 480,855</u>

## **COMPLIANCE SECTION**

# BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Asheville Regional Airport Authority  
Fletcher, North Carolina

We have audited the basic financial statements of the Asheville Regional Airport Authority, as of and for the year ended June 30, 2009, and have issued our report thereon dated September 15, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Asheville Regional Airport Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Asheville Regional Airport Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Asheville Regional Airport Authority in a separate letter dated September 15, 2009.

This report is intended for the information and use of the audit committee, management, others within the organization, members of the Board of Directors, and Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specific parties.

*Burleson & Earley, P.A.*

Certified Public Accountants

September 15, 2009



# BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
FEDERAL PROGRAM AND PASSENGER FACILITY CHARGE (PFC) PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE  
SECTIONS OF OMB CIRCULAR A-133, THE DRAFT OF THE PFC PROGRAM AUDIT  
COMPLIANCE GUIDE, AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Directors  
Asheville Regional Airport Authority  
Fletcher, North Carolina

Compliance

We have audited the compliance of the Asheville Regional Airport Authority, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, the Passenger Facility Charge Audit Guide for Public Agencies, and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that are applicable to each of its major federal programs and PFC program for the year ended June 30, 2009. The Asheville Regional Airport Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and PFC program is the responsibility of the Asheville Regional Airport Authority's management. Our responsibility is to express an opinion on the Asheville Regional Airport Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Passenger Facility Charge Audit Guide for Public Agencies, OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, the draft of the PFC Program Audit Compliance Guide, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or the PFC program occurred. An audit includes examining, on a test basis, evidence about the Asheville Regional Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Asheville Regional Airport Authority's compliance with those requirements.

In our opinion, the Asheville Regional Airport Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and PFC program for the year ended June 30, 2009.

### Internal Control Over Compliance

The management of the Asheville Regional Airport Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and the PFC program. In planning and performing our audit, we considered the Asheville Regional Airport Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal Program or the PFC program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, the Passenger Facility Charge Audit Guide for Public Agencies and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the organization, members of the Board of Directors, and Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Burleson & Earley, P.A.*  
Certified Public Accountants  
September 15, 2009

ASHEVILLE REGIONAL AIRPORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2009

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weaknesses  yes  none reported

Noncompliance material to financial statements noted  yes  no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weaknesses  yes  none reported

Type of auditor's report issued on compliance for major Federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133  yes  no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
20.106	Airport Improvement Program

Dollar threshold use to distinguish between Type A and Type B programs \$ 500,000

Auditee qualified as low-risk auditee?  yes  no

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

**Year ended June 30, 2009**

**Section II. Financial Statement Findings**

**Significant Deficiency**

Findings: None

Significant Deficiency: None

**Section III. Federal Award Findings and Questioned Costs**

Findings: None

Significant Deficiency: None

**ASHEVILLE REGIONAL AIRPORT AUTHORITY**

**CORRECTIVE ACTION PLAN**

**Year ended June 30, 2009**

**Section II - Financial Statement Findings**

Findings: None

Reportable Conditions: None

**Section III - Federal Award Findings and Questioned Costs**

Findings: None

Reportable Conditions: None

# ASHEVILLE REGIONAL AIRPORT AUTHORITY

## SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year ended June 30, 2009

- Finding** 08-1  
**Status:** The Authority has reconciliation functions in place now between the subsidiary ledgers and the general ledger.
- Finding** 07-1  
**Status:** The Authority provided subsidiary ledgers for construction in progress and depreciation that were reconciled to the general ledger. However, there continues to be significant issues related to the reconciliation of all subsidiary ledgers. This finding is not resolved for fiscal year 2008.
- Finding** 03-1  
**Status:** The Authority has added staff to the accounting department and is utilizing other staff members in order to provide for appropriate levels of segregation of duties. The Board continues to be involved in providing some of the required controls.
- Finding** 02-1  
**Status:** same as above.
- Finding** 01-1  
**Status:** same as above.
- Finding** 00-1  
**Status:** same as above.
- Finding** 99-1  
**Status:** same as above.
- Finding** 98-1  
**Status:** same as above.

**ASHEVILLE REGIONAL AIRPORT AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND PASSENGER FACILITY  
CHARGES COLLECTED AND EXPENDED**

Year ended June 30, 2009

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>CFDA Number</u>	<u>Federal Direct and Pass-Through Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
<b>Federal Grants:</b>				
<u>U.S. Department of Transportation</u>				
Direct Program:				
Airport Improvement Program	20.106	\$ 3,925,153	\$ -	\$ 206,587
		<u>\$ 3,925,153</u>	<u>\$ -</u>	<u>\$ 206,587</u>

**Passenger Facility Charges:**

Capital Improvements

Application Approved Number	94-01-C-00-AVL
Beginning Balance Unliquidated PFC	\$ -
PFC Collateral	1,331,120
Expenditures	<u>(1,331,120)</u>
Ending Balance Unliquidated PFC	<u>\$ -</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

The accompanying schedule of expenditures of Federal and State awards includes the Federal and State grant activity of the Asheville Regional Airport Authority and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.



## **MEMORANDUM**

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance and Accounting

DATE: October 9, 2009

### **ITEM DESCRIPTION – New Business Item B**

Ratification of Capital Improvement Project Budget Amounts

### **BACKGROUND**

As part of our recently completed audit, we discovered that there has been inconsistency in the formal adoption of Capital Improvement Project budget amendments. To determine the capital improvement project budget amounts, we had to go through the Board minutes for the audit year and the previous year to determine, by project, the approved expenditures and the sources of funding for the projects. There were several instances where additional expenditures were discussed in the Board minutes, but the corresponding additional sources of revenues were not documented. We have developed the attached Capital Improvements Fund summary to establish a baseline of approvals of Capital Improvement Project budget amounts for projects in progress as of the beginning of FY2010.

### **ISSUES**

None

### **ALTERNATIVES**

None

### **FISCAL IMPACT**

None

### **RECOMMENDED ACTION**

It is respectfully requested that the Airport Authority Board resolve to ratify the Capital Improvement Project budget amounts outlined on the attached Capital Improvements Fund summary.

New Business – Item B



**Asheville Regional Airport Authority  
Capital Improvements Fund  
As of 7/1/09**

Capital Project	Project Authorization-Expenditures	Revenue Sources						Total
		FAA-Current AIP Grants	FAA-Future AIP Grants	NC DOT	PFC-Current Awards	PFC-Future Awards	Airport Authority	
A Gates - Terminal Renovation & Improvements	\$ 10,486,704	\$ 7,629,527	\$ 2,714,319				\$ 142,858	\$ 10,486,704
Landside Parking & Roadway Access	5,293,995	2,255,147					3,038,848	5,293,995
North General Aviation Expansion	3,700,000	1,889,029					1,810,971	3,700,000
General Aviation Apron & Taxiway Connector - Design Fees	188,000						188,000	188,000
Aircraft Lavatory Cart Facility (Triturator)	266,827				240,700	26,127		266,827
Pre-Conditioned Air & Fixed Ground Power	561,080				361,050	200,030		561,080
Runway Rehabilitation Including Lighting & Shoulders - Design	186,633	161,396			25,237		-	186,633
Terminal Renovation & Improvements - Phase I	6,496,046	4,662,827			1,695,883		137,336	6,496,046
Bulk Hangar #2 - 168 Wright Brothers Way	2,500,000						2,500,000	2,500,000
Roof Replacement	181,125						181,125	181,125
Building Automation	165,000						165,000	165,000
<b>Totals</b>	<b>\$ 30,025,410</b>	<b>\$ 16,597,926</b>	<b>\$ 2,714,319</b>	<b>\$ -</b>	<b>\$ 2,322,870</b>	<b>\$ 226,157</b>	<b>\$ 8,164,138</b>	<b>\$ 30,025,410</b>



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## MEMORANDUM

TO: Members of the Airport Authority  
FROM: Lew Bleiweis, A.A.E., Airport Director  
DATE: October 9, 2009

### ITEM DESCRIPTION – Information Section Item A

August, 2009 Traffic Report – Asheville Regional Airport

#### SUMMARY

August 2009 overall passenger traffic numbers were up 3.9%. Passenger traffic numbers reflect a 5.3% increase in passenger enplanements from August 2008.

#### AIRLINE PERFORMANCE

Delta Airlines: Delta's August 2009 enplanements increased by 33.6% compared to August 2008. There were two (2) flight cancellations for the month.

Continental Airlines: Continental's August 2009 passenger enplanements decreased by 39.3% compared to August 2008. There were no flight cancellations for the month.

Northwest Airlines: Year over Year passenger enplanements for Northwest in August 2009 were down 69.6%. There were no flight cancellations for the month.

US Airways: US Airways' August 2009 passenger enplanements represent a 20.7% increase. There were four (4) flight cancellations for the month.

# Monthly Traffic Report

## Asheville Regional Airport

### August 2009



Category	Aug 2009	Aug 2008	Percentage Change	*CYTD-2009	*CYTD-2008	Percentage Change	*MOV12-2009	*MOV12-2008	Percentage Change
<b>Passenger Traffic</b>									
Enplaned	27,970	26,550	5.3%	192,213	178,582	7.6%	293,110	278,088	5.4%
Deplaned	<u>26,879</u>	<u>26,227</u>	2.5%	<u>189,948</u>	<u>179,193</u>	6.0%	<u>289,203</u>	<u>276,205</u>	4.7%
<b>Total</b>	<b>54,849</b>	<b>52,777</b>	<b>3.9%</b>	<b>382,161</b>	<b>357,775</b>	<b>6.8%</b>	<b>582,313</b>	<b>554,293</b>	<b>5.1%</b>
<b>Aircraft Operations</b>									
Airlines	37	158	-76.6%	225	905	-75.1%	685	1,596	-57.1%
Commuter /Air Taxi	<u>1,531</u>	<u>1,890</u>	-19.0%	11,382	12,561	-9.4%	17,783	18,934	-6.1%
<b>Subtotal</b>	<u>1,568</u>	<u>2,048</u>	-23.4%	<u>11,607</u>	<u>13,466</u>	-13.8%	<u>18,468</u>	<u>20,530</u>	-10.0%
General Aviation	4,492	4,934	-9.0%	30,052	37,423	-19.7%	45,948	56,896	-19.2%
Military	<u>458</u>	<u>348</u>	31.6%	<u>2,106</u>	<u>1,757</u>	19.9%	<u>3,243</u>	<u>2,599</u>	24.8%
<b>Subtotal</b>	<u>4,950</u>	<u>5,282</u>	-6.3%	<u>32,158</u>	<u>39,180</u>	-17.9%	<u>49,191</u>	<u>59,495</u>	-17.3%
<b>Total</b>	<b>6,518</b>	<b>7,330</b>	<b>-11.1%</b>	<b>43,765</b>	<b>52,646</b>	<b>-16.9%</b>	<b>67,659</b>	<b>80,025</b>	<b>-15.5%</b>
<b>Fuel Gallons</b>									
100LL	17,605	21,578	-18.4%	139,187	159,281	-12.6%	213,759	254,147	-15.9%
Jet A (GA)	130,354	157,292	-17.1%	678,520	947,721	-28.4%	1,096,614	1,511,309	-27.4%
<b>Subtotal</b>	<u>147,959</u>	<u>178,870</u>	-17.3%	<u>817,707</u>	<u>1,107,002</u>	-26.1%	<u>1,310,373</u>	<u>1,765,456</u>	-25.8%
Jet A (A/L)	<u>215,027</u>	<u>274,105</u>	-21.6%	<u>1,610,916</u>	<u>1,878,609</u>	-14.2%	<u>2,620,691</u>	<u>2,839,980</u>	-7.7%
<b>Total</b>	<b>362,986</b>	<b>452,975</b>	<b>-19.9%</b>	<b>2,428,623</b>	<b>2,985,611</b>	<b>-18.7%</b>	<b>3,931,064</b>	<b>4,605,436</b>	<b>-14.6%</b>

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

Thursday, September 24, 2009

# Airline Enplanements, Seats, and Load Factors

## Asheville Regional Airport

August 2009



	Aug 2009	Aug 2008	Percentage Change	*CYTD-2009	*CYTD-2008	Percentage Change
<b>AirTran Airways</b>						
Enplanements	1,387	0	#Div/0!	3,789	0	#Div/0!
Seats	1,521	0	#Div/0!	4,095	0	#Div/0!
Load Factor	91.2%	#Num!	#Error	92.5%	#Num!	#Error
<b>Continental Airlines</b>						
Enplanements	2,805	4,622	-39.3%	18,721	24,189	-22.6%
Seats	3,200	7,268	-56.0%	25,550	36,025	-29.1%
Load Factor	87.7%	63.6%	37.8%	73.3%	67.1%	9.1%
<b>Delta Air Lines</b>						
Enplanements	13,119	9,816	33.6%	86,667	67,749	27.9%
Seats	15,300	12,776	19.8%	109,950	92,494	18.9%
Load Factor	85.7%	76.8%	11.6%	78.8%	73.2%	7.6%
<b>Northwest Airlines</b>						
Enplanements	1,389	4,564	-69.6%	14,731	27,628	-46.7%
Seats	1,550	6,100	-74.6%	18,500	39,100	-52.7%
Load Factor	89.6%	74.8%	19.8%	79.6%	70.7%	12.7%
<b>US Airways</b>						
Enplanements	9,110	7,548	20.7%	67,765	59,016	14.8%
Seats	10,550	11,715	-9.9%	81,397	85,880	-5.2%
Load Factor	86.4%	64.4%	34.0%	83.3%	68.7%	21.1%
<b>Totals</b>						
Enplanements	27,810	26,550	4.7%	191,673	178,582	7.3%
Seats	32,121	37,859	-15.2%	239,492	253,499	-5.5%
Load Factor	86.6%	70.1%	23.5%	80.0%	70.4%	13.6%

Thursday, September 24, 2009

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

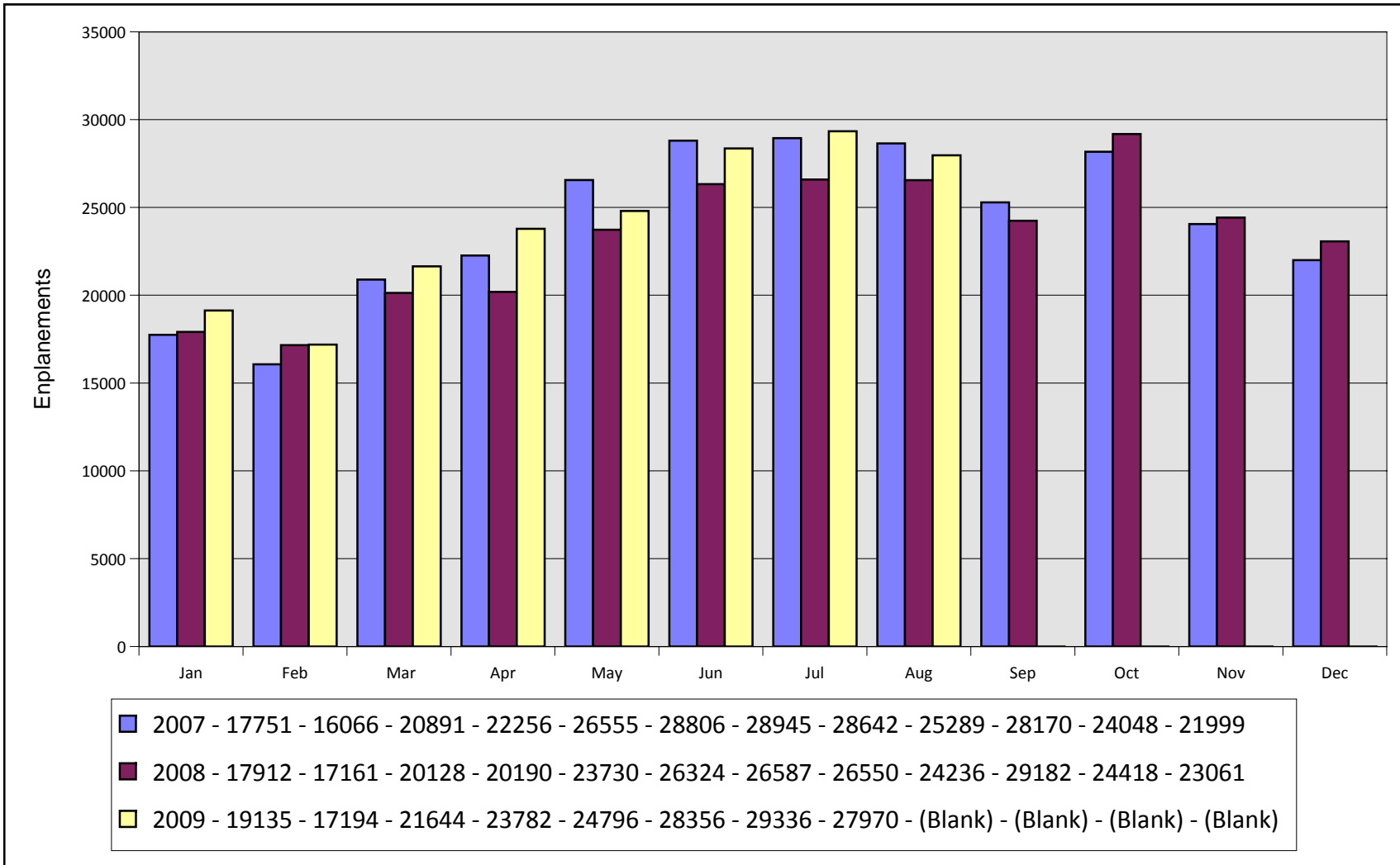
# Airline Flight Completions Asheville Regional Airport August 2009



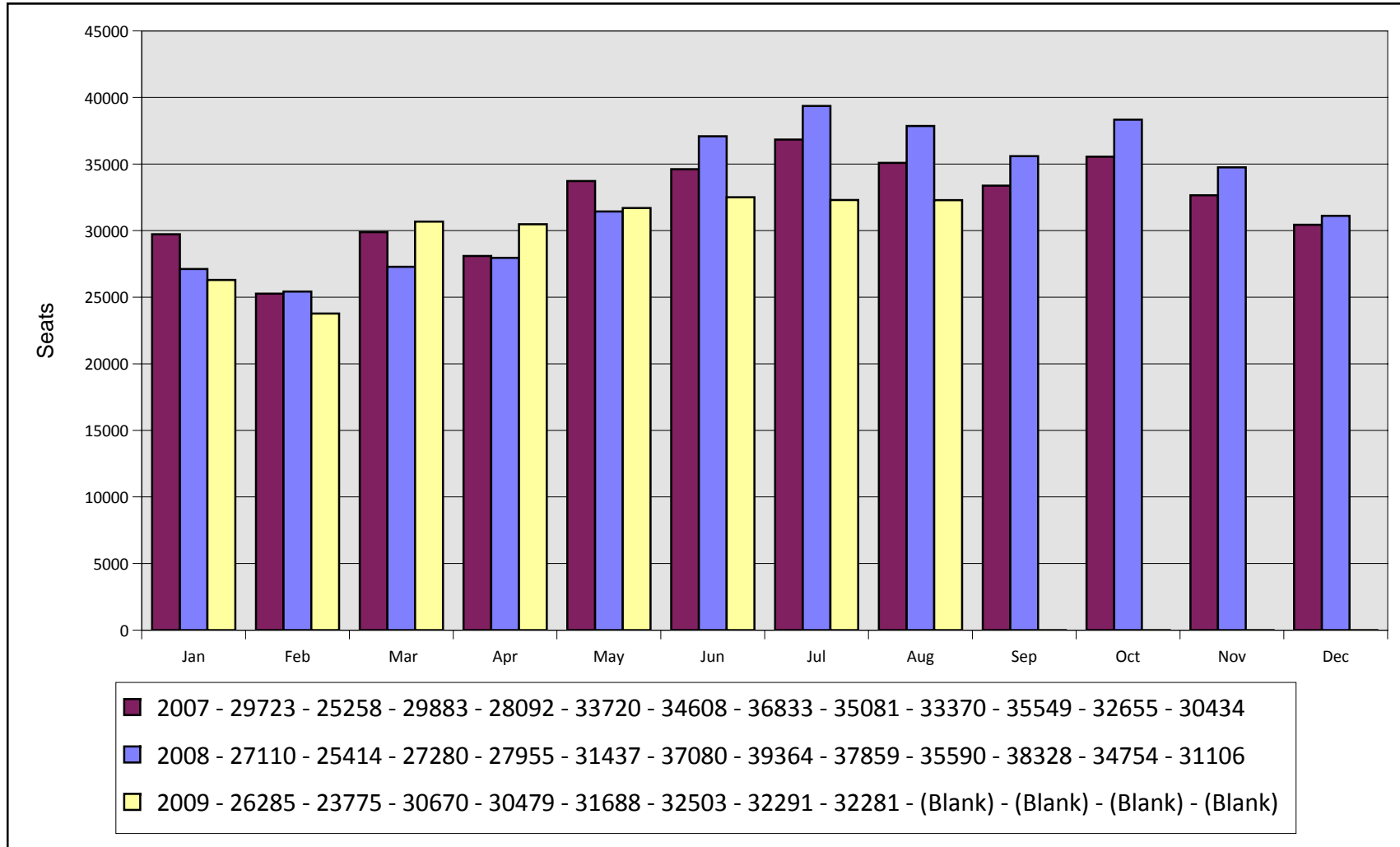
Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed
			Mechanical	Weather	Other		
AirTran Airways	13	0	0	0	0	0	100.0%
Continental Airlines	64	0	0	0	0	0	100.0%
Delta Air Lines	306	0	0	2	0	2	99.3%
Falcon Air Express	1	0	0	0	0	0	100.0%
Northwest Airlines	31	0	0	0	0	0	100.0%
US Airways	215	0	3	1	0	4	98.1%
<b>Total</b>	<b>630</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>6</b>	<b>99.0%</b>

Thursday, September 24, 2009

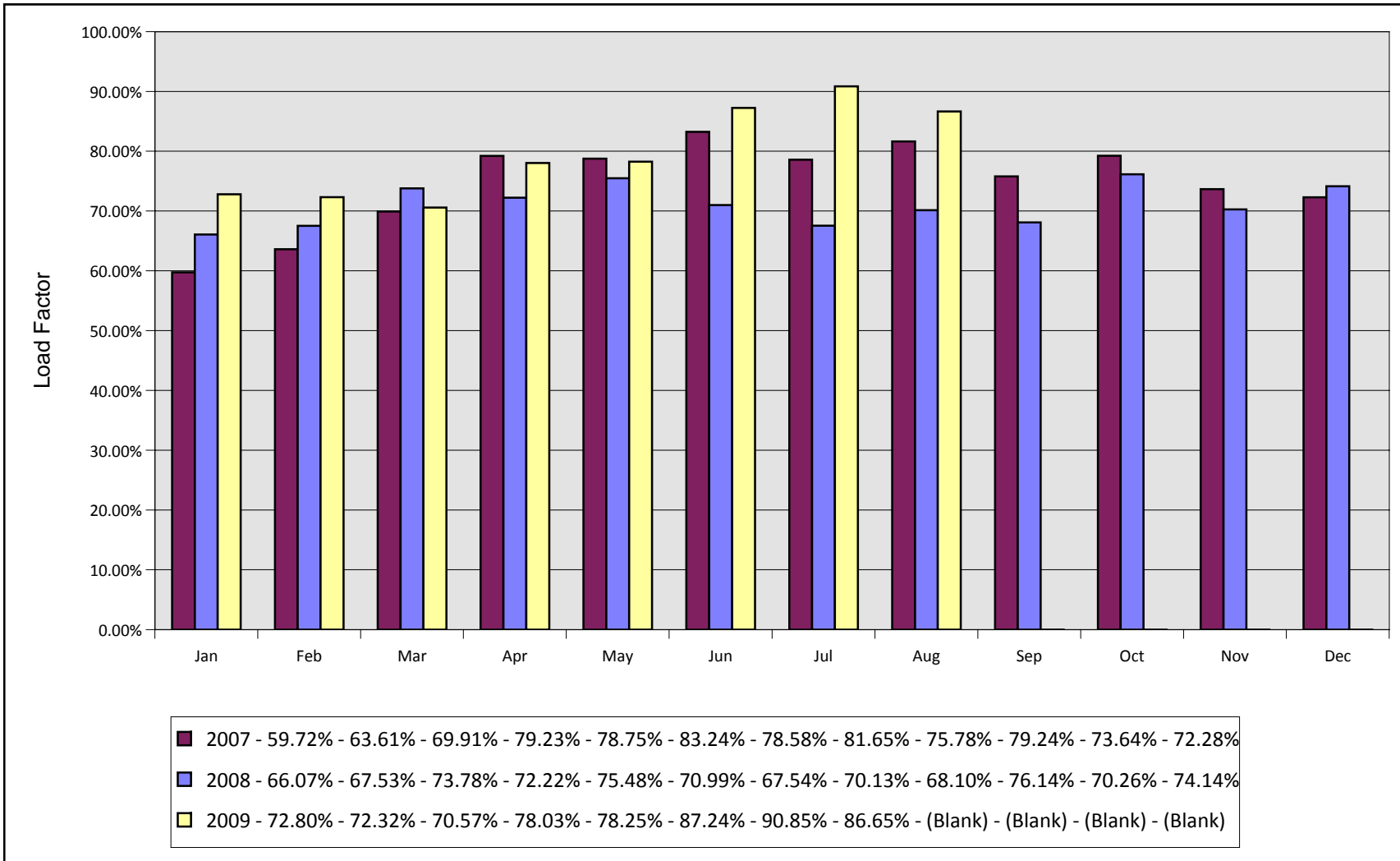
# Monthly Enplanements By Year Asheville Regional Airport



# Monthly Seats By Year Asheville Regional Airport

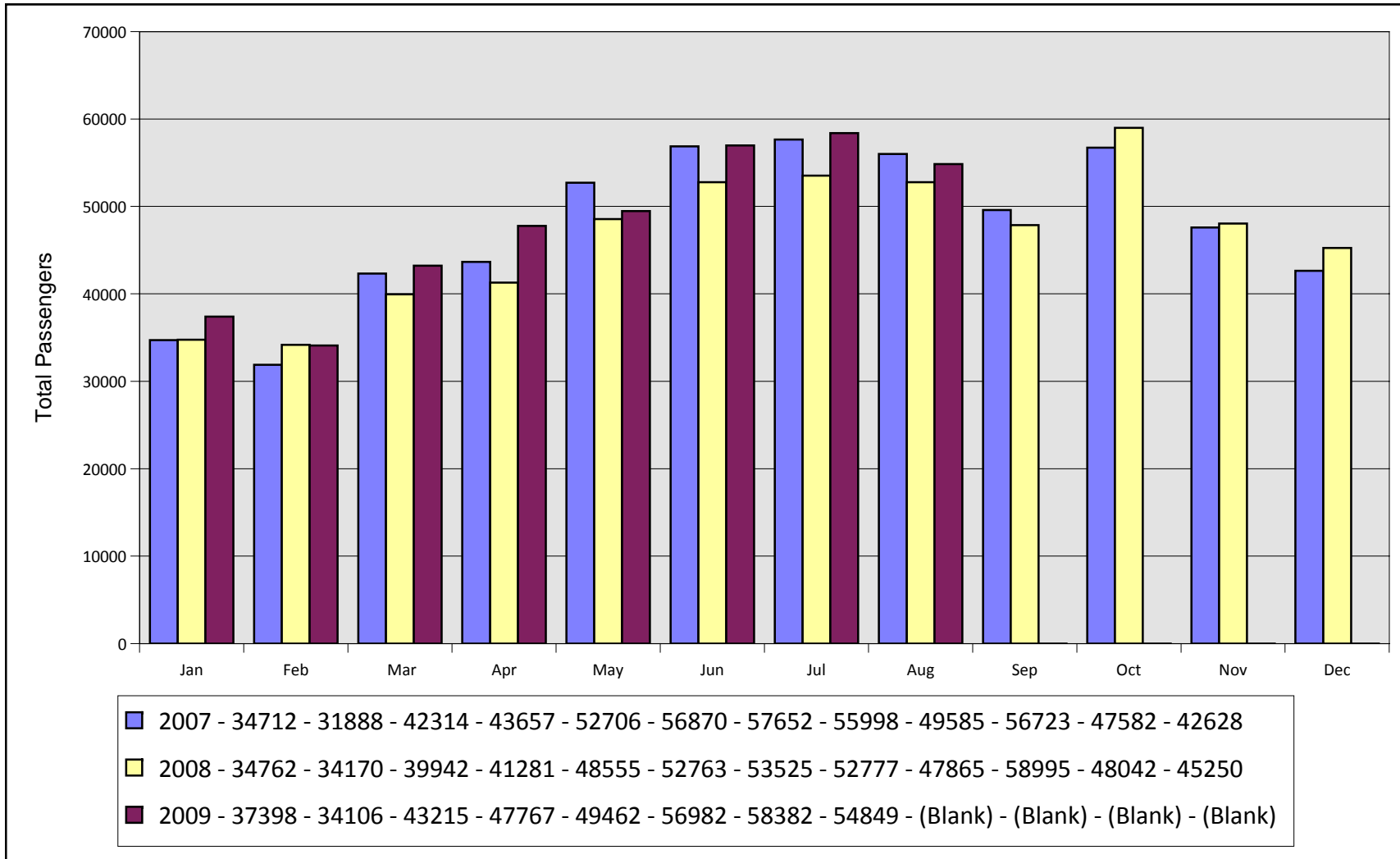


# Monthly Load Factors By Year Asheville Regional Airport



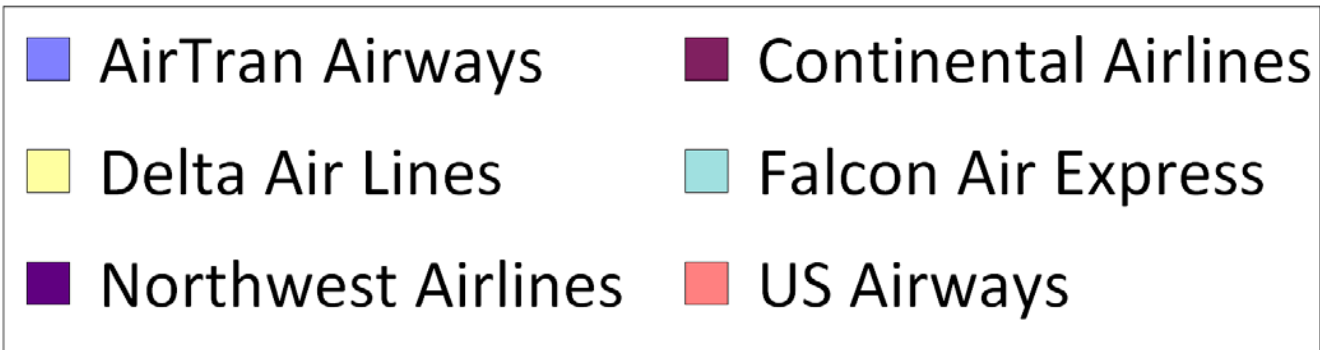
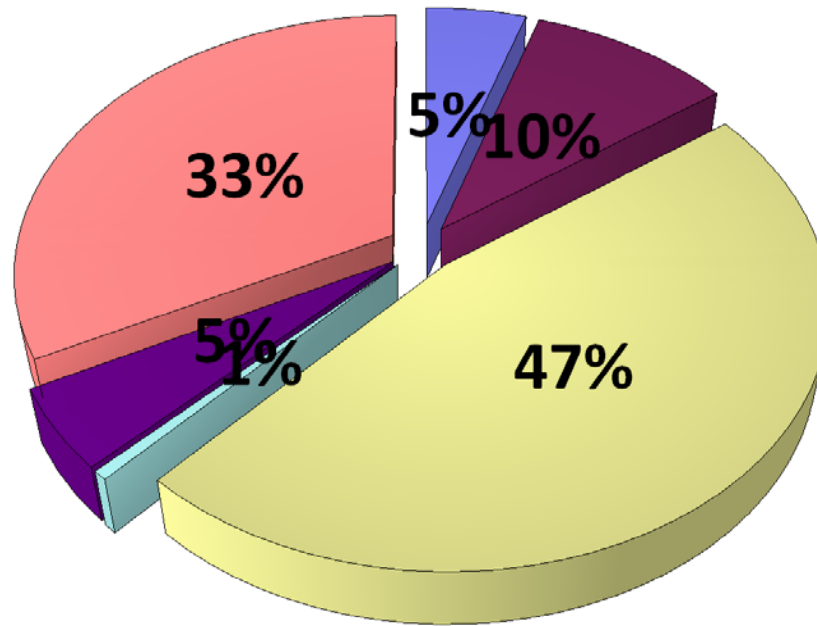


# Total Monthly Passengers By Year Asheville Regional Airport

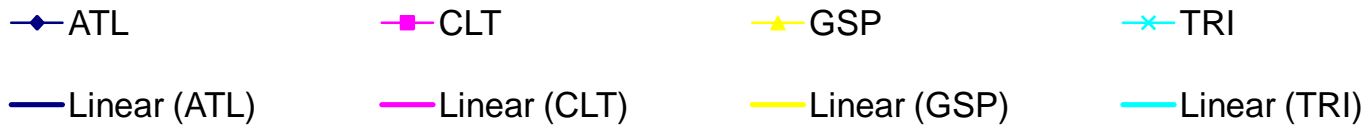
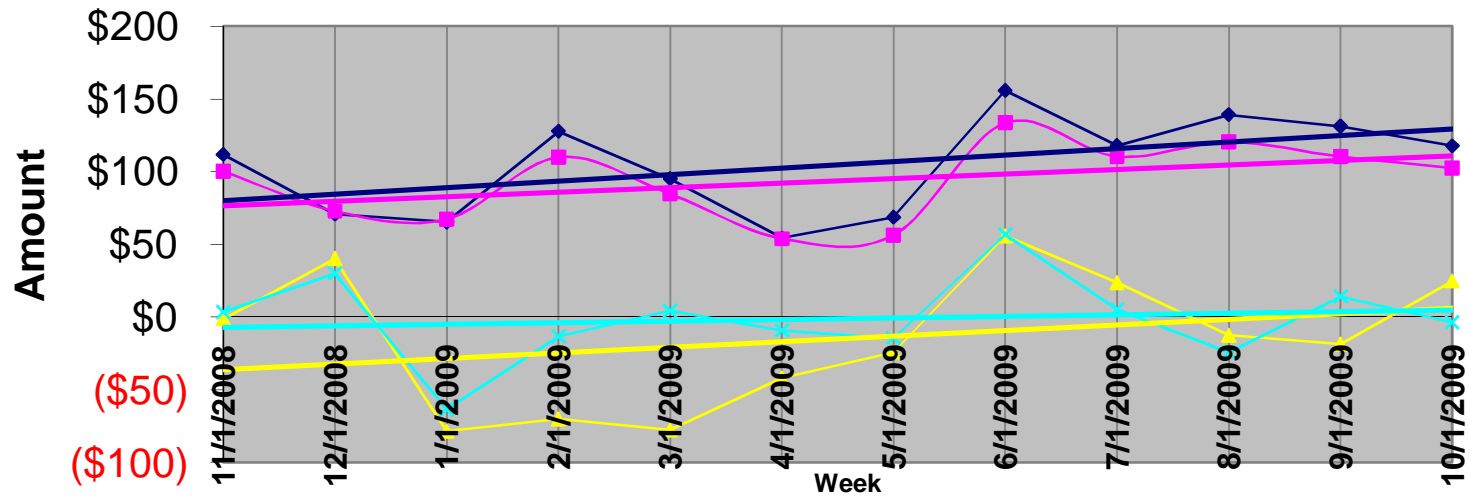


# Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From August 2009 Through August 2009



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



**Asheville Regional Airport**  
**Sample airfares as of 10/1/09**  
**21 Day Advance Purchase, 3 day Stay**

							<b>Difference in Fares</b>			
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>
ABQ	Albuquerque	\$535	\$364	\$255	\$327	\$494	\$171	\$280	\$208	\$41
ATL	Atlanta	\$317		\$147	\$280	\$297	\$317	\$170	\$37	\$20
AUS	Austin	\$284	\$309	\$173	\$392	\$335	(\$25)	\$111	(\$108)	(\$51)
BWI	Baltimore	\$170	\$219	\$137	\$282	\$361	(\$49)	\$33	(\$112)	(\$191)
BOS	Boston	\$295	\$219	\$227	\$282	\$333	\$76	\$68	\$13	(\$38)
ORD	Chicago	\$309	\$219	\$273	\$393	\$291	\$90	\$36	(\$84)	\$18
CVG	Cincinnati	\$410	\$197	\$256	\$273	\$301	\$213	\$154	\$137	\$109
CLE	Cleveland	\$296	\$199	\$277	\$272	\$256	\$97	\$19	\$24	\$40
DFW	Dallas	\$378	\$239	\$257	\$390	\$347	\$139	\$121	(\$12)	\$31
DEN	Denver	\$339	\$279	\$292	\$342	\$377	\$60	\$47	(\$3)	(\$38)
DTW	Detroit	\$309	\$209	\$278	\$254	\$370	\$100	\$31	\$55	(\$61)
FLL	Fort Lauderdale	\$297	\$207	\$207	\$272	\$287	\$90	\$90	\$25	\$10
RSW	Ft. Myers	\$277	\$240	\$297	\$282	\$293	\$37	(\$20)	(\$5)	(\$16)
BDL	Hartford	\$268	\$342	\$252	\$276	\$307	(\$74)	\$16	(\$8)	(\$39)
IAH	Houston	\$358	\$227	\$296	\$333	\$345	\$131	\$62	\$25	\$13
IND	Indianapolis	\$371	\$208	\$167	\$272	\$347	\$163	\$204	\$99	\$24
JAX	Jacksonville	\$394	\$189	\$249	\$252	\$291	\$205	\$145	\$142	\$103
MCI	Kansas City	\$315	\$219	\$234	\$282	\$369	\$96	\$81	\$33	(\$54)
LAS	Las Vegas	\$557	\$433	\$423	\$562	\$580	\$124	\$134	(\$5)	(\$23)
LAX	Los Angeles	\$349	\$299	\$275	\$404	\$412	\$50	\$74	(\$55)	(\$63)
MHT	Manchester	\$268	\$308	\$322	\$405	\$280	(\$40)	(\$54)	(\$137)	(\$12)
MEM	Memphis	\$381	\$154	\$273	\$251	\$442	\$227	\$108	\$130	(\$61)
MIA	Miami	\$277	\$197	\$257	\$272	\$293	\$80	\$20	\$5	(\$16)
MKE	Milwaukee	\$323	\$236	\$255	\$301	\$437	\$87	\$68	\$22	(\$114)
MSP	Minneapolis/Saint Paul	\$306	\$221	\$317	\$302	\$396	\$85	(\$11)	\$4	(\$90)
BNA	Nashville	\$489		\$351	\$437	\$430	\$489	\$138	\$52	\$59
MSY	New Orleans	\$391	\$218	\$255	\$282	\$525	\$173	\$136	\$109	(\$134)
LGA	New York	\$308	\$209	\$167	\$284	\$357	\$99	\$141	\$24	(\$49)
EWR	Newark	\$315	\$249	\$187	\$272	\$323	\$66	\$128	\$43	(\$8)
MCO	Orlando	\$259	\$168	\$168	\$272	\$344	(\$259)	(\$168)	(\$272)	(\$344)
PHL	Philadelphia	\$291	\$219	\$138	\$255	\$307	\$72	\$153	\$36	(\$16)
PHX	Phoenix	\$406	\$289	\$233	\$352	\$416	\$117	\$173	\$54	(\$10)
PIT	Pittsburgh	\$405	\$179	\$218	\$272	\$397	\$226	\$187	\$133	\$8
PDX	Portland	\$514		\$225	\$434	\$414	\$514	\$289	\$80	\$100
PVD	Providence	\$308	\$291	\$265	\$260	\$383	\$17	\$43	\$48	(\$75)
RDU	Raleigh/Durham	\$436	\$165	\$326	\$252	\$325	\$271	\$110	\$184	\$111
RIC	Richmond	\$278	\$189	\$198	\$252	\$325	\$89	\$80	\$26	(\$47)
STL	Saint Louis	\$442	\$209	\$217	\$272	\$281	\$233	\$225	\$170	\$161
SLC	Salt Lake City	\$360	\$361	\$232	\$267	\$409	(\$1)	\$128	\$93	(\$49)
SAT	San Antonio	\$278	\$230	\$229	\$302	\$335	\$48	\$49	(\$24)	(\$57)

SAN	San Diego	\$373	\$328	\$347	\$414	\$364	\$45	\$26	(\$41)	\$9	
SFO	San Francisco	\$505	\$349	\$317	\$474	\$329	\$156	\$188	\$31	\$176	
SRQ	Sarasota/Bradenton	\$381	\$218	\$218	\$272	\$293	\$163	\$163	\$109	\$88	
SEA	Seattle	\$394	\$243	\$252	\$432	\$347	\$151	\$142	(\$38)	\$47	
SYR	Syracuse	\$400	\$270	\$238	\$364	\$283	\$130	\$162	\$36	\$117	
TPA	Tampa	\$370	\$185	\$218	\$272	\$283	\$185	\$152	\$98	\$87	
YYZ	Toronto	\$521	\$500	\$398	\$472	\$467	\$21	\$123	\$49	\$54	
DCA	Washington DC	\$308	\$189	\$193	\$453	\$326	\$119	\$115	(\$145)	(\$18)	
IAD	Washington DC	\$308	\$189	\$178	\$469	\$326	\$119	\$130	(\$161)	(\$18)	
PBI	West Palm Beach	\$379	\$187	\$257	\$272	\$293	\$192	\$122	\$107	\$86	
							\$118	\$102	\$25	(\$4)	<b>Average Fare difference</b>

\*These sample airfares were available 10/1/09, based on a 21-day advance purchase and a 3 day stay. . Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: [www.airtran.com](http://www.airtran.com); [www.continental.com](http://www.continental.com); [www.delta.com](http://www.delta.com); [www.nwa.com](http://www.nwa.com); [www.united.com](http://www.united.com); [www.usairways.com](http://www.usairways.com); [www.travelocity.com](http://www.travelocity.com); [www.orbitz.com](http://www.orbitz.com); or [www.expedia.com](http://www.expedia.com). Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

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

**Asheville Regional Airport**  
**Sample airfares as of 10/1/09**  
**0 Day Advance Purchase, 3 day Stay**

		<b>Difference in Fares</b>								
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>
ABQ	Albuquerque	\$717		\$445	\$985	\$820	\$717	\$272	(\$268)	(\$103)
ATL	Atlanta	\$367		\$247	\$442	\$447	\$367	\$120	(\$75)	(\$80)
AUS	Austin	\$898	\$705	\$460	\$716	\$657	\$193	\$438	\$182	\$241
BWI	Baltimore	\$440	\$309	\$204	\$322	\$497	\$131	\$236	\$118	(\$57)
BOS	Boston	\$497	\$294	\$352	\$362	\$497	\$203	\$145	\$135	\$0
ORD	Chicago	\$450	\$334	\$471	\$559	\$491	\$116	(\$21)	(\$109)	(\$41)
CVG	Cincinnati	\$704	\$296	\$575	\$655	\$441	\$408	\$129	\$49	\$263
CLE	Cleveland	\$739	\$312	\$560	\$452	\$762	\$427	\$179	\$287	(\$23)
DFW	Dallas		\$334	\$538	\$698	\$501	(\$334)	(\$538)	(\$698)	(\$501)
DEN	Denver	\$522	\$279	\$498	\$404	\$751	\$243	\$24	\$118	(\$229)
DTW	Detroit	\$524	\$339	\$475	\$332	\$762	\$185	\$49	\$192	(\$238)
FLL	Fort Lauderdale	\$556	\$288	\$358	\$302	\$450	\$268	\$198	\$254	\$106
RSW	Ft. Myers	\$642	\$294	\$348	\$314	\$593	\$348	\$294	\$328	\$49
BDL	Hartford	\$986	\$427	\$328	\$445	\$497	\$559	\$658	\$541	\$489
IAH	Houston	\$857	\$327	\$575	\$611	\$743	\$530	\$282	\$246	\$114
IND	Indianapolis	\$669	\$372	\$238	\$302	\$716	\$297	\$431	\$367	(\$47)
JAX	Jacksonville	\$607	\$254	\$303	\$272	\$497	\$353	\$304	\$335	\$110
MCI	Kansas City	\$473	\$322	\$327	\$362	\$497	\$151	\$146	\$111	(\$24)
LAS	Las Vegas	\$908	\$565	\$585	\$530	\$568	\$343	\$323	\$378	\$340
LAX	Los Angeles	\$617	\$474	\$347	\$445	\$531	\$143	\$270	\$172	\$86
MHT	Manchester	\$694	\$438	\$498	\$726	\$497	\$256	\$196	(\$32)	\$197
MEM	Memphis	\$589	\$264	\$512	\$279	\$702	\$325	\$77	\$310	(\$113)
MIA	Miami		\$288	\$343	\$302	\$593	(\$288)	(\$343)	(\$302)	(\$593)
MKE	Milwaukee	\$483	\$302	\$257	\$331	\$641	\$181	\$226	\$152	(\$158)
MSP	Minneapolis/Saint Paul	\$654	\$319	\$570	\$344	\$805	\$335	\$84	\$310	(\$151)
BNA	Nashville						\$0	\$0	\$0	\$0
MSY	New Orleans	\$682	\$329	\$394	\$302	\$762	\$353	\$288	\$380	(\$80)
LGA	New York	\$497	\$237	\$356	\$397	\$537	\$260	\$141	\$100	(\$40)
EWR	Newark	\$495	\$314	\$457	\$532		\$181	\$38	(\$37)	\$495
MCO	Orlando	\$343	\$319	\$262	\$302	\$583	\$24	\$81	\$41	(\$240)
PHL	Philadelphia	\$497	\$422	\$288	\$445	\$497	\$75	\$209	\$52	\$0
PHX	Phoenix	\$573	\$419	\$218	\$722	\$497	\$154	\$355	(\$149)	\$76
PIT	Pittsburgh	\$591	\$398	\$258	\$322	\$497	\$193	\$333	\$269	\$94
PDX	Portland	\$572	\$604	\$437	\$775	\$622	(\$32)	\$135	(\$203)	(\$50)
PVD	Providence	\$746	\$403	\$613	\$445	\$497	\$343	\$133	\$301	\$249
RDU	Raleigh/Durham	\$587	\$299	\$485	\$285	\$728	\$288	\$102	\$302	(\$141)
RIC	Richmond	\$622	\$319	\$546	\$302	\$752	\$303	\$76	\$320	(\$130)
STL	Saint Louis	\$813	\$343	\$238	\$302	\$581	\$470	\$575	\$511	\$232
SLC	Salt Lake City	\$700		\$578	\$668	\$863	\$700	\$122	\$32	(\$163)
SAT	San Antonio	\$715	\$324	\$272	\$352	\$581	\$391	\$443	\$363	\$134

SAN	San Diego	\$741	\$491	\$443	\$435	\$768	\$250	\$298	\$306	(\$27)	
SFO	San Francisco	\$753	\$419	\$431	\$713	\$527	\$334	\$322	\$40	\$226	
SRQ	Sarasota/Bradenton	\$762	\$319	\$505	\$304	\$593	\$443	\$257	\$458	\$169	
SEA	Seattle	\$672	\$383	\$387	\$464	\$447	\$289	\$285	\$208	\$225	
SYR	Syracuse	\$698	\$477	\$488	\$725	\$491	\$221	\$210	(\$27)	\$207	
TPA	Tampa		\$319	\$258	\$302	\$497	(\$319)	(\$258)	(\$302)	(\$497)	
YYZ	Toronto	\$862	\$1,134	\$915	\$831	\$804	(\$272)	(\$53)	\$31	\$58	
DCA	Washington DC	\$506	\$312	\$358	\$615	\$503	\$194	\$148	(\$109)	\$3	
IAD	Washington DC	\$549	\$309	\$358	\$588	\$503	\$240	\$191	(\$39)	\$46	
PBI	West Palm Beach	\$641	\$288	\$442	\$304	\$593	\$353	\$199	\$337	\$48	
							\$238	\$176	\$126	\$11	<b>Average Fare difference</b>

\*These sample airfares were available 10/1/09, based on a 0 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: [www.airtran.com](http://www.airtran.com); [www.continental.com](http://www.continental.com); [www.delta.com](http://www.delta.com); [www.nwa.com](http://www.nwa.com); [www.united.com](http://www.united.com); [www.usairways.com](http://www.usairways.com); [www.travelocity.com](http://www.travelocity.com); [www.orbitz.com](http://www.orbitz.com); or [www.expedia.com](http://www.expedia.com). Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

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

**Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Oct09 vs. Oct08**

AI	Ops/Week				Seats/Week			
	Oct09	Oct08	Diff	Pct Chg	Oct09	Oct08	Diff	Pct Chg
DL	138	130	8	6.15	6,900	7,204	-304	-4.22
FL	6	0	6	100.00	702	0	702	100.00
CO	40	40	0	0.00	2,000	2,000	0	0.00
NW	14	40	-26	-65.00	700	2,000	-1,300	-65.00
US	98	126	-28	-22.22	4,848	6,348	-1,500	-23.63
TOTAL	296	336	-40	-11.90	15,150	17,552	-2,402	-13.69

**Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Nov09 vs. Nov08**

AI	Ops/Week				Seats/Week			
	Nov09	Nov08	Diff	Pct Chg	Nov09	Nov08	Diff	Pct Chg
FL	6	0	6	100.00	702	0	702	100.00
CO	40	40	0	0.00	2,000	2,000	0	0.00
DL	138	142	-4	-2.82	6,900	7,180	-280	-3.90
US	98	124	-26	-20.97	4,900	5,902	-1,002	-16.98
NW	14	40	-26	-65.00	700	2,000	-1,300	-65.00
TOTAL	296	346	-50	-14.45	15,202	17,082	-1,880	-11.01

**Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Dec09 vs. Dec08**

AI	Ops/Week				Seats/Week			
	Dec09	Dec08	Diff	Pct Chg	Dec09	Dec08	Diff	Pct Chg
UA	16	0	16	100.00	800	0	800	100.00
FL	6	0	6	100.00	702	0	702	100.00
US	98	98	0	0.00	4,900	4,758	142	2.98
DL	124	125	-1	-0.80	6,200	6,250	-50	-0.80
CO	26	28	-2	-7.14	1,300	1,400	-100	-7.14
NW	14	42	-28	-66.67	700	2,100	-1,400	-66.67
TOTAL	284	293	-9	-3.07	14,602	14,508	94	0.65





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## MEMORANDUM

TO: Members of the Airport Authority  
FROM: Vickie Thomas, Director of Finance & Accounting  
DATE: October 9, 2009

### ITEM DESCRIPTION – Information Section Item B

Asheville Regional Airport – Explanation of Extraordinary Variances  
Month Ended August, 2009 (Month 2 of FY-2010)

#### SUMMARY

Operating Revenues for the month of August were \$587,266, .20% under budget. Operating Expenses for the month were \$442,707, 20.41% below budget. As a result, Net Operating Revenues before Depreciation were \$112,340 over budget. Net Non-Operating Revenues were \$167,469, 21.04% over budget.

Year-to-date Operating Revenues were \$1,186,303, .90% over budget. Year-to-date Operating Expenses were \$910,562, 21.05% below budget. Net Operating Revenues before Depreciation were \$253,365 over budget. Net Non-Operating Revenues for the year were \$339,024, 22.58% over budget.

#### REVENUES

Significant variations to budget for August were:

Terminal Space – Airline Concessions	17.40% (61.73%)	Airline Preferred Use Space not budgeted Advertising decreased due to waiver of Departure Media's MAG until A-Gates open & lower than budgeted brochure sales
Commercial Ground Transportation	(35.24%)	Timing of GT permit sales
Landing Fees	(21.09%)	Effect of economic downturn more than budgeted
Building Leases	20.05%	US Airways paid \$1k for July cargo space in August
Other Leases/Fees	16.66%	Higher security payments from Airlines based on monthly traffic
PFC Revenue	52.37%	Higher than budgeted PFC's due to monthly traffic
Interest Revenue	(83.37%)	Lower than budgeted cash balances & interest rates

Information Section – Item B



## **EXPENSES**

Significant variations to budget for August were:

Personnel Services	(12.59%)	No Deputy Airport Director & lower than budgeted benefits
Professional Services	(78.17%)	Timing of professional services
Other Contractual Services	35.77%	Parking Management contract billing higher than budgeted (included their annual audit fee)
Travel & Training	(71.65%)	Timing of conferences and training events
Communications & Freight	(16.58%)	Low use of postage for August
Insurance	(14.78%)	Premiums lower than budgeted
Repairs & Maintenance	(76.32%)	Timing of purchases
Promotional Activities	(35.75%)	Timing of promotions
Office Supplies	(90.71%)	Timing of purchases
Operating Supplies	(64.01%)	Timing of purchases
Books, Publications, Subscriptions	(78.30%)	Timing of purchases
Contingency	(100.00%)	No Contingency used in August
Business Dev/Agreement Obligations	(17.53%)	Timing of AirTran ground handling fees & advertising

## **STATEMENT OF NET ASSETS**

Significant variations to prior month were:

Cash – Cash decreased \$674k from prior month mainly due to payments for capital spending.

Accounts Receivable – Accounts Receivable increased \$126k from prior month mainly due to late payments by Asheville Jet and Delta.

Accounts Payable and Accrued Liabilities – Accounts Payable and Accrued Liabilities decreased by \$331k mainly due to the August payment of capital invoices in Accounts Payable at 7/31/09.

**ASHEVILLE REGIONAL AIRPORT  
INVESTMENT AND INTEREST INCOME SUMMARY  
For the Month Ended August 2009**

<u>Institution:</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America			0.18%	\$ 1,581,371	324
Petty Cash				100	
NC Capital Trust				4,524,806	1,260
Restricted Cash:					
PFC Revenue Account			0.13%	1,448,293	156
Wachovia-Gov. Advantage Acct.			0.10%	609,050	52
CFC Revenue			0.10%	659,076	58
<u>Commercial Paper:</u>				0	
<b>Total</b>				<b>\$ 8,822,696</b>	<b>\$ 1,851</b>

**Investment Diversification:**

1.BANKS	41.81%
2.CAP.TRUST	51.29%
3.GOV.ADV.ACCT.	6.90%
4.COM.PAPER	0.00%
5. FED. AGY	0%
	<u>100.00%</u>

**ASHEVILLE REGIONAL AIRPORT  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
For the Month Ended August 2009**

	<u>Month</u>	<u>Prior Period</u>
<b>Cash and Investments Beginning of Period (Month 08-01-2009, Prior Period 7-01-09)</b>	<b>\$ 9,496,958</b>	<b>\$ 7,759,754</b>
Net Income before Contributions	34,183	24,817
Depreciation	277,845	277,917
Decrease/(Increase) in Receivables	(125,885)	2,469,711
Increase/(Decrease) in Payables	(331,042)	(416,095)
Decrease/(Increase) in Prepaid Expenses	19,210	(89,689)
Decrease/(Increase) in Long Term Assets	(516,910)	(497,946)
Contributed Capital	-	-
Carryback of Payments to Prior Period		
Bonds Payable - Current	(31,663)	(31,511)
Bonds Payable - Non-Current		
<b>Increase(Decrease) in Cash</b>	<b><u>(674,262)</u></b>	<b><u>1,737,204</u></b>
<b>Cash and Investments End of Period (08/31/2009)</b>	<b><u>\$ 8,822,696</u></b>	<b><u>\$ 9,496,958</u></b>

**Asheville Regional Airport Authority**  
**Cost Centers Statement of Revenue, Expenses and Changes in Net Assets**

For the Month Ending August 31, 2009

	<u>August Actual</u>	<u>August Budget</u>	<u>Variance %</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance %</u>	<u>Annual Budget</u>
<b>Operating Revenue:</b>							
Terminal	\$263,906	\$256,848	2.75%	\$537,248	\$512,504	4.83%	\$3,154,910
Airfield	62,600	68,304	(8.35%)	128,099	136,608	(6.23%)	819,650
Hangar	70,962	72,816	(2.55%)	133,310	145,632	(8.46%)	873,790
Parking Lot/Roadway	176,237	179,508	(1.82%)	363,825	359,017	1.34%	2,154,100
Land Use Fees	13,561	10,987	23.43%	23,821	21,973	8.41%	140,940
<b>Total Operating Revenue</b>	<u>\$587,266</u>	<u>\$588,463</u>	<u>(0.20%)</u>	<u>\$1,186,303</u>	<u>\$1,175,734</u>	<u>0.90%</u>	<u>\$7,143,390</u>
<b>Operating Expenses:</b>							
Administrative	\$182,435	\$262,054	(30.38%)	\$357,066	\$564,143	(36.71%)	\$3,032,575
Terminal	175,894	168,198	4.58%	335,788	332,256	1.06%	2,033,790
Airfield	77,430	115,623	(33.03%)	205,299	237,005	(13.38%)	1,399,045
Hangar	1,633	4,798	(65.96%)	3,267	9,423	(65.33%)	57,565
Parking Lot	817	3,402	(75.98%)	1,712	6,367	(73.11%)	40,770
Rental Car Service Facility	3,681	-	0.00%	5,797	-	0.00%	-
Land Use Expenses	817	2,169	(62.33%)	1,633	4,164	(60.78%)	26,015
<b>Total Operating Expenses</b>	<u>\$442,707</u>	<u>\$556,244</u>	<u>(20.41%)</u>	<u>\$910,562</u>	<u>\$1,153,358</u>	<u>(21.05%)</u>	<u>\$6,589,760</u>
<b>Operating Revenue before Depreciation</b>							
	\$144,559	\$32,219	348.68%	\$275,741	\$22,376	1,132.31%	\$553,630
Depreciation	<u>277,845</u>	<u>291,667</u>	<u>(4.74%)</u>	<u>555,762</u>	<u>583,333</u>	<u>(4.73%)</u>	<u>3,500,000</u>
<b>Operating Income(Loss) Before Non-Operating Revenue and Expenses</b>							
	(\$133,286)	(\$259,448)	(48.63%)	(\$280,021)	(\$560,957)	(50.08%)	(\$2,946,370)
<b>Non-Operating Revenue and Expense</b>							
Customer Facility Charges	77,932	75,000	3.91%	159,940	150,000	6.63%	900,000
Passenger Facility Charges	107,931	70,833	52.37%	215,848	141,667	52.36%	850,000
Interest Revenue	2,178	13,100	(83.37%)	4,532	26,200	(82.70%)	157,200
Interest Expense	(20,572)	(20,572)	0.00%	(41,296)	(41,296)	0.00%	(238,488)
Sale of Assets	-	-	0.00%	-	-	0.00%	-
<b>Non-Operating Revenue-Net</b>	<u>\$167,469</u>	<u>\$138,361</u>	<u>21.04%</u>	<u>\$339,024</u>	<u>\$276,571</u>	<u>22.58%</u>	<u>\$1,668,712</u>

<b>Income (Loss) Before Capital Contributions</b>	<u>\$34,183</u>	<u>(\$121,087)</u>	<u>(128.23%)</u>	<u>\$59,003</u>	<u>(\$284,386)</u>	<u>(120.75%)</u>	<u>(\$1,277,658)</u>
<b>Capital Contributions</b>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>
<b>Increase in Net Assets</b>	<u><u>\$34,183</u></u>	<u><u>(\$121,087)</u></u>	<u><u>(128.23%)</u></u>	<u><u>\$59,003</u></u>	<u><u>(\$284,386)</u></u>	<u><u>(120.75%)</u></u>	<u><u>(\$1,277,658)</u></u>

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

For the Month Ending August 31, 2009

	<u>August Actual</u>	<u>August Budget</u>	<u>Variance %</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance %</u>	<u>Annual Budget</u>
<b>Operating Revenue:</b>							
Terminal Space Rentals - Non Airline	\$15,395	\$14,988	2.72%	\$30,790	\$29,975	2.72%	\$179,850
Terminal Space Rentals - Airline	100,895	85,943	17.40%	205,076	171,885	19.31%	1,031,310
Concessions	6,933	18,118	(61.73%)	22,601	36,237	(37.63%)	291,370
Auto Parking	174,982	177,571	(1.46%)	352,700	355,142	(0.69%)	2,130,850
Rental Car - Car Rentals	99,244	96,348	3.01%	195,592	192,695	1.50%	1,156,170
Rental Car - Facility Rent	42,452	42,980	(1.23%)	84,464	84,772	(0.36%)	514,570
Commercial Ground Transportation	1,255	1,938	(35.24%)	11,125	3,875	187.10%	23,250
Landing Fees	32,396	41,054	(21.09%)	64,314	82,108	(21.67%)	492,650
FBO'S/SASO'S	70,962	72,816	(2.55%)	133,310	145,632	(8.46%)	873,790
Building Leases	10,354	8,625	20.05%	18,708	17,250	8.45%	103,500
Land Leases	1,906	1,945	(2.01%)	3,813	3,890	(1.98%)	32,440
Other Leases/Fees	30,492	26,137	16.66%	63,810	52,273	22.07%	313,640
<b>Total Operating Revenue</b>	<b>\$587,266</b>	<b>\$588,463</b>	<b>(0.20%)</b>	<b>\$1,186,303</b>	<b>\$1,175,734</b>	<b>0.90%</b>	<b>\$7,143,390</b>
<b>Operating Expenses:</b>							
Personnel Services	\$266,242	\$304,576	(12.59%)	\$549,922	\$609,152	(9.72%)	\$3,661,630
Professional Services	3,311	15,168	(78.17%)	22,994	50,237	(54.23%)	176,150
Accounting & Auditing	2,750	2,500	10.00%	5,683	5,433	4.60%	32,000
Other Contractual Services	43,302	31,894	35.77%	89,734	108,005	(16.92%)	441,560
Travel & Training	4,507	15,900	(71.65%)	5,236	20,425	(74.36%)	191,930
Communications & Freight	4,487	5,379	(16.58%)	9,359	10,758	(13.00%)	64,750
Utility Services	34,523	35,485	(2.71%)	62,968	62,259	1.14%	425,000
Rentals & Leases	1,012	1,018	(0.59%)	2,024	2,037	(0.64%)	12,220
Insurance	16,334	19,167	(14.78%)	32,667	38,333	(14.78%)	230,000
Repairs & Maintenance	5,567	23,508	(76.32%)	23,781	45,767	(48.04%)	293,570
Printing & Binding	13,333	13,154	1.36%	27,708	31,495	(12.02%)	206,120
Promotional Activities	4,345	6,763	(35.75%)	7,610	12,277	(38.01%)	65,400
Other Current Charges & Obligations	3,846	4,000	(3.85%)	7,476	10,537	(29.05%)	59,050
Office Supplies	209	2,250	(90.71%)	834	4,500	(81.47%)	27,000
Operating Supplies	12,378	34,394	(64.01%)	26,456	53,123	(50.20%)	284,790
Books, Publications, Subscriptions & Mem	775	3,571	(78.30%)	3,174	13,987	(77.31%)	43,590
Contingency	-	6,250	(100.00%)	-	12,500	(100.00%)	75,000
Business Development/Agreement Obliga	25,786	31,267	(17.53%)	32,936	62,533	(47.33%)	300,000
<b>Total Operating Expenses</b>	<b>\$442,707</b>	<b>\$556,244</b>	<b>(20.41%)</b>	<b>\$910,562</b>	<b>\$1,153,358</b>	<b>(21.05%)</b>	<b>\$6,589,760</b>

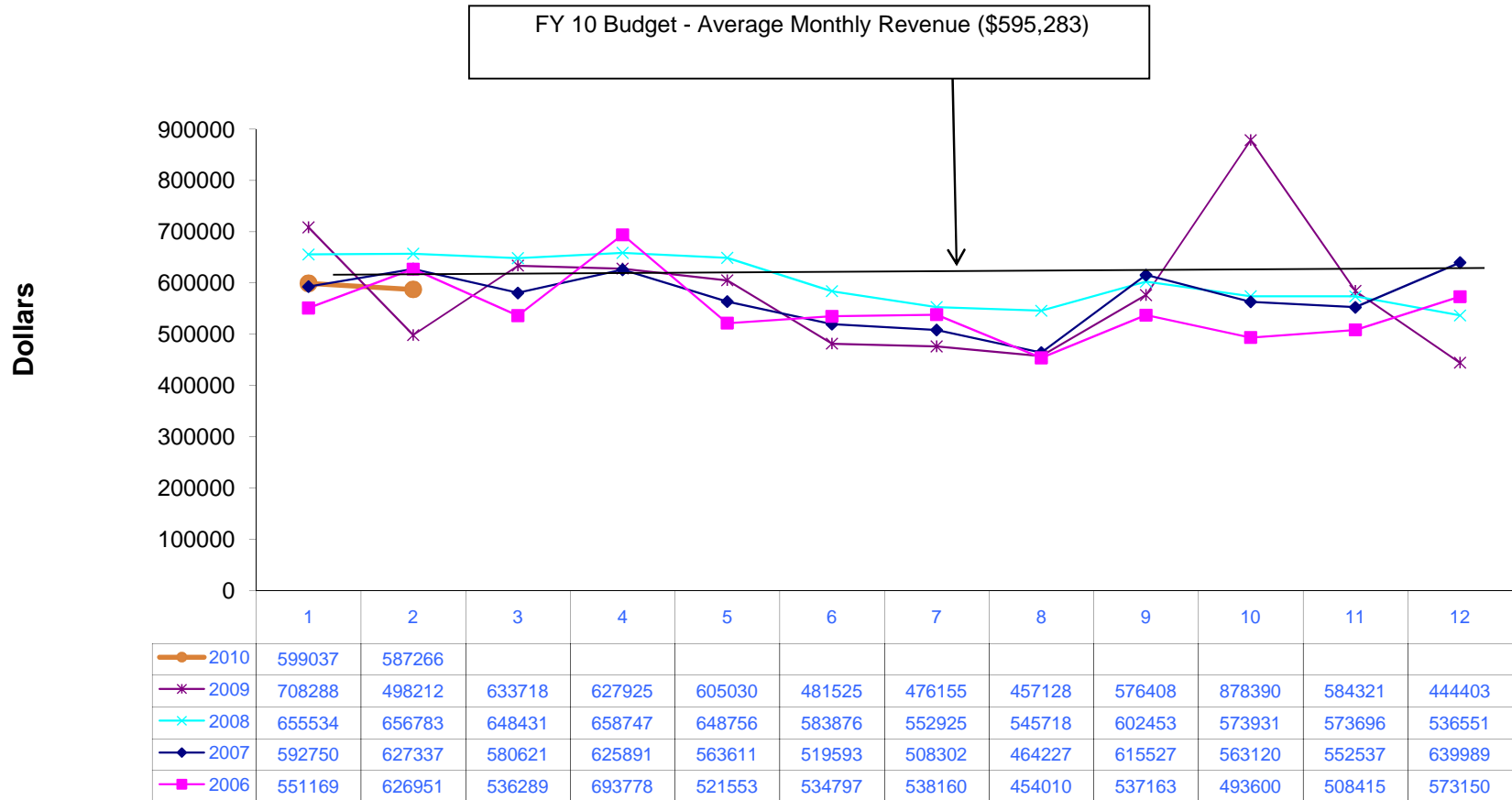
<b>Operating Revenue before Depreciation</b>	\$144,559	\$32,219	348.68%	\$275,741	\$22,376	1,132.31%	\$553,630
Depreciation	<u>277,845</u>	<u>291,667</u>	<u>(4.74%)</u>	<u>555,762</u>	<u>583,333</u>	<u>(4.73%)</u>	<u>3,500,000</u>
<b>Operating Income(Loss) Before Non-Operating Revenue and Expenses</b>	(\$133,286)	(\$259,448)	(48.63%)	(\$280,021)	(\$560,957)	(50.08%)	(\$2,946,370)
<b>Non-Operating Revenue and Expense</b>							
Customer Facility Charges	77,932	75,000	3.91%	159,940	150,000	6.63%	900,000
Passenger Facility Charges	107,931	70,833	52.37%	215,848	141,667	52.36%	850,000
Interest Revenue	2,178	13,100	(83.37%)	4,532	26,200	(82.70%)	157,200
Interest Expense	(20,572)	(20,572)	0.00%	(41,296)	(41,296)	0.00%	(238,488)
Sale of Assets	-	-	-	-	-	0.00%	-
<b>Non-Operating Revenue-Net</b>	<u>\$167,469</u>	<u>\$138,361</u>	<u>21.04%</u>	<u>\$339,024</u>	<u>\$276,571</u>	<u>22.58%</u>	<u>\$1,668,712</u>
<b>Income (Loss) Before Capital Contributions</b>	<u>\$34,183</u>	<u>(\$121,087)</u>	<u>(128.23%)</u>	<u>\$59,003</u>	<u>(\$284,386)</u>	<u>(120.75%)</u>	<u>(\$1,277,658)</u>
<b>Capital Contributions</b>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>
<b>Increase in Net Assets</b>	<u><u>\$34,183</u></u>	<u><u>(\$121,087)</u></u>	<u><u>(128.23%)</u></u>	<u><u>\$59,003</u></u>	<u><u>(\$284,386)</u></u>	<u><u>(120.75%)</u></u>	<u><u>(\$1,277,658)</u></u>



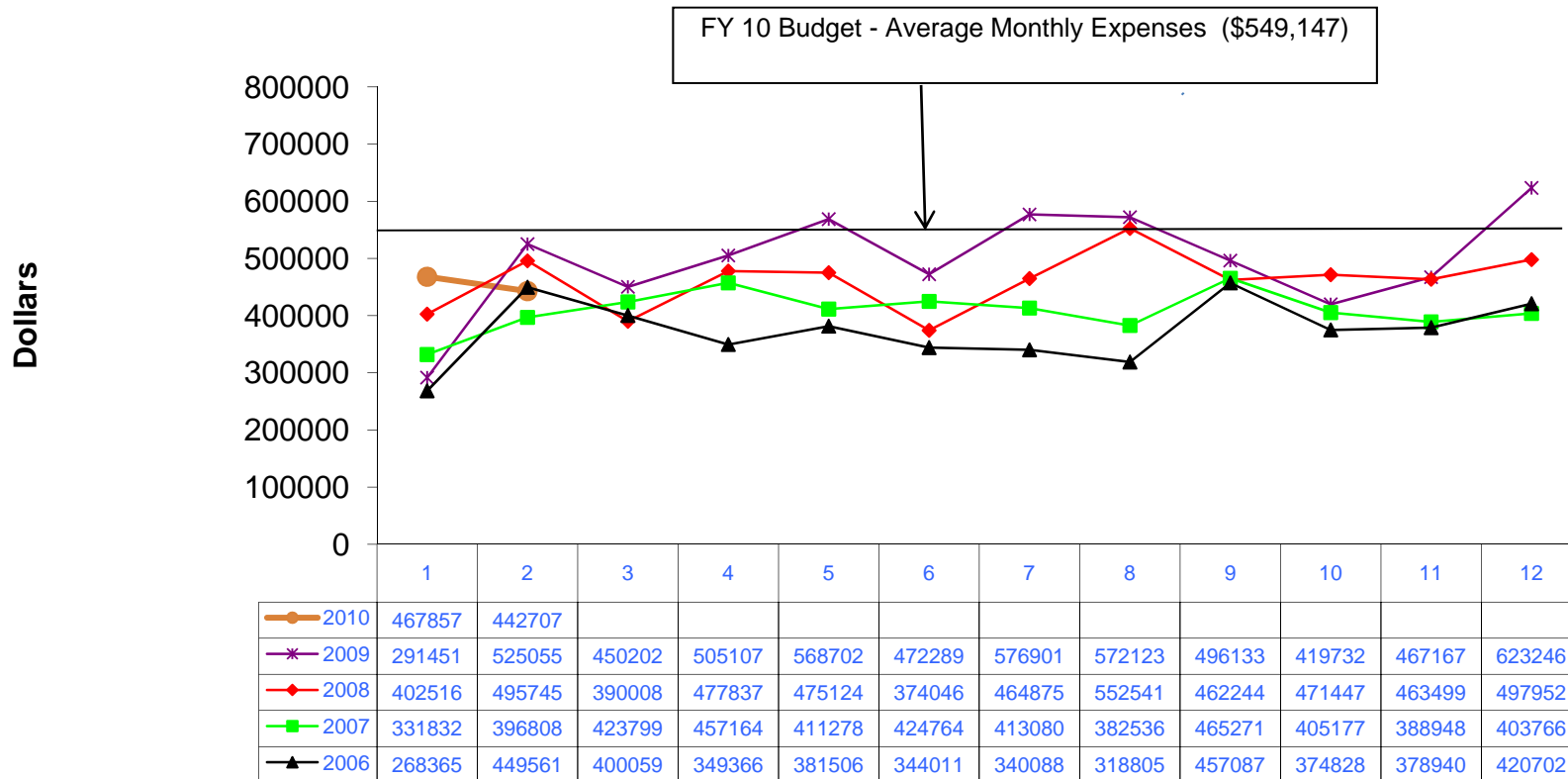
**ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
**August 31, 2009**

	<u>August</u>	<u>Last Month</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Unrestricted Net Assets:</b>		
Cash and Cash Equivalents	\$6,106,277	\$6,836,361
Investments	0	0
Accounts Receivable	639,942	514,057
Prepaid Expenses	70,479	89,689
<b>Total Unrestricted Assets</b>	<u>6,816,698</u>	<u>7,440,107</u>
<b>Restricted Assets:</b>		
Capital Funds	2,163	2,163
Cash and Cash Equivalents	2,716,419	2,660,597
Receivables		
Passenger Facility Charge Funds:		
Receivables		
<b>Total Restricted Assets</b>	<u>2,718,582</u>	<u>2,662,760</u>
<b>Total Current Assets</b>	9,535,280	10,102,867
<b>Noncurrent Assets</b>		
Capital Assets	16,728,191	16,211,281
Property and Equipment - Net	44,896,446	45,174,292
<b>TOTAL ASSETS</b>	<u><u>\$71,159,917</u></u>	<u><u>\$71,488,440</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts Payable	\$1,484,239	\$1,845,937
Accrued Liabilities	\$217,271	\$186,619
<b>Total Payable from Unrestricted Assets</b>	1,701,510	2,032,556
<b>Payable from Restricted Assets:</b>		
Construction Contracts Payable	0	0
Construction Contract Retainages	0	0
Bonds Payable - Current Portion	392,092	390,209
<b>Total Payable From Restricted Assets</b>	<u>392,092</u>	<u>390,209</u>
<b>Total Current Liabilities</b>	2,093,602	2,422,765
<b>Non-Current Liabilities:</b>		
Other Postemployment Benefits	380,310	380,310
Rental Car Project Bond	3,839,819	3,873,365
<b>Total Non-Current Liabilities</b>	<u>4,220,129</u>	<u>4,253,675</u>
<b>Total Liabilities</b>	6,313,731	6,676,440
<b>Net Assets:</b>		
Invested in Capital Assets	57,392,726	57,121,999
<b>Unrestricted</b>	7,453,460	7,690,001
<b>Total Net Assets</b>	<u>64,846,186</u>	<u>64,812,000</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$71,159,917</u></u>	<u><u>\$71,488,440</u></u>

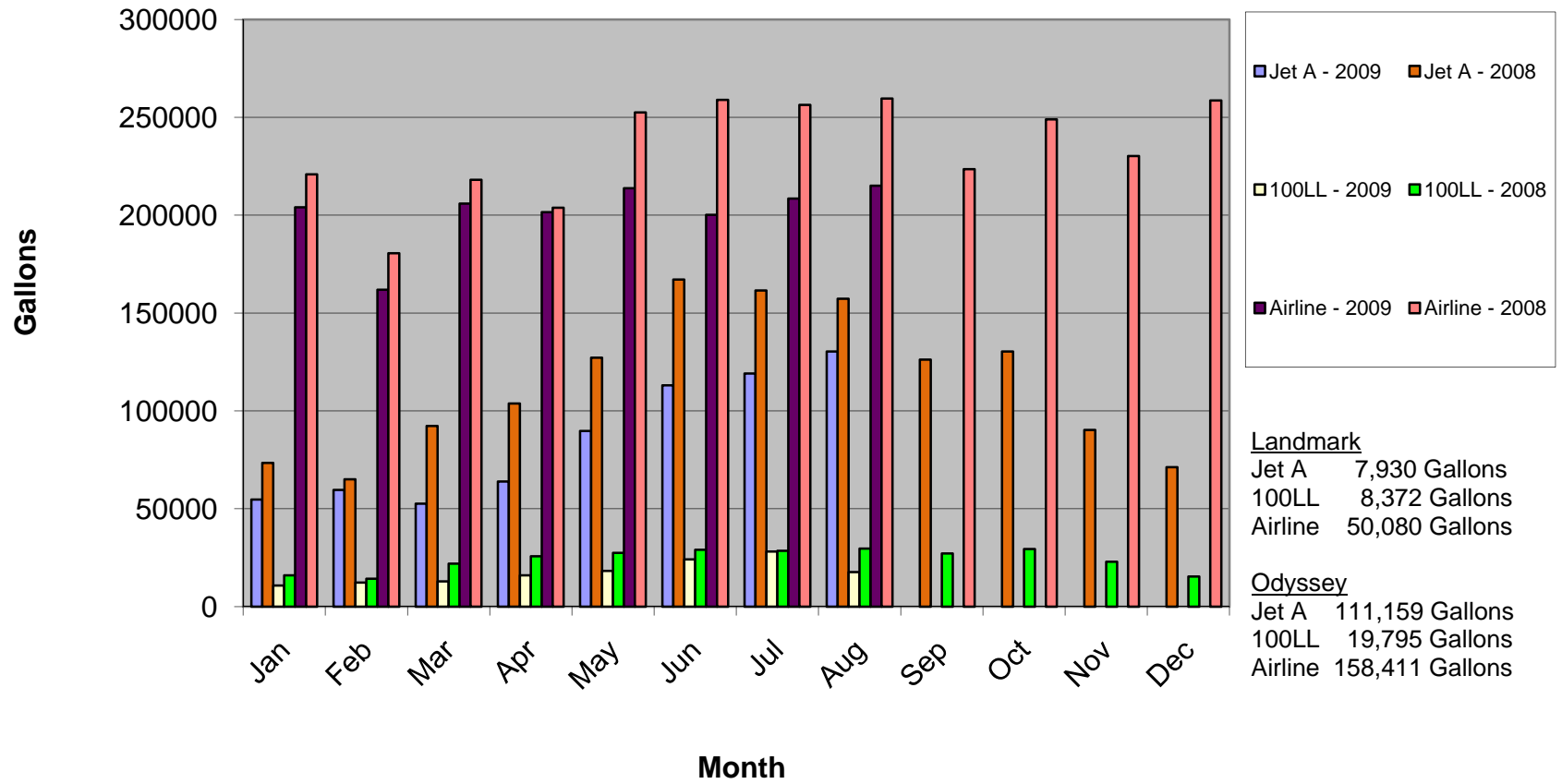
# ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month August 2009



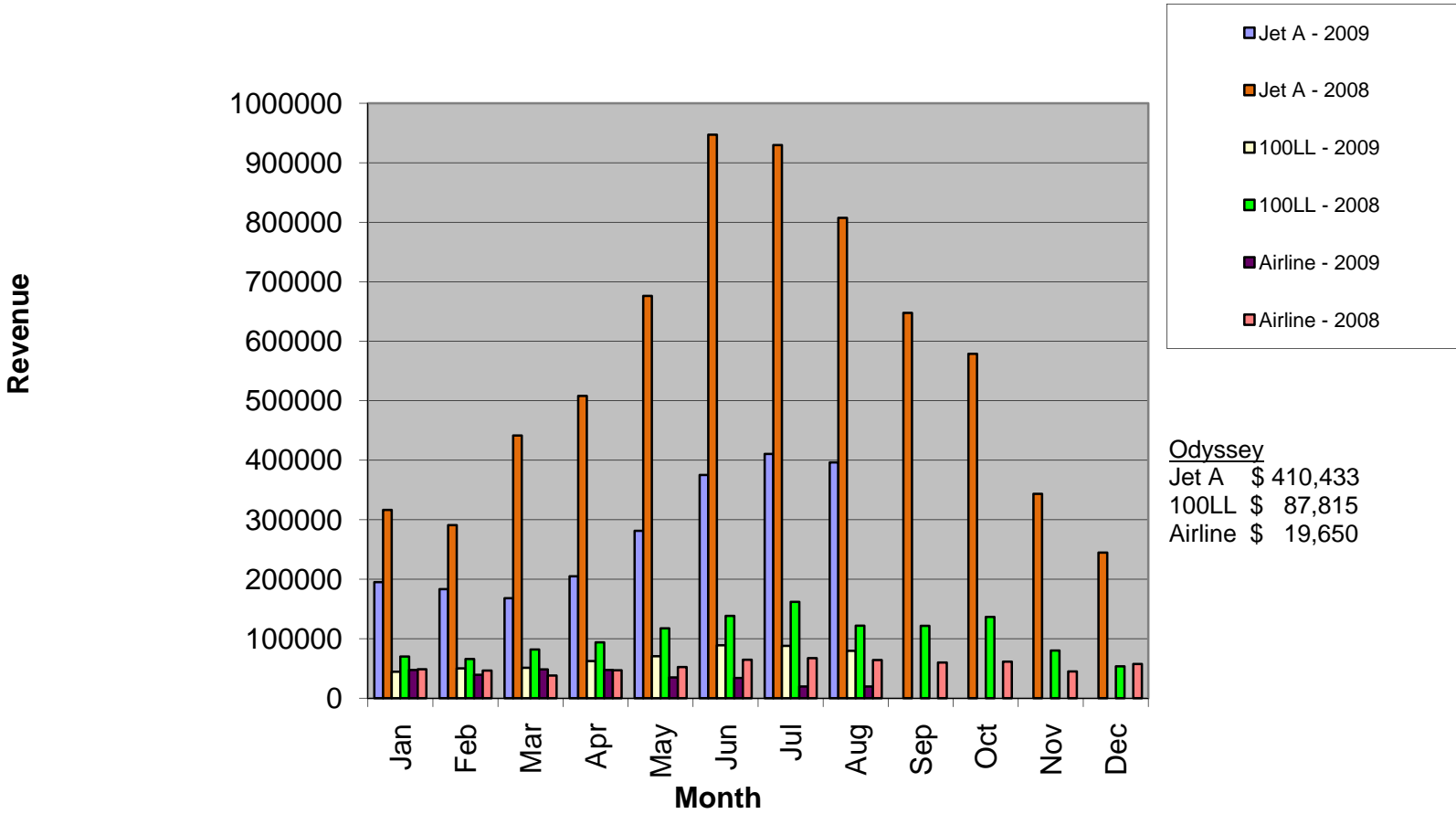
# ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month August 2009



# AVL Fuels Sales - Gallons August 2009



# AVL Fuels Sales - Revenue August 2009





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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Patti L. Michel, Director of Marketing and Public Relations

DATE: October 9, 2009

### ITEM DESCRIPTION – Information Section Item C

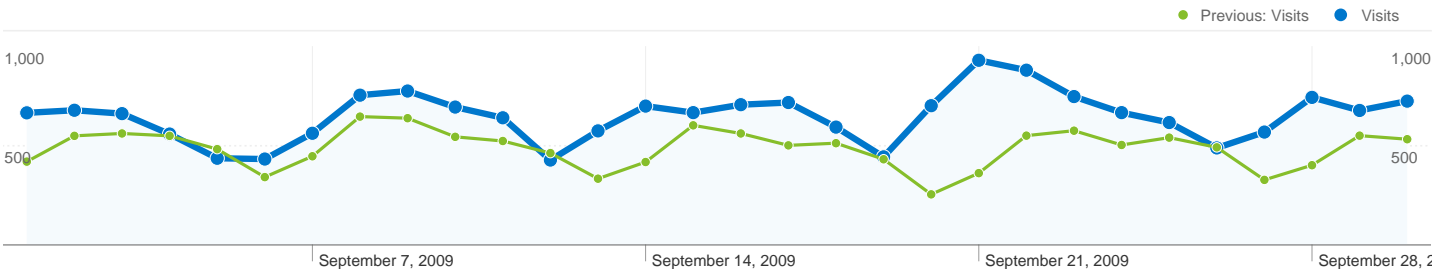
October, 2009 Marketing and Public Relations Report

- Formulated media strategy and announcement of new air service with United Airlines to Chicago.
- Completed artwork/creative for Tryon Daily Bulletin Ad; WNC Magazine; Comment cards; advertising brochure; tenant appreciation invitation. Completed new portraits for website/pr use.
- Guest Services provided assistance to 3535 passengers in September, a 70% increase over September 2008.
- Guest Services posted \$18 in gross revenue of business services.
- Guest Services sold four new brochure ad spaces; renewed five others.
- Team participated in the Apple Festival in Hendersonville; completed promotion of giveaway of airfare for two to the "Big Apple."
- Attended Asheville US Airways magazine unveiling; Carolina West meeting; Arboretum Member Appreciation; Asheville Chamber Business After Hours and The Health Adventure Grossology exhibit opening.
- Met with the Asheville Symphony and Arboretum regarding sponsorships.
- Met with WSPA, WLOS, the Purple Pages, and Charter Media regarding ad buy.
- Attended Access Database class.

Information Section – Item C



- Received/responded to 664 Southern Living leads for September.
- Received/responded to 15 media calls during the month of September.
- Website Statistics - Google Analytics: See attached data regarding September activity at [www.flyavl.com](http://www.flyavl.com)
- Booking Engine Statistics – Since September 1, AVL has had 43 reservations for a total of \$328.00 in booking fees collected. 630 new people signed up to be booking engine members.



**Site Usage**

 **19,450 Visits**


Previous: 14,631 (32.94%)

 **43.37% Bounce Rate**

Previous: 36.57% (18.59%)

 **63,400 Pageviews**

Previous: 55,384 (14.47%)

 **00:03:23 Avg. Time on Site**

Previous: 00:06:33 (-48.48%)

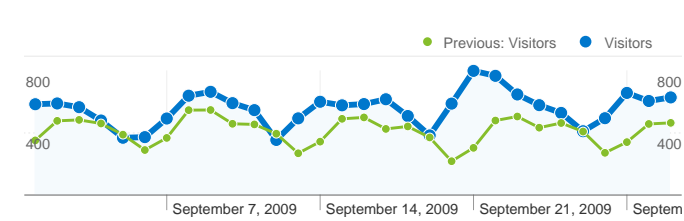
 **3.26 Pages/Visit**

Previous: 3.79 (-13.89%)

 **66.91% % New Visits**

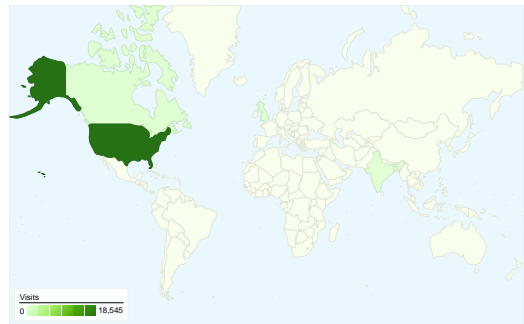
Previous: 67.47% (-0.82%)

**Visitors Overview**

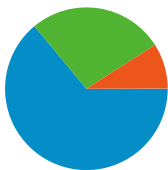


**Visitors**  
**14,729**

**Map Overlay world**



**Traffic Sources Overview**

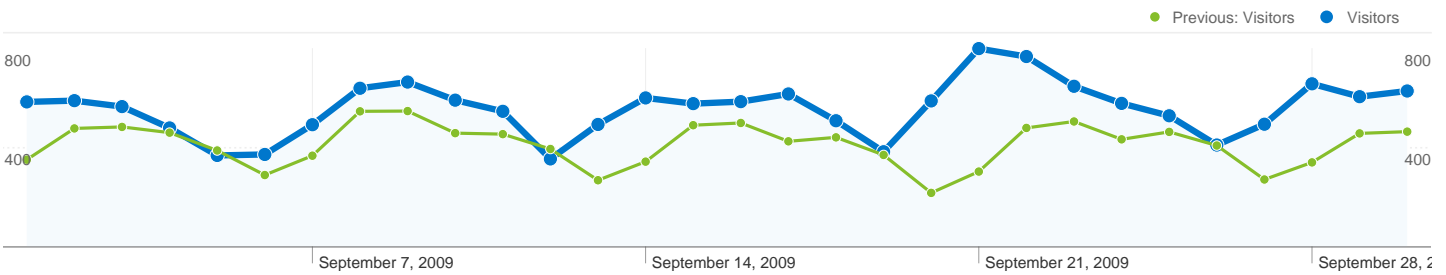


- **Search Engines**  
12,441.00 (63.96%)
- **Direct Traffic**  
5,251.00 (27.00%)
- **Referring Sites**  
1,753.00 (9.01%)
- **Other**  
5 (0.03%)



Referring Sites		
Source	Visits	% visits
biltmore.com		
Sep 1, 2009 - Sep 30, 2009	100	5.70%
Sep 1, 2008 - Sep 30, 2008	88	4.49%
% Change	13.64%	27.05%
en.wikipedia.org		
Sep 1, 2009 - Sep 30, 2009	71	4.05%
Sep 1, 2008 - Sep 30, 2008	58	2.96%
% Change	22.41%	36.87%
google.com		
Sep 1, 2009 - Sep 30, 2009	62	3.54%
Sep 1, 2008 - Sep 30, 2008	38	1.94%
% Change	63.16%	82.42%
groveparkinn.com		
Sep 1, 2009 - Sep 30, 2009	59	3.37%
Sep 1, 2008 - Sep 30, 2008	46	2.35%
% Change	28.26%	43.41%
willowwinds.com		
Sep 1, 2009 - Sep 30, 2009	54	3.08%
Sep 1, 2008 - Sep 30, 2008	67	3.42%
% Change	-19.40%	-9.89%

Content Overview		
Pages	Pageviews	% Pageviews
/		
Sep 1, 2009 - Sep 30, 2009	18,397	29.02%
Sep 1, 2008 - Sep 30, 2008	16,855	30.43%
% Change	9.15%	-4.65%
/flights/flight-view---real-time.html		
Sep 1, 2009 - Sep 30, 2009	5,805	9.16%
Sep 1, 2008 - Sep 30, 2008	6,815	12.30%
% Change	-14.82%	-25.59%
/flights/arrivals---real-time.html		
Sep 1, 2009 - Sep 30, 2009	3,084	4.86%
Sep 1, 2008 - Sep 30, 2008	2,092	3.78%
% Change	47.42%	28.78%
/flights/flight-schedule-search.html		
Sep 1, 2009 - Sep 30, 2009	2,446	3.86%
Sep 1, 2008 - Sep 30, 2008	1,323	2.39%
% Change	84.88%	61.51%
/airlines/airtran.html		
Sep 1, 2009 - Sep 30, 2009	2,213	3.49%
Sep 1, 2008 - Sep 30, 2008	0	0.00%
% Change	100.00%	100.00%



### 14,729 people visited this site

 **19,450 Visits**

Previous: 14,631 (32.94%)

 **14,729 Absolute Unique Visitors**


Previous: 10,855 (35.69%)

 **63,400 Pageviews**

Previous: 55,384 (14.47%)

 **3.26 Average Pageviews**

Previous: 3.79 (-13.89%)

 **00:03:23 Time on Site**

Previous: 00:06:33 (-48.48%)

 **43.37% Bounce Rate**

Previous: 36.57% (18.59%)

 **66.91% New Visits**

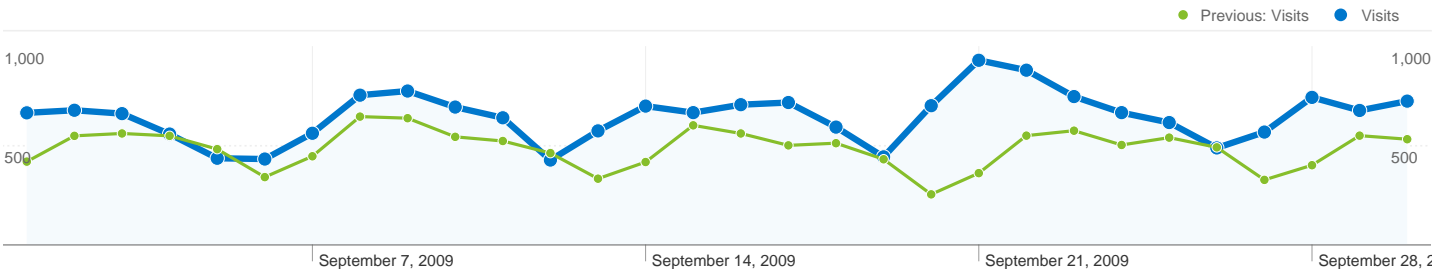
Previous: 67.47% (-0.82%)

### Technical Profile

Browser	Visits	% visits	Connection Speed	Visits	% visits
Internet Explorer			Cable		
Sep 1, 2009 - Sep 30, 2009	13,009	66.88%	Sep 1, 2009 - Sep 30, 2009	6,875	35.35%
Sep 1, 2008 - Sep 30, 2008	10,824	73.98%	Sep 1, 2008 - Sep 30, 2008	5,108	34.91%
% Change	20.19%	-9.59%	% Change	34.59%	1.25%
Firefox			Unknown		
Sep 1, 2009 - Sep 30, 2009	3,759	19.33%	Sep 1, 2009 - Sep 30, 2009	5,610	28.84%
Sep 1, 2008 - Sep 30, 2008	2,621	17.91%	Sep 1, 2008 - Sep 30, 2008	3,704	25.32%
% Change	43.42%	7.88%	% Change	51.46%	13.93%

Safari		
Sep 1, 2009 - Sep 30, 2009	1,861	9.57%
Sep 1, 2008 - Sep 30, 2008	860	5.88%
% Change	116.40%	62.78%
Mozilla Compatible Agent		
Sep 1, 2009 - Sep 30, 2009	379	1.95%
Sep 1, 2008 - Sep 30, 2008	72	0.49%
% Change	426.39%	295.97%
Chrome		
Sep 1, 2009 - Sep 30, 2009	279	1.43%
Sep 1, 2008 - Sep 30, 2008	68	0.46%
% Change	310.29%	208.64%

DSL		
Sep 1, 2009 - Sep 30, 2009	4,659	23.95%
Sep 1, 2008 - Sep 30, 2008	3,647	24.93%
% Change	27.75%	-3.90%
T1		
Sep 1, 2009 - Sep 30, 2009	1,650	8.48%
Sep 1, 2008 - Sep 30, 2008	1,493	10.20%
% Change	10.52%	-16.87%
Dialup		
Sep 1, 2009 - Sep 30, 2009	472	2.43%
Sep 1, 2008 - Sep 30, 2008	480	3.28%
% Change	-1.67%	-26.03%



## All traffic sources sent a total of 19,450 visits

### 27.00% Direct Traffic

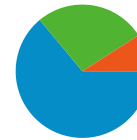
Previous: 24.69% (9.36%)

### 9.01% Referring Sites

Previous: 13.40% (-32.72%)

### 63.96% Search Engines

Previous: 61.90% (3.34%)



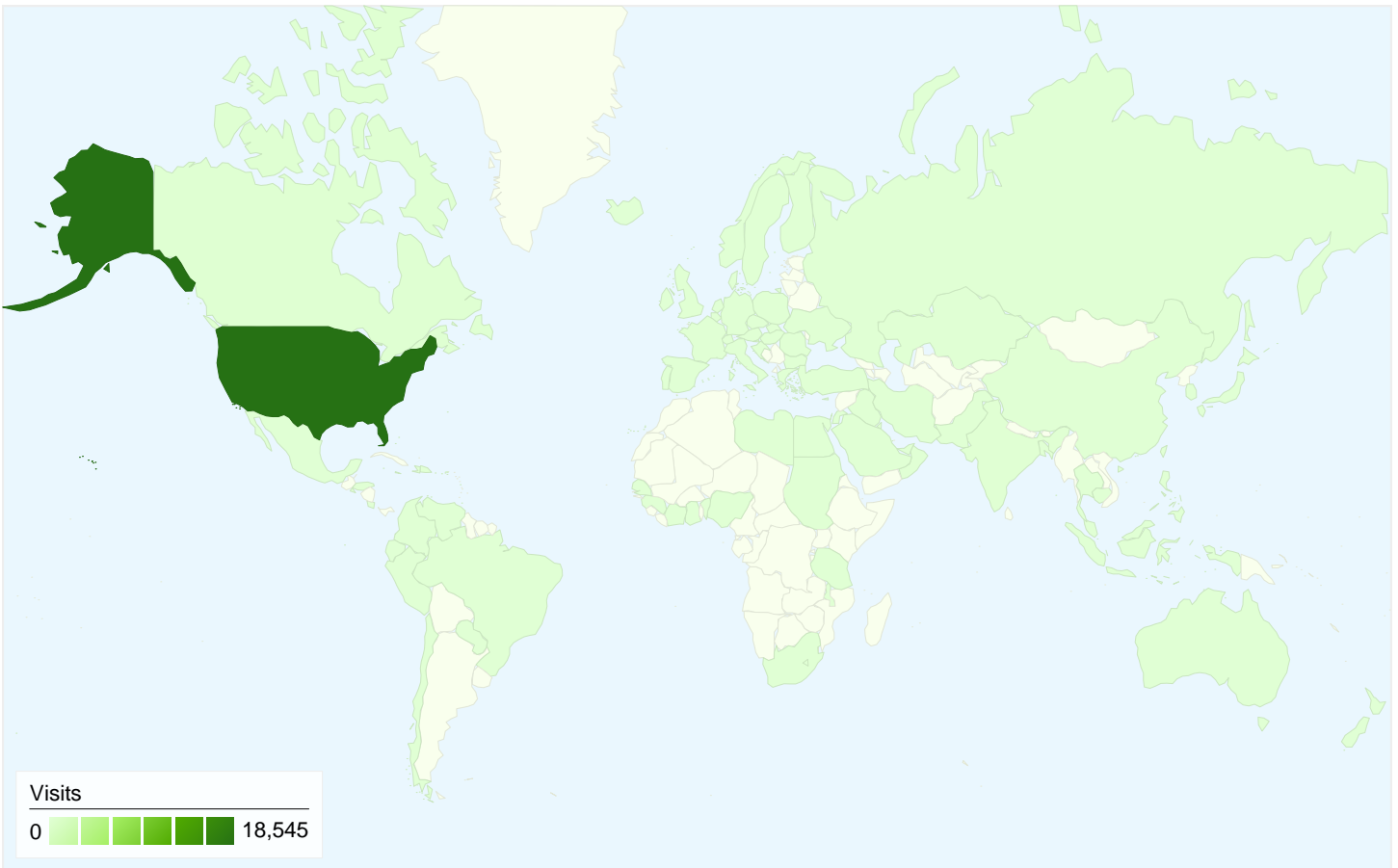
- Search Engines  
12,441.00 (63.96%)
- Direct Traffic  
5,251.00 (27.00%)
- Referring Sites  
1,753.00 (9.01%)
- Other  
5 (0.03%)

## Top Traffic Sources

Sources	Visits	% visits
google (organic)		
Sep 1, 2009 - Sep 30, 2009	9,803	50.40%
Sep 1, 2008 - Sep 30, 2008	6,990	47.78%
% Change	40.24%	5.50%
(direct) ((none))		
Sep 1, 2009 - Sep 30, 2009	5,251	27.00%
Sep 1, 2008 - Sep 30, 2008	3,612	24.69%
% Change	45.38%	9.36%
yahoo (organic)		
Sep 1, 2009 - Sep 30, 2009	1,262	6.49%
Sep 1, 2008 - Sep 30, 2008	1,113	7.61%
% Change	13.39%	-14.71%
bing (organic)		
Sep 1, 2009 - Sep 30, 2009	871	4.48%
Sep 1, 2008 - Sep 30, 2008	0	0.00%
% Change	100.00%	100.00%
aol (organic)		

Keywords	Visits	% visits
asheville airport		
Sep 1, 2009 - Sep 30, 2009	4,284	34.43%
Sep 1, 2008 - Sep 30, 2008	2,778	30.68%
% Change	54.21%	12.25%
asheville nc airport		
Sep 1, 2009 - Sep 30, 2009	1,136	9.13%
Sep 1, 2008 - Sep 30, 2008	793	8.76%
% Change	43.25%	4.28%
asheville regional airport		
Sep 1, 2009 - Sep 30, 2009	1,054	8.47%
Sep 1, 2008 - Sep 30, 2008	866	9.56%
% Change	21.71%	-11.41%
avl		
Sep 1, 2009 - Sep 30, 2009	435	3.50%
Sep 1, 2008 - Sep 30, 2008	375	4.14%
% Change	16.00%	-15.56%
avl airport		

Sep 1, 2009 - Sep 30, 2009	339	1.74%	Sep 1, 2009 - Sep 30, 2009	381	3.06%
Sep 1, 2008 - Sep 30, 2008	266	1.82%	Sep 1, 2008 - Sep 30, 2008	286	3.16%
% Change	27.44%	-4.13%	% Change	33.22%	-3.03%



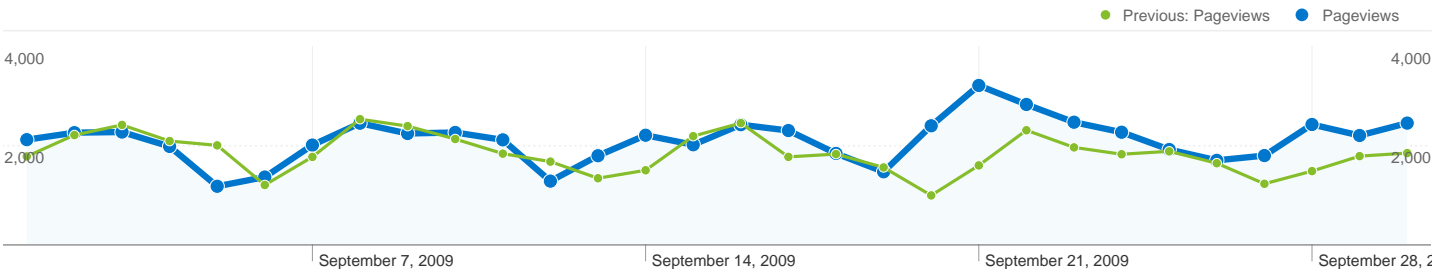
### 19,450 visits came from 97 countries/territories

Site Usage


Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate	
<b>19,450</b> Previous: 14,631 (32.94%)	<b>3.26</b> Previous: 3.79 (-13.89%)	<b>00:03:23</b> Previous: 00:06:33 (-48.48%)	<b>66.95%</b> Previous: 67.68% (-1.07%)	<b>43.37%</b> Previous: 36.57% (18.59%)	
Country/Territory	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
<b>United States</b>					
September 1, 2009 - September 30, 2009	<b>18,545</b>	3.27	00:03:25	66.73%	43.15%
September 1, 2008 - September 30, 2008	<b>14,048</b>	3.82	00:06:42	67.79%	36.04%
% Change	<b>32.01%</b>	<b>-14.33%</b>	<b>-49.07%</b>	<b>-1.55%</b>	<b>19.72%</b>
(not set)					
September 1, 2009 - September 30, 2009	<b>348</b>	3.13	00:03:12	57.18%	41.67%
September 1, 2008 - September 30, 2008	<b>41</b>	3.07	00:01:30	58.54%	31.71%
% Change	<b>748.78%</b>	<b>1.83%</b>	<b>113.50%</b>	<b>-2.31%</b>	<b>31.41%</b>
<b>Canada</b>					
September 1, 2009 - September 30, 2009	<b>117</b>	2.34	00:02:04	81.20%	53.85%


September 1, 2008 - September 30, 2008	<b>69</b>	3.58	00:03:03	81.16%	46.38%
% Change	<b>69.57%</b>	<b>-34.58%</b>	<b>-32.51%</b>	<b>0.05%</b>	<b>16.11%</b>
United Kingdom					
September 1, 2009 - September 30, 2009	<b>83</b>	3.11	00:01:50	81.93%	43.37%
September 1, 2008 - September 30, 2008	<b>74</b>	3.72	00:02:35	72.97%	28.38%
% Change	<b>12.16%</b>	<b>-16.35%</b>	<b>-28.72%</b>	<b>12.27%</b>	<b>52.84%</b>
India					
September 1, 2009 - September 30, 2009	<b>55</b>	2.47	00:01:50	40.00%	80.00%
September 1, 2008 - September 30, 2008	<b>21</b>	2.43	00:01:06	85.71%	71.43%
% Change	<b>161.90%</b>	<b>1.82%</b>	<b>65.80%</b>	<b>-53.33%</b>	<b>12.00%</b>
Germany					
September 1, 2009 - September 30, 2009	<b>35</b>	4.23	00:03:36	88.57%	40.00%
September 1, 2008 - September 30, 2008	<b>38</b>	4.21	00:04:23	84.21%	26.32%
% Change	<b>-7.89%</b>	<b>0.43%</b>	<b>-17.81%</b>	<b>5.18%</b>	<b>52.00%</b>
Australia					
September 1, 2009 - September 30, 2009	<b>18</b>	2.78	00:05:05	88.89%	50.00%
September 1, 2008 - September 30, 2008	<b>10</b>	3.00	00:02:54	100.00%	50.00%
% Change	<b>80.00%</b>	<b>-7.41%</b>	<b>75.19%</b>	<b>-11.11%</b>	<b>0.00%</b>
South Korea					
September 1, 2009 - September 30, 2009	<b>16</b>	4.50	00:07:37	68.75%	37.50%
September 1, 2008 - September 30, 2008	<b>8</b>	2.38	00:01:12	50.00%	37.50%
% Change	<b>100.00%</b>	<b>89.47%</b>	<b>532.01%</b>	<b>37.50%</b>	<b>0.00%</b>
Mexico					
September 1, 2009 - September 30, 2009	<b>15</b>	2.20	00:02:21	100.00%	53.33%
September 1, 2008 - September 30, 2008	<b>12</b>	1.75	00:00:39	91.67%	75.00%
% Change	<b>25.00%</b>	<b>25.71%</b>	<b>265.10%</b>	<b>9.09%</b>	<b>-28.89%</b>
Switzerland					
September 1, 2009 - September 30, 2009	<b>14</b>	4.00	00:01:13	85.71%	35.71%
September 1, 2008 - September 30, 2008	<b>9</b>	3.00	00:00:22	77.78%	55.56%
% Change	<b>55.56%</b>	<b>33.33%</b>	<b>231.54%</b>	<b>10.20%</b>	<b>-35.71%</b>


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## Pages on this site were viewed a total of 63,400 times

 **63,400 Pageviews**  
Previous: 55,384 (14.47%)

 **44,798 Unique Views**  
Previous: 36,679 (22.14%)

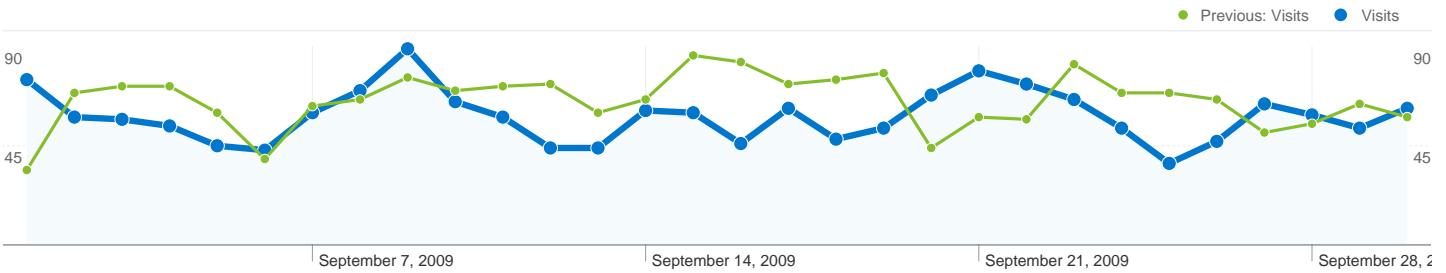
 **43.37% Bounce Rate**  
Previous: 36.57% (18.59%)

## Top Content

Pages	Pageviews	% Pageviews
/		
Sep 1, 2009 - Sep 30, 2009	18,397	29.02%
Sep 1, 2008 - Sep 30, 2008	16,855	30.43%
% Change	9.15%	-4.65%
/flights/flight-view---real-time.html		
Sep 1, 2009 - Sep 30, 2009	5,805	9.16%
Sep 1, 2008 - Sep 30, 2008	6,815	12.30%
% Change	-14.82%	-25.59%
/flights/arrivals---real-time.html		
Sep 1, 2009 - Sep 30, 2009	3,084	4.86%
Sep 1, 2008 - Sep 30, 2008	2,092	3.78%
% Change	47.42%	28.78%
/flights/flight-schedule-search.html		
Sep 1, 2009 - Sep 30, 2009	2,446	3.86%
Sep 1, 2008 - Sep 30, 2008	1,323	2.39%
% Change	84.88%	61.51%
/airlines/airtran.html		



Sep 1, 2009 - Sep 30, 2009	2,213	3.49%
Sep 1, 2008 - Sep 30, 2008	0	0.00%
% Change	100.00%	100.00%



### Referring sites sent 1,753 visits via 492 sources

#### Site Usage

Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate	
<b>1,753</b> Previous: 1,960 (-10.56%)	<b>2.74</b> Previous: 2.94 (-6.93%)	<b>00:01:49</b> Previous: 00:05:40 (-67.84%)	<b>76.16%</b> Previous: 65.20% (16.80%)	<b>53.17%</b> Previous: 46.68% (13.89%)	
Source	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
<b>biltmore.com</b>					
September 1, 2009 - September 30, 2009	100	1.56	00:00:40	89.00%	75.00%
September 1, 2008 - September 30, 2008	88	2.01	00:01:01	96.59%	65.91%
% Change	13.64%	-22.44%	-34.29%	-7.86%	13.79%
<b>en.wikipedia.org</b>					
September 1, 2009 - September 30, 2009	71	4.25	00:02:01	76.06%	26.76%
September 1, 2008 - September 30, 2008	58	4.90	00:03:25	94.83%	27.59%
% Change	22.41%	-13.13%	-40.75%	-19.80%	-2.99%
<b>google.com</b>					
September 1, 2009 - September 30, 2009	62	2.03	00:01:34	74.19%	58.06%
September 1, 2008 - September 30, 2008	38	2.39	00:02:33	57.89%	39.47%
% Change	63.16%	-15.14%	-38.32%	28.15%	47.10%
<b>groveparkinn.com</b>					
September 1, 2009 - September 30, 2009	59	1.97	00:00:39	91.53%	66.10%
September 1, 2008 - September 30, 2008	46	2.57	00:00:34	97.83%	56.52%
% Change	28.26%	-23.36%	13.37%	-6.44%	16.95%
<b>willowwinds.com</b>					
September 1, 2009 - September 30, 2009	54	2.83	00:01:16	88.89%	46.30%
September 1, 2008 - September 30, 2008	67	1.81	00:01:11	91.04%	65.67%
% Change	-19.40%	56.89%	8.16%	-2.37%	-29.50%
<b>charter.net</b>					
September 1, 2009 - September 30, 2009	45	3.09	00:02:16	62.22%	35.56%

September 1, 2008 - September 30, 2008	<b>32</b>	4.66	00:14:13	62.50%	31.25%
% Change	<b>40.62%</b>	<b>-33.66%</b>	<b>-84.09%</b>	<b>-0.44%</b>	<b>13.78%</b>
exploreasheville.com					
September 1, 2009 - September 30, 2009	<b>44</b>	2.75	00:02:57	59.09%	52.27%
September 1, 2008 - September 30, 2008	<b>9</b>	1.56	00:00:27	77.78%	55.56%
% Change	<b>388.89%</b>	<b>76.79%</b>	<b>546.60%</b>	<b>-24.03%</b>	<b>-5.91%</b>
search.domainnotfound.optimum.net					
September 1, 2009 - September 30, 2009	<b>44</b>	1.00	00:00:00	2.27%	100.00%
September 1, 2008 - September 30, 2008	<b>0</b>	0.00	00:00:00	0.00%	0.00%
% Change	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>	<b>100.00%</b>	<b>100.00%</b>
ashevillenc.com					
September 1, 2009 - September 30, 2009	<b>41</b>	2.93	00:02:56	85.37%	51.22%
September 1, 2008 - September 30, 2008	<b>33</b>	2.79	00:01:50	87.88%	39.39%
% Change	<b>24.24%</b>	<b>4.98%</b>	<b>60.44%</b>	<b>-2.86%</b>	<b>30.02%</b>
mapquest.com					
September 1, 2009 - September 30, 2009	<b>41</b>	2.93	00:02:11	82.93%	39.02%
September 1, 2008 - September 30, 2008	<b>37</b>	2.57	00:01:36	89.19%	40.54%
% Change	<b>10.81%</b>	<b>13.99%</b>	<b>36.13%</b>	<b>-7.02%</b>	<b>-3.74%</b>
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**Asheville Regional Airport Authority  
Project Report - October 2009**

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 10/01/09)	Percent of Original Contract	Total Project Cost	Percent Complete	Expensed to Date (thru 10/01/09)	Start Date	End Date	Current Project Status (as of 10/01/09)
<b><u>Planning Phase</u></b>														
None														
<b><u>Design Phase</u></b>														
None														
<b><u>Construction Phase</u></b>														
1	A Gates - Terminal Renovation & Improvements Project	Renovation & Improvements to the A Gates hold room area.	RS&H	\$1,697,298.00	Shelco Inc.	\$7,849,000.00	na	na	\$10,486,704.00	6%	\$1,085,326.83	July '09	Aug-10	The contractor has mobilized and started selective demolition in the project work area. The checkpoint modifications and temporary passenger connection to the B gates area are underway.
1a		2 Passenger Boarding Bridges	RS&H	(included above)	ThyssenKrupp Airport Systems	\$940,406.00	na	na	(included above)	10%	\$0.00	Jul-09	Aug-10	The passenger boarding bridges are in production.
2	Landside Parking and Roadway Access Project	The Landside Parking and Roadway Access Project includes 3 components of work: public parking lots, terminal access roadway, general aviation access roadway, and expansion of the toll plaza facility.	LPA Group	\$729,044.00	(see below)	na	na	na	\$4,539,898.45	60%	\$512,440.89	Jul-09	Jan-10	The Authority Board approved the award of all contracts related to the Landside Roadway and Parking Improvements Project. All components of the project have started. For more information see individual components below.
2a		Parking Lot and Terminal Drive	LPA Group	(included above)	APAC	\$1,614,092.45	na	na	(included above)	20%	\$135,530.10	Jul-09	Jan-10	The contractor is currently working on phase 3 of the parking lot and terminal drive project.
2b		Toll Plaza Expansion	LPA Group	(included above)	Patton Construction	\$495,840.00	na	na	(included above)	5%	\$27,000.00	Jul-09	Mar-10	Site work for the expanded toll plaza is underway
2c		Wright Brothers Way Improvements Project	LPA Group	(included above)	Moore and Sons Construction Co.	\$1,700,922.00	na	na	(included above)	15%	\$447,243.98	Jul-09	Jan-10	The contractor continues work on grading and earthwork as well as underground utilities and the stormwater drainage systems.
3	North General Aviation Expansion Project	The North GA project includes multiple phases; phase one consisted of tree harvesting and logging operations, phase two included clearing and grubbing of the site and phase three involves the placement and compaction of structural fill material for the site.	AVCON	\$99,100.00	Charah	\$352,690.50	\$25,494.00	7.23%	\$3,700,000.00	80%	\$ 2,854,844.65	Nov-07	Spring 2010	The second and third phases of fill placement are underway.
4	Triturator Facility	Construction and installation of a dump site to support airline waste disposal and a facility to protect staff from weather elements.	RS&H	\$48,147.00	Perry Bartsch Jr.	\$198,800.00	na	na	\$246,947.00	10%	\$39,376.94	Jul-09	Dec-09	Site work for this project is beginning soon.

**Asheville Regional Airport Authority**  
**Project Report - October 2009**

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 10/01/09)	Percent of Original Contract	Total Project Cost	Percent Complete	Expensed to Date (thru 10/01/09)	Start Date	End Date	Current Project Status (as of 10/01/09)
5	Pre-Conditioned Air and Fixed Ground Power	Pre-Conditioned Air and Fixed Ground Power will be added to all boarding bridges for customer comfort and functionality	RS&H	\$8,000.00	INET Airport System Inc.	\$502,800.00	na	na	\$510,800.00	10%	\$7,402.71	Jul-09	November 2009	Pre-construction activities are being coordinated.
<b><u>Close-Out Phase</u></b>														
None														