



Charlottesville Albemarle Airport Authority Board Meeting
Wednesday, March 16th, 2016 at 10:30am in the Airport 2nd Floor Conference Room

AGENDA

Call to Order

Consent Agenda

1. Minutes – November 2015
2. Financial Statements –January 2016 (Unaudited)
3. Airport Statistics

Matters from the Public

All person desiring to make presentations as part of the MATTERS FROM THE PUBLIC section of the Agenda are requested to advise the administrative office prior to commencement of the meeting to assist the Chairman in conducting the meeting in an efficient and productive manner; allowing for maximum input. Speakers are encouraged to limit remarks to five minutes. Additional time may be granted solely at the discretion of the Chairman unless such presentation is extended by reason of the Authority's request for additional information.

Introduction: Signature Flight Support

Employee Recognition

Action Items

1. Annual Election of Authority's Chairman, Vice-Chairman, and Secretary/Treasurer
2. Annual Audit
 - a. Acceptance of FY-15 Comprehensive Annual Financial Report
 - b. Renewal of Audit Services Contract Option
 - c. Appointment of a Commissioner to the Audit Committee
 - d. Authorize Resolution Establishing 2016 Membership of the Audit Committee
3. Closure Options for the Upcoming Runway Rehabilitation Construction Project

Informational Items

1. Executive Director's Update
 - a. Airline Update
 - b. Parking Feasibility Update
 - c. 139 Inspection
 - d. PFC Update
 - e. Budget Timeline: Presentation of 6 year ACIP for review
 - f. Personnel Update
 - g. Construction Update
 - h. Marketing and Air Service Update

Closed Session

In accordance with VA Code 2.2-3712 the Airport Authority will convene in closed session for the following purposes:

For discussion and consideration of the performance and salary of the Executive Director, pursuant to VA Code 2.2-3711 (A)(1).

Next Scheduled Meeting: Wednesday, May 18, 10:30 a.m., Airport Conference Room

Adjourn



Charlottesville Albemarle Airport Authority Board Meeting
Wednesday, November 18th, 2015 at 10:30am in the Airport 2nd Floor Conference Room

MINUTES

Call to Order at 10:34am by Bill Kehoe

Members Present: Mr. Maurice Jones, Mr. Bill Kehoe, Mr. Tom Foley

Staff Present: Melinda Crawford; Executive Director, Bill Pahuta; Deputy Director, Penny Shifflett; Director of Finance, Stirling Williams; Director of Landside Operations, Brantley Ussery; Marketing Assistant, Arlene Forrest; Marketing Assistant, Jessie Shupe; Airport Police Chief, Kristin Birdzell; Executive Secretary, Jack Cross; CHO Maintenance, Ronnie Shifflett; Maintenance Supervisor, Connie Cook; HR and Community Outreach

Others Present: Lisa Robertson; Chief Deputy City Attorney, Andrew Gore; Assistant City Attorney, John Whitmer; Landmark Aviation, Bill Eschenfelder; Delta Airport Consultants, Susan Winslow; Delta Airport Consultants; Dean Johnson; Authority Commission, Karen Kehoe; guest accompanying Mr. Kehoe

Awards and Recognitions

* Jack Cross was recognized for his 5-years of service to CHO.

* Mr. Bill Kehoe was presented with a 6-year recognition award for his service as the appointed Joint member of the Authority's Commission and Board.

Consent Agenda

1. Minutes – September 2015
 - a. The September 2015 minutes will be amended to remove Mr. Watts' name and replace it with Mr. Jones'.
2. Financial Statements –September 2015 (Unaudited)
 - a. The Airport is under budget on expenses and over budget on overall revenue.
3. Airport Statistics
 - a. Operations are down, primarily in general aviation and military, however passenger traffic is up approximately 6%. Revenue from rental cars and parking is up as well.
 - b. Mr. Kehoe took emphasized what role the Joint member plays and the importance of appropriate communication between the Airport's Commission and the Board
4. Ratification of Talbert & Bright Work Order
5. Executive Director updated Contract with Amendments

Motion by Mr. Foley to approve Consent Agenda, seconded by Mr. Jones
Unanimous approval by Board

Matters from the Public

Mr. Whitmer is asking for an extension to complete Landmark's hangar to December of 2016.

Action Items

1. Tailwind Lease Amendment
 - a. RECOMMENDATION: Approve Amendment No. 1 to the Tailwind-MC LLC Restaurant/Retail/Vending Concession Agreement.

- b. DISCUSSION: The amendment provided for Tailwind to rent a small space in the baggage make-up area for their water heater and the seating area at their lower level location will be modified.

Motion by Mr. Jones to approve Tailwind's lease amendment, seconded by Mr. Foley
Unanimous approval by Board

2. Amendment of FY16 Operating Budget

- a. RECOMMENDATION: For the Board to approve proposed changes to the FY16 Operating Budget
- b. DISCUSSION: Staff is asking for a position that will assist inside the terminal who will act as an ambassador to CHO and provide support to the Public Safety and maintenance teams

Motion by Mr. Foley to approve FY16 Operating Budget, seconded by Mr. Jones
Unanimous approval by Board

Informational Items

Susan Winslow with Delta Airport Consultants provided a brief presentation outlining the next steps involved in the Runway 3-21 Rehabilitation Project. Delta and staff met with FAA and plans on meeting with the airlines and potential contractors in the near future to determine how the construction will proceed. Bidding for a construction phase of the project will begin in the spring of 2016.

Executive Director's Update

1. Personnel Issues- None
2. Construction Update-
 - a. Terminal Construction Project- Project is on schedule.
 - b. Parking Expansion Project- Project is substantially complete
 - c. Runway/Taxiway Rehab Design- This project remains on schedule. Delta Airport Consultants provided information regarding this matter, as noted above.
 - d. Runway 21 Extension Project- Remains on schedule
3. Food and Beverage Concession Update- The 2nd floor retail space is on schedule to be open in early December 2015
4. PFC Update- PFC Application #22 has been submitted to the FAA and is awaiting approval. This application is in the amount of \$3,009,078 and is for reimbursement of State Entitlements.
5. Board Appointment- Mr. Dean Johnson has been selected by the Charlottesville City Council and approved by the Albemarle Board of Supervisors as the Joint appointed member of the Authority. His term will begin on 12/1/2015, and this will leave his current County position on the Airport Commission open. This position is now being advertised.

Presentations CHO 101--Relationship with the Federal Aviation Association and the Virginia Department of Aviation

Next Meeting Wednesday, January 20, 2015, 10:30 a.m., Airport Conference Room

Adjourn at 12:00pm

Board Chairman

Date Approved

Charlottesville-Albemarle Airport Authority
Financial Statements (unaudited)
As of January 31, 2016

Charlottesville-Albemarle Airport Authority
Profit & Loss Notes
As of January 31, 2016

\$15K and 10% change

Revenues:

Terminal:

- A. Food/Gift Concessions: -- year-to-date revenue = \$34,126 Budgeted = \$10,500
Increased revenue due to success of Tailwind sales.

Expenses:

Parking:

- B. 2014 Debt Service Parking: -- year-to-date expenses = \$38,401 Budgeted = \$0
Interest payments on the debt were not budgeted. This item will be included in the next budget amendment.

Airfield:

- C. Vehicle Expenses:-- year-to-date expenses = \$18,596 Budgeted = \$41,333
Expenses are lower in this category due, in part, to lower fuel prices.

Terminal:

- D. Util – Oil: -- year-to-date expense = \$5,035 Budgeted = \$40,000
Expenses are lower due to lower prices and conservative budgeting.

- E. Maintenance:— year-to-date expenses = \$44,424 Budgeted = \$23,506
Expenses are higher due to unforeseen items that needed to be addressed.

- F. Elevator Escalator Maintenance: -- year-to-date expenses = \$43,846 Budgeted = \$22,904
Expenses are higher due to repairs on elevators and escalators exceeding budgeted costs. These systems are aged and are in the capital plan to be refurbished.

Administrative:

- G. Computer Expense: -- year-to-date expenses = \$28,240 Budgeted = \$45,685

Expenses are lower at this time, but the timing of expenses in this category varies with need.

- H. Advertising and Promotions: -- year-to-date expenses = \$128,679 Budgeted = \$157,746
Expenses are under budget at this time, but the timing of expenses in this category varies throughout the year depending on marketing strategy.
- I. Air Service Development: -- year-to-date expenses = \$4,540 Budgeted = \$23,300
Expenses are under budget at this time, but the timing of expenses in this category varies throughout the year depending on Airline meeting scheduling.

Net Income

January year-to-date net income before other income = \$373,852.

Charlottesville Albemarle Airport Authority
Profit & Loss Statement
 For the Seven Months Ending Sunday, January 31, 2016

Variances
\$ 15,000 and 10%

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Parking Revenues								
Parking Revenue	\$235,551.00	\$235,561.00	(\$10.00)	0.00%	\$1,762,296.00	\$1,849,623.00	\$112,673.00	6.83%
Tenant Parking	6,200.00	6,000.00	200.00	3.33%	43,000.00	42,000.00	1,000.00	2.38%
Miscellaneous Fees	50.00	50.00	0.00	0.00%	180.00	350.00	(170.00)	-48.57%
Crew Base	360.00	360.00	0.00	0.00%	2,295.00	2,520.00	(225.00)	-8.93%
Total Parking Revenue	\$242,161.00	\$241,971.00	\$190.00	0.08%	\$1,807,771.00	\$1,694,493.00	\$113,278.00	6.69%
Airfield Revenues								
Airline Landing Revenue	52,587.60	44,383.00	8,204.60	18.49%	329,069.91	310,681.00	18,388.91	5.92%
Charter Revenue	1,833.60	1,075.00	758.60	70.57%	13,270.00	7,525.00	5,745.00	76.35%
A/W Flowage	0.00	0.00	0.00	0.00%	5,279.61	3,000.00	2,279.61	75.99%
FBO Revenue	31,934.22	36,557.50	(4,623.28)	-12.65%	253,245.75	255,902.50	(2,656.75)	-1.04%
Ground Rent	5,994.97	7,482.00	(1,487.03)	-19.87%	58,969.76	52,374.00	6,595.76	12.59%
Misc. Revenue	5,707.50	375.00	5,332.50	1422.00%	7,395.00	2,625.00	4,770.00	181.71%
Security Access Control Revenue	912.00	450.00	462.00	102.67%	8,955.00	3,150.00	5,805.00	184.29%
State Maintenance Airfield	0.00	0.00	0.00	0.00%	62,748.00	65,000.00	(2,252.00)	-3.46%
Total Airfield Revenue	\$98,969.89	\$90,322.50	\$8,647.39	9.57%	\$738,933.03	\$700,257.50	\$38,675.53	5.52%
Terminal Revenues								
Airline Rent	21,589.79	21,589.00	0.79	0.00%	151,128.84	151,123.00	5.84	0.00%
Advertising	5,346.19	4,000.00	1,346.19	33.65%	33,763.45	28,000.00	5,763.45	20.58%
Rental Car Revenue	63,333.17	63,839.67	(506.50)	-0.79%	443,332.19	446,877.69	(3,545.50)	-0.79%
Misc. Concession Rev.	0.00	0.00	0.00	0.00%	0.00	2,000.00	(2,000.00)	-100.00%
Ground Transportation Fees	0.00	2,000.00	0.00	0.00%	14,000.00	14,000.00	0.00	0.00%
Rental Car QTA Land Lease	4,455.00	4,455.00	0.00	0.00%	31,185.00	31,185.00	0.00	0.00%
ATM Concession	623.00	508.33	114.67	22.56%	4,361.00	3,558.31	802.69	22.56%
Food/Gift Concessions	4,045.67	1,500.00	2,545.67	169.71%	34,125.63	10,500.00	23,625.63	225.01%
Maint. Work Order Revenue	0.00	0.00	0.00	0.00%	107.20	0.00	107.20	0.00%
State Debt Service Reimb.	25,000.00	0.00	25,000.00	0.00%	25,000.00	25,000.00	0.00	0.00%
State Maintenance Terminal	0.00	0.00	0.00	0.00%	6,400.00	6,400.00	0.00	-100.00%
TSA Lease	2,771.61	2,774.00	(2.39)	-0.09%	19,401.27	19,418.00	(16.73)	-0.09%
FAA Service Fee/Rent	3,632.01	3,793.00	(160.99)	-4.24%	25,424.07	26,088.00	(663.93)	-2.47%
Total Terminal Revenue	\$132,796.44	\$104,459.00	\$28,337.44	27.13%	\$781,828.65	\$764,130.00	\$17,698.65	2.32%
Administrative Revenues								
Interest Income	802.76	667.00	135.76	20.35%	4,543.31	4,669.00	(125.69)	-2.69%
Miscellaneous Income	(35.01)	500.00	(535.01)	-107.00%	8,890.57	500.00	8,390.57	1678.11%
State Promotion Reimb.	0.00	0.00	0.00	0.00%	0.00	11,000.00	(11,000.00)	-100.00%
Air Service Development	4,000.00	4,000.00	0.00	0.00%	4,000.00	16,000.00	(12,000.00)	-75.00%
QTA Staff Reimbursement	1,446.00	1,446.00	0.00	0.00%	10,122.00	10,122.00	0.00	0.00%
Total Administrative Revenue	\$6,213.75	\$6,613.00	(\$399.25)	-6.04%	\$27,555.88	\$42,291.00	(\$14,735.12)	-34.84%
Total Revenues	\$480,141.08	\$443,365.50	\$36,775.58	8.29%	\$3,356,088.56	\$3,201,171.50	\$154,917.06	4.84%

Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Parking Expenses								
Wages	24,772.38	24,898.00	(125.62)	-0.50%	170,853.35	186,543.00	(15,689.65)	-8.41%
Overtime - Parking	5,120.47	4,000.00	1,120.47	28.01%	21,900.34	15,100.00	6,800.34	45.04%
Payroll Taxes	2,157.19	2,240.00	(82.81)	-3.70%	13,803.20	15,607.00	(1,803.80)	-11.56%
Retirement	2,158.07	2,377.00	(218.93)	-9.21%	14,964.51	16,639.00	(1,674.49)	-10.06%
Health Ins./Supp.	4,810.00	5,222.00	(412.00)	-7.89%	33,258.00	36,554.00	(3,296.00)	-9.02%
Long Term Disability	29.25	41.00	(11.75)	-28.66%	207.38	308.00	(100.62)	-32.67%
Life Insurance	283.46	312.17	(28.71)	-9.20%	1,965.63	2,185.19	(219.56)	-10.05%
Util - Parking Lights	376.26	375.00	1.26	0.34%	2,619.06	2,625.00	(5.94)	-0.23%
Util - Telephone	1,406.72	803.33	603.39	75.11%	6,419.82	5,623.31	796.51	14.16%
Util - Water	22.83	26.00	(3.17)	-12.19%	224.63	182.00	42.63	23.42%
Insurance Expense	604.82	604.83	(0.01)	0.00%	4,233.74	4,233.81	(0.07)	0.00%
Snow Removal	937.83	2,866.67	(1,928.84)	-67.29%	2,311.02	5,733.34	(3,422.32)	-59.69%
Parking Lot Lighting	0.00	498.00	(498.00)	-100.00%	4,461.79	3,486.00	975.79	27.99%
Parking Grounds Maintenance	3,750.00	5,333.00	(1,583.00)	-29.68%	42,477.64	37,331.00	5,146.64	13.79%
Parking Pavement/Booths/Steps	440.71	145.00	295.71	203.94%	14,864.87	10,740.00	4,124.87	38.41%
Parking Equip. Maintenance	4,047.20	1,705.00	2,342.20	137.37%	18,521.08	11,930.00	6,591.08	55.25%
Supplies	732.00	587.00	145.00	24.70%	6,203.44	4,109.00	2,094.44	50.97%
Parking - Signage & Traffic Control	0.00	0.00	0.00	0.00%	4,596.00	2,000.00	2,596.00	129.80%
Payroll Processing Fees	87.13	98.00	(10.87)	-11.09%	620.61	686.00	(65.39)	-9.53%
Uniforms	0.00	0.00	0.00	0.00%	0.00	3,000.00	(3,000.00)	-100.00%
Dues & Subs	35.00	345.00	(310.00)	-89.86%	310.00	345.00	(35.00)	-10.14%
Credit Card Discount	10,295.51	9,500.00	795.51	8.37%	77,552.77	66,500.00	11,052.77	16.62%
Over & Short	0.00	10.00	(10.00)	-100.00%	58.00	70.00	(12.00)	-17.14%
Bad Debt Expense	0.00	0.00	0.00	0.00%	0.00	100.00	(100.00)	-100.00%
2004 Debt Service Parking	10,544.30	10,968.00	(423.70)	-3.86%	107,109.20	108,802.00	(1,692.80)	-1.56%
2014 Debt Service Parking	10,431.55	0.00	10,431.55	0.00%	38,400.95	0.00	38,400.95	0.00%
Total Parking Expenses	\$83,042.68	\$72,955.00	\$10,087.68	13.83%	\$587,937.03	\$540,432.65	\$47,504.38	8.79%

(2)

Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget/Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget/Amount	(Under) Over Budget	Percentage
Airfield Expenses								
Wages	32,534.30	36,196.00	(3,661.70)	-10.12%	249,124.78	270,888.00	(21,763.22)	-8.03%
Overtime - Airfield	6,214.62	5,000.00	1,214.62	24.29%	23,907.33	28,000.00	(4,092.67)	-14.62%
Payroll Taxes	2,808.92	3,178.00	(369.08)	-11.61%	19,765.68	23,052.00	(3,286.32)	-14.26%
Retirement	3,309.03	3,548.00	(238.97)	-6.74%	23,153.25	24,836.00	(1,682.75)	-6.78%
Health Ins./Supp.	5,423.00	5,957.50	(534.50)	-8.97%	38,061.50	41,702.50	(3,641.00)	-8.73%
Long Term Disability	20.22	55.00	(34.78)	-63.24%	136.27	395.00	(258.73)	-65.50%
Life Insurance	435.68	466.08	(30.40)	-6.52%	3,042.29	3,262.56	(220.27)	-6.75%
Contractual Services	0.00	0.00	0.00	0.00%	565.65	0.00	565.65	0.00%
Util - Electric	2,837.27	2,250.00	587.27	26.10%	15,509.39	15,750.00	(240.61)	-1.53%
Util - Propane	947.94	1,900.00	(952.06)	-50.11%	2,208.04	4,300.00	(2,091.96)	-48.65%
Util - Telephone	1,036.95	563.00	473.95	84.18%	4,455.77	3,941.00	514.77	13.06%
Util - Water	17.89	20.00	(2.11)	-10.55%	130.43	140.00	(9.57)	-6.84%
Insurance Expense	2,468.31	2,468.33	(0.02)	0.00%	17,278.17	17,278.31	(0.14)	0.00%
Snow Removal	1,521.65	655.00	866.65	132.31%	1,521.65	3,911.00	(2,389.35)	-61.09%
Airfield Lighting Maintenance	436.74	860.00	(423.26)	-49.22%	4,517.29	6,020.00	(1,502.71)	-24.96%
Maint. Airfield Equipment	7,522.17	4,298.33	3,223.84	75.00%	45,079.56	30,088.31	14,991.25	49.82%
Maint. Equipment Purchase	472.90	333.00	139.90	42.01%	1,912.23	2,335.00	(422.77)	-18.11%
Maintenance	78.98	0.00	78.98	0.00%	3,169.77	4,553.00	(1,383.23)	-30.38%
State Maintenance	0.00	0.00	0.00	0.00%	78,435.00	75,000.00	3,435.00	4.58%
Vehicle Expense Gas and Oil	5,049.72	5,904.67	(854.95)	-14.48%	18,596.24	41,332.69	(22,736.45)	-55.01%
Hazmat Materials	0.00	0.00	0.00	0.00%	0.00	2,000.00	(2,000.00)	-100.00%
ARFF Equipment	4,731.50	2,065.00	2,666.50	129.13%	17,253.61	14,455.00	2,798.61	19.36%
ARFF Training Supplies	0.00	1,087.00	(1,087.00)	-100.00%	1,394.69	7,609.00	(6,214.31)	-81.67%
Uniforms - Maintenance	224.23	668.00	(443.77)	-66.43%	6,049.71	4,676.00	1,373.71	29.38%
Environmental Compliance	0.00	658.00	(658.00)	-100.00%	17,305.42	4,606.00	12,699.42	275.71%
Emergency Exercises	0.00	0.00	0.00	0.00%	0.00	2,350.00	(2,350.00)	-100.00%
Payroll Processing Fees	87.12	0.00	87.12	0.00%	620.58	1,176.00	(555.42)	-47.23%
Travel	0.00	783.00	(783.00)	-100.00%	0.00	5,481.00	(5,481.00)	-100.00%
Education	0.00	442.00	(442.00)	-100.00%	3,564.44	3,094.00	470.44	15.20%
Dues & Subs	0.00	0.00	0.00	0.00%	2,600.00	1,750.00	850.00	48.57%
800 MHZ Supplies & Mtnc.	0.00	4,777.00	(4,777.00)	-100.00%	9,554.00	14,331.00	(4,777.00)	-33.33%
Security Access Control	318.59	372.00	(53.41)	-14.36%	3,953.63	17,604.00	(13,650.37)	-77.54%
Security Background Processing	0.00	1,700.00	(1,700.00)	-100.00%	3,900.00	5,100.00	(1,200.00)	-23.53%
Total Airfield Expenses	\$78,497.73	\$86,204.91	(\$7,707.18)	-8.94%	\$616,766.37	\$681,017.37	(\$64,251.00)	-9.43%

Charlotteville Albemarle Airport Authority
Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Terminal Expenses								
Wages	35,096.78	41,358.00	(6,261.22)	-15.14%	273,624.01	303,006.00	(29,381.99)	-9.70%
Overtime - Terminal	6,579.18	5,000.00	1,579.18	31.58%	24,309.43	28,000.00	(3,690.57)	-13.18%
Payroll Taxes	3,014.68	3,582.00	(567.32)	-15.84%	21,172.59	25,572.00	(4,399.41)	-17.20%
Retirement	3,472.95	3,712.17	(239.22)	-6.44%	24,300.63	25,985.19	(1,684.56)	-6.48%
Health Ins./Supp.	6,123.00	6,594.50	(471.50)	-7.15%	42,898.50	46,161.50	(3,263.00)	-7.07%
Long Term Disability	20.22	57.08	(36.86)	-64.58%	136.26	399.56	(263.30)	-65.90%
Life Insurance	457.21	487.58	(30.37)	-6.23%	3,192.97	3,413.06	(220.09)	-6.45%
Util - Electric	12,274.85	13,750.00	(1,475.15)	-10.73%	90,576.91	96,250.00	(5,673.09)	-5.89%
Util - Propane	289.61	1,500.00	(1,210.39)	-80.69%	735.34	3,700.00	(2,964.66)	-80.13%
Util - Oil	0.00	20,000.00	(20,000.00)	-100.00%	5,035.00	40,000.00	(34,965.00)	-87.41%
Util - Telephone	1,267.08	797.00	470.08	58.98%	6,060.38	5,579.00	481.38	8.63%
Util - Water	1,381.20	3,500.00	(2,118.80)	-60.54%	23,201.43	24,500.00	(1,298.57)	-5.30%
Util - Disposal	2,683.04	1,429.25	1,253.79	87.72%	16,364.63	10,004.75	6,359.88	63.57%
Insurance Expense	2,391.36	2,477.08	(85.72)	-3.46%	16,739.52	17,339.56	(600.04)	-3.46%
Maint. Equipment Purchase	0.00	0.00	0.00	0.00%	0.00	600.00	(600.00)	-100.00%
Maintenance	2,582.42	3,358.00	(775.58)	-23.10%	44,482.55	23,506.00	20,976.55	89.24%
HVAC Maintenance	5,080.83	5,430.00	(349.17)	-6.43%	52,843.65	38,010.00	14,833.65	39.03%
Baggage Claim Maint.	606.16	983.33	(377.17)	-38.36%	1,349.98	6,883.31	(5,533.33)	-80.39%
Elevator Escalator Maintenance	9,382.82	3,272.00	6,110.82	186.76%	43,845.72	22,904.00	20,941.72	91.43%
Fids Maintenance	0.00	334.00	(334.00)	-100.00%	0.00	2,335.00	(2,335.00)	-100.00%
Relamp	0.00	959.00	(959.00)	-100.00%	3,431.82	6,713.00	(3,281.18)	-48.88%
Welding Fabrication	0.00	200.00	(200.00)	-100.00%	547.20	1,400.00	(852.80)	-60.91%
Janitorial Contract	12,483.58	12,661.42	(177.84)	-1.40%	87,460.06	88,629.94	(1,169.88)	-1.32%
Terminal Signage	364.25	833.00	(468.75)	-56.27%	9,496.82	5,831.00	3,665.82	62.87%
Terminal Paging System	0.00	208.00	(208.00)	-100.00%	0.00	1,456.00	(1,456.00)	-100.00%
Terminal Landscaping	2,230.00	1,180.00	1,050.00	88.98%	4,330.00	8,000.00	(3,670.00)	-45.88%
OSHA Compliance	403.34	950.00	(546.66)	-57.54%	5,816.77	6,700.00	(883.23)	-13.18%
Janitorial Supplies	350.28	2,163.58	(1,813.30)	-83.81%	8,835.52	15,145.06	(6,309.54)	-41.66%
Payroll Processing Fees	87.12	98.00	(10.88)	-11.10%	620.58	686.00	(65.42)	-9.54%
Travel - Public Safety	0.00	987.00	(987.00)	-100.00%	2,363.14	6,909.00	(4,545.86)	-65.80%
Travel - Operations	0.00	0.00	0.00	0.00%	829.72	650.00	179.72	27.65%
Education - Public Safety	0.00	1,491.00	(1,491.00)	-100.00%	10,469.89	10,437.00	32.89	0.32%
Education - Operations	0.00	0.00	0.00	0.00%	0.00	1,100.00	(1,100.00)	-100.00%
Dues & Subs	35.00	255.00	(220.00)	-86.27%	2,118.50	1,785.00	333.50	18.68%
Emergency Communications	1,533.68	2,466.67	(932.99)	-37.82%	8,684.02	17,266.69	(8,582.67)	-49.71%
Uniforms - Public Safety	722.75	400.00	322.75	80.69%	3,423.74	2,800.00	623.74	22.28%
Uniforms - CSO	0.00	625.00	(625.00)	-100.00%	818.93	4,375.00	(3,556.07)	-81.28%
Safety	0.00	362.00	(362.00)	-100.00%	9,807.54	2,534.00	7,273.54	287.04%
VCIN Expenses	0.00	158.00	(158.00)	-100.00%	(60.61)	1,151.00	(1,211.61)	-105.27%
First Aid Supplies	0.00	733.00	(733.00)	-100.00%	2,879.32	5,131.00	(2,251.68)	-43.88%
Towing Expense	0.00	0.00	0.00	0.00%	0.00	700.00	(700.00)	-100.00%
State Maintenance	0.00	0.00	0.00	0.00%	0.00	8,000.00	(8,000.00)	-100.00%
2004 Debt Service - Terminal	39,666.63	41,259.00	(1,592.37)	-3.86%	282,443.22	288,813.00	(6,369.78)	-2.21%

2016 Profit and Loss
Profit and Loss Statement

Charlotteville Albemarle Airport Authority
Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Total Terminal Expenses	\$150,580.02	\$185,611.66	(\$35,031.64)	-18.87%	\$1,135,185.68	\$1,210,361.62	(\$75,175.94)	-6.21%

Charlottesville Albemarle Airport Authority
Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Administrative Expenses								
Wages	36,525.60	37,768.00	(1,242.40)	-3.29%	275,216.59	283,261.00	(8,044.41)	-2.84%
Overtime - Admin	2,115.15	200.00	1,915.15	957.58%	7,801.68	3,400.00	4,401.68	129.46%
Payroll Taxes	2,880.61	2,932.00	(51.39)	-1.75%	17,898.88	22,118.00	(4,219.12)	-19.08%
Retirement	3,490.29	3,721.42	(231.13)	-6.21%	24,432.12	26,049.94	(1,617.82)	-6.21%
Health Ins./Supp.	2,668.00	2,445.00	223.00	9.12%	18,453.00	17,115.00	1,338.00	7.82%
Life Insurance	458.44	455.92	2.52	0.55%	3,209.23	3,191.44	17.79	0.56%
Util - Telephone	1,411.85	1,297.00	114.85	8.86%	8,956.84	9,079.00	(122.16)	-1.35%
Insurance Expense	1,888.93	1,950.50	(61.57)	-3.16%	18,853.51	13,653.50	5,200.01	38.09%
Office Supplies	471.04	792.00	(320.96)	-40.53%	4,517.36	5,544.00	(1,026.64)	-18.52%
Office Expenses	3,142.08	1,378.00	1,764.08	128.02%	12,618.94	9,646.00	2,972.94	30.82%
Payroll Processing Fees	87.13	98.00	(10.87)	-11.09%	620.61	686.00	(65.39)	-9.53%
Travel-Admin & Marketing	0.00	1,250.00	(1,250.00)	-100.00%	21,850.38	10,250.38	11,600.00	113.17%
Education	0.00	500.00	(500.00)	-100.00%	1,435.50	3,500.00	(2,064.50)	-58.99%
Computer Expense	5,400.99	2,900.00	2,500.99	86.24%	28,240.44	45,685.00	(17,444.56)	-38.18%
Equipment Lease	265.42	464.00	(198.58)	-42.80%	2,671.30	3,248.00	(576.70)	-17.76%
Dues & Subs-Admin & Marketing	865.00	1,003.25	(138.25)	-13.78%	7,912.38	7,022.75	889.63	12.67%
Banking Fees	274.14	0.00	274.14	0.00%	1,631.01	300.00	1,331.01	443.67%
Service Fees	100.27	0.00	100.27	0.00%	477.28	0.00	477.28	0.00%
Human Resources	308.47	1,422.00	(1,112.53)	-78.24%	8,362.51	9,954.00	(1,591.49)	-15.99%
Meeting Expense	0.00	258.00	(258.00)	-100.00%	2,099.92	1,806.00	293.92	16.27%
Postage	0.00	0.00	0.00	0.00%	1,041.98	1,125.00	(83.02)	-7.38%
Shipping	62.16	200.00	(137.84)	-68.92%	1,301.63	1,400.00	(98.37)	-7.03%
Miscellaneous Expenses	0.00	0.00	0.00	0.00%	58.70	0.00	58.70	0.00%
Professional Fees	0.00	9,166.67	(9,166.67)	-100.00%	26,858.89	36,666.68	(9,807.79)	-26.75%
Advertising & Promotions	18,834.96	8,158.00	10,676.96	130.88%	128,678.99	157,746.00	(29,067.01)	-18.43%
Special Events	0.00	1,315.00	(1,315.00)	-100.00%	12,607.73	9,205.00	3,402.73	36.97%
Air Service Development	2,407.11	5,400.00	(2,992.89)	-55.42%	4,539.75	23,300.00	(18,760.25)	-80.52%
Total Admin. Expenses	\$83,658.64	\$85,074.76	(\$1,416.12)	-1.66%	\$642,347.15	\$704,952.31	(\$62,605.16)	-8.88%
Total Operating Expenses	\$395,779.07	\$429,846.33	(\$34,067.26)	-7.93%	\$2,982,236.23	\$3,136,763.95	(\$154,527.72)	-4.93%
Net Inc. Bef. Other Income	84,362.01	13,519.17	70,842.84	524.02%	373,852.33	64,407.55	309,444.78	480.45%
Other Income:								
Insurance Proceeds	(11,505.88)	0.00	(11,505.88)	0.00%	4,143.14	0.00	4,143.14	0.00%
Coverage Fund	14,916.67	14,916.67	0.00	0.00%	104,416.69	104,416.69	0.00	0.00%
Net Inc. Aft. Other Income	\$87,772.80	\$28,435.84	\$59,336.96	208.67%	\$482,412.16	\$168,824.24	\$313,587.92	185.75%
Other Expense:								
Depreciation & Amort.								
2016 Profit and Loss								
Profit and Loss Statement								

(G)

(H)

(I)

Profit & Loss Statement
For the Seven Months Ending Sunday, January 31, 2016

	Current Period Amount	Current Period Budget Amount	(Under) Over Budget	Percentage	Y-T-D Amount	Y-T-D Budget Amount	(Under) Over Budget	Percentage
Deprec. & Amort.	\$0.00	\$0.00	\$0.00	0.00%	\$682,803.77	\$0.00	\$682,803.77	0.00%
Net Inc. (Loss) After D & A	\$87,772.80	\$28,435.84	\$59,336.96	208.67%	(\$200,391.61)	\$188,824.24	(\$369,215.85)	-218.70%



Operating Statistics-Fiscal Year 2016

	January		FYTD		FY		Calendar Year									
	2016	2015	2016	2015	2015		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Aircraft Operations																
<i>Intercont:</i>																
<i>Local:</i>																
<i>Air Carrier/Taxi</i>	1,517	1,597	-5%	11,120	12,078	-8%	20,214	17,382	17,493	18,615	19,412	20,675	23,640	21,394	20,756	21,262
<i>General Aviation</i>	1743	2,224	-22%	13,319	18,093	-26%	30,785	31,024	33,561	38,394	41,394	39,288	39,886	33,918	31,074	29,207
<i>Military</i>	119	185	-36%	959	1,194	-20%	1,881	2,034	2,297	1,754	1,984	1,831	1,773	1,378	1,235	1,780
<i>General Aviation</i>	959	1,911	-50%	7,785	12,812	-39%	20,040	18,809	20,524	20,486	17,294	18,075	20,013	17,584	14,711	13,474
<i>Military</i>	212	266	-20%	1,556	2,514	-38%	4,147	3,457	4,063	3,118	3,087	3,354	2,916	2,032	1,877	2,290
Total Operations	4,550	6,183	-26%	34,739	46,691	-26%	77,067	72,706	77,738	82,367	83,171	83,223	88,228	76,306	69,653	68,013
Enplaned Passengers	19,478	19,037	2%	165,266	151,721	9%	238,398	227,874	232,571	215,869	196,060	177,659	168,966	185,689	185,182	196,242
Deplaned Passengers	20,489	19,882	3%	164,982	150,757	9%	232,164	226,294	231,466	213,692	195,867	177,160	168,971	182,344	181,819	194,370
Enplaned Load Factor	83%	74%	12%	84%	81%	4%	78%	76%	74.82%	72%	69%	65%	56%	59%	56%	54%
Available Seats	23,526	25,747	-9%	196,497	187,968	5%	307,522	299,226	310,789	299,182	286,136	294,076	299,343	314,081	333,417	362,662
Parking Revenue	235,505	235,875	0%	1,765,247	1,652,113	7%	2,604,747	2,134,028	2,193,373	2,003,507	1,700,145	1,478,901	1,507,761	1,653,472	1,571,506	1,523,122
FBO Fuel Gallons Pumped																
<i>GA -100LL</i>	3,127	2,249	39%	32,899	29,987	10%	56,862	55,862	60,275	62,519	69,178	71,860	79,189	93,676	99,679	97,217
<i>GA/Corporate Jet-A</i>	64,319	66,864	-4%	571,312	593,623	-4%	1,008,861	969,930	969,423	942,165	911,363	833,494	1,047,298	1,160,810	1,085,976	1,051,496
<i>Military Jet-A</i>	2,554	13,031	-82%	27,132	44,356	-39%	63,084	72,238	86,510	53,611	73,901	67,114	71,542	56,538	39,571	43,844
<i>Airline</i>	161,105	164,386	-2%	1,335,190	1,240,205	8%	1,982,735	1,843,362	1,745,200	1,639,075	1,491,980	1,456,843	1,608,562	1,594,701	1,499,164	1,744,562
Total Fuel	230,905	246,530	-6%	1,966,533	1,908,171	3%	3,111,542	2,941,392	2,861,408	2,697,370	2,546,422	2,420,311	2,806,991	2,905,725	2,724,390	2,937,119
<i>Tailwinds, LLC</i>	83,346	0	0%	522,877	0	0%	0	0	0	0	0	0	0	0	0	0
The Market	0	56,995	0%	0	466,767	0%	767,875	669,869	670,989	638,226	561,104	502,703	375,378	442,741	451,162	N/A
Rental Car Revenue*	543,206	481,322	13%	4,948,060	4,622,014	7%	7,288,497	6,880,432	7,019,797	6,048,867	5,281,662	4,613,199	4,827,224	5,656,817	5,378,543	4,902,979

Note: The Market ceased operation at end of FY15, and Tailwinds, LLC, began operations in mid August 2015

*Concessionable revenue-not gross



TO: Members of the Charlottesville Albemarle Airport Authority

FROM: Melinda C. Crawford, Executive Director

DATE: March 16, 2016

SUBJECT: **Action Item #1** – Annual Election of Chairman, Vice-Chairman, and Secretary/Treasurer

RECOMMENDATION: Elect a Chairman, Vice-Chairman and a Secretary/Treasurer in accordance with the Authority's enabling legislation.

BACKGROUND: Chapter 864 of the Acts of Assembly of 2003 § 6 states "The Authority shall annually elect one of its members to serve as chairman, and another member to serve as vice chairman." Historically the Commission also performs this same appointment for consistency.

The same section also states, "The Authority shall also elect annually a secretary/treasurer, who may or may not be a member of the Authority."



TO: Members of the Charlottesville Albemarle Airport Authority

FROM: Melinda C. Crawford, Executive Director

DATE: March 16, 2016

SUBJECT: **Action Item #2:** Annual Audit (a. FY-15 Comprehensive Annual Financial Report, b.) Audit Services Contract Option, (c Appoint a Commissioner to the Audit Committee, (d. Resolution Establishing 2016 Membership of the Audit Committee

RECOMMENDATION: For the Board to 1) Accept the FY-2015 Comprehensive Annual Financial Report as presented; 2) Approve the 4th annual renewal option, per the Audit Committee's recommendation, of the contract with Robinson, Farmer & Cox Associates to perform the FY16 audit, 4) Appoint a setting Commission member to the Audit Committee; and 5) approve the Resolution Establishing 2016 Membership of the Audit Committee

BACKGROUND: As noted within the transmittal letter on page one of the attached FY-2015 Comprehensive Annual Financial Report; this report has been published in accordance with the requirements of the enabling legislation as well as the master bond indenture of trust which governs the issuance of indebtedness by the Authority. Moreover, it was prepared in accordance with generally accepted accounting principles (GAAP) and the financial audit was performed by a firm of licensed certified public accountants.

The goal of the independent audit is to provide reasonable assurance that the Authority's financial statements for the year ended June 30, 2015 are free of material misstatement. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion and that the Authority's financial statements for the year ended June 30, 2015 are in conformity with GAAP. The auditors have provided comments and recommendations associated with three items. Their comments and recommendations are noted in the attached management letter and "intended to improve the internal control structure or result in other operating efficiencies". Staff concurs with each of the auditors' recommendations and will do the following:

- Write-off projects as soon as they have been deemed unviable.
- Capitalize projects when they are substantially complete rather than waiting to the related grants have been closed-out.
- Work with the Authority's payroll provider to ensure that all pre-tax deductions are properly classified.
- The Finance Director will review and approve the payroll reconciliation process on a monthly basis.
- The Finance Director has registered for an upcoming Virginia Government Finance Officers' Association conference and will continue to take advantage of future professional development conferences that are presented by this organization.

Following a Request for Qualifications (RFQ) process, the Authority entered into a contract for auditing services with Robison, Farmer & Cox Associates in 2012. The term of this contract was for one year with four annual renewal options. This is the 4th and final option associated with this contract, and staff, under the direction of the Audit Committee, will begin the RFQ process for the Authority's auditing services in January or February 2017.

The minutes of the Audit Committee's February 18, 2016 meeting are attached for review which confirms the Committee's acceptance of the FY15 CAFR and their support of the renewal of the auditing firm's fourth contract option. The engagement letter for the FY16 audit will be brought to the Authority in the June 2016 timeframe for consideration.

Attached is a proposed resolution establishing the 2016 membership of the Audit Committee. In order to comply with the guidelines of the Audit Committee, the Board is being asked to appoint one of the Commissioners to fill the vacancy created when Mr. Johnson resigned as the Authority's Joint Appointee on January 11, 2016. At their January 2016 meeting, the Commission discussed this vacant position. They have asked staff to present the nomination of Commissioner Schiller for this position to the Board for consideration. Commissioner Schiller has indicated an interest in the position and a willingness to serve if appointed by the Board.

PRIOR ACTION: N/A

FUNDING: N/A

FINANCIAL IMPACT: N/A

ATTACHMENTS: Attachment #1 - FY-2015 Comprehensive Annual Financial Report
Attachment #2 –Audit Management Letter FY 2015
Attachment #3 –Audit Governance Letter Dated 1/25/16
Attachment #4 - Audit Committee Minutes February 2016
Attachment #5 - Proposed Resolution Establishing the 2016 Membership of the Audit Committee

PRESENTATION: N/A

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Date: January 25, 2016

MEMORANDUM TO: Charlottesville-Albemarle Airport Authority
FROM: Robinson, Farmer, Cox Associates
REGARDING: FY 14-15 Audit

In planning and performing our audit of the financial statements of Charlottesville-Albemarle Airport Authority for the year ended June 30, 2015, we considered the Authority's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report dated January 25, 2016, on the financial statements of Charlottesville-Albemarle Airport Authority. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Capital Assets and Project Activity

The Authority's Runway 21 project was a unique multi-phase project that spanned several years with a substantial completion date in August 2014. However, detailed analysis of the project discovered that part of the runway became operational in the prior fiscal year, requiring a restatement of beginning balances. In addition, a CIP project scrapped during the year was recorded as a capital asset addition instead of written off.

Throughout the year and in the year-end closeout process, capital asset activity should be reviewed in detail to determine the status of projects and the likelihood of project completion. The focus has been on whether a project has been closed by grant agencies versus whether an asset has been completed and is in use or operational. As assets become operational, they should be removed from CIP and placed in service and depreciated. It was determined that earlier phases of the Runway 21 project were fully operational prior to June 30, 2015 and the appropriate adjustments were made to capitalize them even though the grants have not been formally closed by the FAA. Projects that are stopped prior to completion should be written off as was done with the SRE design costs in fiscal year 2015.

Payroll Related Items

Due to a change at the State level, new employees with no previous Virginia Retirement System (VRS) service are part of the Hybrid plan. The hybrid plan allows retirement contributions to ICMA-RC, which should be deducted pre-tax. However, the Authority is not currently reporting these contributions as pre-tax. Conversely, VRS buybacks should not be pre-tax for Medicare wages.

In fiscal year 2015, certain payroll duties were transitioned from the Human Resources Coordinator to Finance personnel. The monthly payroll reconciliation form is initialed by the Accounting Technician to show the posting date after it is processed, but there is no formal approval by the Finance Director. We recommend the Finance Director also initial the reconciliation form to document her review and approval. Reconciliation procedures should include reconciling VNav to the general ledger and payroll reports on a monthly basis.

Technical Matters

A new governmental accounting standard, GASB 68, became effective in fiscal year 2015. Information to record the new liability and related items were provided by VRS. We assisted management in recording these adjustments in fiscal year 2015 using the actuarial valuation and examples provided by VRS. In 2016, new single audit requirements are effective. We recommend the Finance Director consider obtaining continuing professional education or attending governmental reporting conferences in the future to keep apprised of changes in governmental accounting standards.

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Communication with Those Charged with Governance

To the Honorable Members of the
Charlottesville-Albemarle Airport Authority

We have audited the financial statements of Charlottesville-Albemarle Airport Authority for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 30, 2015. Professional standards also require that we communicate to you the following information related to our audit.

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 Charlottesville-Albemarle Airport Authority are described in Note 2 to the financial statements. As described in Note 14 to the financial statements, Charlottesville-Albemarle Airport Authority changed accounting policies related to pensions by adopting Statement of Governmental Accounting Standards (GASB Statement) Nos. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Accordingly, the net pension liability and related information were reported on the statement of net position along with a more comprehensive measure of pension expense and enhanced note disclosures and required supplementary information. We noted no transactions entered into by Charlottesville-Albemarle Airport Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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 useful lives of capital assets used to calculate depreciation and pension related items.

Management's estimate of useful lives and related depreciation is based on established guidelines and experience. Pension related items were calculated by an actuary hired by the State retirement system. We evaluated the key factors and assumptions used to develop depreciation expense and pension related items in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

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 clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The adjustments for GASB 68 implementation and capitalization of Runway 21 were material to the financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' 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 January 25, 2016.

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 Charlottesville-Albemarle Airport Authority'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 Charlottesville-Albemarle Airport Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the schedule related to pension funding, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Other Matters: (Continued)

We were engaged to report on the schedule of administrative expenses, reconciliation of the statement of revenues, expenses, and changes in net position to the year-end profit and loss statement, the schedule of expenditures of federal awards, and the schedule of Passenger Facility Charges collected and expended and interest credited, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section or statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Authority Board, audit committee, and management of Charlottesville-Albemarle Airport Authority and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Fawcett, Cox Associates

Charlottesville, Virginia

January 25, 2016



Audit Committee Meeting
Charlottesville-Albemarle Airport Authority
Thursday, February 18th, 2016 at 2:00pm in the Lenhart Pettit Conference Room
530 East Main St., Charlottesville, VA 22902.

MINUTES

Call to Order at 2:10pm

Present: **Audit Committee**
 Donald Long-Chairperson
 Betty Burrell
 Chris Cullinan
 Susan Perry Williams
 Robinson, Farmer, Cox Associates
 Kristen Choate
 CHO
 Melinda Crawford
 Penny Shifflett

The CHO Audit Committee meeting was convened at 2:10pm. Four members of the Committee were present and therefore based on Section III of the adopted resolution of March 21, 2012 a quorum was present. The first order of business was to elect a Chairperson. A motion was made and seconded to elect Donald Long as the Chairperson for the FY 2016 cycle. The Committee voted 4-0 in the affirmative to elect Mr. Long as Chairperson.

Ms. Choate presented the results of the FY 2015 audit. Based on the testing conducted by Robinson, Farmer, Cox Associates, there were no issues and an Unmodified Opinion was issued.

Ms. Choate discussed the three internal control recommendations listed in the January 25, 2016 management letter. CHO staff agreed and the recommendations will be implemented.

Mrs. Crawford and Mrs. Shifflett discussed the revisions to the existing airport leases and the success of the restaurant/bar/retail concessionaire to coincide with the Comprehensive Annual Financial Report that was presented.

A motion was made and seconded to recommend the acceptance of the CAFR to the Airport Authority. The Committee voted 4-0 in the affirmative.

A motion was made and seconded to retain Robinson, Farmer, Cox and Associates for their fourth and final renewal on their current contract term for the FY 2017 Audit. The Committee voted 4-0 in the affirmative.

Mrs. Crawford and Mrs. Shifflett discussed the overall operations and capital projects, both current and future, of the airport.

The meeting was adjourned at 3:15pm.



TO: Members of the Charlottesville Albemarle Airport Authority

FROM: Melinda C. Crawford, Executive Director

DATE: March 16, 2016

SUBJECT: **Action Item #3:** Closure Options for the Upcoming Runway Rehabilitation Construction Project

RECOMMENDATION: For the Board to provide direction to Staff and Delta Airport Consultants on the preferred closure option for the upcoming runway rehabilitation project.

BACKGROUND: At the November 2015 meeting, Susan Winslow with Delta Airport Consultants provided the Board with a brief presentation outlining the status of the Runway Rehabilitation Project which her firm is currently designing. It was noted that staff and members of the Delta team have met with representatives of the FAA.

Within the last few months, meetings to discuss runway closure options for this project with potential contractors and CHO's airline representatives have also taken place. The three possible closure options that were presented to them are as follows:

1. Complete closure of the runway for a 3 – 5 day period. (This option could result in approximately 7,000 passengers being impacted). If the weather disrupts this planned closure period, then another long weekend closure would have to take place and the airlines would not be able to sell tickets for both weekends which could mean that approximately 14,000 passengers will be impacted.
2. Closure of the runway from 9 P.M. to 5 A.M. for approximately 30 days. (This option could impact an estimated 16,000 passengers if the flight schedules are not adjusted)
3. Closure of the runway from 1 A.M. to 5 A.M. for approximately 70 days. (This option could impact up to 12,180 passengers if the schedule of the late night arriving flights are not adjusted)

The following is a summary of the input that was received from those meetings and other stakeholders:

1. The FAA does not have a preference for the construction options. They provided guidance on the timing of their grant process, and they discussed the funding commitment that they had programmed to-date.
2. The residents of Walnut Hills have indicated a preference for an option that allows the work to be performed during a 3-day complete closure of the airfield.
3. Multiple contractors met with staff and the Delta team, and a preference for long nights was voiced by some of the attendees and others preferred an extended complete closure of 5 days. All of the contractors indicated that they did not feel that a significant savings could be achieved by one particular option so pricing of the project appears to be price-neutral.

4. The airline representatives have all indicated a preference for a hybrid option that would close the runway for 40 nights with a work window of 11 PM to 5 AM. They indicated a willingness to work with CHO to possibly adjust some of the arrival times of their late flights

United Airlines Closure Preferences:

1. 2330 – 0530 hybrid Medium/Long nights
2. 2330 – 0515 hybrid again

Delta Air Lines Closure Preferences:

1. 2230 – 0530, mid-June to late July
2. 2200 – 0500, mid-June to late July

American Airlines Closure Preferences:

1. 0100 – 0500
2. 2300 – 0500
3. 2245 – 0500
4. 2230 – 0500
5. 2315 – 0500
6. 2245 – 0500
7. 2200 – 0500
8. 2315 – 0515

PRIOR ACTION: N/A

FUNDING: N/A

FINANCIAL IMPACT: N/A

ATTACHMENTS: Attachment #1 – Delta’s overview of the options

PRESENTATION: N/A

**RUNWAY 3-21 REMEDIATION
PHASING OPTIONS**

CHARLOTTESVILLE-ALBEMARLE AIRPORT
January 20, 2016

OPTION	DURATION	TIME OF DAY	IMPACTS					QUALITY	RISK		PROS	CONS
			CLOSURE HOURS	PRODUCTION HOURS	DIRECT FLIGHT IMPACTS	2ND ORDER EFFECTS						
						CONTRACTOR	(MIN/MAX)		AIRLINES / PAX			
A - SHORT NIGHTS	4 HRS x 70 NIGHTS	01:00 - 05:00	280	210	0	TBD cancelled flights?	@				<ul style="list-style-type: none">No scheduled flight impacts	<ul style="list-style-type: none">Insufficient work durationFrequent pavement jointsLongest durationMost temporary workPotential to strand passengers overnight due to flight delays
B - LONG NIGHTS	8 HRS x 30 NIGHTS	21:00 - 05:00	240	210	180 - 240 6-8 / night incl. 3-4 RON	TBD loss of RON? permanent cancellations?		@			<ul style="list-style-type: none">Provides a full days workContractor's preferred optionLess frequent pavement jointsMedium duration	<ul style="list-style-type: none">Some temporary workPotential to strand passengers overnight due to flight delaysImpacts some RON aircraft and corresponding morning departures
C - 3 DAY WEEKEND	60 HRS + 20 NIGHTS (4HR)	DAY1 20:00 DAY4 10:00	140 or 280	120	130 or 260	TBD follow on travel?	@	@	@		<ul style="list-style-type: none">Fewest pavement jointsLimited temporary workShortest duration	<ul style="list-style-type: none">Loss of service for 3 daysHighest riskNo time for errors/issuesSuccess depends on weather
D - 5 DAY WEEKEND	120 HRS + 10 NIGHTS (4HR)	DAY1 20:00 DAY6 12:00	160 or 320	150	210 or 420	TBD follow on travel?	@	@	@		<ul style="list-style-type: none">Fewest pavement jointsLimited temporary workShortest duration	<ul style="list-style-type: none">Loss of service for 3 daysHighest riskNo time for errors/issuesSuccess depends on weather



March 2016

1. Executive Director's Update

- a. Airline Update – Staff is continuing to work with our airline representatives to negotiate a new Airline Agreement.
- b. Parking Feasibility Update – Staff is working with a consultant to update the Airport's parking garage feasibility study.
- c. 139 Inspection – CHO's annual Part 139 inspections took place earlier in January and the need to modify a portion of the runway's markings was identified.
- d. PFC Update – PFC Application #22 was approved by the FAA. This application is in the amount of \$3,009,078 and is for reimbursement of State Entitlements for the remaining phases of the RW 21 Extension project and for the Terminal Rehabilitation and Expansion Project. PFC Application #23 to follow will be seeking funding for the local portion of upcoming projects and reimbursement for the local funding of a few completed projects.
- e. Budget Timeline –Presentation of proposed 6-year ACIP: The proposed 6-year Capital Budget will be presented for Board review. Discussion to be provided. Staff is also working on the FY-17 Operating Budget. In the April-May timeframe, staff will complete the proposed Operating Budget and present the corresponding rates/charges to the airlines for review. The proposed Operating Budget will then be presented to the Board in early May for review. The final approval of the FY2017 Capital and Operating Budget will take place at the Board's May meeting.
- f. Personnel Update – One employee retired, one employee was upgraded to full-time status, and two new employees have been hired. Discussion to be provided.
- g. Construction Update –
 - a. Parking Expansion Project - The parking project is substantially complete with only a few minor punch items pending.
 - b. Runway/Taxiway Rehab Project Design – To be provided
 - c. Terminal Improvement Project- To be provided.
 - d. Triturator Project – The bid documents have been released and a pre-bid meeting was held on 3/10/16.
- h. Marketing and Air Service Update – To be provided