

# Peninsula Airport Commission Board of Commissioners Meeting Packet

*Lindsey Carney Smith, Chair*

*John Borden, Interim Executive Director*

Thursday, February 15, 2024

8:00 a.m.

Commission Room

900 Bland Blvd

Newport News, VA 23602

# AGENDAS

**PENINSULA AIRPORT COMMISSION**

**COMMITTEE MEETING AGENDA**

**FINANCE & AUDIT COMMITTEE**

**DATE: February 13, 2022**

**TIME: 8:00 a.m.**

**LOCATION: Newport News / Williamsburg International Airport  
900 Bland Blvd  
Newport News, VA 23602**

- 1) Call to Order
- 2) New Business
  - a) January Financials
- 3) Old Business
  - a) Tenant Discussion
- 4) Adjourn

**PENINSULA AIRPORT COMMISSION**

**REGULAR MEETING AGENDA**

**Date: February 15, 2024**

**Time: 8am**

**Location: Newport News / Williamsburg International Airport**

**Commission Room**

**900 Bland Blvd**

**Newport News, VA 23602**

- 1) Call to Order
- 2) Approval of Minutes from January 18, 2024
- 3) Approval of Minutes from Special January 30, 2024
- 4) Read Instructions for Public Comment
- 5) Public Comment
- 6) Committee Reports
  - a) Finance & Audit Committee
  - b) Planning & Development Committee
  - c) Facilities Committee
- 7) Executive Director Report
- 8) Old Business
- 9) New Business
- 10) Closed Session
  - a) Personnel 2.2.3711.(A)(1) Discussion of employees of any public body.
  - b) Prospective Business 2.2.3711.(A)(5) Discussion concerning a prospective business or industry or the expansion of air service.
- 11) Adjournment

**PENINSULA AIRPORT COMMISSION**

**COMMITTEE MEETING AGENDA**

**FACILITIES COMMITTEE**

**DATE: February 15, 2024**

**TIME: Directly following the PAC Meeting**

**LOCATION: Newport News / Williamsburg International Airport  
900 Bland Blvd  
Newport News, VA 23602**

- 1) Call to Order
- 2) New Business
  - a) AIP (Airport Improvement Program) / PFC (Passenger Facility Charge) App#7 Discussion
- 3) Old Business
  - a) Condition Index
- 4) Adjourn

# MINUTES

# Peninsula Airport Commission

## Board of Commissioners Meeting Minutes

January 18, 2024

### **Commissioners in Attendance:**

Chair, Lindsey Carney Smith

Vice Chair, Thomas Garner

Treasurer, James “Jay” Joseph

Secretary: Dr. McKinly Price

### **Staff Members in Attendance:**

Interim Executive Director, John Borden

Office Manager, Barbara Rumsey

Director of Finance, Mark Adams

### **Public Officials Present:**

Assistant City Manager of Newport News, Ralph “Bo” Clayton

Mayor, City of Newport News, Philip Jones

City Manager, City of Newport News, Allan Archer

### **Counsel:**

Counsel, L. Scott Seymour

### **Public Attendees:**

Jacqueline Wade, Volunteer Manager, Heroes Lounge

**Chair Smith called the meeting to order at 8:00 a.m.** by welcoming everyone in attendance.

She added that we have a robust agenda so we will move forward with the 1<sup>st</sup> item.

**Approval of Minutes from December 2, 2023.** Chair Smith asked if there were any comments or edits to the Minutes. There were none. She asked for a motion to approve the minutes from October. Dr. Price moved a motion and Mr. Lawson seconded the motion. All Commissioners in attendance approved. Minutes **approved. 5-0.**

**Public Comment.** The Chair asked if there was anyone signed up for Public Comment and Ms. Rumsey replied that there was none.

**Audit Presentation.** Lauren Strobe joined the meeting via Teams from Cherry Bekaert; the PAC's Audit firm. Ms. Strobe went through a PowerPoint presentation regarding the annual Audit. She noted that the report shows the same weaknesses as previous years, which were regarding Internal Controls. Ms. Strobe also added that this year posed a new topic regarding IT Assets and the amortization schedule for those assets and last year's new topic was regarding lease amortization. Ms. Strobe added that next year we will be challenged with GASB 101 regarding Veterans Combat Pay. The presentation can be viewed in Exhibits.

The Chair opened the floor for questions. Mr. Joseph stated that the PAC charged the Auditor with three tasks; Accounts Receivable, Labor Cost Tracking, and Statement Format. Ms. Strobe replied that Accounts Receivable was evaluated and had no findings, Labor Cost tracking was looked at from an elevated level and there were no findings. MS. Strobe added that as far as statements are concerned, it depends on the information the Board would like to see but the Auditor suggests using GAAP reports and statements.

### **Committee Reports:**

#### **Finance & Audit:**

Mr. Joseph asked the staff what the HR estimate was for 1 FT employee. Mr. Adams replied it is estimated at \$150K.

#### **Planning & Development:**

Chair Smith stated that the Committee did not meet but there were some items to discuss. Ms. Smith asked Mr. Seymour for an update on Land Release/Easements. Mr. Borden added that we are looking to receive a request from Rick Aviation. Mr. Seymour added that the City is in the Inspection Period.

#### **Facilities:**

Mr. Garner stated the Committee did not meet but will meet before the next PAC meeting.

### **Executive Director Report:**

Mr. Borden stated that the drone flights are scheduled for the City of Newport News to scan the East and West Park and other airport property. He added that United Way will be having its annual celebration here on February 29<sup>th</sup>. AIP project Taxiway D Geotechnical work is completed.

**Old Business:** NNEDA grant for site readiness update – Ms. Smith stated that the package was selected to move to the next round. This is good news to allow us to have site-ready property for development. Master Plan Update- Mr. Border stated that we are awaiting a draft of the Public Comment Summary Report as aerial imagery is being done at 8:40 am.



**New Business.** Ms. Smith asked if there were any questions

**Closed Session:** Chair Smith asked Mr. Seymour to read closed session law for Personnel  
2.2.3711.(A)(1) Discussion of employees of any public body. Prospective Business  
2.2.3711.(a)(5) Discussion concerning a prospective business or industry or the expansion of air  
service. Roll call by voice vote. **5-0 approved.**

**The closed session began at 8:40 a.m.**

Mr. Seymour read the open certification. Roll call by voice vote. **5-0 Approved.**

**The open session began at 9:40 a.m.** Chair Smith asked if there was anything for the good of  
the order. Mr. Joseph asked if we need a motion to accept the audit. Mr. Seymour agreed that  
would be the best thing to do. Roll call by voice vote. **5-0 Approved.**

**Chair Smith adjourned the meeting at 9:42 a.m.**

**Next Meeting Date:** February 18th at 8 a.m.

# EXHIBITS



# Peninsula Airport Commission

A component unit of the City of Newport News, VA

January 18, 2024





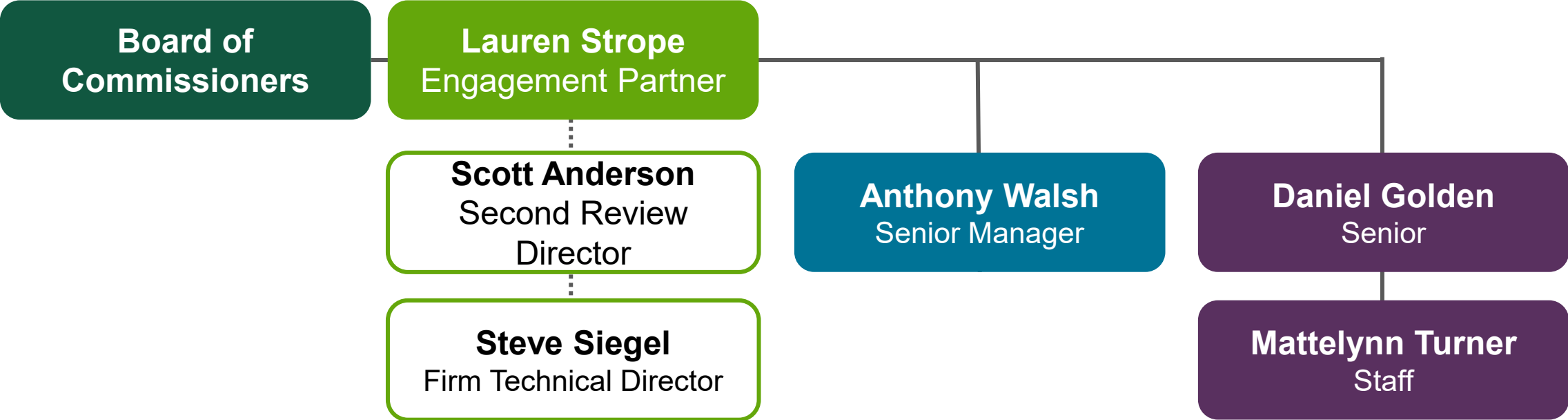
# Agenda

- ▶ Client Service Team
- ▶ Results of the Audit
- ▶ Internal Control Communication
- ▶ Corrected and Uncorrected Misstatements
- ▶ Qualitative Aspects of Accounting Practices
- ▶ Independence Considerations
- ▶ Other Required Communications
- ▶ Other Matters
- ▶ Upcoming Financial Reporting Changes

This information is intended solely for the use of The Board of Commissioner's of Peninsula Airport Commission and is not intended to be, and should not be, used by anyone other than these specified parties.



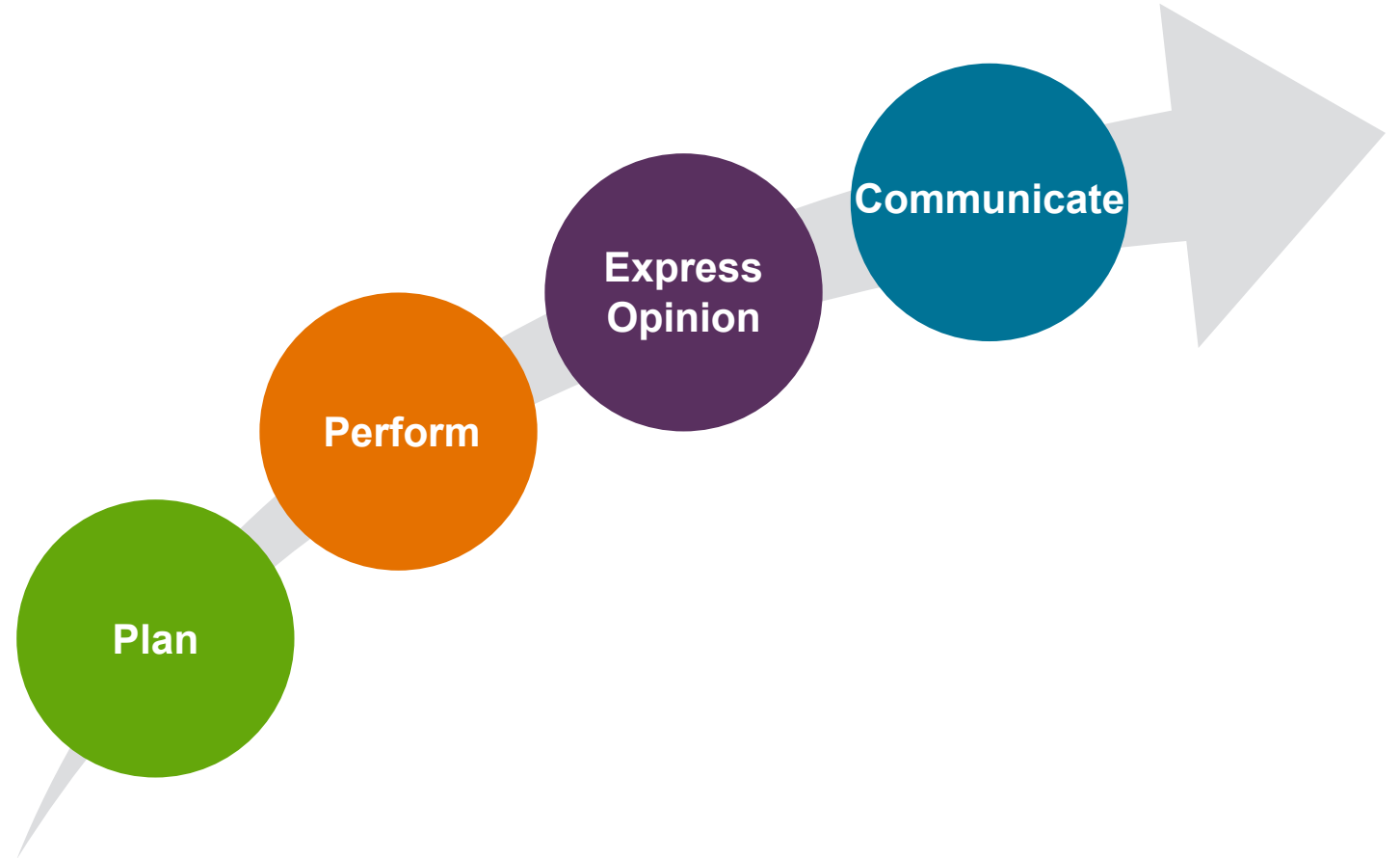
# Client Service Team



# Results of the Audit

We have audited the financial statements of Peninsula Airport Commission (the “Commission”) for the year ended June 30, 2023, and we have issued our report thereon dated December 11, 2023.

We have issued an unmodified opinion on the financial statements.



# Internal Control Communication

In planning and performing our audit, we considered internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A deficiency in internal control 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 and correct, misstatements on a timely basis.



# Internal Control Communication

## Material Weakness

- ▶ A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis.

## Significant Deficiency

- ▶ A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We noted the following deficiencies that we believe to be significant deficiencies or material weaknesses.





# Internal Control Communication

## Material Weakness

- ▶ 2023-001 – Financial Reporting and Close Process
  - ▶ The Commission does not have adequate controls over the financial reporting and close process. Specifically, we identified 4 instances which required material adjustments to the Commission's financial statements to be reported in accordance with accounting principles generally accepted in the United States of America.

## Significant Deficiency

- ▶ 2023-002 – Segregation of Duties
  - ▶ The Commission does not have adequate segregation of duties over initiating, recording, and reconciling transactions involving key financial cycles. Although the size of the Commission's accounting department limits the extent of separation of duties, we believe certain steps could be taken to separate duties performed by members of the accounting function. The basic premise is that no one employee or individual should have access to both physical assets and the related accounting records or to all phases of a transaction.



# Internal Control Communication

## Material Weakness

- ▶ Approximately \$34k related to grant revenues which were not properly recognized.
- ▶ Approximately \$336k to accurately report SBITA balances
- ▶ Approximately \$712k within the deferred inflows and outflows related to the VRS plans.
- ▶ Approximately \$24K federal grant revenues and receivables which were improperly recognized.
- ▶ Approximately \$16K of accrued interest on long-term debt not properly recognized.

## Significant Deficiency

- ▶ A review function is needed over significant audit schedules and journal entries other than the Executive Director and Board Chair's month-end review.



# Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

## Corrected Misstatements

- ▶ \$712k adjusting entry to adjust current year deferred balances for pension and OPEB.
- ▶ \$363k adjusting entry to gross up amounts recorded at net book value for GASB 96 implementation.
- ▶ \$17k adjusting entry to correct recognition of interest expense liability and debt amounts.
- ▶ \$24k adjusting entry to correctly state FAA revenues/receivables.



# Corrected and Uncorrected Misstatements

## Uncorrected Misstatements

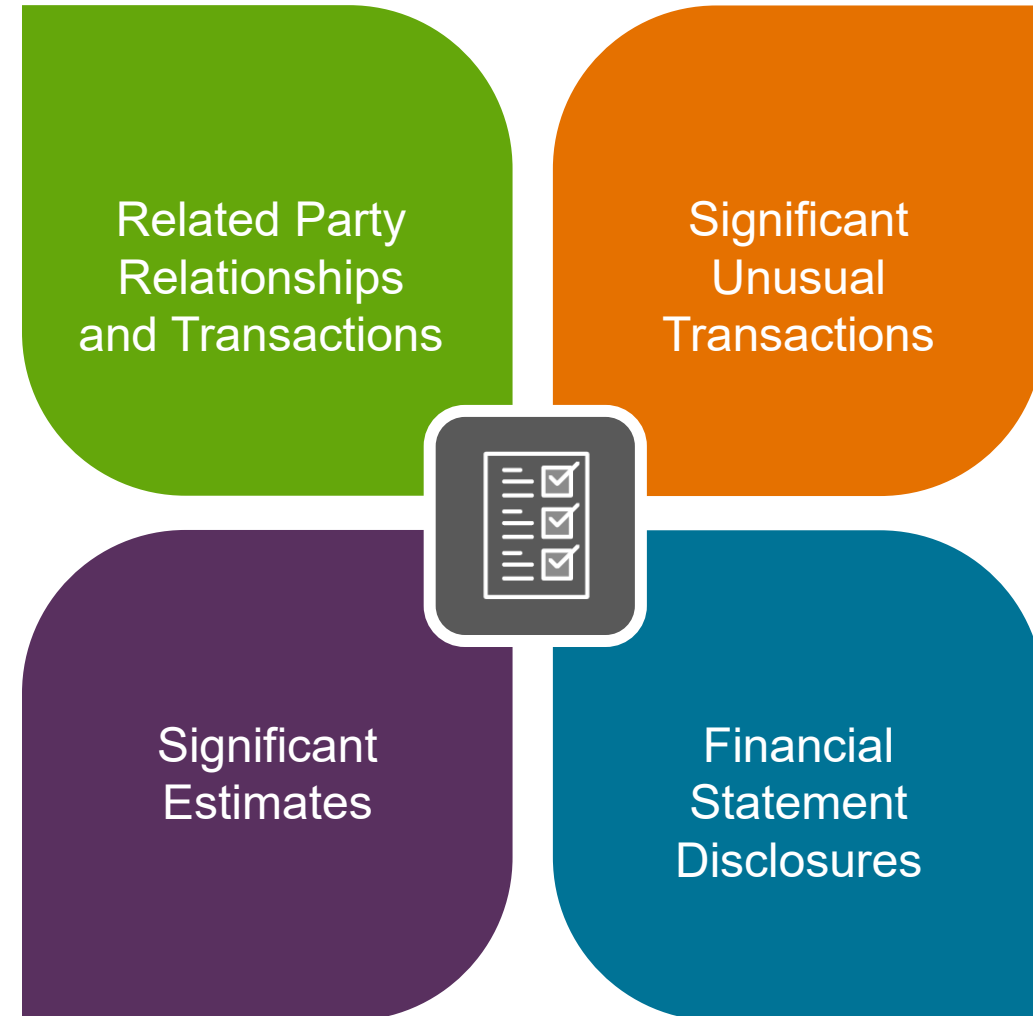
- ▶ The following summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.
  - ▶ Approximately \$34k related to grant revenues which were not properly recognized.
  - ▶ Approximately \$16k related to accrued interest.



# Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements.

As described in Notes 1 and 2, the County changed accounting policies related to the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective July 1, 2022. The application of existing policies was not changed during the year. We noted no inappropriate accounting policies or practices.

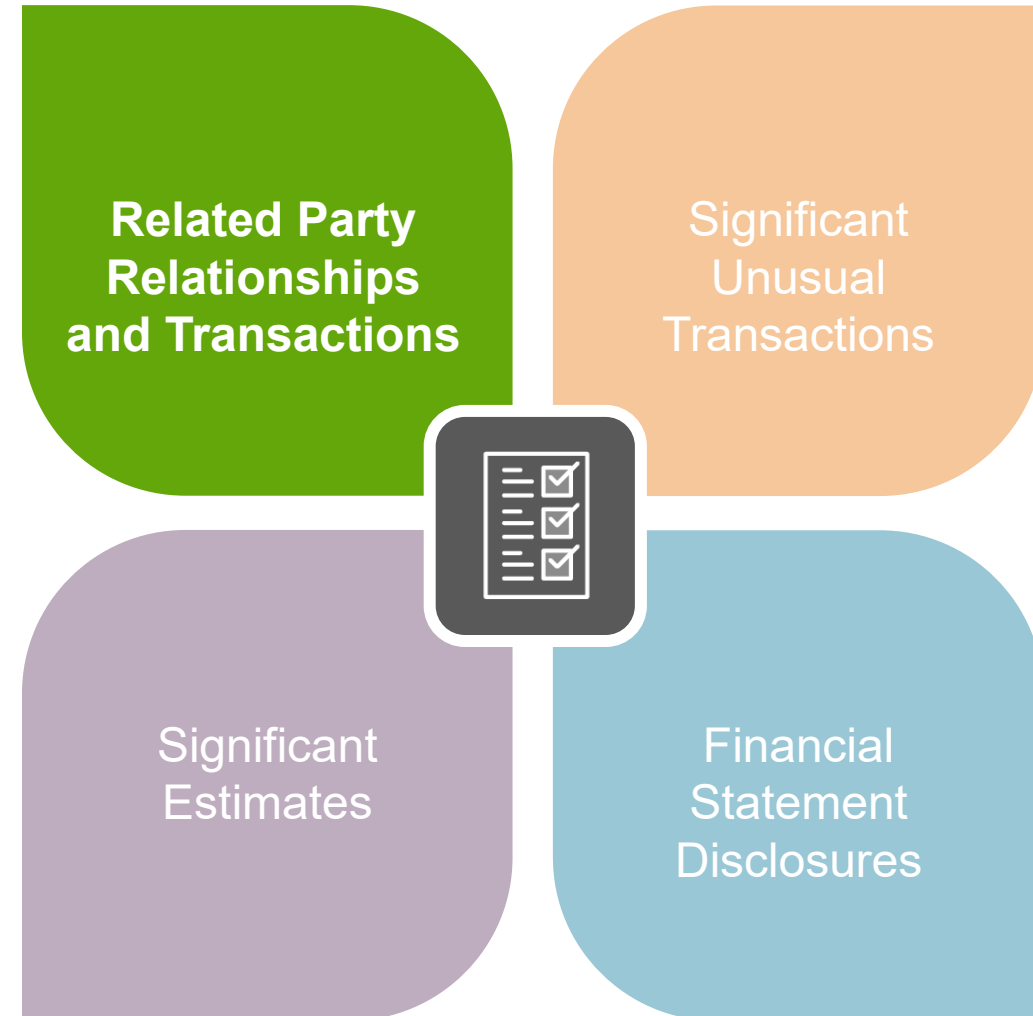


# Qualitative Aspects of Accounting Practices

As part of our audit, we evaluated the Commission's identification of, accounting for, and disclosure of the Commission's relationships and transactions with related parties as required by professional standards.

We noted none of the following:

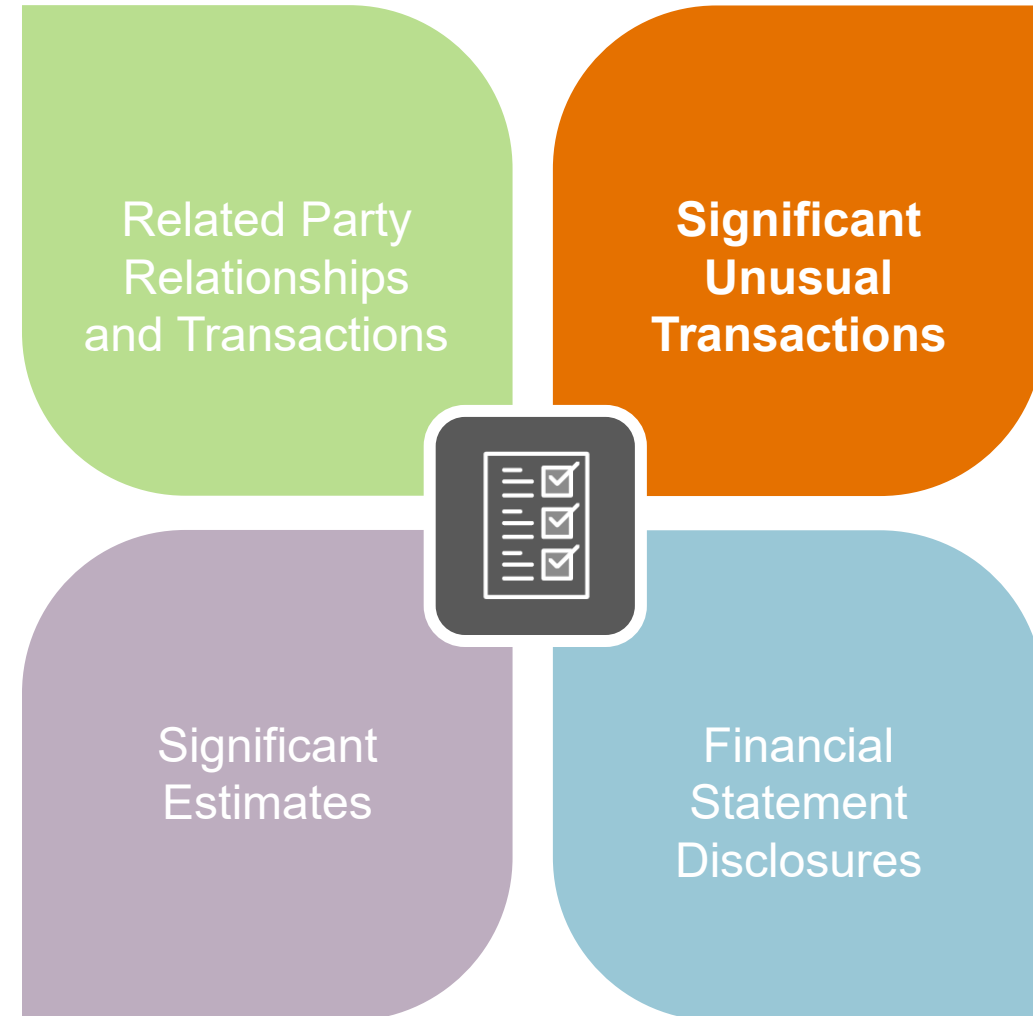
- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related party transactions that have not been approved in accordance with the Commission's policies or procedures or for which exceptions to the Commission's policies or procedures were granted;
- Significant related party transactions that appeared to lack a business purpose;
- Noncompliance with applicable laws or regulations prohibiting or restricting specific types of related party transactions; and
- Difficulties in identifying the party that ultimately controls the Commission.



# Qualitative Aspects of Accounting Practices

We noted no transactions entered into by the Commission 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.

For purposes of this presentation, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the Commission or that otherwise appear to be unusual due to their timing, size, or nature. We noted no significant unusual transactions during our audit.

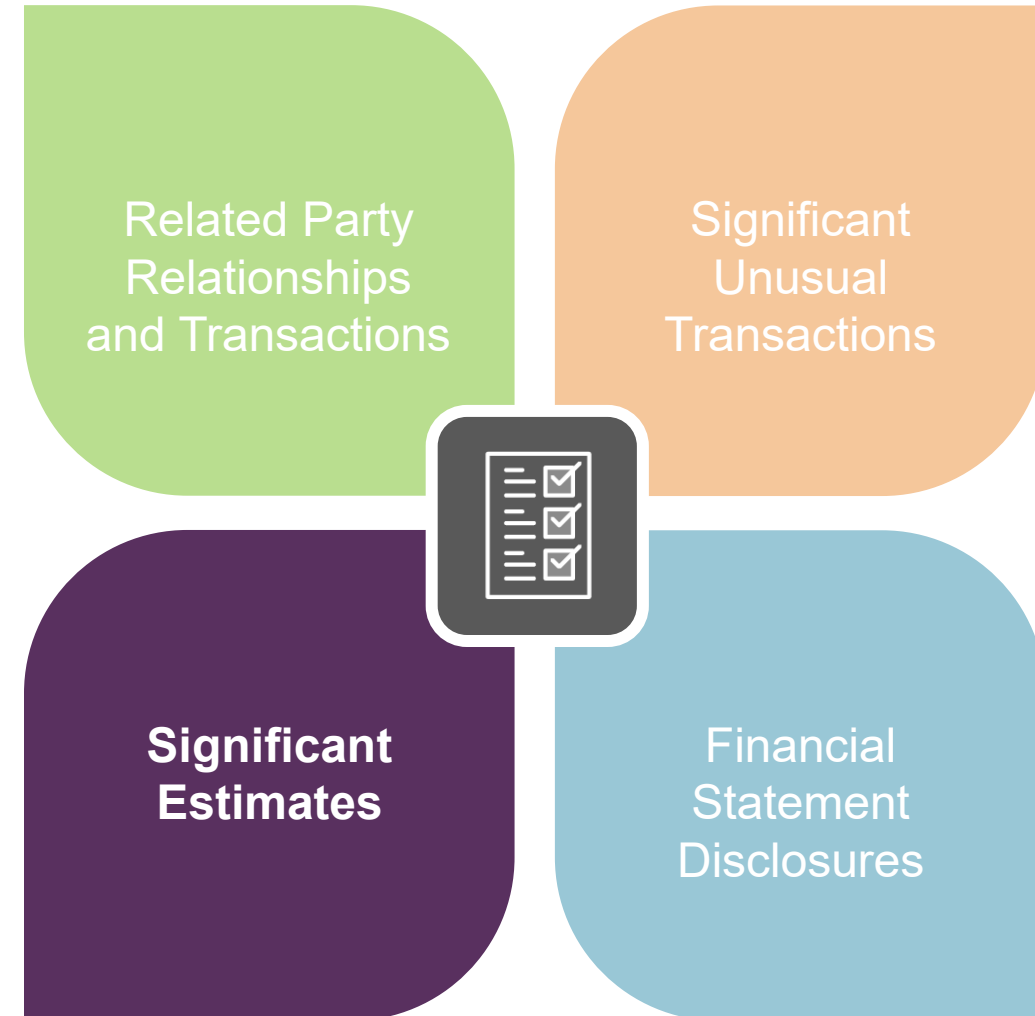


# Qualitative Aspects of Accounting Practices

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:

- Allowance for doubtful accounts
- Depreciation expense
- Retirement plan benefits
- Other postemployment expenses
- Incremental borrowing rate of leases and subscriptions

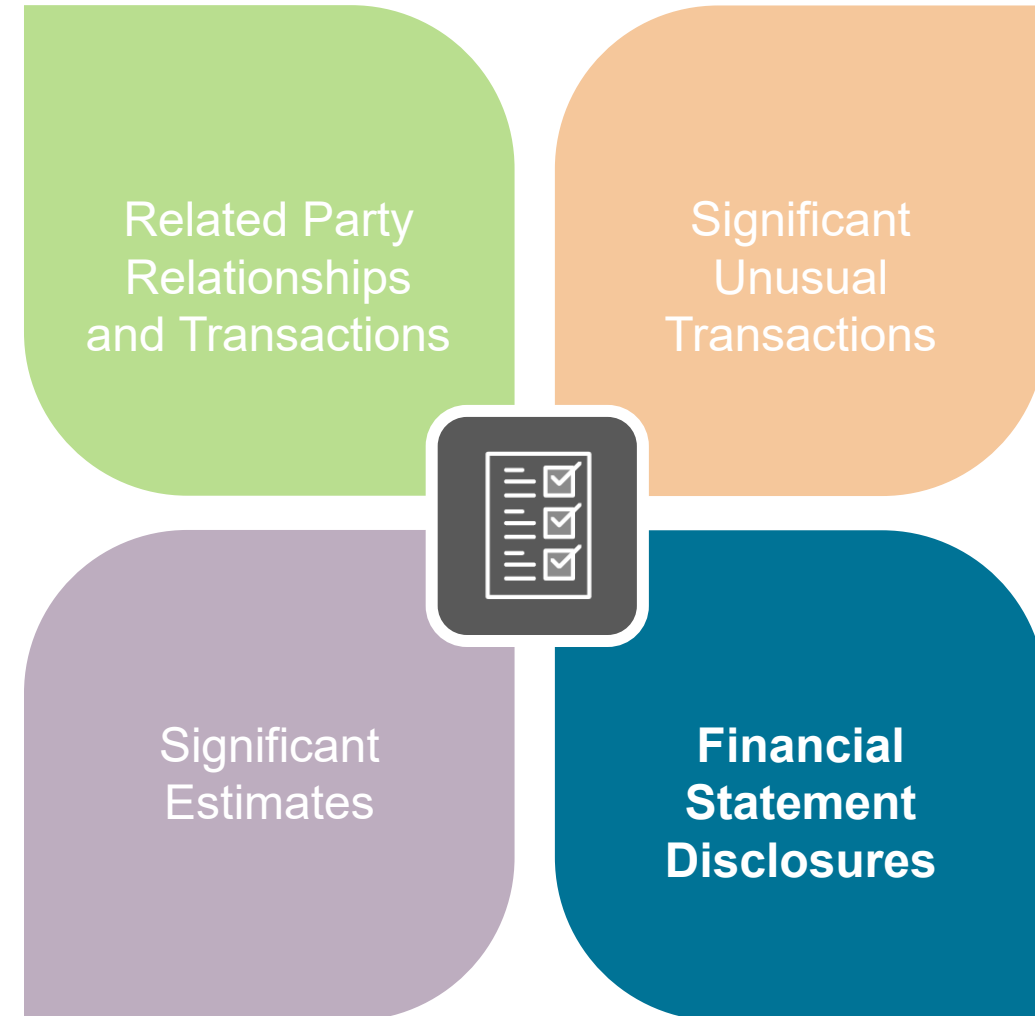
Management's estimate of the estimates identified above is based on the analysis of historical collection trends, estimated useful life of the asset, payroll and vacation pay estimates, and actuarial valuations. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.





# Qualitative Aspects of Accounting Practices

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



# Independence Considerations

## Nonattest Services

- ▶ Preparation of the auditor section of the Data Collection Form.
- ▶ Printing, binding and assembly of the financial statements
- ▶ For all nonattest services we perform, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, and accept overall responsibility for the results of the services.

## Independence Conclusion

- ▶ We are not aware of any other circumstances or relationships that create threats to auditor independence.
- ▶ We are independent of the Commission and have met our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.



# Other Required Communications

## Difficulties Encountered

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

## Disagreements with Management

Includes disagreements on 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.

## Auditor Consultations

We noted no matters that are difficult or contentious for which the auditor consulted outside the engagement team.

## Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 11, 2023.



# Other Required Communications

## Management Consultations

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.

To our knowledge, there were no such consultations with other accountants.

## Other Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year.

These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## Fraud and Illegal Acts

As of the date of this presentation, no fraud, illegal acts, or violations of laws and regulations noted.

## Going Concern

No events or conditions noted that indicate substantial doubt about the Commission’s ability to continue as a going concern.



# Other Matters

## Required Supplementary Information

We applied certain limited procedures to management's discussion and analysis and required supplemental information ("RSI"), as listed in the table of contents, which 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.

## Supplementary Information

We were engaged to report on the schedule of passenger facility charge revenues and expenditures and the schedule of federal awards and related notes to the schedule, 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 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.



# Other Matters

## Other Information

The Commission's audited financial statements are included in its annual report. We do not have an obligation to perform any procedures to corroborate the other information contained in the annual report. However, we read the other information and considered whether such information, or the manner of its presentation, was materially inconsistent with that appearing in the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, was materially inconsistent with that appearing in the financial statements.



# Upcoming Financial Reporting Changes

These standards will be effective for the Commission in the upcoming years and may have a significant impact on the Commission's financial reporting.

We would be happy to discuss with management the potential impacts on the Commission's financial statements and how we may be able to assist in the implementation efforts.

GASB 99,  
*Omnibus*

GASB 101,  
*Compensated  
Absences*

GASB 100,  
*Accounting  
Changes and Error  
Corrections*



# Questions

# Contacts

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#### About Cherry Bekaert LLP

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**Peninsula Airport Commission**  
Board of Commissioners Meeting Minutes  
January 30, 2024, 8:00 a.m.

**Commissioners in Attendance:**

Chair, Lindsey Carney Smith  
Vice Chair, Tommy Garner  
Treasurer, James "Jay" Joseph  
Secretary, Dr. McKinley Price, DDS  
Assistant Secretary, John Lawson

**Counsel:**

Counsel, L. Scott Seymour

Chair Carney Smith called the meeting to order at 8:00 a.m.

**Closed Session:** At the request of the Chair, Mr. Seymour stated that at this time the Chair will entertain a motion to move that the Peninsula Airport Commission convene in closed session pursuant to the Virginia code section 2.2-3711.A.1.: for a discussion concerning the assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees, or employees of the Commission regarding various employee matters of the Commission; and 2.2.3711 A.5: for a discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business or industry's interest in locating or expanding its facilities in the community.

A motion was made by Commissioner Lawson and seconded by Commissioner Joseph. A roll call vote was taken. Chair Smith - For, Commissioner Joseph - For, Commissioner Dr. Price - For, Commissioner Garner - For, Commissioner Lawson - For. The motion passed unanimously. 5-0.

Closed session began at 8:01 a.m.

At the request of the Chair, Mr. Seymour stated that the Chair will entertain a motion to conclude the closed session meeting and return to the open meeting and that prior to a roll call vote, each of the Commissioners of the Peninsula Airport Commission shall certify that to the best of their knowledge (i) only such public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened, were heard, discussed or considered in the meeting by the members of the Commission.

Any member of the Commission who believes that there was a departure from the requirements just stated must so state prior to the roll call vote and indicate the substance of the departure that, in such Commissioner's judgment has taken place.

If there are no such statements of departure, if we could please have a motion and second to end and certify the closed session and return to open meeting.

No departures from the Freedom of Information Act requirements for closed meeting were noted.

A motion was made by Commissioner Dr. Price and seconded by Commissioner Lawson to certify and end the closed meeting and reconvene in open meeting. A roll call vote was taken. Chair Smith

--DRAFT--

– Yes, Commissioner Joseph – Yes, Commissioner Dr. Price – Yes, Commissioner Garner – Yes, Commissioner Lawson – Yes. The motion passed unanimously. 5-0.  
The meeting resumed in open session at 9:25 a.m.

Chair Smith asked if there was any other business to come before the commission.

There being no further business to come before the Commission, the meeting adjourned at 9:25 a.m.

# FINANCIALS

## Peninsula Airport Commission

### Operating Income Statement results analysis

January 2024

Airline Fees Revenue are in line with budget. January historically experiences lower passenger fill rates plus American reduced available seats. Still the number of passengers billed for the month was very close to the budgeted estimate. This statistic was running above budget in prior months of the fiscal year. The winter slowdown was expected and a few months below the average estimate will be watched closely. The full year's revenue expectation remains as per the budget.

Rental cars, parking lot and restaurant revenues follow the airline passenger counts. Rental cars revenue continues to be better than budget even through these recent months with lower passenger counts. There is not a reliable method to predict short-term fluctuations in rental car revenues. These revenue areas will be watched closely during the expected slower season for the next three months.

Property rental revenues remain above budget by keeping the rent rolls managed at very near to 100% occupancy.

The utilities expense usage and price components are starting to indicate this area will be over budget for the year. The lower monthly expense for December related to moderate fall seasonal temperatures did bounce back after a colder than usual start to winter.

Repairs and maintenance expenses include outside escalator and parking garage elevator maintenance. These are unbudgeted expense line items. The project is not completed as of the end of January. The over budget year to date amount is a concern and continues to be monitored closely. Other emergency repairs could result in unexpected expenses at any time.

Labor costs are below budget estimates. Controlling the hours worked is the main reason for this below budget amount. With the annual spring maintenance season approaching it is expected the monthly expense will return to budgeted amounts. The current estimate is this category will be less than budget for the year. This area will be closely monitored monthly.

Marketing and Advertising expenses remain below budget. This area shows no immediate need to increase spending up to the budgeted amount. Passenger counts remain above the budgeted 75% fill rate of available seats. This area will be revisited as needed based on actual fill rates.

**PENINSULA AIRPORT COMMISSION  
JANUARY 2024  
OPERATING INCOME STATEMENT**

| DESCRIPTION                         | JAN 2024<br>ACTUAL | JAN 2024<br>BUDGET |               | YTD<br>ACTUAL    | YTD<br>BUDGET      |               | ANNUAL<br>BUDGET   |              |
|-------------------------------------|--------------------|--------------------|---------------|------------------|--------------------|---------------|--------------------|--------------|
| <b>REVENUE</b>                      |                    |                    |               |                  |                    |               |                    |              |
| Airline Fees                        | 35,191             | 35,162             | 100.1%        | 273,322          | 260,408            | 105.0%        | 450,482            | 60.7%        |
| Fixed Based Operators               | 44,957             | 53,889             | 83.4%         | 350,670          | 386,330            | 90.8%         | 664,881            | 52.7%        |
| Property Rental                     | 98,194             | 74,647             | 131.5%        | 756,149          | 668,005            | 113.2%        | 1,145,311          | 66.0%        |
| Rental Cars                         | 148,418            | 118,831            | 124.9%        | 1,163,308        | 964,190            | 120.7%        | 1,690,718          | 68.8%        |
| Parking Lot                         | 61,476             | 46,928             | 131.0%        | 430,720          | 330,715            | 130.2%        | 567,572            | 75.9%        |
| Restaurant Income                   | 15,795             | 19,876             | 79.5%         | 166,960          | 161,849            | 103.2%        | 283,947            | 58.8%        |
| <b>TOTAL REVENUE</b>                | <b>404,031</b>     | <b>349,333</b>     | <b>115.7%</b> | <b>3,141,129</b> | <b>2,771,497</b>   | <b>113.3%</b> | <b>4,802,911</b>   | <b>65.4%</b> |
| <b>EXPENSES</b>                     |                    |                    |               |                  |                    |               |                    |              |
| Labor and Benefits                  | 290,482            | 309,030            | 94.0%         | 2,076,521        | 2,163,210          | 96.0%         | 3,808,255          | 54.5%        |
| Marketing & Advertising             | 12,226             | 28,184             | 43.4%         | 51,860           | 197,288            | 26.3%         | 338,199            | 15.3%        |
| Office & Administration             | 31,385             | 37,953             | 82.7%         | 510,054          | 508,695            | 100.3%        | 665,363            | 76.7%        |
| Utilities                           | 68,170             | 50,087             | 136.1%        | 486,235          | 413,109            | 117.7%        | 717,766            | 67.7%        |
| Repairs & Maintenance               | 59,984             | 39,123             | 153.3%        | 318,656          | 271,198            | 117.5%        | 459,220            | 69.4%        |
| Restaurant Expense                  | 21,255             | 21,472             | 99.0%         | 152,835          | 161,857            | 94.4%         | 282,592            | 54.1%        |
| Bond Debt                           | 55,100             | 55,100             | 100.0%        | 385,701          | 385,700            | 100.0%        | 661,202            | 58.3%        |
| <b>TOTAL OPERATING EXPENDITURES</b> | <b>538,602</b>     | <b>540,949</b>     | <b>99.6%</b>  | <b>3,981,862</b> | <b>4,101,057</b>   | <b>97.1%</b>  | <b>6,932,597</b>   | <b>57.4%</b> |
| <b>NET INCOME</b>                   | <b>(134,571)</b>   | <b>(191,616)</b>   | <b>70.2%</b>  | <b>(840,733)</b> | <b>(1,329,560)</b> | <b>63.2%</b>  | <b>(2,129,686)</b> | <b>39.5%</b> |
| <b>OTHER ITEMS</b>                  |                    |                    |               |                  |                    |               |                    |              |
| Trailer Park                        | -                  | -                  |               | (52,846)         | -                  |               | -                  |              |
| Expense Subsidy                     | -                  | -                  |               | -                | -                  |               | -                  |              |
| Sale of Land/Fixed Assets           | 300                | -                  |               | 231,026          | -                  |               | -                  |              |
| <b>NET AFTER OTHER</b>              | <b>(134,271)</b>   | <b>(191,616)</b>   |               | <b>(662,553)</b> | <b>(1,329,560)</b> |               | <b>(2,129,686)</b> |              |

**BALANCE SHEET**

|  |                   |
|--|-------------------|
|  | <u>Total</u>      |
| Cash - Unrestricted                    | 3,517,530         |
| Cash - Restricted                      | 13,686,318        |
| Other Current Assets                   | 845,840           |
| Fixed Assets (Net of Depreciation)     | 71,554,987        |
| <b>TOTAL ASSETS</b>                    | <b>89,604,675</b> |
| Current Liabilities                    | 1,218,275         |
| Long Term Notes Payable - Restricted   | -                 |
| Long Term Notes Payable - Unrestricted | 4,850,957         |
| OPEB                                   | 5,884,821         |
| <b>TOTAL LIABILITIES</b>               | <b>11,954,053</b> |
| Net Capital Beginning                  | 51,981,870        |
| Capital Contributions                  | 26,331,305        |
| YTD Earnings Current Year              | (662,553)         |
| <b>TOTAL LIABILITIES AND CAPITAL</b>   | <b>89,604,675</b> |

# AIR SERVICE REPORT

## Monthly Air Service Report Summary January 2024

- Load factors:
  - 81.6% for American
  - No charters reported
  - 81.6% Overall
- 3009 Flight Ops (landings & take-offs)

| <u>FY 24 Actual PAX</u><br><u>(7/1/23 – 6/30/24)</u> | <u>FY23 Actual PAX</u><br><u>(7/1/22 – 6/30/23)</u> | <u>FY22 Actual PAX</u><br><u>(7/1/21 – 6/30/22)</u> |
|--|---|---|
| Jul: 13,283  | Jul: 15,044   | Jul: 21,586   |
| Aug: 13,558  | Aug: 14,280   | Aug: 18,582   |
| Sep: 14,153  | Sep: 12,372   | Sep: 16,210   |
| Oct: 11,343  | Oct: 13,649   | Oct: 19,044   |
| Nov: 11,864  | Nov: 14,626   | Nov: 16,375   |
| Dec: 10,608  | Dec: 14,860   | Dec: 15,846   |
| Jan: 11,608  | Jan: 9,029  | Jan: 10,538   |
| Feb:   | Feb: 10,879   | Feb: 11,864   |
| Mar:   | Mar: 13,322   | Mar: 16,810   |
| Apr:   | Apr: 11,596   | Apr: 15,896   |
| May:   | May: 8,480  | May: 12,719   |
| Jun:   | Jun: 12,623   | Jun: 13,702   |
| <br>   |   |   |
| <b>Total: 86,417 PAX</b>                             | <b>Total: 150,760 PAX</b>                           | <b>Total: 189,172 PAX</b>                           |

EXHIBIT(S)



Newport News  
Williamsburg Airport  
*Easy going.*

2023  
Annual  
Report

[newportnewsairport.com](http://newportnewsairport.com)  
900 Bland Blvd. Suite G,  
Newport News, VA 23602

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2024

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# MEET OUR BOARD OF COMMISSIONERS



**CHAIR**  
LINDSEY SMITH, ESQ.



**VICE CHAIR**  
THOMAS "TOMMY" GARNER



**TREASURER**  
JAMES "JAY" JOSEPH



**ASSISTANT SECRETARY**  
JOHN LAWSON II



**SECRETARY**  
McKINLEY PRICE, DDS



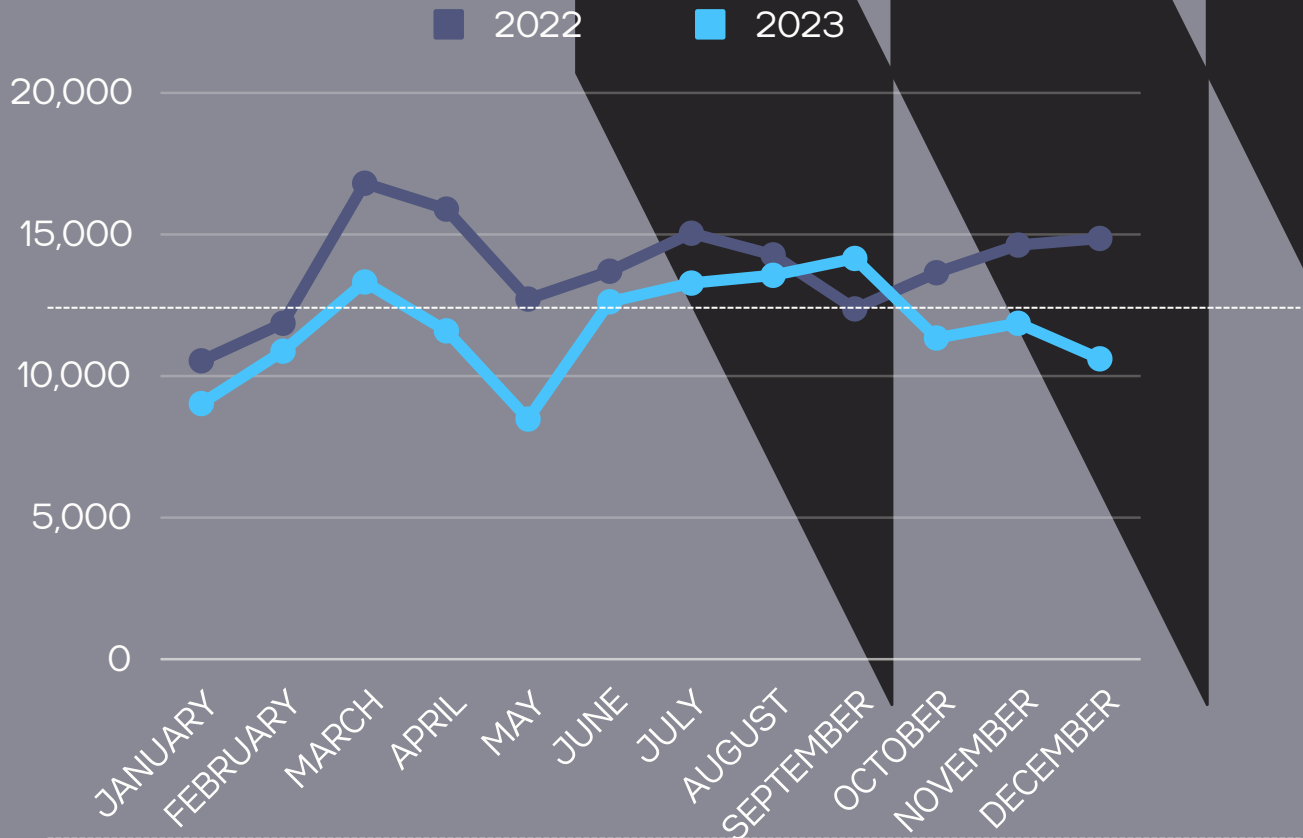
## ABOUT US

Newport News Williamsburg International Airport:  
A Place Rooted in History

Since its inauguration in 1949, Newport News/Williamsburg International Airport has been a historically significant site. Initially known as Patrick Henry Field, it has provided air travel to numerous destinations over the years. At its peak, the airport accommodated six airlines and flew to 17 different cities. Presently, we are in the process of developing a new Master Plan for the airport, which will help determine priorities for the next ten years.

# AIR SERVICE

LOAD FACTORS 91.4% FOR 2023



| MONTH     | 2022  | 2023  |
|-----------|-------|-------|
| JANUARY   | 10538 | 9029  |
| FEBRUARY  | 11864 | 10879 |
| MARCH     | 16810 | 13322 |
| APRIL     | 15896 | 11596 |
| MAY       | 12719 | 8480  |
| JUNE      | 13702 | 12623 |
| JULY      | 15044 | 13283 |
| AUGUST    | 14280 | 13558 |
| SEPTEMBER | 12372 | 14153 |
| OCTOBER   | 13649 | 11343 |
| NOVEMBER  | 14626 | 11864 |
| DECEMBER  | 14860 | 10608 |

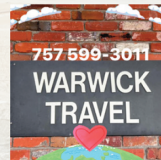
PHF's 5K on the Runway was a success with over 600 runners and an all-new Jr Race.

Congratulations to Dream Catchers, our 2023 charitable partner.



We're spreading our wings to unite our local community with the #FlyLocalBuyLocal partnership! This powerful pact brings together small and large businesses alike, allowing them to mingle and bond over marketing and community initiatives. We have achieved almost 50 unique partnerships and are growing weekly.

Partner with your hometown airport to FlyLocal and local businesses to BuyLocal.

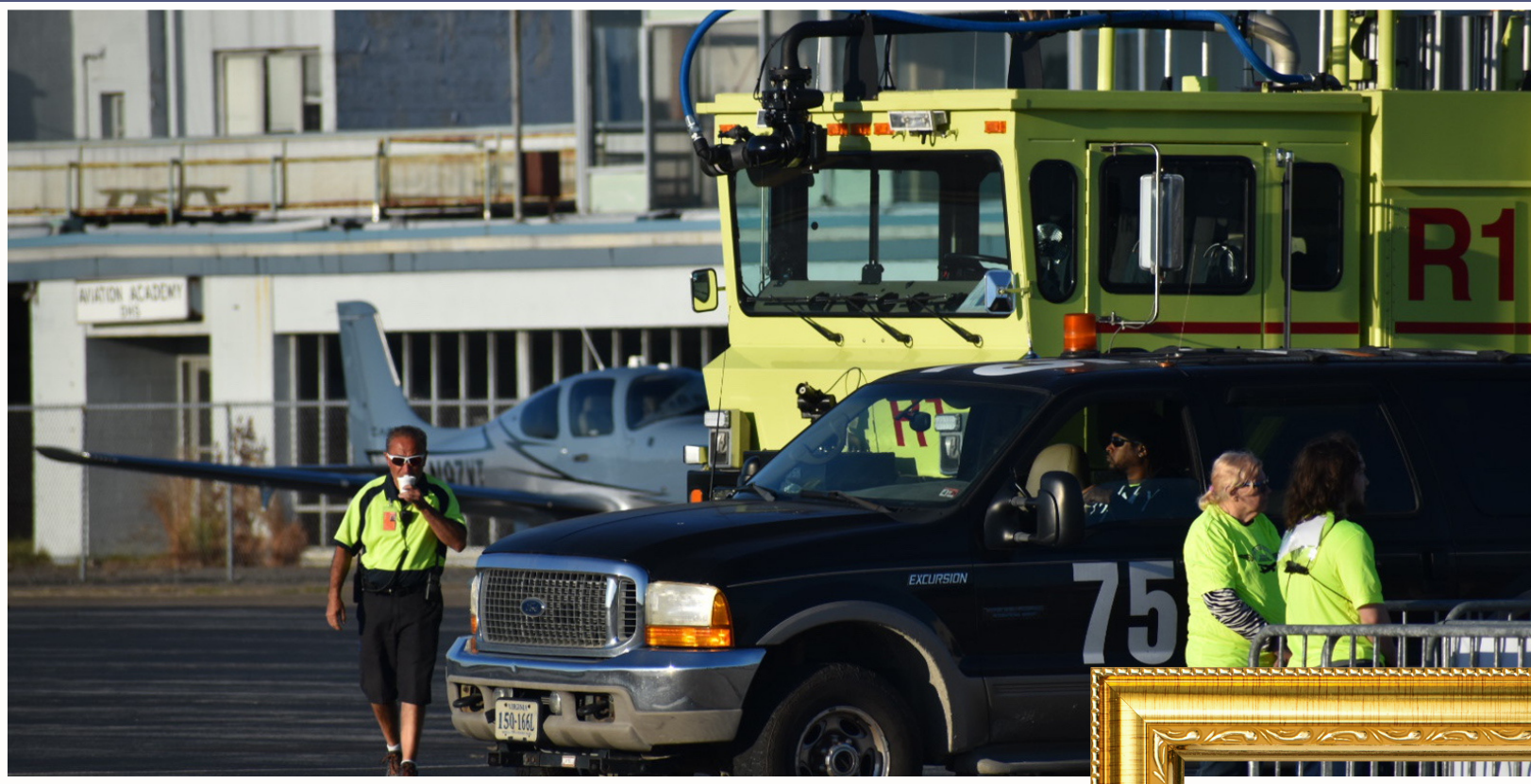
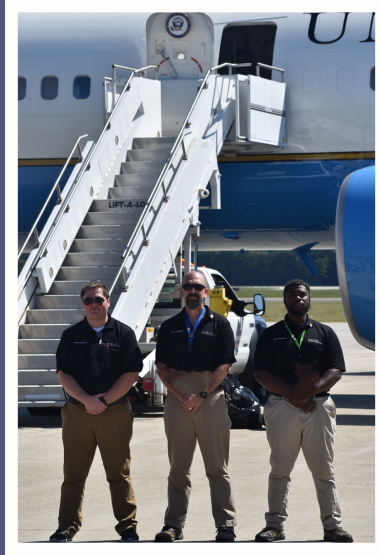


# #FlyLocalBuyLocal

The #FlyLocalBuyLocal campaign is an initiative to support local communities and businesses. By choosing to fly from your hometown airport and purchasing from local shops, we can boost the economy and help small businesses thrive. This campaign encourages people to think about the impact of their choices and to make a conscious effort to support their local community. By doing so, we can create a stronger sense of community and build a more sustainable future for everyone. So the next time you plan to travel or make a purchase, consider supporting your local businesses. Let's all do our part to help our communities flourish.

# Teamwork


PHF is the place for Teamwork, from 5K's to VIP visits to keeping the grounds safe and tidy, we work together for our community.





VICE PRESIDENT KAMALA  
HARRIS VISITS PHF IN ROUTE  
TO HAMPTON UNIVERSITY





NEWPORT NEWS/WILLIAMSBURG INTERNATIONAL AIRPORT

# Master Plan

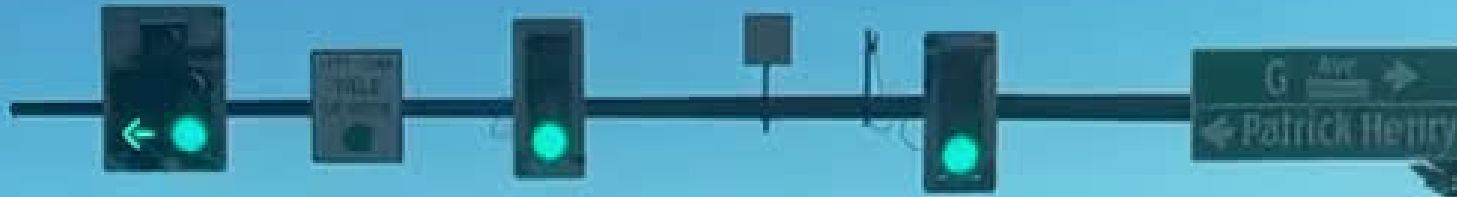
## WHAT IS A MASTER PLAN?

A Master Plan is a study used to determine the long-term development plans for an airport, addressing the development needs for 20 years. The Master Plan process provides opportunities for political entities and the public to participate in the development of aviation plans. It provides a framework for individual development programs consistent with short, intermediate, and long-range airport systems and financial requirements.

## WHAT ARE THE GOALS?

- Provide a roadmap for future decision-making.
- Develop plans to continue to adhere to FAA guidelines.
- Develop plans to use airport property more efficiently to attract businesses.
- Ensure environmental compatibility.
- Prepare terminal facilities to address aircraft fleet changes and future aviation demand, including eVTOL.
- Improve efficiency, safety, and sustainability.

# NEW PARKING ENTRANCE



Thank you, City of Newport News for your assistance with our new parking entrance that takes you straight into the parking lots from Bland Blvd.

