LYNCHBURG REGIONAL AIRPORT
COMMISSION MEMBER UPDATE

Monday, June 7, 2010

REMINDER: The June 14 Commission Meeting will be held in the new airport fire station located beside the airline terminal building.

REPORT

NEW AIRPORT FIRE STATION OPEN FOR BUSINESS

I am pleased to report that, despite the extremely challenging weather conditions this past winter and their impact on the construction schedule, the airport's new Aircraft Rescue and Fire Fighters (ARFF) station has finally been completed. Our airport fire fighters moved in earlier this week, and are looking forward to hosting next Monday's Commission meeting and getting the chance to show off their new facility. Both the Corporate Chief of our contract ARFF services provider and our local airport fire chief will be in attendance to make brief presentations to the Commission. A public open house will follow the Commission meeting from 5:00 p.m. to 7:30 p.m.

APRIL PASSENGER TRAFFIC SHOWS STABLE GROWTH

With year-over-year comparisons becoming more uniform in terms of fares and flights, passenger traffic in April still recorded a healthy 5 percent increase over the same month last year. Overall, a total of 15,237 passengers were handled for the month on a capacity of 19,632 seats, which translates into an airport-wide load factor of 78 percent. Here are some related statistics of interest concerning airline passenger activity:

- Total daily departures are up 15 percent over two years ago
- Seat capacity is up 21 percent over three years ago
- Lowest average fares are down 60 percent compared to April 2008
- Passenger traffic is up 103 percent compared to April 2008
- Passenger ticket revenues increased 9% in CY 2009 over 2008

Following seasonal reductions in flight frequency, both Delta and US Airways have added flights in May. US Airways increased its departures to Charlotte to five daily, which included upgrading equipment to 50-passenger Dash 8-300 aircraft for all five departures. Delta added a third flight during the week, with plans to add a third Saturday regional jet departure starting in June. In all, the airport is up to 400 daily departure seats, the most we've offered since before September 11th!

MEETINGS WITH AIRLINE ROUTE PLANNING OFFICIALS ONGOING

Following what I felt was a very productive and promising meeting with United Airlines' planning officials in Chicago last month, I will be attending the annual Airports Council International's Jump Start airline route planners meeting next week. In addition to both of our incumbent airlines, I have meetings scheduled with United Airlines and two others to continue discussions regarding Lynchburg market opportunities. Janice Crawford and I will be providing more details on the United trip at next Monday's Commission meeting,

and I will report on the outcome of next week's Jump Start program.

CENTRA HEALTH EMERGENCY MEDICAL FLIGHT SERVICES OPERATIONAL

Despite some last minute glitches associated with getting its crew facility completed, Centra Health is now operating the region's emergency medical helicopter services through Petroleum Helicopters International (PHI). Still to be finalized, however, is a final ground lease agreement, which I hope to wrap up soon.

PASSENGER TERMINAL ESCALATOR REPLACEMENT PROJECT PROCEEDS

As you will recall, a very tight window for obtaining FAA Airport Improvement Program (AIP) funds from the portion of this year's funds released in January created a mad dash for getting new escalators for the airline terminal designed and bid in time to meet grant deadlines. Fortunately, we were able to overcome a number of obstacles to complete the process, be awarded a grant and issue a notice-to-proceed May 11 to the successful bidder, Coleman Adams.

At this point the final shop drawings are being reviewed, and Coleman Adams hopes to have the manufacturer of the escalators, Schindler, begin assembly of the two units shortly. I am being told that a preliminary target date for delivery is September 13, although I have urged them to have the date moved up as much as possible. Due to the nature of this project – which will involve opening up sections of the lower level passenger hold room to allow each unit to be installed in one piece – it is critical that the 90-day installation process be conducted during reasonably warm temperatures. In addition, considering its location within the terminal security "sterile" area, maintaining required levels of security will most certainly create challenges as well.

ITEMS FOR THE AGENDA

Besides updates on recent airline meetings, briefings on our new ARFF station and an update on a change in airline ground handlers for ASA are included on the agenda. In addition, the airport's finance manager, Wes Campbell, will provide an overview of the airport's FY 2010 operating budget and other financial details as part of a separate report (relevant financial reports enclosed with your package).

Remember that I will be out of town for most of next week attending the ACI Jump Start program, so if you have any questions or comments about the upcoming Commission meeting, give me a call on my cell phone at (434) 444-3363.

Respectfully yours,

Mark F. Courtney

Mark F. Courtney, A.A.E.
Airport Director

LYNCHBURG REGIONAL AIRPORT COMMISSION
Monday, June 14, 2010
4:00 p.m.

AGENDA FOR THE COMMISSION

1. Call to Order

CONSENT AGENDA

2. March 22, 2010 Commission Meeting Minutes

3. Lynchburg Regional Airport June 2010 Air Service Update

4. April 2010 Passenger Traffic Report

Consent Agenda Recommended Action: Receive and File

REGULAR AGENDA

5. Report of the Airport Director

   A. A report regarding the final completion of the new Aircraft Rescue and Fire Fighting (ARFF) building, and brief remarks by the corporate chief of Pro-Tec Fire Services and the LYH Fire Chief.

   B. A report with regards to recent air service development trips and meetings with route planning officials from United Airlines, Delta Airlines, US Airways and Frontier.

   C. A report concerning the recent termination of airline ground handling services by Atlantic Southeast Airlines and replacement by Piedmont Airlines.

   D. An update regarding the status of AIP grant funded airport capital improvement projects (ACIP) underway and planned for the second half of FY 2010

6. A briefing by the airport's finance manager, Wes Campbell, regarding the FY 2010 operating budget and the airport's financial status as we near the end of the fiscal year.

7. Miscellaneous business

   A. Inquiries and/or comments by Commission Members

8. Reports of airport businesses

9. Hearings of citizens upon Commission matters

10. Adjournment

MINUTES OF
THE
LYNCHBURG REGIONAL AIRPORT COMMISSION MEETING
March 22, 2010
4:00 p.m.

PRESENT:

Don Banker
Darren Gale
David Laurrell
David Young
Kimball Payne
Jones Stanley
Janice Crawford
Billy Giles

ABSENT:

Stewart Hobbs

STAFF PRESENT:

Mark Courtney, Airport Director
Rick Stein, Deputy Airport Director
Wes Campbell, Airport Finance Director

(1) CALL TO ORDER:

Mr. Don Banker, Chairman, called the meeting to order at 4:00 p.m.

(2) APPROVAL OF March 22, 2010 CONSENT AGENDA

Mr. Banker confirmed that everyone had received the items from the consent agenda; the January 25, 2010 Commission Meeting Minutes, the March 2010 Air Service Update and the February 2010 Passenger Traffic Report and asked if there were any questions or comments regarding the consent agenda items.

There being no questions or comments, Mr. Banker asked for a motion to receive and file. The motion was made, seconded and unanimously accepted by all.

(3) REPORT OF THE AIRPORT DIRECTOR

A. A report with regards to current air service development activity at LYH and presentation of relevant market data to support Washington Dulles air service.

Mr. Courtney gave a brief overview of staff's air service efforts and in particular continuing efforts in attracting a third carrier to Washington Dulles. Our departures have stabilized, with any drop-off being more seasonal in the wintertime. Monthly load factors were holding, with US Airways being a bit more aggressive and attuned to yield [revenue] management in terms of

seat availability at the lower fares. US Airways is holding in the mid-70% range with regard to load factors and appears to have stabilized in that range. Delta has higher load factors, but Delta typically makes more seats available at the lower fares.

Mr. Courtney reported that he had been successful in setting up an appointment with a United Airlines planning official scheduled to occur in May. Mr. Courtney stated that a representative from the Chamber, in addition to Janice Crawford, would accompany him to the meeting with United at their headquarters in Chicago. The purpose of the meeting will be to solicit advice and suggestions regarding securing United Express service at Lynchburg Regional Airport. There followed a general discussion.

B. An update regarding scheduled completion of the new Aircraft Rescue and Fire Fighting (ARFF) building.

Mr. Courtney reported that the new Aircraft Rescue and Fire Fighting (ARFF) station is in the final stages of construction. The expected completion date is the first week of April. He said he will be holding the next commission meeting in the bay of the new ARFF building and incorporate an open house event around the meeting

C. A status report on the Airport's tenant/airport maintenance program.

Mr. Courtney briefed the Commission on all of the maintenance projects undertaken on the various facilities on the airport in the last two years, most particularly at the Virginia Aviation and Falwell Aviation leasehold facilities. Mr. Courtney stated that attention will now be turned to the passenger terminal, as the building is now 18 years old. There ensued additional discussion.

D. A report with regards to FY 2010 grant funded airport capital improvement projects (ACIP).

Mr. Courtney reported on the FAA AIP program grant for this year. He said we were notified at the end of January that we had a deadline of March 5, 2010 of getting the bids in for any project we wanted to go under grant for Part "A" of this year's program. The replacement of the escalators was selected as this project and is the most pressing. After a quick design/bid process, three bids were received on March 4, 2010. Unfortunately, two of the bidders submitted their bids one minute late and were rejected as a result. There was a protest, which Mr. Courtney discussed in greater detail. Mr. Courtney explained that there is a complication in that the AIP funds have not been released through the office of Secretary of Transportation, and that all airports are being held up right now. However, the FAA informed Mr. Courtney that even though FAA is missing deadlines, since the money has been appropriated, airports will be able to go under grant and utilize this Part "A" money. There followed a general discussion.

Mr. Courtney said that an RFP that has been released for architectural and engineering and other related services. Under both FAA and local procurement regulations, this will enable him to short list eligible firms for services up to $100,000. Mr. Courtney stated that it is his hope that a design for a combination baggage claim/baggage carousel replacement and replacement of the terminal HVAC equipment will qualify as one project. Other projects on the horizon will be some security work and other small terminal projects.

(4) Consideration by the Commission of applications by Centra Health and Petroleum Helicopters International (PHI) to operate a medical helicopter service at LYH.

Mr. Courtney explained that there were several applications in the Commission Packets because it had not yet been determined how Centra's service will be structured, in which facility they will be housed or exactly how the business license or lease application will be translated into a permit agreement or lease agreement. He stated that Centra Health will be the primary tenant and they will be utilizing Petroleum Helicopter International as their helicopter provider for medical flight services. Centra will provide all the flight nurses and also will be administering and managing the program. Mr. Courtney introduced Mr. Allan Belcher of Centra Health, and invited him to address the commission and invited the commission to ask questions.

Mr. Allan Belcher introduced Mr. Allan Ferguson of Petroleum Helicopters and invited the commission to address any questions related to, or pertaining to, the air medical portion of the program to him. He explained that the State Police operate under an FAA Part 91 Program and that Medicare requires that providers have the FAA Part 135 (commercial) certificate for services to be billable. In 2008 Centra Health received a letter from CMS for Medicare stating that the medical transportation must have the Part 135 certificate, thus necessitating the change in service. He further explained and detailed the project. There ensued a general discussion.

Mr. Courtney stated that both Centra Health and PHI would be required to have licenses to operate on the airport because PHI would be a sub-contractor of Centra Health. He discussed the issue in detail.

Mr. Courtney asked for action by the Commission to recommend that the City proceed forward with the actual licensing and leases as applicable with Centra Health and PHI to allow them to operate.

A few questions were fielded.

Mr. David Laurrell made the motion to recommend that the airport director issue Airport Business Licenses and/or develop applicable lease document(s).

Ms. Janice Crawford seconded the motion, a vote was taken and it was unanimously accepted by all.

(5) An update by Commission member Jones Stanley regarding planning for a possible air show at LYH.

Mr. Jones Stanley gave a brief update on the possible air show. After speaking with appropriate parties, gathering data and reviewing it with the Airport Director, the conclusion was made that it may be possible to have a jet performance team in Lynchburg as early as 2012. This would require a possible closure of Highway 29 for a limited amount of time during the actual performance. VDOT and the State Police will be consulted and once approval is obtained, an application for DFE, RFCOD must be submitted by August 1, 2010 for the 2012 show. He discussed the project in further detail.

Mr. Stanley explained that an air show will require a lot of time and money and resources. He suggested that a work-flow diagram be created and that someone will need to work on this effort

five days a week. He stressed the importance of making sure we submit the applications on time, as air shows are granted on a first-come, first-served basis [Blue Angels]. He discussed the issue further.

Mr. Stanley addressed the issue of whether or not serving on the commission was a conflict of interest for Mr. Dave Young. Mr. Stanley emphasized that Mr. Young does not own a business on this airport, but only works at a business that is on the airport. Mr. Don Banker reminded Mr. Stanley that the City Attorney said it Mr. Young's decision whether or not to step down as a commission member, and that Mr. Young had not yet made such a decision. There followed a general discussion.

Mr. Dave Young proceeded to give a condensed timeline for the air show. There ensued an in-depth discussion.

(6) MISCELLANEOUS BUSINESS

A. Inquiries and/or comments by Commission Members

Mr. Banker asked if the were any other inquiries and/or comments by Commission Members. There were none.

(7) REPORTS OF AIRPORT BUSINESSES

Mr. Banker asked if there were any reports of airport business.

Mr. Steve Cuppy of Virginia Aviation thanked everyone for the outpouring of support and sympathy since the death Mr. Jim Lampman on February 10, 2010. He said Virginia Aviation is transitioning into an employee-owned company and that that process is well underway.

Mr. Cuppy provided an overview of other efforts underway at Virginia Aviation from a business.

(8) HEARINGS OF CITIZENS UPON COMMISSION MATTERS

Mr. Banker asked if there were any questions or comments from the citizens present. There were none.

(9) ADJOURNMENT

There being no further business, the meeting was adjourned.

Lynchburg Regional Airport Commission

Effective June 2010 **AIR SERVICE UPDATE**

Summary The number of daily departure seats is 400 and the daily departure frequency is 8.

Carrier Profile

Airline	Destination	Departures	Seats	Equipment
Delta Connection	Atlanta	3	150	CRJ
US Airways	Charlotte	5	250	DH3
	AIRPORT TOTAL:	**8**	**400**	

Delta Connection Three flights on all weekdays currently scheduled to continue through August. Delta added a third flight on Saturdays effective June 12 through August 14.

US Airways US Airways added a 5th flight on weekdays and Sundays in early May and upgraded equipment to Dash 8-300s.

Destinations Served

Non-Stop	Departures	Total
Atlanta	3	3
Charlotte	5	5
	8	8

Aircraft Types

Aircraft		No. of Departures/Day
DH8	Dash 8	0
DH3	Dash 8-300	5
CRJ	Bombardier CRJ200	3

LYNCHBURG REGIONAL AIRPORT AIR TRAFFIC REPORT FOR APRIL 2010

AIR TRAFFIC REPORT

	MONTH			YR TO DATE TOTALS		PERCENTAGE CHANGES		
	Apr-10	Mar-10	Apr-09	2010	2009	Apr-10 Mar-10	Apr-10 Apr-09	10 YTD 09 YTD
ENPLANED PASSENGERS	7,721	7,360	7,370	27,689	24,542	4.9%	4.8%	12.8%
DEPLANED PASSENGERS	7,516	7,423	7,147	27,506	24,345	1.3%	5.2%	13.0%
TOTAL PASSENGERS	15,237	14,783	14,517	55,195	48,887	3.1%	5.0%	12.9%
AIRCRAFT OPERATIONS								
(Landings and Takeoffs)								
Air Carrier	489	472	482	1,738	1,702	3.6%	1.5%	2.1%
General Aviation	8,268	7,385	6,143	24,727	24,695	12.0%	34.6%	0.1%
Military	152	144	166	533	556	5.6%	-8.4%	-4.1%
Total	8,909	8,001	6,791	26,998	26,953	11.3%	31.2%	0.2%

AIR TRAFFIC REPORT

	MONTH			YEAR TO DATE TOTALS		CHANGES		
	Apr-10	Mar-10	Apr-09	2010	2009	Apr-10 Mar-10	Apr-10 Apr-09	10 YTD 09 YTD
NUMBER OF DAILY SCHEDULED FLIGHTS								
USAirways Express - Piedmont	4	4	5			0.0%	-20.0%	
USAirways Express - PSA	0	0	0					
ACA - United Express	0	0	0					
ASA - Delta Connection	3	3	3			0.0%	0.0%	
Allegheny	0	0	0					
Shuttle America	0	0	0					
Air Midwest	0	0	0					
Total	7	7	8			0.0%	-12.5%	
NUMBER OF ACTUAL FLIGHTS								
USAirways Express - Piedmont	119	120	144	453	523	-0.8%	-17.4%	-13.4%
USAirways Express - PSA	0	0	0	-	-			
ACA - United Express	0	0	0	-	-			
ASA - Delta Connection	82	76	79	291	222	7.9%	3.8%	31.1%
Allegheny	0	0	0	-	-			
Shuttle America	0	0	0	-	-			
Air Midwest	0	0	0	-	-			
Total	201	196	223	744	745	2.6%	-9.9%	-0.1%
NUMBER OF CANCELLED FLIGHTS								
USAirways Express - Piedmont	1	4	3	18	19	-3	-2	-1
USAirways Express - PSA	0	0	0	-	-	0	0	0
ACA - United Express	0	0	0	-	-	0	0	0
ASA - Delta Connection	0	3	3	18	8	-3	-3	10
Allegheny	0	0	0	-	-	0	0	0
Shuttle America	0	0	0	-	-	0	0	0
Air Midwest	0	0	0	-	-	0	0	0
Total	1	7	6	36	27	-6	-5	9

LYNCHBURG REGIONAL AIRPORT AIR TRAFFIC REPORT FOR APRIL 2010

AIR TRAFFIC REPORT

Revenue Passengers Only	MONTH			YEAR TO DATE TOTALS		PERCENTAGE CHANGES			PERCENT OF AIRPORT TOTAL		
	Apr-10	Mar-10	Apr-09	2010	2009	Apr-10 Mar-10	Apr-10 Apr-09	10 YTD 09 YTD	Apr-10	Mar-10	Apr-09
ENPLANED PASSENGERS											
USAirways Express - Piedmont	4,288	4,115	4,401	15,494	16,034	4.2%	-2.6%	-3.4%	55.5%	55.9%	59.7%
USAirways Express - PSA	0	0	0						0.0%	0.0%	0.0%
ACA - United Express	0	0	0						0.0%	0.0%	0.0%
ASA - Delta Connection	3,433	3,245	2,969	12,195	8,508	5.8%	15.6%	43.3%	44.5%	44.1%	40.3%
Allegheny	0	0	0						0.0%	0.0%	0.0%
Shuttle America	0	0	0						0.0%	0.0%	0.0%
Air Midwest	0	0	0						0.0%	0.0%	0.0%
Charter	0	0	0						0.0%	0.0%	0.0%
Total	7,721	7,360	7,370	27,689	24,542	4.9%	4.8%	12.8%	100.0%	100.0%	100.0%
DEPLANED PASSENGERS											
USAirways Express - Piedmont	4,128	4,166	4,311	15,576	16,022	-0.9%	-4.2%	-2.8%	54.9%	56.1%	60.3%
USAirways Express - PSA	0	0	0						0.0%	0.0%	0.0%
ACA - United Express	0	0	0						0.0%	0.0%	0.0%
ASA - Delta Connection	3,388	3,257	2,836	11,930	8,323	4.0%	19.5%	43.3%	45.1%	43.9%	39.7%
Allegheny	0	0	0						0.0%	0.0%	0.0%
Shuttle America	0	0	0						0.0%	0.0%	0.0%
Air Midwest	0	0	0						0.0%	0.0%	0.0%
Colgan Air	0	0	0								
Charter	0	0	0						0.0%	0.0%	0.0%
Total	7,516	7,423	7,147	27,506	24,345	1.3%	5.2%	13.0%	100.0%	100.0%	100.0%
TOTAL PASSENGERS											
USAirways Express - Piedmont	8,416	8,281	8,712	31,070	32,056	1.6%	-3.4%	-3.1%	55.2%	56.0%	60.0%
USAirways Express - PSA	-	-	-						0.0%	0.0%	0.0%
ACA - United Express	-	-	-						0.0%	0.0%	0.0%
ASA - Delta Connection	6,821	6,502	5,805	24,125	16,831	4.9%	17.5%	43.3%	44.8%	44.0%	40.0%
Allegheny	-	-	-						0.0%	0.0%	0.0%
Shuttle America	-	-	-						0.0%	0.0%	0.0%
Air Midwest	-	-	-						0.0%	0.0%	0.0%
Colgan Air	0	-	-								
Charter	-	-	-						0.0%	0.0%	0.0%
Total	15,237	14,783	14,517	55,195	48,887	3.1%	5.0%	12.9%	100.0%	100.0%	100.0%

AIR TRAFFIC REPORT
NON-REVENUE PASSENGERS ONLY

	MONTH			YEAR TO DATE TOTALS		PERCENTAGE CHANGES			PERCENT OF AIRPORT TOTAL		
	Apr-10	Mar-10	Apr-09	2010	2009	Apr-10 Mar-10	Apr-10 Apr-09	10 YTD 09 YTD	Apr-10	Mar-10	Apr-09
ENPLANED NON-REVENUE PASSENGERS											
USAirways Express - Piedmont	137	106	135	426	468	29.2%	1.5%	-9.0%	64.0%	60.6%	55.3%
USAirways Express - PSA	0	0	0						0.0%	0.0%	0.0%
ACA - United Express	0	0	0						0.0%	0.0%	0.0%
ASA - Delta Connection	77	69	109	241	281	11.6%	-29.4%	-14.2%	36.0%	39.4%	44.7%
Allegheny	0	0	0						0.0%	0.0%	0.0%
Shuttle America	0	0	0						0.0%	0.0%	0.0%
Air Midwest	0	0	0								
Total	214	175	244	667	749	22.3%	-12.3%	-10.9%	100.0%	100.0%	100.0%

LYNCHBURG REGIONAL AIRPORT AIR TRAFFIC REPORT FOR APRIL 2010

AIR TRAFFIC REPORT
NON-REVENUE PASSENGERS ONLY

	MONTH			YEAR TO DATE TOTALS		PERCENTAGE CHANGES			PERCENT OF AIRPORT TOTAL		
	Apr-10	Mar-10	Apr-09	2010	2009	Apr-10 Mar-10	Apr-10 Apr-09	10 YTD 09 YTD	Apr-10	Mar-10	Apr-09
DEPLANED NON-REVENUE PASSENGERS											
USAirways Express - Piedmont	130	116	103	445	410	12.1%	26.2%	8.5%	62.8%	67.4%	53.1%
USAirways Express - PSA	0	0	0						0.0%	0.0%	0.0%
ACA - United Express	0	0	0						0.0%	0.0%	0.0%
ASA - Delta Connection	77	56	91	217	229	37.5%	-15.4%	-5.2%	37.2%	32.6%	46.9%
Allegheny	0	0	0						0.0%	0.0%	0.0%
Shuttle America	0	0	0						0.0%	0.0%	0.0%
Air Midwest	0	0	0						0.0%	0.0%	0.0%
Total	207	172	194	662	639	20.3%	6.7%	3.6%	100.0%	100.0%	100.0%
TOTAL NON-REVENUE PASSENGERS											
USAirways Express - Piedmont	267	222	238	871	878	20.3%	12.2%	-0.8%	63.4%	64.0%	54.3%
USAirways Express - PSA	-	-	-						0.0%	0.0%	0.0%
ACA - United Express	-	-	-						0.0%	0.0%	0.0%
ASA - Delta Connection	154	125	200	458	510	23.2%	-23.0%	-10.2%	36.6%	36.0%	45.7%
Allegheny	-	-	-						0.0%	0.0%	0.0%
Shuttle America	-	-	-						0.0%	0.0%	0.0%
Air Midwest	-	-	-						0.0%	0.0%	0.0%
Total	421	347	438	1,329	1,388	21.3%	-3.9%	-4.3%	100.0%	100.0%	100.0%

LYNCHBURG REGIONAL AIRPORT OPERATING FUND - FUND SUMMARY

	FY09 July-May	FY10 July-May	% Change	FY09 Actual	FY10 Budget	FY10 Projected	FY10 Projected vs FY09 Actual % Change
BEGINNING RETAINED EARNINGS	$109,766	$199,874	82.1%	$109,766	$199,874	$176,158	60.5%
BOND REFUNDING PROCEEDS						$2,941	
USE OF RESERVES							
Encumbrances	$21,218	$66,236	212.2%	$21,218	$66,236	$66,236	212.2%
Carryforwards	0	0	0	0	0	0	0
TOTAL USE OF RESERVES	$21,218	$66,236	212.2%	$21,218	$66,236	$66,236	212.2%
REVENUES							
Revenue Centers	$1,789,278	$1,938,418	8.3%	$1,955,037	$1,944,386	$2,093,404	7.1%
General Fund Subsidy	295,850	250,000	-15.5%	295,850	272,862	265,026	-10.4%
Miscellaneous	166,351	234,261	40.8%	219,036	276,415	287,838	31.4%
TOTAL REVENUES	$2,251,478	$2,422,680	7.6%	$2,469,923	$2,493,663	$2,646,268	7.1%
EXPENSES							
Operations - Departmental	$1,596,285	$1,650,081	3.4%	$1,804,213	$1,899,946	$1,913,277	6.0%
Operations - Non-Departmental	159,869	249,244	55.9%	253,524	421,760	389,260	53.5%
Debt Service	271,220	285,557	5.3%	319,075	338,067	328,805	3.0%
Reserve for RCF Debt Service	14,000	14,000	0.0%	16,488	0	14,500	-12.1%
Reserve for RCF Maintenance	0	0	0.0%	(34,787)	0	0	-100.0%
Year-end Encumbrances	0	0	0.0%	66,236	0	0	-100.0%
TOTAL EXPENSES	$2,041,373	$2,198,882	7.7%	$2,424,748	$2,659,773	$2,645,842	9.1%
ENDING RETAINED EARNINGS	$341,091	$489,907	43.6%	$176,158	$100,000	$245,761	39.5%
Key Ratios:							
General Fund Subsidy as a % of Total Expenditures	14.5%	11.4%		12.2%	10.3%	10.0%	

SUMMARY:

Revenues:
For the first 11 months of FY10, Revenue Centers income increased by 8.3% due primarily to increased parking revenue.

Expenses:
For the first 11 months of FY10, Departmental expenses increased 3.4% due primarily to increases in Utilities and Payments to Other Funds

General Fund Subsidy:
Current projections for FY10: the annual subsidy from the City should be around $265,026 which would be a 10.4% decrease from FY09.

History of recent annual subsidies:

FY 2002 - $614,530 subsidy (31% of expenses)
FY 2003 - $577,933 subsidy (26% of expenses)
FY 2004 - $490,831 subsidy (23% of expenses)
FY 2005 - $419,980 subsidy (19% of expenses)
FY 2006 - $398,485 subsidy (17% of expenses)
FY 2007 - $367,337 subsidy (15% of expenses)
FY 2008 - $359,364 subsidy (15% of expenses)
FY 2009 - $295,850 subsidy (12% of expenses)
FY 2010 - projected $265,026 subsidy (10% of expenses)

LYNCHBURG REGIONAL AIRPORT FUND - REVENUES

	FY09 July-May	FY10 July-May	% Change	FY09 Actual	FY10 Budget	FY10 Projected	FY10 Projected vs FY09 Actual % Change
REVENUE CENTERS							
AIRFIELD REVENUE							
Airline Landing Fees	91,277	108,795	19.2%	101,290	108,000	117,500	16.0%
Total Airfield Revenue	91,277	108,795	19.2%	101,290	108,000	117,500	16.0%
TERMINAL REVENUE							
Airline Exclusive Space	96,915	96,915	0.0%	105,725	105,142	105,725	0.0%
Airline Common Area	133,375	133,049	-0.2%	145,144	145,144	145,144	0.0%
TSA Office Rent	49,077	53,037	8.1%	59,983	59,400	62,947	4.9%
Rental Car Parking Space	18,254	18,463	1.1%	19,187	18,600	20,141	5.0%
Rental Car Counter Rent	23,965	19,835	-17.2%	24,571	21,700	21,653	-11.9%
Rental Car Facility Charge	139,536	149,116	6.9%	152,558	160,000	160,000	4.9%
Food/Vending Concession	3,279	5,730	74.7%	3,762	4,500	5,730	52.3%
Terminal Advertising	43,800	39,542	-9.7%	43,800	38,000	40,000	-8.7%
Airport Limo Concession	6,228	3,030	-51.3%	6,228	5,000	3,500	-43.8%
Rental Car Concession	352,278	355,810	1.0%	371,418	350,000	375,000	1.0%
Parking Lot Concession	305,649	406,912	33.1%	342,004	345,000	440,000	28.7%
Other	0	0	0.0%	0	0	0	0.0%
Total Terminal Revenue	1,172,358	1,281,437	9.3%	1,274,380	1,252,486	1,379,840	8.3%
GENERAL AVIATION REVENUE							
Fuel Flowage	37,723	36,977	-2.0%	42,809	48,000	40,000	-6.6%
Facilities - Virginia Aviation	110,088	109,097	-0.9%	120,096	123,000	119,015	-0.9%
Facilities - Falwell Aviation	102,346	102,906	0.5%	111,666	114,800	112,420	0.7%
Aircraft Landing & Parking Fees	3,054	2,686	-12.0%	3,219	3,000	2,800	-13.0%
Thru-put Fees	83,061	105,153	26.6%	95,260	90,000	113,000	18.6%
Total General Aviation Revenue	336,273	356,819	6.1%	373,050	378,800	387,235	3.8%
OTHER AIRPORT REVENUE							
State Police Hangar Lease	73,784	74,234	0.6%	80,522	80,800	81,033	0.6%
FAA Tower Lease	35,685	36,934	3.5%	42,895	44,300	44,396	3.5%
Steel Co. Land Lease	7,000	7,000	0.0%	7,000	7,000	7,000	0.0%
Childress Lease	200	0	-100.0%	200			-100.0%
Fire Training Center Rent	17,500	17,500	0.0%	17,500	17,500	17,500	0.0%
Police Firing Range Rent	2,500	2,500	0.0%	2,500	2,500	2,500	0.0%
T-Hangar Rent	52,700	53,200	0.9%	55,700	53,000	56,400	1.3%
Total Other Airport Revenue	189,369	191,368	1.1%	206,317	205,100	208,829	1.2%
TOTAL REVENUE CENTERS	1,789,278	1,938,418	8.3%	1,955,037	1,944,386	2,093,404	7.1%
MISCELLANEOUS							
Investment Interest	8,903	1,793	-79.9%	9,176	4,000	2,000	-78.2%
Charges for Services	11,827	10,578	-10.6%	12,833	10,000	12,300	-4.2%
State Airport Aid	48,328	128,303	165.5%	68,328	140,000	149,220	118.4%
Federal Security Aid	84,368	87,785	4.1%	113,948	118,415	118,415	3.9%
Other	12,924	5,803	-55.1%	14,751	4,000	5,903	-60.0%
TOTAL MISCELLANEOUS	166,351	234,261	40.8%	219,036	276,415	287,838	31.4%
TOTAL AIRPORT-GENERATED REVENUE	1,955,628	2,172,680	11.1%	2,174,073	2,220,801	2,381,242	9.5%
GENERAL FUND SUBSIDY							
Transfer from General Fund	**295,850**	**250,000**	**-15.5%**	**295,850**	**272,862**	**265,026**	**-10.4%**
TOTAL GENERAL FUND SUBSIDY	295,850	250,000	-15.5%	295,850	272,862	265,026	-10.4%
TOTAL ALL REVENUES	2,251,478	2,422,680	7.6%	2,469,923	2,493,663	2,646,268	7.1%

LYNCHBURG REGIONAL AIRPORT FUND - EXPENSES

BUDGET SUMMARY	FY09 July-May	FY10 July-May	% Change	FY09 Actual	FY10 Budget	FY10 Projected	FY10 Projected vs FY09 Actual % Change
Personnel (FTE)	20.70	20.70	0.0%	20.70	20.70	20.70	0.0%
DEPARTMENTAL							
Salaries & Wages	$501,441	$502,642	0.2%	$552,675	$565,009	$569,444	3.0%
Employee Benefits	193,547	191,889	-0.9%	213,219	218,798	212,503	-0.3%
Contractual Services							
Maintenance & Repair	140,387	120,259	-14.3%	165,341	147,966	156,410	-5.4%
Professional Services	2,297	381	-83.4%	2,327	7,750	7,900	239.4%
Temporary Personnel	0	0	0.0%	0	0	0	0.0%
Advertising & Public Relations	56,717	69,767	23.0%	57,187	51,000	70,767	23.7%
Airport Rescue & Fire Fighting	182,297	196,424	7.7%	218,756	229,000	231,000	5.6%
Misc Contractual Services	88,619	80,918	-8.7%	103,588	115,801	106,301	2.6%
Fleet Service Charges	34,126	31,784	-6.9%	36,997	36,289	36,689	-0.8%
Other Charges							
Supplies & Materials	85,070	92,285	8.5%	99,853	107,500	104,050	4.2%
Utilities	174,856	199,165	13.9%	204,835	227,000	231,000	12.8%
Travel & Training	5,359	7,051	31.6%	6,241	10,150	13,150	110.7%
Telecommunications	4,610	4,631	0.5%	5,442	5,400	5,400	-0.8%
Postage & Mailing	749	1,120	49.6%	766	1,400	1,400	82.9%
Dues & Memberships	2,874	3,140	9.3%	2,874	4,000	4,000	39.2%
Miscellaneous	224	604	100.0%	304	2,100	2,300	656.1%
Equipment Rental	5,487	5,827	6.2%	5,487	3,600	5,844	6.5%
Payments to Other Funds							
Indirect Cost Allocation	74,906	100,788	34.6%	81,716	109,950	109,950	34.6%
Self-Insurance	42,720	41,405	-3.1%	46,604	57,233	45,169	-3.1%
DEPARTMENTAL TOTAL	$1,596,285	$1,650,081	3.4%	$1,804,213	$1,899,946	$1,913,277	6.0%
NON-DEPARTMENTAL							
Security Personnel (Federal Program)	$103,374	$106,514	3.0%	$115,221	$120,568	$120,568	4.6%
Nonrecurring Maintenance	39,452	128,420	225.5%	96,400	215,999	215,999	124.1%
Independent Financial Audit	9,334	7,050	-24.5%	10,294	12,585	12,585	22.3%
Uncollectible Accounts	0	0	0.0%	0	5,000	2,500	#DIV/0!
Other Non-Departmental	7,708	7,260	-5.8%	31,609	37,608	37,608	19.0%
Transfer to Capital Projects	0	0	0.0%	0	30,000	0	0.0%
NON-DEPARTMENTAL TOTAL	$159,869	$249,244	55.9%	$253,524	$421,760	$389,260	53.5%
OTHER							
Debt Service	$271,220	285,557	5.3%	$319,075	$338,067	$328,805	3.0%
Debt Service Reserve-Rental Car Facility	14,000	14,000	0.0%	16,488	0	14,500	-12.1%
Maintenance Reserve-Rental Car Facility	0	0	#DIV/0!	(34,787)	0	0	-100.0%
Year-end Encumbrances	0	0	0.0%	66,236	0	0	-100.0%
OTHER TOTAL	$285,220	$299,557	5.0%	$367,012	$338,067	$343,305	-6.5%
GRAND TOTAL	$2,041,373	$2,198,882	7.7%	$2,424,748	$2,659,773	$2,645,842	9.1%