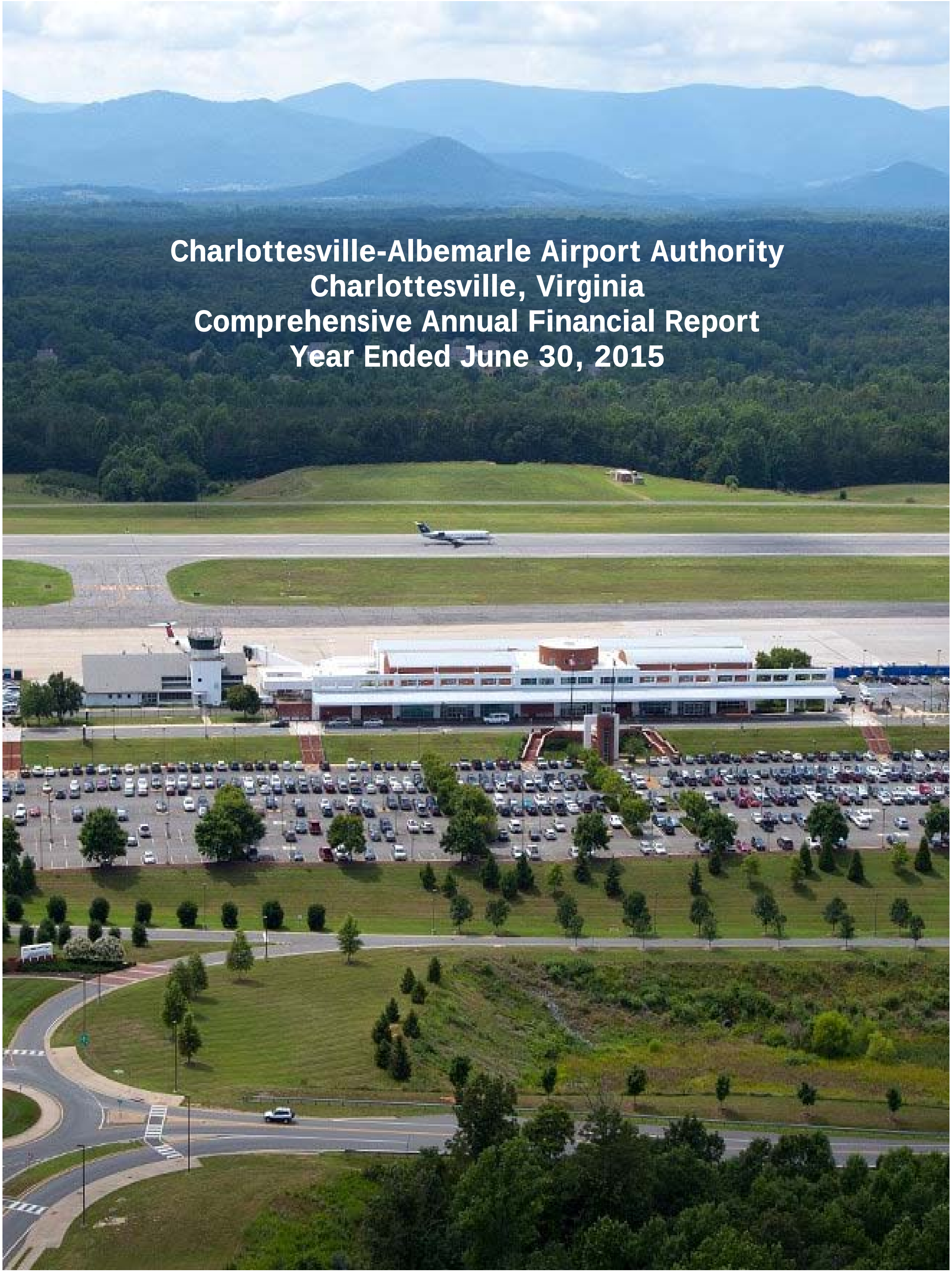

Charlottesville-Albemarle Airport Authority
Charlottesville, Virginia
Comprehensive Annual Financial Report
Year Ended June 30, 2015

Charlottesville-Albemarle Airport Authority
Charlottesville, Virginia
Comprehensive Annual Financial Report
Year Ended June 30, 2015

Prepared by the Administrative Division

Penny D. Shifflett
Director of Finance
www.gocho.com

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

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CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

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INTRODUCTORY SECTION

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January 25, 2016

DEAR HONORABLE MEMBERS OF
THE CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY:

I am pleased to submit for your review and information the fiscal year 2015 Comprehensive Annual Financial Report of the Charlottesville-Albemarle Airport Authority (Authority).

This report is published in accordance with the requirements of the enabling legislation as enacted by the Commonwealth of Virginia creating the Authority 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) while the financial audit contained herein was performed in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In addition to distribution of this report to Authority Board members, this report is also being transmitted to others interested in the financial condition of the Authority as required by Federal Aviation Administration (FAA) regulations as well as the Authority's bond indenture of trust.

Since this report consists of management's representations concerning the financial position of the Authority, management assumes full responsibility for the completeness and reliability of all information presented herein. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that has been designed to protect the Authority's assets from loss, theft, or misuse as well as compiled sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this report is complete and reliable in all material respects.

The goal of the independent audit is to provide reasonable assurance that the financial statements of the Authority for the year ended June 30, 2015 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management and evaluating the overall financial statement presentation. 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 independent auditors' report is the first component of the Financial Section of this report.

The independent audit of the financial statements is part of the broader mandated provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, relative to financial funds received from the U.S. Government, the Specifications for Audits of Authorities, Boards, and Commissions issued by the Auditor of Public Accounts of the Commonwealth of Virginia relative to financial funds received from the Commonwealth of Virginia, and also, in conformity with the provisions of the November 1994 Passenger Facility Charge Reporting Guide for Public Agencies issued by the Federal Aviation Administration for its Passenger Facility Charge Program. The standards governing these provisions require the independent auditor not only to report on the fair presentation of the financial statements, but also on the Authority's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. See the independent auditors' reports presented in the Compliance Section of this report for further information and discussion of these standards.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). One should read this letter of transmittal in conjunction with the MD&A that is located immediately following the report of the independent auditors in the Financial Section of this report.

The information presented in the Financial Section of this report is best understood when it is considered from the broader perspective of the specific environment within which the Airport operates. The Authority's economic condition is a composite of its financial health and its ability to meets its financial obligations and service commitments.

The Authority

The Authority was created by the 1984 Acts of Assembly, Chapter 390, Virginia General Assembly, and is currently operating under the authority of the law of the Commonwealth of Virginia, Chapter 864 of the Acts of the Virginia General Assembly (2003), and is organized and exists as an independent political subdivision of the Commonwealth of Virginia.

The Authority is organized for the purpose of acquiring, constructing, reconstructing, maintaining, repairing and operating an airport to serve the needs of the City of Charlottesville, Virginia (City), the County of Albemarle, Virginia (County), and surrounding region. The Enabling Act provides that the Authority is authorized to issue revenue bonds for any of its purposes solely from the tolls and revenues pledged for their payment; to fix and revise from time to time and charge and collect rates, fees, rentals and other charges for the use of the Airport; to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under the Enabling Act; and to do all things necessary and convenient to carry out the powers under the Enabling Act; and to do all acts and things necessary and convenient to carry out the powers expressly granted in the Act. Prior to the creation of the Authority, the City and the County jointly operated the Airport through the Charlottesville-Albemarle Airport Board (Board). In October 1984, the Board conveyed the Airport to the Authority. By joint resolutions, the governing bodies of the City and County dissolved the Board, and the Authority commenced Airport operations. Neither the City nor the County are required to approve issuance of bonds or incurrence of indebtedness by the Authority.

The Authority consists of three members: the City Manager of Charlottesville, or his/her principal assistant, as chosen by the City Council of Charlottesville; the County Executive of Albemarle County, or his/her principal assistant, as chosen by the Board of Supervisors of Albemarle; and one member of the Charlottesville-Albemarle Joint Airport Commission (Commission). The Commission is an advisory body comprised of residents of Charlottesville and Albemarle, as appointed by the City Council and the County Board of Supervisors.

Economic Condition and Outlook Economic Condition and Outlook

Brantley Ussery, Marketing Department

The Charlottesville Albemarle Airport (CHO Airport) is located eight miles north of the City of Charlottesville, Virginia nestled against the picturesque Blue Ridge Mountains. CHO Airport serves a ten-county region that includes a population of nearly 600,000 residents, covering an area of more than 4,000 square miles. This includes portions of popular tourist attractions like the Shenandoah National Park and the scenic Blue Ridge Parkway. Located halfway between Boston and Atlanta the region is business-minded with a diverse array of industries including manufacturing, medical services, life sciences, and technology. Seventy-four percent of the passengers using CHO Airport are generated from Albemarle County.

The Greater Charlottesville Region continues to hold on to its reputation as one of the best places in the country to live and work. In 2015, the region received several notable accolades. Best College Reviews recently named the grounds at the University of Virginia as the most beautiful college campus in the country, while Thrillist ranked Charlottesville as one of the best college towns for food and drink. Orbitz named Charlottesville one of the best places to travel in 2015 and the Huffington Post distinguished the Charlottesville area as one of the best small town family weekend destinations.

A booming economic engine complements the stellar quality of life found in the Charlottesville region. Education and health service industries are vital to the area’s economic prosperity and they are anchored in large part by the University of Virginia. A thriving tourism sector also helps to fuel this economic engine, bringing tourists and visitors from around the country and around the world. Charlottesville and the surrounding region are home to many historic attractions such as Thomas Jefferson’s Monticello, James Monroe’s Ash Lawn-Highland, and James Madison’s Montpelier. Monticello alone attracts approximately half of a million visitors each year. Charlottesville is also home to the historic University of Virginia, founded by Thomas Jefferson in 1819, now designated as a UNESCO World Heritage Site. In addition to historic attractions, Charlottesville also boasts a vibrant and bustling downtown area, with the historic pedestrian Downtown Mall at its epicenter. This tree-lined avenue has served as the inspiration for numerous pedestrian malls across the country and is home to dozens of local restaurants, shopping options, and live-music venues. Here, you can catch musical acts, plays and performances at the Charlottesville Pavilion, the Jefferson Theatre and the historic Paramount Theatre. Closer to the University of Virginia, the John Paul Jones Arena attracts nationally and internationally renowned music and entertainment artists each year.

Outdoor activities abound in Charlottesville and the surrounding counties. The nearby mountains provide opportunities for hiking, mountain biking, and skiing. A plethora of lakes, rivers and streams support canoeing, kayaking and even fly fishing. The region has also recently found itself in the spotlight as a cycling destination. The USA Cycling team even chose Charlottesville and Albemarle County as its training grounds in preparation for the UCI Road World Championships in Richmond in September 2015.

Over the last decade, central Virginia has gained national and international recognition for its blossoming wine industry. The Charlottesville region is home to dozens of wineries and more than half of Virginia’s 2,000 vineyard acres grow within the Monticello Viticultural Area (AVA), all within CHO Airport’s service area. Charlottesville is also gaining distinction as a craft beer and cider destination, with numerous breweries and cideries offering up their award-winning carbonated concoctions. Several breweries in this region have received prestigious awards from the Great American Beer Festival and the World Beer Cup.

The University of Virginia (UVA) remains stable, even in times of economic uncertainty. UVA continues to place very highly in the U.S. News & World Report's college rankings. At the undergraduate level, UVA currently ranks as #26 overall and #3 among public universities in the nation. UVA has 55 percent of its classes with fewer than 20 students and a student-faculty ratio of 15:1.

With more than 30,000 employees and students, UVA remains an anchor in the region moderating many recessionary economic forces. The development of two research parks, the University of Virginia Research Park and Fontaine Research Park, continues through the University of Virginia Foundation. The Foundation is focused on creating business and research partnerships between the private sector and the University.

In the field of health care, the region is home to two of the nation's most prestigious and dynamic hospitals. The University of Virginia Medical Center represents an integrated network of primary and specialty care. In 2013, the UVA Medical Center handled nearly 800,000 outpatient visits. Martha Jefferson Hospital, a newly relocated community hospital facility, is also recognized as being among one of the best health-care facilities in the United States. Because of their missions, services and propensity to generate significant employment opportunities, both entities will continue to be catalysts for economic activity in the area for years to come.

The government/defense industry also makes substantial economic contributions to the Charlottesville region. Over the last several years, the Defense Intelligence Agency has been relocating much of its intelligence analysis function to the Albemarle County facility now occupied by the National Ground Intelligence Center. This has brought more than 800 jobs and $64 million dollars in salaries to the local community. The economic activity generated through the health care, biotechnology, government and travel/tourism industries in this region will continue to yield opportunities for all forms of aviation to prosper and grow at the Charlottesville Albemarle Airport for years to come.

Airport Outlook

Melinda Crawford, Executive Director

The financial outlook of the Authority is primarily dependent upon the number of passengers as well as the landed weights of aircraft utilizing the Charlottesville-Albemarle Airport (CHO). Passenger levels, in turn, are dependent upon several factors, including the economic condition of the airlines, which influences the airlines' ability to continue or add new service; the local economy, which affects the consumers' willingness to purchase air travel; and the cost of airline tickets.

A 2011 Virginia Airport System Economic Impact Study prepared by the Virginia Department of Aviation reports that every $1.00 spent at Virginia public-use airports returns an additional $3.48 in economic activity throughout the Virginia economy. Specifically, the Study reports that CHO generates 1,267 jobs paying $40,667,000 in wages with total economic activity valued at $128,684,000. Much of CHO's economic impact on the region was highlighted in a new advertising campaign which promotes CHO as "Your Airport".

CHO reached a record breaking high of 522,799 passengers in FY 2015, an increase of 11.1% over FY 2014. With these strong numbers, CHO has seen an overall increase of over 37% in enplaned passenger growth for the period of FY 2005 through FY 2014, a period when many similar-sized airports have experienced significant declines in passenger traffic. This increase in passenger traffic can be attributable, in part, to American Airlines increasing its presence at CHO by adding daily flights to LaGuardia. Also during FY 2015, Delta Air Lines included a Boeing 717-200 to their CHO-Atlanta service. The seat configuration for that aircraft provides 110 seats per flight and replaced the CRJ-200 that provided 50 seats and offers CHO's passengers a first/business class option.

CHO's overall load factors remain at 81% which are at historically peak levels. Most of CHO's connecting markets maintain load factors above 75%. CHO's Atlanta service averages a monthly load factor of 90% while American's service to Chicago remains strong with an average monthly load factor of 78%. These strong numbers position CHO to engage current airlines in the possibility of increasing frequency or capacity to its current markets and possibly adding new destinations.

As illustrated in the Economic Outlook, the region surrounding the Airport provides economic strength, as well as an exemplary quality of life which only enhances the area's ability to attract and retain high-quality employers in industries such as health services, education, and tourism. In addition, the region's historical experience in prior recessions demonstrates an economic strength that diminishes the impact during lean years, with an enhanced growth rate during recovery periods. A local recovery is apparent as passenger traffic remains steady and local fares remain competitive. Therefore, the region's long-term economic potential is certain to provide an opportunity for CHO to remain stable and potentially grow and prosper as the aviation industry further stabilizes.

Capital Planning & Major Initiatives

Each year the Authority adopts a six-year capital improvement program to dedicate funding for anticipated aviation safety, capacity, preservation and security projects at CHO. The plan is designed to address deficiencies that have been identified with the Authority's infrastructure/ facilities and to implement objectives and priorities identified in CHO's Master Plan with an overall goal of meeting the needs of CHO users while maximizing financial contributions from the Federal Aviation Administration (FAA), the Virginia Department of Aviation (VDOA), and the Authority's Passenger Facility Charge (PFC) program.

The Runway 21 Extension Project is finally coming to a close. The date the project was deemed substantially complete was on August 19, 2014. This project began in 2008 and the certification by FAA of the navigational aid improvements is the primary aspect of the project that remains pending. This is expected to be completed in February 2016. The FY 2014 capital plan began the design phase for a parking lot expansion project and a terminal improvement project. The construction phase on the parking lot expansion project began in June 2015 will add approximately 200 new parking spaces and is being funded by the issuance of general revenue bonds through the Virginia Resource Authority and with Airport funds. The anticipated project completion date for the parking expansion project is early 2016. The terminal improvement project will include expansion and improvement of the terminal to allow for more passenger hold room space, bathroom rehabilitation and expansion, security checkpoint reconfiguration, a new business center and new concession areas. The construction phase of this project began in January 2015 and has an anticipated completion date in the spring of 2016. This project is being funded by the Virginia Department of Aviation, airport funds, FAA authorized Passenger Facility Charges, and local funding. CHO also received an FAA grant in September 2014 to assist with the funding of the design of a runway/taxiway rehab project. This project will design the refurbishment of the existing runway/taxiway pavement which was last rehabbed in late 1990's. The construction for this project is expected to begin in CY-2017.

As CHO continues to see passenger growth, future capital projects will attempt to keep up with capacity and security issues. Even though a parking lot expansion is nearing completion, a parking feasibility study will be examined to determine future parking possibilities. An airport-wide security upgrade is scheduled and will be pursued dependent upon FAA approval and funding. Other terminal needs will be addressed as the original systems within the terminal are aging and will need to be refurbished or replaced. Areas identified for improvements or replacements include the terminal's HVAC system, escalators, elevators, roof and baggage claim devices.

Financial Controls

Accounting and Budgetary Controls

Although no cost-effective set of accounting controls can guarantee complete freedom from unauthorized use of assets or errors in reporting financial data, existing Authority procedures provide reasonable assurance that assets are properly recorded and protected and that financial information can be confidently used in the preparation of reports, historical summaries, and projections.

Because the Authority is designed to be a self-supporting and self-sustaining entity, the measurement focus of its financial accounting system is on the preservation of capital. Closely related to this accounting focus, which determines what is measured, is the basis of accounting, which determines when transactions are recognized. To this end, the Authority uses the full accrual basis of accounting, where revenues are recognized in the period in which they are incurred, regardless of the actual receipt or disbursement of cash.

The Authority is responsible for establishing and maintaining an internal control structure designed to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived from its use; and 2) the valuation of costs and benefits requires estimates and judgments by management.

Through its Indenture of Trust and residual airline use agreement, the Authority is required to prepare and adopt an annual operating budget. The annual budget corresponds to the fiscal year (July 1- June 30), and is prepared and adopted as follows:

1. Division heads/account holders prepare preliminary operating budgets and submit them for compilation and review.

2. Airline rates and charges are calculated based upon the anticipated level of expenses, debt service, and capital asset acquisition.

3. The preliminary budget is presented to the signatory airlines for review and approval.

4. The preliminary budget is presented to the Authority for review.

5. After adoption, increases in the budget greater than $5,000 per transaction are made only upon Authority approval. The budget lapses at the end of the fiscal year for all accounts except multi-year construction projects and specific re-appropriations for funds committed at year-end for which goods and/or services have not been received.

Airline Use Agreements

The Authority executes and maintains an Airline-Airport Use and Lease Agreement with each of its commercial service airlines. The agreement is comprised of a revenue/deficit sharing arrangement whereby all year-end net income deficits are debited to airlines. Other than the annual revenue covenant coverage appropriation to the Authority, the fiscal year budget is calculated to result in a break-even posture. All operational debt service is included in the airline rates. The use agreement allows a majority-in-interest vote for eligible airlines for capital improvement appropriations in excess of the annual operating budget and specifically defined costs. The current use agreement expired June 30, 2009. A replacement agreement has not been completed, but continues in negotiation. Both the airlines and the airport continue to operate within the terms established by the agreement and the airlines continue to provide the required insurance, bonds, etc. It is anticipated a new agreement will be signed during FY 2016 with an effective begin date of 7/1/16.

Independent Audit

State statutes and federal regulations require that an annual audit be conducted for the Authority by an independent certified public accountant. The accounting firm of Robinson, Farmer, Cox Associates has been retained by the Authority for this purpose. In addition to meeting the requirements set forth in statutes, this audit is also designed to meet the requirements of the federal Single Audit Act of 1984 and related OMB Circular A-133. The auditors' report on the basic financial statements is included in the financial section of this report while reports relating to the single audit and the passenger facility charge program are located in the compliance section.

Management's Discussion and Analysis

The management's discussion and analysis is included in the Financial Section of this report and is intended to provide the reader with an introduction to and overview of the Authority's financial statements.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its 2014 Comprehensive Annual Financial Report (CAFR). This represents twenty-four years that the Authority has received this Certificate. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, which conforms to established program standards. The Authority is confident that this report continues to conform to the Certificate of Achievement program requirements, and will be submitted to GFOA for consideration for award.

Acknowledgments

While preparation of the comprehensive annual financial report is completed by the Executive Director and the Director of Finance, the participation and performance of all purchasers and managers are crucial for the fiscal success of the Airport. In addition, the leadership of the Executive Director and the Authority Board in setting the highest financial standards for professionalism create the framework in which the staff is able to undertake the mission of providing an economical, safe, and pleasing airport environment conducive to allowing all forms of air travel to thrive for the benefit of Charlottesville, Albemarle and surrounding communities.

Respectfully submitted,

Penny D. Shifflett

Penny D. Shifflett
Director of Finance

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CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
PRINCIPAL OFFICIALS AS OF JUNE 30, 2015

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY BOARD

Chairman
Dr. William J. Kehoe, University of Virginia

Vice-Chairman
Thomas C. Foley, Executive, County of Albemarle

Aubrey Watts, COO, City of Charlottesville

CHARLOTTESVILLE-ALBEMARLE JOINT AIRPORT COMMISSION

Chairman
John Post

Vice-Chairman
George Benford

Dean Johnson

Dr. William J. Kehoe

J. Addison Barnhardt

Brian Campbell

Chris Engel

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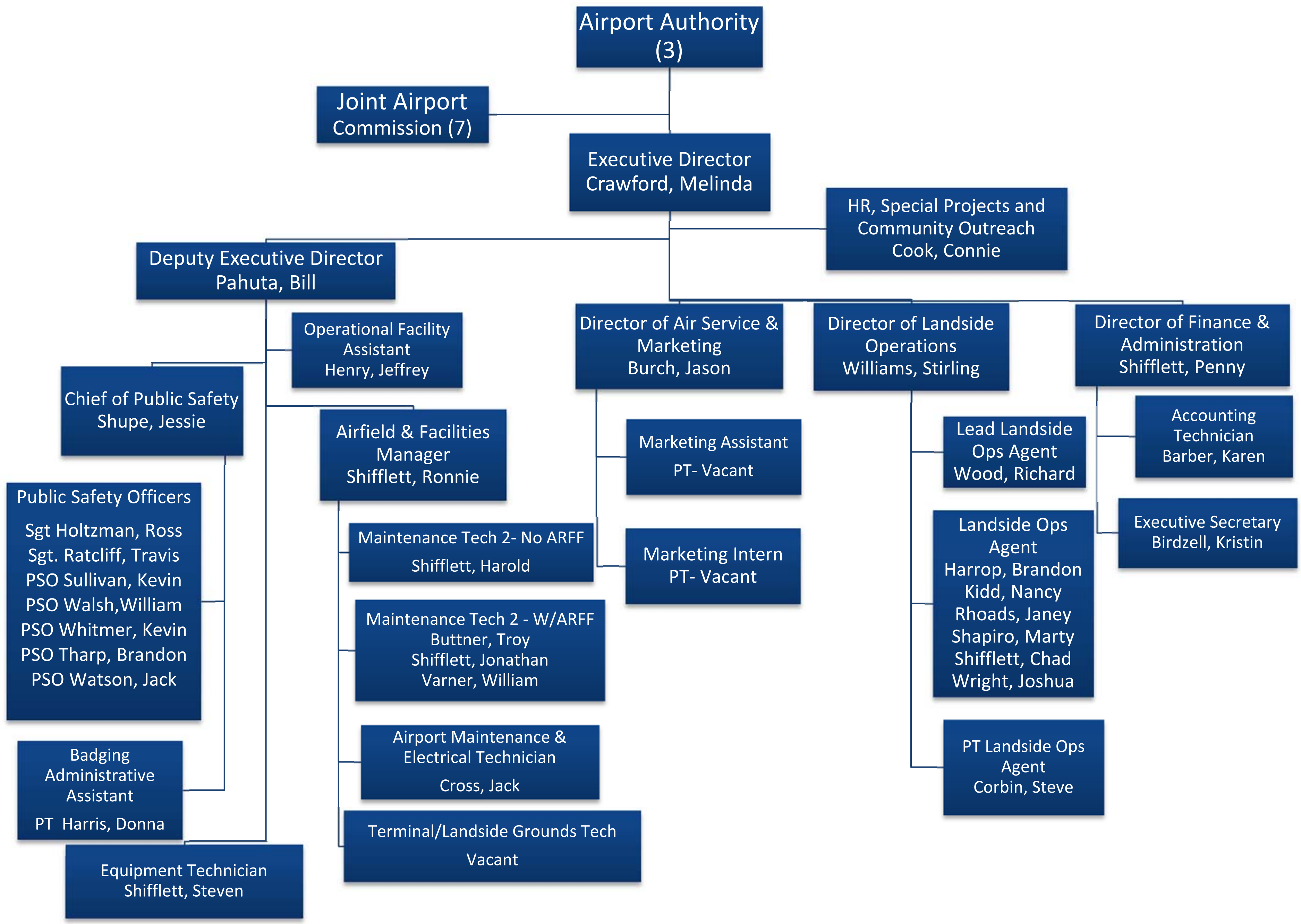
Charlottesville Albemarle Airport 2015 Organizational Chart



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Charlottesville-Albemarle Airport Authority

Vision

Charlottesville-Albemarle Airport is Central Virginia's Airport of Choice.

Mission

To provide a world class airport that enthusiastically serves its customers through extreme:

- Convenience
- Cleanliness
- Safety & Security
- Enhanced Air Service

Values

- Honesty
- Respect
- Integrity
- Loyalty
- Passion
- Environmental Conscientiousness

Organizational Goal Categories

- Cost Effectiveness
- Growth
- Safety
- Customer Focus
- Employee Focus
- Productivity
- Communication

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charlottesville-Albermarle Airport Authority, Virginia

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2014

Jeffrey R. Emer

Executive Director/CEO

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FINANCIAL SECTION

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Independent Auditors' Report

To The Honorable Members of The
Charlottesville-Albemarle Airport Authority
Charlottesville, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Charlottesville-Albemarle Airport Authority, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Charlottesville-Albemarle Airport Authority, as of June 30, 2015, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 14 to the financial statements, in 2015, the Authority adopted new accounting guidance, 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*. Our opinion is not modified with respect to this matter.

Other Matters

Comparative Information

As described in Note 14 to the financial statements, GASB Statement Nos. 68 and 71 were implemented prospectively resulting in a restatement of beginning net position. In the year of implementation, comparative information for the net pension liability and related items was unavailable. Therefore, the 2014 amounts related to pensions have not been restated to reflect the requirements of GASB Statement Nos. 68 and 71. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules related to pension funding on pages 23-30 and 73-75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Charlottesville-Albemarle Airport Authority's basic financial statements. The introductory section, other supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of passenger facility charges collected and expended as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide) are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

Other Information (Continued)

The other supplementary information, schedule of expenditures of federal awards, and schedule of passenger facility charges collected and expended are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, the schedule of expenditures of federal awards, and schedule of passenger facility charges collected and expended are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Summarized Comparative Information

We have previously audited Charlottesville-Albemarle Airport Authority's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 30, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2016, on our consideration of Charlottesville-Albemarle Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charlottesville-Albemarle Airport Authority's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
January 25, 2016

This Management Discussion and Analysis (MD&A) provides an introduction and overview to the Authority's financial statements for the fiscal year ended June 30, 2015. It is unaudited and should be read in conjunction with the financial statements, and notes thereto, which follow in this section.

Basic Financial Statements

The Authority's basic financial statements include three statements: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. The financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The Statement of Net Position depicts the Authority's financial position on June 30, 2015, the end of the Authority's fiscal year. The Statement shows all of the financial assets and liabilities of the Authority. Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

The Statement of Revenues, Expenses and Changes in Net Position reports operating revenues, operating expenses, nonoperating revenues, nonoperating expenses, contributed capital and changes in net position during the fiscal year ended June 30, 2015. The Statement of Revenues, Expenses and Changes in Net Position is prepared on the accrual basis, recognizing revenue when earned and expenses when incurred.

The Statement of Cash Flows presents information on how the Authority's cash and cash equivalents position changed during the fiscal year, as well as illustrates the reconciliation of operating income to net cash provided by operating activities. Cash receipts and payments are classified as Operating Activities, Capital and Related Financing Activities, and Investing Activities.

Airport Activities and Highlights

From an operational standpoint, the Authority had a steady flow of activity in relation to prior fiscal year. Passenger enplanements increased 10% to 261,631, doubling the 5% increase from FY 2014. This increase in passenger traffic can be attributable, in part, to American Airlines increasing its presence at CHO by adding daily flights to LaGuardia. Also during FY 2015, Delta Air Lines included a Boeing 717-200 to their CHO-Atlanta service. The seat configuration for that aircraft provides 110 seats per flight and replaced the CRJ-200 that provided 50 seats. Rental car revenue increased 11%. Parking revenue increased 10%. Both of these areas are directly related to the increase in passenger traffic as there were no rate changes in either of these revenue categories for FY15.

General aviation, military activity and commercial carriers all showed a slight decrease in activity which did not have a negative impact on the financial aspects of the airport. The commercial activity showed a decrease in operations, however, the number of seats into the market increased because larger aircraft were introduced into the fleet.

	FY 2015	FY 2014	FY 2013
Enplanements (persons)	261,631	238,398	227,874
Aircraft Landed Weights (1000's of lbs)	279,089	272,683	265,099
Operations (take-off & landings):			
Commercial	20,049	20,214	17,382
General Aviation	48,307	50,825	49,833
Military	5,637	6,028	5,491
Total Operations	**73,993**	**77,067**	**72,706**

Financial Highlights

Summary of Operations & Changes in Net Position

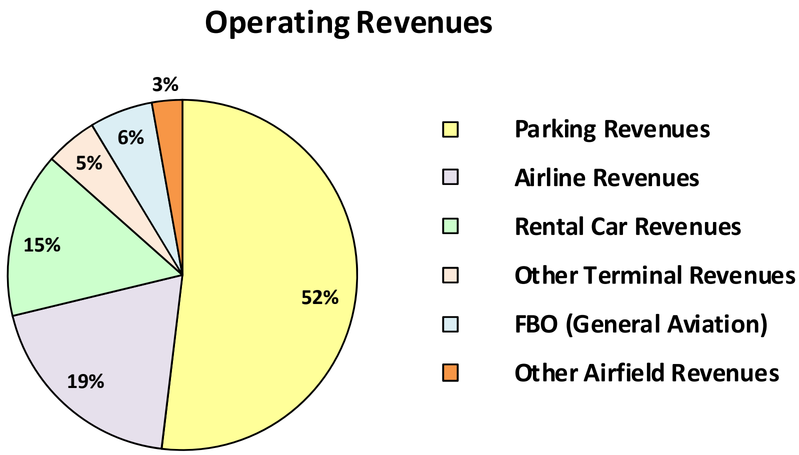
A summary of the Authority's Operations and Changes in Net Position at June 30, 2015 is set forth below:

Summary of Operations & Changes in Net Position	**2015**	**2014**	**2013**
Operations:			
Revenues	$ 5,726,446	$ 5,438,985	$ 5,221,885
Expenses	(4,442,964)	(4,285,964)	(4,347,885)
Income/(loss) before depreciation & nonoperating income/(expenses)	1,283,482	1,153,021	874,000
Nonoperating income/(expenses)	(360,664)	(518,624)	(416,863)
Income/(loss) before capital contributions & depreciation	922,818	634,397	457,137
Depreciation	(3,508,608)	(2,736,440)	(2,959,706)
Income/(loss) before capital contributions	(2,585,790)	(2,102,043)	(2,502,569)
Capital contributions	4,995,034	9,437,881	11,917,822
Net Position:			
Increase in net position	2,409,244	7,335,838	9,415,253
Total net position, beginning of year, as restated	93,787,240	87,403,412	78,711,784
Total net position, end of year	**$ 96,196,484**	**$ 94,739,250**	**$ 88,127,037**

The 1.5% increase in net position is due to substantial completion of the Runway 21 project, resulting in higher depreciation expense. Also, the GASB 68 implementation resulted in a reduction to unrestricted net position. Beginning balances were restated in 2015 for GASB 68 implementation and to reflect the in-service date of the initial phases of Runway 21. Prior year balances as presented above were restated to reflect the capital asset and related deprecation restatement. However, information was not available to restate the prior year presentation of items related to GASB 68.

Operating & Non-operating Revenue Highlights

The following chart shows the major sources and percentage of operating revenues for the fiscal year ended June 30, 2015:



As illustrated in the Statistical section of this document, the primary sources of revenue have undergone a modest change over the past ten years. While parking revenue, airline revenue and rental car revenue have remained the primary sources of revenues; parking revenue has grown from 42% of revenue in FY 2006 to 52% of operating revenues in FY 2015. Correspondingly, airline revenue has decreased from 25% of revenue in FY 2006 to 19% of operating revenues in FY 2015.

A summary of revenues for the year ended June 30, 2015 follows:

Summary of Revenues	**2015**	**2014**	**2013**
Operating:			
Parking Revenues	$ 2,972,382	$ 2,692,721	$ 2,192,110
Airline Revenues	1,107,186	950,258	936,779
Rental Car Revenues	875,844	789,511	760,550
Other Terminal Revenues	274,861	305,912	280,053
FBO (General Aviation)	335,265	284,405	269,975
Other Airfield Revenues	160,908	416,179	782,418
Total Operating Revenues	$ 5,726,446	$ 5,438,986	$ 5,221,885
Nonoperating:			
Interest Income	$ 8,493	$ 7,443	$ 14,438
PFC Debt Service Income	-	31,575	75,779
Insurance Recovery	61,282	-	-
Airline Settlement Retained	335,434	-	-
Agency Reimbursements	150,000	180,000	169,904
Total Nonoperating Revenues	$ 555,209	$ 219,018	$ 260,121
Total Revenues Prior to Capital Contributions	**$ 6,281,655**	**$ 5,658,004**	**$ 5,482,006**
Capital Contributions	4,995,034	9,437,881	11,917,822
Total Revenues	**$ 11,276,689**	**$ 15,095,885**	**$ 17,399,828**

Operating & Non-operating Revenue Highlights

The increases in parking, airline and rental car revenue are directly related to the increase in passenger traffic. During FY14, the PFC debt service reimbursement was paid-in-full in accordance with the approved PFC application. The reduction of the “Other Airfield Revenues” is due, in part, to a change in the reporting format. In prior years, any portion of the airline settlement that the airlines authorized the airport to retain was recorded in the "Other Airfield Revenues" line item. The amount recorded in FY14 in this account, contained $200,000 of the FY 13 settlement as authorized by the airlines. In FY15, the format changed and a new line item was created, "Airline Settlement Retained". This new account will differentiate the funds from normal operating revenue.

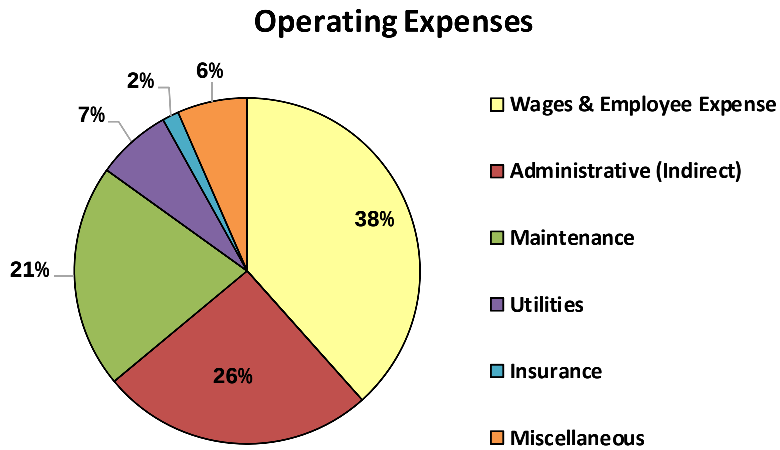
Operating & Non-operating Revenue Highlights (Continued)

Nonoperating revenues increased 153% due to the recognition of airline settlement retention revenue from the prior two fiscal years. The airlines authorized the Airport to keep these revenues for its needs.

Operating & Nonoperating Expense Highlights

The following chart illustrates the major sources and percentage of operating expenses for the fiscal year ended June 30, 2015:

Wages includes all employee wages except administrative wages, and all Authority-paid taxes and benefits, as well as associated employee costs such as training and uniforms. Administrative costs are traditional indirect expenses and include administrative wages and employee costs, advertising and promotion expense, legal expenses, and miscellaneous professional fees. Maintenance expenses cover not only traditional building systems, but landside, roadway, and airfield pavement, lighting systems and equipment repairs as well.



A summary of the expenses for the year ended June 30, 2015 follows:

Summary of Expenses	**2015**	**2014**	**2013**
Operating:			
Wages & Employee Expense	$ 1,706,336	$ 1,602,728	$ 1,491,211
Administrative (Indirect)	1,135,760	1,174,382	1,565,542
Maintenance	930,080	826,332	700,634
Utilities	311,361	340,481	327,164
Insurance	68,877	61,111	59,403
Miscellaneous	290,550	280,930	203,931
Total Operating Expenses	$ 4,442,964	$ 4,285,964	$ 4,347,885
Nonoperating:			
Interest Expense	$ 202,983	232,742	256,007
Rental Car Service Facility Expense	155,430	169,466	179,462
Write-off of stopped project	139,539	0	0
Airline Settlement	417,921	335,434	241,515
Total Nonoperating Expenses	$ 915,873	$ 737,642	$ 676,984
Total Expenses	**$ 5,358,837**	**$ 5,023,606**	**$ 5,024,869**

Operating & Nonoperating Expense Highlights: (Continued)

Overall, expenses remained steady. There was a slight increase in maintenance expenses due to unanticipated repairs of aging systems within the terminal, such as the HVAC and the escalators. Replacement and improvements to portions of these systems are addressed in the future capital plan. Several years ago, a design project was started that explored the options of constructing a new snow removal equipment building. However, that project will not be moving forward and previous capitalized costs were written off as an expense to the new line item, "Write-off of stopped project."

Financial Position Summary

The Statement of Net Position reports the Authority's financial position as of June 30, 2015. It represents the Authority's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $96,196,484 at June 30, 2015, a 1.5 percent increase, or $1,457,234 over June 30, 2014, which is lower than normal as a result of GASB 68 implementation.

A condensed summary of the Authority's total net position at June 30, 2015 is set forth below:

	2015	2014	2013
Assets:			
Current unrestricted assets	$ 1,836,945	$ 2,046,376	$ 1,842,321
Restricted assets	6,386,567	5,281,586	5,912,690
Capital assets	94,548,065	93,342,811	88,574,756
Total assets	$ 102,771,577	$ 100,670,773	$ 96,329,767
Deferred outflows of resources	$ 420,726	$ 357,388	$ 432,628
Liabilities:			
Current liabilities	$ 2,997,484	$ 2,570,716	$ 4,212,489
Noncurrent liabilities	3,754,994	3,718,195	4,422,869
Total liabilities	$ **6,752,478**	$ **6,288,911**	$ **8,635,358**
Deferred inflows of resources	$ 243,341	$ -	$ -
Net Position:			
Net investment in capital assets	$ 91,188,723	$ 89,376,801	$ 83,988,096
Restricted	4,823,976	4,185,359	3,010,454
Unrestricted	183,785	1,177,090	1,128,487
Total Net Position	**$ 96,196,484**	**$ 94,739,250**	**$ 88,127,037**

Net Position is comprised of three components as follows:

Investment in capital assets (e.g. land, buildings, equipment, etc.) net of depreciation and less the outstanding indebtedness used to acquire the assets, increased 2 percent as the result of the value of construction placed in service and equipment purchased. This category represents 95% of the Authority's net position as of June 30, 2015.

Financial Position Summary: (Continued)

Restricted net position (5% of total net position) includes funds that are restricted in use such as the Passenger Facility Charge (PFC) funds, federal and state grant funds, and Customer Facility Charge (CFC) funds less related liabilities. The increase of 15% in the total restricted cash balance in these funds compared to June 30, 2014 is the result of funds being allocated for upcoming construction and other projects for the Airport and for the rental car facilities.

Unrestricted net position is allocable for any reason by the Airport Authority. Unrestricted net position represents current assets and pension related deferred outflows of resources less current liabilities (other than notes payable) less accrued leave less net pension liability and pension related deferred inflows of resources. At June 30, 2015, there was an 84% decrease in unrestricted net position compared to June 30, 2014 as a result of GASB 68 implementation.

Summary of Cash Flow Activities

Net cash provided by the operation of $928,487, is a 20%, or $231,063 decrease from the prior year change. This was due, primarily, to increased payments to vendors. Net cash used in capital financing activities increased $188,519 as the result of grants and other funds received for projects. While the cash provided by operations decreased and the cash used by capital financing activities increased, there was an overall increase in cash and cash equivalents for the year of $938,856. This is an increase of 4% over the prior year change. Cash and cash equivalents at year-end totaled $6,590,740 which is a 17% increase over FY 2014.

Airline Signatory Rates and Charges

The Authority and its commercial service airlines are negotiating a renewal of the signatory airline use agreement originally executed in fiscal year 2002, utilizing a full residual rate-making methodology. This agreement allows the Authority to include debt service in the rates and charges and to invoice airlines for any year-end deficit to meet bond and operating requirements. Net income above the budgeted amount is returned to the airlines in the form of an airline settlement at the conclusion of the fiscal year. The contract renewal expired June 30, 2009, and a renewal of the agreement is being re-negotiated. It is anticipated a new agreement will be in effect beginning FY 2017. Rates and charges for the signatory airlines over the last 36 months are as follows:

	FY 2015	FY 2014	FY 2013
Landing Fees (1,000 lbs unit)	1.95	1.86	1.84
Average Terminal Rental Rates (s.f.)	23.09	23.09	21.58
Airline Cost per Enplanement	4.20	3.99	4.11

The airline cost per enplanement is calculated by dividing operating revenue derived from airline fees by the fiscal year passenger enplanements, a routine aviation statistic utilized in the industry for comparison purposes.

Financial Statements

The Authority's financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned and expenses when incurred. Capital assets, excluding land, are capitalized and depreciated over their useful lives. Funds are restricted for debt service and, where applicable, for construction activities. See Notes to the Financial Statements for a summary of the Authority's significant accounting policies.

Capital Acquisitions and Construction Activities

During FY 2015, the Authority expended $4,713,862 on capital activities. These included construction projects mainly related to terminal renovation, the taxiway of the runway extension, parking lot expansion, runway rehabilitation, and acquisition of machinery and equipment. Additional information may be found in the Notes to Financial Statements section of this document, Note 6 – Changes in Capital Assets and Construction in Progress.

Capital acquisitions totaling $18,279,760 were comprised of the following:

Capitalized Item		*Value*
Land	$	279,117
Slide Gate Operators		18,012
Water Cabinet		15,319
Various Runway 21 Phases		16,910,465
2 Hangars and Land - Lease Buyback		320,000
Steel Garage Doors - Old Firehouse		11,178
Chiller Coil		10,147
Skid Loader		73,960
2015 Ford F350 Truck		25,304
Vac Truck		323,060
Tractor with Loader Blade		66,367
Ford F750 Dump Truck		76,488
Bush Hog		16,395
Landside Ventrac Kubota		49,298
Terminal Seats		84,650
Total	**$**	**18,279,760**

Long Term Debt Administration

In 2002, the Authority issued $2,222,078 in taxable Series 2002 Special Facilities Revenue Bonds dated July 3, 2002 maturing annually from 2002 through 2020 with interest of 5.789%. In 2015, the terms were amended to lower the interest rate to 2.200% beginning August 1, 2015 through 2020. The pledge of revenue for repayment of the debt is the Customer Facility Charge (CFC) collected and remitted by the rental car concessionaires. The balance outstanding as of June 30, 2015 was $898,529.

In 2004, the Authority issued $6,703,274 in taxable Series 2004 Refunding Bonds dated April 14, 2004 maturing annually from 2004 through 2019 with interest of 4.750%. In 2015, the terms were amended to lower the interest rate to 2.550% beginning August 1, 2015 through 2020. The balance outstanding as of June 30, 2015 was $2,192,435.

In 2006, the Authority issued $710,000 in taxable Series 2006 Airport Revenue Bonds dated April 1, 2006 maturing annually from 2006 through 2020 with interest of 4.150% for the construction of a pay surface parking lot. The balance outstanding as of June 30, 2015 was $312,133.

In April 2010, the Authority obtained a bridge loan from the Virginia Department of Aviation (VDOA) Project CS0004-37 for land acquisition related to the RW Ext 21 Project. Bridge loans with VDOA are due to be repaid within four years from the start of the grant. An extension can be obtained. One was obtained for this loan as the land acquisition part of this project is still ongoing. This is a long term liability and the amount outstanding at June 30, 2015 was $115,582.

Long Term Debt Administration (Continued)

In November 2012, the Authority obtained a bridge loan from VDOA Project CS0004-41 for land easements and fee settlements related to the RW Ext 21 Project. The amount outstanding at June 30, 2015 was $107,812.

In 2014, the Authority issued $1,612,000 in taxable Series 214 Airport Revenue Bonds dated October 30, 2014 maturing annually from 2016 through 2025 with interest of 1.570%. The balance outstanding as of June 30, 2015 was $15,000, which represented drawdowns to date.

Additional information on the Authority's Bonds can be found in Note 7 – Long-Term Obligations in the Notes to the Financial Statements.

Passenger Facilities Charge (PFC)

In June 1992, the Federal Aviation Administration (FAA) authorized the Authority to impose a Passenger Facility Charge (PFC) in accordance with section 158.29 of the FAA Regulations (Title 14, Code of Federal Regulations, Part 158). The charge was instituted on September 1, 1992 and consisted of a $2.00 charge per passenger, less airline fees. PFC's are collected by the airline carriers and remitted to the Authority on a monthly basis. These funds are authorized to be collected until the amount of funds collected plus interest earned equals the allowable costs approved by the FAA for certain capital projects.

In January 1995, the FAA authorized the imposition of a new $3.00 PFC, which was remitted to the Authority on a monthly basis. In October 2004, the FAA authorized an increase in the collection level from $3.00 to $4.50.

In December 2009, the PFC application expired and a new one was approved by the FAA in June 2010. The new commencement date for collections was August 2010 at a rate of $4.50. The current PFC expires in August 2016.

Pension Program

The Authority is a member of the Virginia Retirement System (VRS). VRS is the public employees' retirement plan for Commonwealth of Virginia employees. Municipalities, counties and local public agencies may elect to join VRS. The Authority contributes a percentage of payroll to VRS on behalf of its fulltime employees, the rate set bi-annually by VRS as actuarially determined (9.06% during FY 2015).

Request for Information

This financial report is designed to provide a general overview of the Authority's financial condition and activities. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to the Director of Finance, Charlottesville - Albemarle Airport Authority, 100 Bowen Loop Suite 200, Charlottesville, VA 22911.

Respectfully submitted,

Penny D. Shifflett

Penny D. Shifflett
Director of Finance

BASIC FINANCIAL STATEMENTS

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Statement of Net Position

At June 30, 2015

(With Comparative Totals for the Prior Year)

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,490,162	$ 1,709,116
Prepaid insurance	4,981	24,726
Prepaid insurance - CFC facility	3,321	3,218
Other prepaid items	106,260	5,930
Accounts receivable - net	232,221	303,386
Total current unrestricted assets	$ 1,836,945	$ 2,046,376
Restricted assets:		
Capital Funds:		
Cash and cash equivalents	$ 821,023	$ 199,302
Receivable	1,057,170	1,131,478
Passenger Facility Charge Funds:		
Cash and cash equivalents	2,261,894	1,265,077
Receivable	181,660	163,398
Customer Facility Charge Funds:		
Cash and cash equivalents	1,642,447	1,418,846
Receivable	47,159	43,942
Renewal and Replacement Funds:		
Cash and cash equivalents	151,300	150,696
State Entitlement Funds:		
Cash and cash equivalents	157,973	842,905
Total current restricted assets	$ 6,320,626	$ 5,215,644
Total current assets	$ 8,157,571	$ 7,262,020
Noncurrent assets:		
Restricted assets:		
Revenue Bond Funds:		
Cash and cash equivalents	$ 65,941	$ 65,942
Capital assets:		
Land	$ 17,216,527	$ 16,937,410
Construction in progress	5,016,155	18,582,054
Building, improvements and equipment, net of accumulated depreciation	72,098,588	57,507,558
Intangibles, net of accumulated amortization	216,795	315,789
Total capital assets (net of accumulated depreciation and amortization)	$ 94,548,065	$ 93,342,811
Total noncurrent assets	$ 94,614,006	$ 93,408,753
Total assets	$ 102,771,577	$ 100,670,773
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refunding of debt	$ 282,149	$ 357,388
Pension contributions made after measurement date	138,577	-
Total deferred outflows of resources	$ 420,726	$ 357,388

Exhibit A

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Statement of Net Position

At June 30, 2015

(With Comparative Totals for the Prior Year)

	2015	2014
LIABILITIES		
Current liabilities:		
Accounts payable:		
Operating	$ 566,878	$ 646,132
Unearned revenue	5,187	3,487
Accrued payroll and related liabilities	52,821	50,392
Accrued compensated absences	9,942	10,189
A/P security deposits/performance bonds	32,667	51,000
Revenue bonds payable	753,798	696,908
Accrued interest	13,600	16,381
Liabilities payable from restricted assets (accounts payable and retainage payable):		
Capital funds	1,562,591	1,096,227
Total current liabilities	$ 2,997,484	$ 2,570,716
Noncurrent Liabilities:		
Accrued compensated absences	$ 89,483	$ 91,705
Due to VDOA--Bridge Loans	223,394	223,394
Net pension liability	777,818	-
Revenue bonds payable	2,664,299	3,403,096
Total noncurrent liabilities	$ 3,754,994	$ 3,718,195
Total liabilities	$ 6,752,478	$ 6,288,911
DEFERRED INFLOWS OF RESOURCES		
Items related to measurement of net pension liability	$ 243,341	$ -
NET POSITION		
Net investment in capital assets	$ 91,188,723	$ 89,376,801
Restricted for:		
Capital Projects	$ 315,602	$ 234,553
PFC fund	2,443,554	1,428,475
State Entitlement fund	157,973	842,905
Renewal & Replacement	151,300	150,696
CFC fund	1,689,606	1,462,788
Bond fund	65,941	65,942
Total restricted assets	$ 4,823,976	$ 4,185,359
Unrestricted	$ 183,785	$ 1,177,090
Total net position	$ 96,196,484	$ 94,739,250

The accompanying notes to financial statements are an integral part of this statement.

Exhibit B

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2015

(With Comparative Totals for the Prior Year)

	2015	2014
Operating revenues:		
Parking	$ 2,972,382	$ 2,692,721
Terminal	1,729,166	1,718,574
Airfield	1,024,898	1,027,690
Total operating revenues	$ 5,726,446	$ 5,438,985
Operating expenses:		
Direct operating expenses:		
Parking	$ 717,690	$ 616,510
Terminal	1,479,373	1,467,194
Airfield	1,110,141	1,027,878
Total direct operating expenses	$ 3,307,204	$ 3,111,582
Indirect operating expense:		
Administrative	$ 1,135,760	$ 1,174,382
Total operating expenses	$ 4,442,964	$ 4,285,964
Operating income before depreciation and amortization	$ 1,283,482	$ 1,153,021
Depreciation and amortization	(3,508,608)	(2,736,440)
Operating income (loss)	$ (2,225,126)	$ (1,583,419)
Nonoperating revenues (expenses):		
Interest income	$ 8,493	$ 7,443
CFC expenses	(155,430)	(169,466)
Interest expense	(202,983)	(232,742)
PFC debt service income	-	31,575
Write-off of stopped project	(139,539)	-
State entitlement debt service income	150,000	180,000
Insurance recovery	61,282	-
Airline settlement retained (FY13 &14)	335,434	-
Airline settlement	(417,921)	(335,434)
Total nonoperating revenue (expenses)	$ (360,664)	$ (518,624)
Net income (loss) before capital contributions	$ (2,585,790)	$ (2,102,043)
Capital contributions:		
Federal construction revenue	$ 1,524,346	$ 4,699,159
State construction revenue	1,769,865	3,198,399
PFC fund	1,113,749	972,046
CFC fund	587,074	543,277
Other Contributions	-	25,000
Total capital contributions	$ 4,995,034	$ 9,437,881
Net position		
Increase in net position	$ 2,409,244	$ 7,335,838
Total net position, beginning of year-as restated	93,787,240	87,403,412
Total net position, end of year	$ 96,196,484	$ 94,739,250

The accompanying notes to financial statements are an integral part of this statement.

Exhibit C

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Statement of Cash Flows

Year Ended June 30, 2015

(With Comparative Totals for the Prior Year)

	2015	2014
Cash flows from operating activities:		
Cash received from providing services	$ 5,799,311	$ 5,452,654
Cash paid to suppliers	(2,459,018)	(2,050,921)
Cash paid to and for employees	(2,411,806)	(2,242,183)
Net cash provided by (used for) operating activities	$ 928,487	$ 1,159,550
Cash flows from capital and related financing activities:		
Interest paid on debt	$ (188,223)	$ (221,745)
Acquisition of property and equipment	(1,005,281)	(290,144)
Disposal of property and equipment (insurance recovery)	61,282	-
Additions to construction in progress	(3,381,858)	(9,722,666)
Long-term debt proceeds	15,000	-
Bridge loans from VDOA	-	107,812
Debt service paid	(696,907)	(675,827)
State debt service reimbursement	150,000	180,000
Airline settlement	-	(241,515)
PFC debt service income	-	31,575
Contributions from Virginia Department of Aviation	1,744,137	3,126,795
Contributions from Federal Aviation Administration	1,639,931	6,025,707
Contributions from others	(15,549)	-
Contributions from Passenger Facility Charge (PFC)	1,095,487	950,914
Contributions from Customer Facility Charge (CFC)	583,857	542,451
Net cash provided by (used for) capital and related financing activities	$ 1,876	$ (186,643)
Cash flows from investing activities:		
Investment interest earned	$ 8,493	$ 7,443
Net increase (decrease) in cash and cash equivalents	938,856	980,350
Cash and cash equivalents at beginning of year (including restricted accounts)	5,651,884	4,671,534
Cash and cash equivalents at end of year (including restricted accounts)	$ 6,590,740	$ 5,651,884
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating loss	$ (2,225,126)	$ (1,583,419)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization expense	$ 3,508,608	$ 2,736,440
CFC operations	(97,733)	(104,027)
Pension contributions subsequent to measurement date	(138,577)	-
Pension expense per GASB 68 calculation	69,149	-
Changes in operating assets and liabilities:		
Accounts receivable	71,165	10,182
Prepaid items	(80,585)	55,224
Accounts payable - operating	(161,741)	17,938
Accounts payable - security deposits/performance bonds	(18,333)	24,000
Accrued payroll and related liabilities	2,429	(5,752)
Accrued compensated absences	(2,469)	5,477
Unearned revenue	1,700	3,487
Total adjustments	$ 3,153,613	2,742,969
Net cash provided by (used for) operating activities	$ 928,487	$ 1,159,550
Schedule of non-cash capital and related financing activities:		
Contribution of shuttle	$ -	$ 25,000
Write-off of SRE design costs - scrapped project	$ 139,539	$ -

The accompanying notes to financial statements are an integral part of this statement.

Charlottesville - Albemarle Airport Authority
Notes to Financial Statements

NOTE 1 - FINANCIAL REPORTING ENTITY:

The Charlottesville-Albemarle Airport Authority (the "Authority") was created July 1, 1984 by the Virginia General Assembly, Acts of the Assembly, Chapter 390, 1984 Session. In October 1984, the Airport Board deeded the airport to the Authority, and the Virginia Aviation Commission and Federal Aviation Administration approved the transfer of the Board's operating license to the Authority. The members of the Board became the members of the Authority, and day-to-day operations of the airport were unchanged. The Authority is organized and exists as a political subdivision of the Commonwealth of Virginia. In 2003, the Act was replaced by Chapter 864 of the Acts of the Virginia General Assembly (2003).

The Authority is organized for the purpose of acquiring, constructing, reconstructing, maintaining, repairing and operating an airport to serve the needs of the City of Charlottesville, Virginia (the "City"), the County of Albemarle, Virginia (the "County"), and the surrounding region. The Act provides that the Authority is authorized to issue revenue bonds for any of its purposes payable solely from the tolls and revenues pledged for their payment; to fix and revise from time to time and change collect tolls, rates, fees, rentals and other charges for the use of the Airport; to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under the Act and to do all acts and things necessary and convenient to carry out the powers expressly granted in the Act.

The Authority is a legally separate organization whose board consists of three members: one, the City Manager of the City, or his or her principal assistant, as chosen by the City Council of the City; one, the County Executive of the County, or his or her principal assistant, as chosen by the Board of Supervisors of the County; and one from the membership of the Charlottesville-Albemarle Joint Airport Commission (the "Commission"), an advisory body created by the Act. Since neither the City nor County can impose its will on the Authority and since there is no potential financial benefit or burden relationship, the City and the County are not financially accountable for the Authority. As such, the Authority is not considered a component unit of either the City or County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Statement Presentation

Basis of Accounting - The accounts of the Authority are accounted for on the flow of economic resources measurement focus and utilize the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All Authority accounts are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Operating revenues and expenses result from providing services in connection with air transportation. The principal operating revenues of the Authority are charges to customers for sales and services.

Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Prior year totals on the financial statements are presented for informational purposes only. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments – Investments consist primarily of U.S. Government Treasury obligations and are stated at fair value.

Restricted Assets – Restricted assets consist of monies and other resources as described below:

Capital Funds – Proceeds restricted for designated capital projects that cannot be expended for any other item.

Passenger Facility Charge Funds – Passenger Facility Charge (PFC) collections are based on FAA approval to impose and collect such charges from the airlines serving the Airport. These funds are restricted for designated projects and/or FAA approved debt incurred to finance the construction of projects.

Revenue Bond Funds – 2004 airport revenue refunding bond proceeds held in an Escrow Fund.

Renewal & Replacement Funds – The Authority's Indenture of Trust required the establishment of a $150,000 Replacement Fund that may be used to make transfers to the Revenue Fund for reasonable and necessary Operation and Maintenance expenses. Any funds used from the Replacement Fund must be repaid in 48 equal monthly deposits. Once all outstanding bonds are redeemed, the funds on deposit in the Replacement Fund may be used by the Authority for any lawful purpose.

State Entitlement Fund – The Authority receives annual entitlement fund allocations from the Virginia Department of Aviation which are required to be maintained in a separate, interest-bearing account. The use of the funds is restricted for purposes established by the Virginia Aviation Board.

CFC Fund, CFC General Fund and QTA Maintenance Fund - Customer Facility Charge (CFC) collections from rental car concessionaires are deposited in the CFC Fund. Debt service for the rental car service facility is paid and the excess of the funds are transferred to the CFC General Fund to pay certain expenses associated with the service facility. Funds from the CFC General fund are transferred to the QTA Maintenance Fund for future long term maintenance expenses.

Allowance for Uncollectible Accounts – The Authority calculates its allowance for specific accounts using historical collection data and in certain cases, specific account analysis. Historical collection data indicates that any uncollectible amounts would be negligible. Accordingly, an allowance for uncollectible accounts has not been established.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Prepaid items – These assets represent expenses which have been prepaid, including insurance. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

Capital Assets – Capital Assets are carried at original historical cost or at fair market value when donated. Depreciation (including amortization of intangible assets) is computed on the straight-line method over the following estimated lives:

Parking lots and roadways	5-7 years
Intangible assets	5-20 years
Airfield	5-30 years
Hangar	5-40 years
Terminal	5-40 years
Vehicles	5-10 years
Furniture and fixtures	5-10 years
Computer acquisition	3 years

When capital assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in the results of operations. Depreciation expense for the year ended June 30, 2015 was $3,508,608. The Authority's current Capital Asset Classification is that any asset or any addition to an asset or improvement of an asset shall be classified as a depreciable asset if the value of the purchase is $5,000 or more, is purchased from the coverage fund, capital fund or revenue, has an estimated useful life of 3 years or more; and, is considered one of the following: a) equipment, b) vehicle, c) building or improvement, d) airfield equipment or improvement, e) hangar or improvement, f) intangible asset.

Intangible assets lack physical substance and have a nonfinancial nature and an initial useful life extending beyond a single reporting period.

Deferred Outflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category:

One item is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Amortization expense for the year ended June 30, 2015 was $75,239.

The other item is comprised of contributions to the pension plan made during the current year and subsequent to the net pension liability measurement date, which will be recognized as a reduction of the net pension liability next fiscal year. For more detailed information on this item, reference the pension note.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Deferred Inflows of Resources – In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one type of item that qualifies for reporting in this category:

Certain items related to the measurement of the net pension liability are reported as deferred inflows of resources. These include differences between expected and actual experience, change in assumptions, and the net difference between projected and actual earnings on pension plan investments. For more detailed information on these items, reference the pension note.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Retirement Plan and the additions to/deductions from the Authority's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Indirect Expenses – Indirect expenses are charged to various cost centers utilizing the ratios as determined by annual airline rates and charges negotiations. These allocations are made to each cost center from total indirect expenses before depreciation.

Unrestricted Net Position – Unrestricted net position consists of monies and other resources as described below.

Revenue – Funds used for the daily operations of the Airport Authority.

Coverage Fund – Reserve account established by Indenture of Trust and Airline Use Agreement where the Authority deposits coverage payments from airlines. The Authority may designate use of the funds for capital projects or equipment acquisition.

Net Position – Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Net Position Flow Assumption – Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

NOTE 3 – RESTRICTED ASSETS:

The income, principal cash and investments shown on the statement of net position at June 30, 2015 consist of the following:

Restricted Assets:		Cash & Cash Equivalents		Receivables		Total Restricted Assets
Capital Projects	$	821,023	$	1,057,170	$	1,878,193
PFC Fund		2,261,894		181,660		2,443,554
State Entitlement Fund		157,973		-		157,973
Renewal & Replacement		151,300		-		151,300
CFC Fund		1,642,447		47,159		1,689,606
Bond Fund		65,941		-		65,941
Total Restricted Assets	$	5,100,578	$	1,285,989	$	6,386,567

NOTE 4 – DEPOSITS AND INVESTMENTS:

Deposits: Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments: Statutes authorize the Authority to invest in: obligations of the United States or agencies thereof; obligations of the Commonwealth of Virginia or political subdivisions thereof; obligations of the International Bank for Reconstruction and Developments (World Bank), the Asian Development Bank, and the African Development Bank; prime quality commercial paper and certain corporate notes; banker's acceptances; repurchase agreements; and State Treasurer's Local Government Investment Pool (LGIP).

Custodial Credit Risk (Investments)

The Authority adopted a formal investment policy in 2014. In addition to the requirements set forth by the Code of Virginia, all bond investments are governed by the Authority's Indenture of Trust. The Indenture requires that all money held in funds or accounts established under the Indenture shall be separately invested and reinvested pursuant to the Code of Virginia requirements for the investment of public funds. In addition, the Indenture sets forth the evaluation of the investments as well as securities for deposits.

NOTE 4 – DEPOSITS AND INVESTMENTS: (CONTINUED)

Custodial Credit Risk (Investments) (Continued)

As of June 30, 2015, all Authority funds were held in interest-bearing accounts and investments were invested pursuant to the Code of Virginia requirements for the investment of public funds.

The Authority's unrated money market mutual funds investments of $65,941 on June 30, 2015 were held in the Authority's name by the Authority's custodial bank.

The following is a reconciliation of cash and investments for the fiscal year ended June 30, 2015:

Summary of Cash and Investments:		
Cash on hand and cash items	$	5,500
Carrying value of deposits		6,519,299
Investments		65,941
Total	$	6,590,740
Per Financial Statements:		
Cash and cash equivalents:		
Operating	$	1,490,162
Restricted Capital Projects		821,023
Restricted PFC Fund		2,261,894
Restricted CFC Fund		1,642,447
Restricted Renewal & Replacement		151,300
Restricted Entitlement		157,973
Restricted Bond Funds		65,941
Total per financial statements	$	6,590,740

Interest Rate Risk

The Authority does not have a formal interest rate risk policy.

NOTE 5 – ACCOUNTS RECEIVABLE:

Details of changes in Accounts Receivable for the fiscal year ended June 30, 2015 are as follows:

	Non Restricted Assets	Restricted Assets	Total Accounts Receivable
Accounts Receivable			
Operating	$ 232,221	$ -	$ 232,221
Capital	-	1,057,170	1,057,170
Passenger Facility Charge	-	181,660	181,660
Rental Car Facility Charge	-	47,159	47,159
	$ 232,221	$ 1,285,989	$ 1,518,210

Accounts Receivable – Operating consists of invoices to airport tenants including airlines, rental car concessionaires, fixed base operators and other firms doing business at the airport. Operating receivables decreased $71,165 from fiscal year 2014.

Capital Receivable – Capital decreased $74,308 from fiscal year 2014 due to the timing of project expenditures and the related filings of reimbursements. Capital consists of expenditures in construction in progress filed for reimbursement with the State in the amount of $411,806, the Federal Government in the amount of $629,815, and others in the amount of $15,549.

Passenger Facility Charge- Passenger facility charge receivables represent the accrual for funds received in July and August 2015 for the period June 2015.

Rental Car Facility Charge – Customer facility charge receivables represent the accrual for funds received in July 2015 for the period June 2015.

NOTE 6 – CHANGES IN CAPITAL ASSETS AND CONSTRUCTION IN PROGRESS:

Net capital assets increased $1,205,254 as the result of several construction projects. It is the Authority's practice for capital projects with land acquisitions to be recorded in the CIP accounts and closed to land upon project completion. Details of changes in capital assets and construction in progress for the fiscal year ended June 30, 2015 follows on the next page as previously discussed in the Letter of Transmittal.

NOTE 6 – CHANGES IN CAPITAL ASSETS AND CONSTRUCTION IN PROGRESS:

	(As Restated) Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets not depreciated:				
Land	$ 16,937,410	$ 279,117	$ -	$ 17,216,527
Construction in progress:				
AIP 37 RPZ land	$ 279,117	$ -	$ 279,117	$ -
Runway 21 Final Design Ph 2-4	2,121,561	-	2,121,561	-
Runway 21 Phase 3 ERSA	7,715,938	29,874	7,745,812	-
Runway 21 Phase 4 Taxiway	6,066,284	976,807	7,043,091	-
Runway 21 Phase 5 Navaids	262,157	16,290	-	278,447
Offset Localizer	1,531,689	-	-	1,531,689
Air Carrier Apron Repair	105,581	5,557	-	111,138
Terminal Seating	84,650	-	84,650	-
Parking Lot Expansion	154,509	275,464	-	429,973
Terminal Renovation/Expansion	130,492	2,156,471	-	2,286,963
Runway Rehabilitation	3,440	336,029	-	339,469
Snow Removal Equipment Bldg.	117,793	21,746	139,539	-
Dance Studio Relocation	8,492	-	-	8,492
Triiuator	-	29,984	-	29,984
Miscellaneous Capital	350	-	350	-
Total construction in progress	$ 18,582,053	$ 3,848,222	$ 17,414,120	$ 5,016,155
Total capital assets not depreciated	$ 35,519,463	$ 4,127,339	$ 17,414,120	$ 22,232,682
Capital and other assets depreciated:				
Buildings	$ 29,890,435	$ 21,325	$ -	$ 29,911,760
Improvements other than buildings	56,902,731	17,263,796	-	74,166,527
Machinery & equipment	6,018,497	715,522	20,800	6,713,219
Infrastructure	12,176,100	-	-	12,176,100
Intangibles	1,089,663	-	-	1,089,663
Total capital assets depreciated	$ 106,077,426	$ 18,000,643	$ 20,800	$ 124,057,269
Less accumulated depreciation for:				
Buildings	$ 16,184,393	$ 774,944	$ -	$ 16,959,337
Improvements other than buildings	22,381,569	2,000,748	-	24,382,317
Machinery & equipment	5,107,230	238,210	20,800	5,324,640
Infrastructure	3,807,012	395,712	-	4,202,724
Intangibles	773,874	98,994	-	872,868
Total accumulated depreciation	$ 48,254,078	$ 3,508,608	$ 20,800	$ 51,741,886
Total net capital assets depreciated	$ 57,823,348	$ 14,492,035	$ -	$ 72,315,383
Net Capital Assets	$ 93,342,811	$ 18,619,374	$ 17,414,120	$ 94,548,065

NOTE 7 – LONG-TERM OBLIGATIONS:

The following is a summary of long-term obligation transactions for the year ended June 30, 2015:

	(As Restated) Beginning Balance	Additions	Reductions	Ending Balance
Revenue Bonds	$ 4,100,004	$ 15,000	$ (696,907)	$ 3,418,097
Bridge Loans VDOA	223,394	-	-	223,394
Compensated Absences	101,894	102,041	(104,510)	99,425
Net Pension Liability	1,072,131	442,556	(736,869)	777,818
Total	$ 5,497,423	$ 559,597	$ (1,538,286)	$ 4,518,734

At June 30, 2015, the Authority's long-term obligations consisted of the following:

	Total	Current
$2,222,078 Airport Special Facilities Revenue Bond dated July 3, 2002, interest rate of 5.789% through 8/1/15 and 2.200% through 2020 principal payable monthly in various incremental amounts, ranging from $11,196 due on July 1, 2014 to $14,707 in 2020	$ 898,529	$ 155,001
$6,703,274 Airport Revenue Refunding Bond dated April 14, 2004, interest rate of 4.750% through 8/1/15 and 2.550% through 2020 principal payable monthly in various incremental amounts, ranging from $41,532 due on July 1, 2014 to $50,104 in 2019	2,192,435	547,162
$710,000 Airport Revenue Bond dated April 1, 2006, interest rate of 4.150% and principal payable semi-annually in various incremental amounts, ranging from $24,026 due on June 1, 2014 to $31,378 in 2020	312,133	51,635
$1,612,000 Airport Revenue Bond dated October 30, 2014, interest rate of 1.570% principal payable semi-annually in various incremental amounts, ranging from $79,004 due on July 1, 2016 to $90,944 due in 2025. This represents the balance of drawdowns at year-end.	15,000	-
Total Revenue Bonds	$ 3,418,097	$ 753,798

NOTE 7 – LONG-TERM OBLIGATIONS: (CONTINUED)

At June 30, 2015, the Authority's long-term obligations consisted of the following: (Continued)

	Total	Current
Bridge Loans from Virginia Department of Aviation (VDOA) related to RW Ext. Project.		
CS0004-37 Grant Agreement effective April 9, 2010.		
Amount loaned as of FY15:	$ 115,582	$ -
CS0004-41 Grant Agreement effective November 7, 2012.		
Amount loaned as of FY15:	107,812	-
Long Term Obligation *	$ 223,394	$ -
Compensated Absences	$ 99,425	$ 9,942
Net Pension Liability	$ 777,818	$ -
Total long-term obligations	$ 4,518,734	$ 763,740

* Bridge loans through VDOA have a repayment period of 4 years from start date. An extension can be requested and one has been granted for CS0004-37 as the project will not be completed during the payback period, thus making this a long-term obligation.

Prior Year Defeasance of Debt

On October 19, 1994, the Authority issued $6,920,000 in original aggregate principal amount of its Revenue Refunding Bonds, Series 1995 (AMT) (the "1995 Bonds") and on August 28, 1998 the Authority issued $2,455,000 in original aggregate principal amount of its Airport Revenue Bonds, Series 1998 (AMT) (the "1998 Bonds").

On April 14, 2004, the Authority closed on the issuance of its $6,703,274 Airport Revenue Refunding Bond, Series 2004 (Taxable) (the "2004 Bonds"), proceeds of which, together with other available funds, were used to (i) refund the entire $5,150,000 outstanding principal amount of the 1995 Bonds maturing on December 1 in the years 2004, 2005, 2009 and 2013 (the "Refunded 1995 Bonds") and (ii) the entire $2,040,000 outstanding principal amount of the 1998 Bonds maturing on December 1 in the years 2004 through 2012, inclusive, and 2018 (the "Refunded 1998 Bonds" and, together with the Refunded 1995 Bonds, the "Refunded Bonds").

The refunding and defeasance of the Refunded Bonds caused certain amounts on deposit in the Bond Fund and Debt Service Reserve Fund to be available for release from such funds under the Master Indenture; and these amounts together with the earnings thereon, were applied to the defeasance and redemption of the Refunded Bonds.

Federal Arbitrage Regulations

The Authority is in compliance with federal arbitrage regulations. Any potential liabilities arising from arbitrage are estimated to be immaterial in relation to the financial statements.

NOTE 7 – LONG-TERM OBLIGATIONS: (CONTINUED)

Long Term Debt Schedule

Year Ended June 30	Series 2002 $2,222,078 Issue Principal	Series 2002 Interest	Series 2004 $6,703,274 Issue Principal	Series 2004 Interest	Series 2006 $710,000 Issue Principal	Series 2006 Interest
2016	$ 155,001	$ 23,580	$ 547,162	$ 57,556	$ 51,635	$ 12,423
2017	162,081	14,730	567,175	35,356	53,801	10,258
2018	165,683	11,128	581,808	20,723	56,056	8,002
2019	169,365	7,446	496,290	5,819	58,407	5,652
2020	173,129	3,682	-	-	60,856	3,203
2021	73,270	403	-	-	31,378	651
Total	$ 898,529	$ 60,969	$ 2,192,435	$ 119,454	$ 312,133	$ 40,189
Less current portion	155,001		547,162		51,635	
Total long-term obligations	$ 743,528		$ 1,645,273		$ 260,498	

Year Ended June 30	Series 2014 $1,612,000 Issue Principal	Series 2014 Interest	Total Debt Summary $11,247,352 Principal	Total Debt Summary Interest
2016	$ -	$ Unknown	$ 753,798	$ 93,559
2017	158,628	24,688	941,685	85,032
2018	161,128	22,188	964,675	62,041
2019	163,668	19,648	887,730	38,565
2020	166,248	17,068	400,233	23,953
2021-2025	871,384	45,203	976,032	46,257
2026	90,944	714	90,944	714
Total	$ 1,612,000	$ 129,509	$ 5,015,097	$ 350,121
Less amount not drawn down	1,597,000		1,597,000	
Net	15,000		3,418,097	
Less current portion	$ -		$ 753,798	
Total long-term obligations	$ 15,000		$ 2,664,299	

NOTE 8 – LEASES:

The Authority's leasing operations consist of the leasing of office and terminal space to airlines and other tenants. All leases are subject to public procurement requirements, and each has a different mechanism for determining rates and charges. Each year, lease payments are set to sufficiently fund expenses in the adopted operating budget, including debt service expense and the revenue covenant coverage expense.

The cost of some leased space is not determinable because the leased portions of assets are not significant to the total square footage of the facility. Significant new lease agreements are described below.

NOTE 8 – LEASES: (CONTINUED)

On August 28, 2014, the Authority purchased the leasehold agreement with Aviation Development Group (ADG) for $320,000, which will provide the Authority with much needed storage space for airfield maintenance/snow removal equipment. A temporary benefit of this purchase is increased rental revenue from the assumption of the existing sublease through its remaining term. In the original "Deed of Lease" agreement dated March 24, 1997, the Authority authorized the lease of approximately 45,870 sq. ft. of property to ADG for the installation, construction, establishment and operation of no more than four 60' x 60' buildings for airplane storage. This lease was for a term of 25 years and provided the Tenant with a single seven-year additional term option. ADG later constructed Hangar Unit D2 (a 60' x 60' box hangar) in 1997, built Hangar Unit D3 (a second 65' x 60' box hangar) in 2007, and developed additional site locations for the future construction of two similar sized box hangars (Hangar Unit D1 & Hangar Unit D4). ADG then entered into a sublease agreement with Jackson Air Charter which expires on November 1, 2017. The sublease is for hangar (Unit D3) generating monthly income of $1,700, with expected income of $20,400 in 2016 and $6,800 in 2017. Once that lease expires, it is the Authority's intention to use that hangar for additional storage for airfield maintenance on snow removal equipment. The carrying value of the property at June 30, 2015 was $308,000.

On April 1, 2015, the Authority entered into a lease with Piedmont Hawthorne Aviation, LLC d/b/a Landmark Aviation for approximately 649,602 square feet of space to be used to operate a general fixed-base operation (FBO). The term of the lease is for a period of 25 years commencing April 1, 2015 and expiring at March 31, 2040 unless earlier terminated or cancelled, pursuant to the provisions of the lease. Provided the lessee is not in default under the agreement at the time of exercise and has spent at least $500,000 in facility improvements, the lessee shall have two options to extend the term for 5 years each. Annual rental payments are to be paid monthly with scheduled annual increases of 1.5% and two other scheduled increases when capital improvements are made and titles revert to the Authority. In addition, the lessee shall pay additional fees including fuel flowage fees, landing fees, and other fees as outlined in the agreement. The carrying value of the space leased is not determinable.

Future lease payments are as follows:

Year	Amount
2016	$ 174,022
2017	177,866
2018	180,534
2019	183,242
2020	185,990
2021-2025	1,167,790
2026-2030	1,980,007
2031-2035	2,278,967
2036-2040	2,455,095
2041-2045	2,644,835
2046-2050	2,849,238
2051	445,140
Total	$ 14,722,726

NOTE 8 – LEASES: (CONTINUED)

On April 29, 2015, the Authority entered into a restaurant/retail/vending concession agreement with Tailwind for a term of 10 years commencing May 1, 2015 and continuing through April 30, 2025. The concessionaire shall make monthly payments to the Authority for a percentage of gross receipts from food/beverages, alcoholic beverages, retail sales and vending sales based on a tiered system with a minimum annual guarantee (MAG) of $50,000. In year 2 and each subsequent year, the MAG is an amount equal to 85% of the previous year's actual rent paid, or $50,000, whichever is greater. As part of the agreement, the Authority will contribute a maximum of $125,000 toward the Concessionaire's initial capital investment cost in the form of a Concession Fee Credit. This credit will be applied to monthly payments due from Concessionaire beginning with the month in which Concessionaire assumes operation of the concessions, not to exceed $25,000 annually. The credit will be applied as a pro-rated monthly credit against amounts payable during the first five years following the commencement date. In addition, the Authority shall charge the market rate for any storage or office space leased to the Concessionaire by the Authority. Tailwind began operations in August 2015.

NOTE 9 – COMPENSATED ABSENCES:

The Authority has accrued the liability arising from compensated absences. The liability for future vacation and sick leave benefits is accrued when such benefits meet the following conditions:

-The employers' obligation is attributable to employee's service already rendered.
-The obligation is related to rights that vest or accumulate.
-The payment of compensation is probable.
-The amount can be reasonably estimated.

Authority employees earn annual leave at rates determined by length of service. Sick leave is earned at the rate of eight hours per month. No benefits or pay are received for unused sick leave upon termination. Accumulated annual leave and earned compensation is paid upon termination. The Authority has outstanding accrued annual leave pay totaling $99,425 as of June 30, 2015. Of this amount, 10 percent or $9,942 has been estimated as a current liability.

The Authority has a policy that upon separation on good terms, full time employees with 5 or more years of service will receive $125 for each year of service, for a maximum of 30 years. As of June 30, 2015, the potential amount of payout for current employees is $30,125. This is not recorded as a liability due to the uncertainty of the payment.

NOTE 10 - PENSION PLAN:

Plan Description

All full-time, salaried permanent employees of the Authority are automatically covered by VRS Retirement Plan upon employment. This agent multiple employer plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and, Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

<table>
<tr><th colspan="3">RETIREMENT PLAN PROVISIONS</th></tr>
<tr><th>PLAN 1</th><th>PLAN 2</th><th>HYBRID RETIREMENT PLAN</th></tr>
<tr>
<td>About Plan 1
Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</td>
<td>About Plan 2
Plan 2 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</td>
<td>About the Hybrid Retirement Plan
The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. (see “Eligible Members”)

• The defined benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula.
• The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.</td>
</tr>
</table>

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
		• In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013. **Hybrid Opt-In Election** VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.	**Eligible Members** Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013. **Hybrid Opt-In Election** Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.	**Eligible Members** Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: • Political subdivision employees* • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. ***Non-Eligible Members** Some employees are not eligible to participate in the Hybrid Retirement Plan. They include: • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.	**Hybrid Opt-In Election (Cont.)** Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.	***Non-Eligible Members (Cont.)** Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.
Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	**Retirement Contributions** Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016.	**Retirement Contributions** A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Creditable Service Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	**Creditable Service** Same as Plan 1.	**Creditable Service** **Defined Benefit Component:** Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. **Defined Contributions Component:** Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund. Members are always 100% vested in the contributions that they make.	**Vesting** Same as Plan 1.	**Vesting** **Defined Benefit Component:** Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component. **Defined Contributions Component:** Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan. Members are always 100% vested in the contributions that they make.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Vesting (Cont.)	**Vesting (Cont.)**	**Vesting (Cont.)** **Defined Contributions Component: (Cont.)** Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service. • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. Distribution is not required by law until age 70½.
Calculating the Benefit The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.	**Calculating the Benefit** See definition under Plan 1.	**Calculating the Benefit** **Defined Benefit Component:** See definition under Plan 1

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Calculating the Benefit (Cont.) An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.	**Calculating the Benefit (Cont.)**	**Calculating the Benefit (Cont.)** **Defined Contribution Component:** The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
Service Retirement Multiplier **VRS:** The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%. **Sheriffs and regional jail superintendents:** The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. **Political subdivision hazardous duty employees:** The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.	**Service Retirement Multiplier** **VRS:** Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013. **Sheriffs and regional jail superintendents:** Same as Plan 1. **Political subdivision hazardous duty employees:** Same as Plan 1.	**Service Retirement Multiplier** **Defined Benefit Component:** **VRS:** The retirement multiplier for the defined benefit component is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans. **Sheriffs and regional jail superintendents:** Not applicable. **Political subdivision hazardous duty employees:** Not applicable. **Defined Contribution Component:** Not applicable.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Normal Retirement Age **VRS:** Age 65. **Political subdivisions hazardous duty employees:** Age 60.	**Normal Retirement Age** **VRS:** Normal Social Security retirement age. **Political subdivisions hazardous duty employees:** Same as Plan 1.	**Normal Retirement Age** **Defined Benefit Component:** **VRS:** Same as Plan 2. **Political subdivisions hazardous duty employees:** Not applicable. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Unreduced Retirement Eligibility **VRS:** Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service. **Political subdivisions hazardous duty employees:** Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.	**Earliest Unreduced Retirement Eligibility** **VRS:** Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90. **Political subdivisions hazardous duty employees:** Same as Plan 1.	**Earliest Unreduced Retirement Eligibility** **Defined Benefit Component:** **VRS:** Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90. **Political subdivisions hazardous duty employees:** Not applicable. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Reduced Retirement Eligibility **VRS:** Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.	**Earliest Reduced Retirement Eligibility** **VRS:** Age 60 with at least five years (60 months) of creditable service.	**Earliest Reduced Retirement Eligibility** **Defined Benefit Component:** **VRS:** Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Earliest Reduced Retirement Eligibility (Cont.) **Political subdivisions hazardous duty employees:** 50 with at least five years of creditable service.	**Earliest Reduced Retirement Eligibility (Cont.)** **Political subdivisions hazardous duty employees:** Same as Plan 1.	**Earliest Reduced Retirement Eligibility (Cont.)** **Political subdivisions hazardous duty employees:** Not applicable. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%. **Eligibility:** For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date. For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.	**Cost-of-Living Adjustment (COLA) in Retirement** The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%. **Eligibility:** Same as Plan 1	**Cost-of-Living Adjustment (COLA) in Retirement** **Defined Benefit Component:** Same as Plan 2. **Defined Contribution Component:** Not applicable. **Eligibility:** Same as Plan 1 and Plan 2.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	**PLAN 2**	**HYBRID RETIREMENT PLAN**
Cost-of-Living Adjustment (COLA) in Retirement (Cont.) **Exceptions to COLA Effective Dates:** The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances: • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.	**Cost-of-Living Adjustment (COLA) in Retirement (Cont.)** **Exceptions to COLA Effective Dates:** Same as Plan 1	**Cost-of-Living Adjustment (COLA) in Retirement (Cont.)** **Exceptions to COLA Effective Dates:** Same as Plan 1 and Plan 2.

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

<table>
<tr><th colspan="3">RETIREMENT PLAN PROVISIONS (CONTINUED)</th></tr>
<tr><th>PLAN 1</th><th>PLAN 2</th><th>HYBRID RETIREMENT PLAN</th></tr>
<tr><td>Disability Coverage
Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.

VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</td><td>Disability Coverage
Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.

VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.</td><td>Disability Coverage
Employees of political subdivisions (including Plan 1 and Plan2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.

Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</td></tr>
<tr><td>Purchase of Prior Service
Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</td><td>Purchase of Prior Service
Same as Plan 1.</td><td>Purchase of Prior Service
<u>Defined Benefit Component:</u>
Same as Plan 1, with the following exceptions:
Hybrid Retirement Plan members are ineligible for ported service.
The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation.
Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one-year period, the rate for most categories of service will change to actuarial cost.
<u>Defined Contribution Component:</u>
Not applicable.</td></tr>
</table>

NOTE 10 - PENSION PLAN: (CONTINUED)

Plan Description (Continued)

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan: The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the most recent report may be obtained from the VRS website at http://www.varetire.org/Pdf/ Publications/2013-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Employees Covered by Benefit Terms

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive members or their beneficiaries currently receiving benefits	10
Inactive members:	
Vested inactive members	2
Non-vested Inactive members	8
Inactive members active elsewhere in VRS	7
Total inactive members	17
Active members	30
Total covered employees	57

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The Authority's contractually required contribution rate for the year ended June 30, 2015 was 9.06% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

NOTE 10 - PENSION PLAN: (CONTINUED)

Contributions (Continued)

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were $138,577 and $120,121 for the years ended June 30, 2015 and June 30, 2014, respectively.

Net Pension Liability

The Authority's net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the Authority's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5 percent
Salary increases, including inflation	3.5 percent – 5.35%
Investment rate of return	7.0 Percent, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

NOTE 10 - PENSION PLAN: (CONTINUED)

Actuarial Assumptions – General Employees: (Continued)

All Others (Non 10 Largest) – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) – Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Actuarial Assumptions – Public Safety Employees

The total pension liability for Public Safety employees in the Authority's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5 percent
Salary increases, including inflation	3.5 percent – 4.75%
Investment rate of return	7.0 Percent, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

NOTE 10 - PENSION PLAN: (CONTINUED)

Actuarial Assumptions – Public Safety Employees (Continued)

Mortality rates: 60% of deaths are assumed to be service related

Largest 10 – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) – LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

NOTE 10 - PENSION PLAN: (CONTINUED)

Long-term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	100.00%		5.83%
		Inflation	2.50%
		*Expected arithmetic nominal return	8.33%

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

NOTE 10 - PENSION PLAN: (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the Authority's Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balances at June 30, 2013	$ 4,470,985	$ 3,398,854	$ 1,072,131
Changes for the year:			
Service cost	$ 131,276	$ -	$ 131,276
Interest	308,435	-	308,435
Contributions - employer	-	120,121	(120,121)
Contributions - employee	-	72,514	(72,514)
Net investment income	-	544,205	(544,205)
Benefit payments, including refunds of employees contributions	(129,551)	(129,551)	-
Administrative expenses	-	(2,845)	2,845
Other changes	-	29	(29)
Net changes	$ 310,160	$ 604,473	$ (294,313)
Balances at June 30, 2014	$ 4,781,145	$ 4,003,327	$ 777,818

NOTE 10 - PENSION PLAN: (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority using the discount rate of 7.00%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	(6.00%)	**(7.00%)**	**(8.00%)**
Authority's Net Pension Liability	$ 1,493,330	$ 777,818	$ 191,502

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

For the year ended June 30, 2015, the Authority recognized pension expense of $69,149. At June 30, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 243,341
Employer contributions subsequent to the measurement date	138,577	-
Total	$ 138,577	$ 243,341

$138,577 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2016	$ (60,835)
2017	(60,835)
2018	(60,835)
2019	(60,836)
Thereafter	-

NOTE 11 – RISK MANAGEMENT:

The Authority is exposed to various risks of loss related to torts, damage to property, injuries to employees, destruction of assets and natural disasters. These risks are covered by commercial insurance purchased through independent third parties. There were no settlements in excess of insurance coverage for the previous three years.

NOTE 12 – COMMITMENTS AND CONTINGENCIES:

Federal programs in which the Authority participates were audited in accordance with the provisions of the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Pursuant to the provisions of the circular all major programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by the audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures would be immaterial.

At June 30, 2015, the Authority had one major project in the design phase and two in the construction phase, which are presented in the financial statements as Construction in Progress. Presented is a list of those projects, contract amounts, expenditures to date and balance of contracts remaining:

	Contract Amounts	Expenditures To Date	Balance of Contracts
Terminal Rehab/Renovation Construction	$ 4,025,400	$ 1,605,532	$ 2,419,868
Parking Lot Construction	1,583,250	169,551	1,413,699
Runway 21 Rehabilitation Design	1,109,014	332,704	776,310
Total	$ 6,717,664	$ 2,107,787	$ 4,609,877

NOTE 13 – LITIGATION:

At June 30, 2015, there were no matters of litigation involving the Authority which would materially affect the Authority's financial position should any court decisions on pending matters not be favorable to the Authority.

NOTE 14 – ADOPTION OF ACCOUNTING PRINCIPLES:

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* **and Statement No. 71,** *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68***:**

The Authority implemented the financial reporting provisions of the above Statements for the fiscal year ended June 30, 2015. These Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and required supplementary information requirements about pensions are also addressed. The requirements of these Statements will improve financial reporting by improving accounting and financial reporting by state and local governments for pensions. Net position was restated for GASB 68 implementation and to reflect the capitalization of Runway 21 phases 1, 1B, and 2, which were in use as of January 2013 even though substantial completion of the full project was established on August 19, 2014. The restatements are as follows:

		Amount
Net Position as reported at June 30, 2014	$	95,462,876
Capital Assets (Runway 21):		
Improvements other than buildings		20,431,766
Construction in progress		(20,431,766)
Accumulated depreciation		(723,626)
GASB 68 implementation		(952,010)
Net Position as restated at July 1, 2014	$	93,787,240

In the year of implementation of GASB 68, prior year comparative information was unavailable. Therefore, the 2014 information has not been restated to reflect the requirements of GASB 68 and 71.

NOTE 15 – SUBSEQUENT EVENTS:

In July 2015, the Board approved the submission of an FAA grant application in the amount of $592,000 for purchase of Runway Snow Removal Equipment. A contract with M-B Companies, Inc. (low apparent bidder) was also approved for the purchase of a multi-tasking snow removal unit upon receipt of FAA grant.

In July 2015, Series 2002 bonds and Series 2004 bonds financing agreements with VRA were amended to decrease interest rates, as reflected in the long-term obligations note.

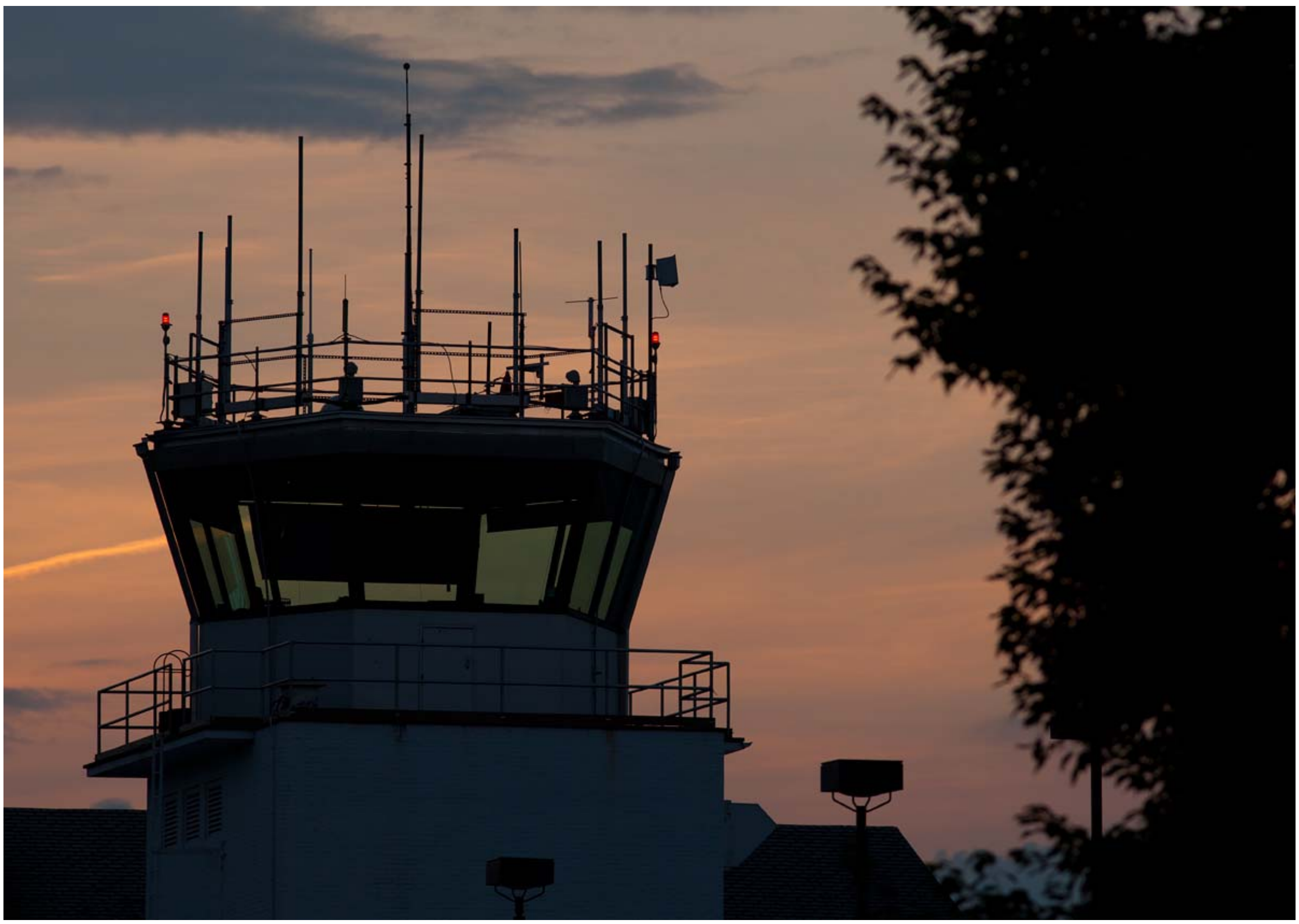
PFC application 22 was submitted to the FAA for reimbursement of state entitlement in the amount of $3,009,078 and is awaiting approval.

NOTE 16 – UPCOMING PRONOUNCEMENTS:

Statement No. 72, *Fair Value Measurement and Application,* amends the definitions of fair value used throughout GASB literature to be consistent with the definition and principles provided in FASB Accounting Standards Codification Topic 820, *Fair Value Measurement.* This Statement provides guidance for determining a fair value measurement for financial reporting purposes and for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. No formal study or estimate of the impact of this standard has been performed.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, objective is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. No formal study or estimate of the impact of this standard has been performed.

REQUIRED SUPPLEMENTARY INFORMATION



Schedule of Components of and Changes in Net Pension Liability and Related Ratios
Year Ended June 30, 2015

		2014
Total pension liability		
Service cost	$	131,276
Interest		308,435
Benefit payments, including refunds of employee contributions		(129,551)
Net change in total pension liability	$	310,160
Total pension liability - beginning		4,470,985
Total pension liability - ending (a)	$	4,781,145
Plan fiduciary net position		
Contributions - employer	$	120,121
Contributions - employee		72,514
Net investment income		544,205
Benefit payments, including refunds of employee contributions		(129,551)
Administrative expense		(2,845)
Other		29
Net change in plan fiduciary net position	$	604,473
Plan fiduciary net position - beginning		3,398,854
Plan fiduciary net position - ending (b)	$	4,003,327
Authority's net pension liability - ending (a) - (b)	$	777,818
Plan fiduciary net position as a percentage of the total pension liability		83.73%
Covered-employee payroll	$	1,417,600
Authority's net pension liability as a percentage of covered-employee payroll		54.87%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Schedule of Employer Contributions
Year Ended June 30, 2015

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Employee Payroll (4)	Contributions as a % of Covered Employee Payroll (5)
2015	$ 138,577	$ 138,577	$ -	$ 1,792,654	8%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Changes of benefit terms – There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013 and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.

Changes of assumptions – The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four-year period ending June 30, 2012:

Largest 10 – Non-LEOS:
- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Largest 10 – LEOS:
- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) – Non-LEOS:
- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) – LEOS:
- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

OTHER SUPPLEMENTARY INFORMATION

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Schedule 1

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Administrative Expenses - Allocated

Year Ended June 30, 2015

	Terminal	Parking	Total
Administrative Expenses:			
Payroll	$ 467,212	$ 82,449	$ 549,661
Dues and subscriptions	7,566	1,335	8,901
Education	1,137	201	1,338
Travel	8,669	1,530	10,199
Advertising Promotion	247,741	43,719	291,460
Professional fees	72,235	12,747	84,982
Human Resource	18,667	3,294	21,961
Insurance	23,797	4,199	27,996
Office expense	43,110	7,608	50,718
Computer	58,024	10,239	68,263
Equipment lease	5,501	971	6,472
Utilities-phone	11,738	2,071	13,809
Total	$ 965,397	$ 170,363	$ 1,135,760

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Reconciliation of Statement of Revenues, Expenses and Changes in Net Position
to June 30, 2015 Authority Monthly Profit & Loss Statement

		2015
Operating revenues:		
Airline Landing fees	$	528,725
Airline Rents		578,461
Fuel fees		8,154
Rental Car Revenue		875,844
Rents		215,536
Miscellaneous Concession Fees		82,346
Parking Revenues		2,972,382
Food, Gift and Vending		31,892
Fixed Base Operation		335,265
Agency Reimbursements		53,945
Miscellaneous		43,896
Total operating revenues	$	5,726,446
Operating expenses:		
Payroll	$	2,255,997
Maintenance		496,177
Maintenance - equipment		111,272
Vehicle gas and oil		46,653
ARFF		60,079
Snow removal		52,137
Utilities		325,170
Insurance		96,874
Education and travel		47,814
Safety		109,881
Supplies and office expense		54,389
IT Expense, Equipment Lease		74,735
Janitorial		163,762
Promotion & Air Service Development		291,460
Professional Fees		84,982
Uniforms		16,566
Miscellaneous		155,016
Total operating expenses	$	4,442,964
Operating income before depreciation and amortization	$	1,283,482
Nonoperating revenues (expenses):		
Interest income	$	8,493
Interest expense		(202,983)
GASB 68 adjustment		(69,428)
Capitalized Parking Lot Expansion		(88,950)
Debt service adjustment		(483,693)
State entitlement debt service income		150,000
Coverage Fund Transfer		(179,000)
Total nonoperating revenue (expenses)	$	(865,561)
Airline Settlement	$	417,921

STATISTICAL SECTION

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CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
Statistical Section

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
Total Annual Revenues, Expenses and Changes in Net Position
For Years Ended June 30

	2015	2014	2013	2012
Operating revenues				
Airfield	$ 1,024,898	$ 1,027,690	$ 1,002,703	$ 878,886
Terminal	1,729,166	1,718,574	2,027,072	1,492,613
Parking	2,972,382	2,692,721	2,192,110	2,205,473
Total operating revenues	$ 5,726,446	$ 5,438,985	$ 5,221,885	$ 4,576,972
Nonoperating revenues				
Interest Income	$ 8,493	$ 7,443	$ 14,438	$ 16,247
Other income	396,716	-	19,904	19,903
PFC debt service income	-	31,575	75,779	75,779
State entitlement reimbursements	150,000	180,000	150,000	200,000
Total nonoperating revenues	$ 555,209	$ 219,018	$ 260,121	$ 311,929
Total Revenues	$ 6,281,655	$ 5,658,003	$ 5,482,006	$ 4,888,901
Operating expenses				
Operations	$ 3,307,204	$ 3,111,581	$ 2,782,343	$ 2,805,737
Administrative	1,135,760	1,174,382	1,565,542	982,347
Depreciation & amortization	3,508,608	3,460,065	2,959,706	3,007,771
Total operating expenses	$ 7,951,572	$ 7,746,028	$ 7,307,591	$ 6,795,855
Nonoperating expenses				
Rental Car QTA expenses	$ 155,430	$ 169,466	$ 179,462	$ 184,567
Interest Expense	202,983	232,742	256,007	280,151
Airline Settlement	417,921	335,434	241,515	40,388
Other expenses	139,539	-	-	-
Total nonoperating expenses	$ 915,873	$ 737,642	$ 676,984	$ 505,106
Total Expenses	$ 8,867,445	$ 8,483,670	$ 7,984,575	$ 7,300,961
Capital Contributions	4,995,034	9,437,881	11,917,822	6,536,431
Increase (Decrease) in Net Position	$ 2,409,244	$ 6,612,214	$ 9,415,253	$ 4,124,371
Net Position at Year-End				
Net investment in capital assets	$ 91,188,723	$ 89,376,801	$ 83,988,096	$ 73,977,560
Restricted	4,823,976	4,185,359	3,010,454	3,328,689
Unrestricted	183,785	1,177,090	1,128,487	1,214,317
Total Net Position	$ 96,196,484	$ 94,739,250	$ 88,127,037	$ 78,520,566

Source: Authority's audited financial statements.

Table 1

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Total Annual Revenues, Expenses and Changes in Net Position

For Years Ended June 30

2011	2010	2009	2008	2007	2006
$ 875,078	$ 746,636	$ 742,401	$ 854,018	$ 771,295	$ 812,002
1,696,058	1,705,861	1,652,550	1,510,598	1,696,962	1,491,161
2,001,761	1,621,417	1,600,779	1,734,476	1,732,821	1,658,415
$ 4,572,897	$ 4,073,914	$ 3,995,730	$ 4,099,092	$ 4,201,078	$ 3,961,578
$ 32,048	$ 31,883	$ 19,629	$ 103,852	$ 172,350	$ 132,350
19,903	58,431	-	-	-	1,000
75,779	75,779	75,779	75,779	75,779	75,779
150,000	249,903	249,903	144,903	249,903	198,653
$ 277,730	$ 415,996	$ 345,311	$ 324,534	$ 498,032	$ 407,782
$ 4,850,627	$ 4,489,910	$ 4,341,041	$ 4,423,626	$ 4,699,110	$ 4,369,360
$ 2,580,515	$ 2,441,050	$ 2,385,976	$ 2,603,191	$ 2,416,251	$ 2,311,190
1,063,871	1,062,538	878,808	787,170	1,215,424	969,933
3,100,566	2,993,505	2,883,062	2,713,812	2,317,274	2,163,738
$ 6,744,952	$ 6,497,093	$ 6,147,846	$ 6,104,173	$ 5,948,949	$ 5,444,861
$ 197,516	$ 186,401	$ 194,229	$ 206,014	$ 110,377	$ 72,259
303,214	325,205	346,209	366,260	386,743	381,036
186,485	50,469	63,967	69,666	69,221	76,493
-	-	-	-	-	-
$ 687,215	$ 562,075	$ 604,405	$ 641,940	$ 566,341	$ 529,788
$ 7,432,167	$ 7,059,168	$ 6,752,251	$ 6,746,113	$ 6,515,290	$ 5,974,649
8,630,865	3,608,297	3,798,360	5,941,692	8,624,393	10,557,229
$ 6,049,325	$ 1,039,039	$ 1,387,150	$ 3,619,205	$ 6,808,213	$ 8,951,939
$ 72,091,435	$ 65,433,945	$ 63,453,097	$ 62,130,360	$ 57,205,397	$ 52,430,437
1,295,013	2,004,322	2,795,443	2,843,220	3,692,524	4,530,027
1,009,747	908,602	1,059,290	947,100	1,403,556	(73,022)
$ 74,396,195	$ 68,346,869	$ 67,307,830	$ 65,920,680	$ 62,301,477	$ 56,887,442

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Changes in Cash and Cash Equivalents

Fiscal Year Ended June 30

	2015	2014	2013
Cash Flows from operating activities			
Cash received from providing services	$ 5,799,311	$ 5,452,654	$ 5,144,453
Cash paid to suppliers	(2,459,018)	(2,050,921)	(2,461,160)
Cash paid to and for employers	(2,411,806)	(2,242,183)	(1,897,846)
Net cash provided by (used for) operating activities	$ 928,487	$ 1,159,550	$ 785,447
Cash Flows from investing activities			
Investment interest earned	$ 8,493	$ 7,443	$ 14,438
Net cash provided by (used for) investing activities	$ 8,493	$ 7,443	$ 14,438
Cash flows from capital and related financing activities			
Interest paid on debt	$ (188,223)	$ (221,745)	$ (266,267)
Acquisition of property and equipment	(1,005,281)	(290,144)	(140,283)
Disposal of property and equipment	61,282	-	-
Additions to construction in progress	(3,381,858)	(9,722,666)	(9,380,838)
Long-term debt proceeds	15,000	-	-
Bridge Loans from VDOA	-	107,812	3,599
Debt Service Paid	(696,907)	(675,827)	(643,744)
PFC debt service income	-	31,575	75,779
State debt service reimbursement	150,000	180,000	169,904
Airline Settlement	-	(241,515)	(40,388)
Contributions from Virginia Department of Aviation	1,744,137	3,126,795	3,343,355
Contributions from Virginia Department of Transporatation	-	-	-
Contributions from Federal Aviation Administration	1,639,931	6,025,707	5,694,804
Contributions from others	(15,549)	-	-
Contributions from Passenger Facility Charge (PFC)	1,095,487	950,914	826,658
Contributions from Customer Facility Charge (CFC)	583,857	542,451	522,280
Net cash provided by (used for) capital and related financing activities	$ 1,876	$ (186,643)	$ 164,859
Increase (decrease) in cash and cash equivalents for the year	$ 938,856	$ 980,350	$ 964,744
Cash and cash equivalents at beginning of year (including restricted accounts)	5,651,884	4,671,534	3,706,790
Cash and cash equivalents at end of year (including restricted accounts)	$ 6,590,740	$ 5,651,884	$ 4,671,534

Source: Authority's Audited Financial Statements.

Table 2

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Changes in Cash and Cash Equivalents

Fiscal Year Ended June 30

2012	2011	2010	2009	2008	2007	2006
$ 4,648,998	$ 4,475,981	$ 3,996,819	$ 3,905,494	$ 4,141,882	$ 4,192,034	$ 4,028,735
(2,005,564)	(1,822,557)	(1,809,366)	(1,542,617)	(1,812,712)	(1,941,141)	(2,017,767)
(1,932,329)	(1,704,683)	(1,801,350)	(1,737,953)	(1,747,619)	(1,851,924)	(1,349,964)
$ 711,105	$ 948,741	$ 386,103	$ 624,924	$ 581,551	$ 398,969	$ 661,004
$ 16,247	$ 32,048	$ 32,105	$ 19,407	$ 103,852	$ 172,350	$ 132,350
$ 16,247	$ 32,048	$ 32,105	$ 19,407	$ 103,852	$ 172,350	$ 132,350
$ (296,471)	$ (325,241)	$ (352,648)	$ (378,756)	$ (403,627)	$ (427,321)	$ (427,473)
(202,414)	(139,112)	(64,230)	(123,412)	(773,293)	(194,527)	(710,790)
-	-	-	-	-	-	1,000
(6,678,361)	(8,047,018)	(3,460,914)	(4,022,413)	(5,687,367)	(9,064,988)	(10,211,101)
-	-	-	-	-	-	710,000
85,524	-	-	-	-	-	-
(613,541)	(584,770)	(557,364)	(531,256)	(506,384)	(484,589)	(445,819)
75,779	75,779	75,779	75,779	75,779	75,779	75,779
219,903	169,903	249,903	249,903	144,903	249,903	198,653
(186,485)	(50,469)	-	-	-	-	-
2,600,232	5,154,750	1,158,672	1,029,131	2,074,422	2,223,581	2,807,988
-	113,776	9,733	-	-	-	-
3,060,198	2,059,476	1,308,008	1,117,292	3,311,622	5,997,281	6,564,573
-	23,017	7,880	739	-	85,624	5,906
866,746	627,088	353,211	656,356	682,049	764,639	768,248
525,267	403,519	424,596	335,310	373,360	344,292	410,515
$ (629,147)	$ (519,302)	$ (847,374)	$ (1,591,327)	$ (708,536)	$ (430,326)	$ (252,521)
$ 98,205	$ 461,487	$ (429,166)	$ (946,996)	$ (23,133)	$ 140,993	$ 540,833
3,608,585	3,147,098	3,576,264	4,523,260	4,546,393	4,405,400	3,864,567
$ 3,706,790	$ 3,608,585	$ 3,147,098	$ 3,576,264	$ 4,523,260	$ 4,546,393	$ 4,405,400

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Principal Revenue Sources, Cost per Enplaned Passenger and

Scheduled Airline Rates and Charges

For Years Ended June 30

	2015	2014	2013	2012
PRINCIPAL REVENUE SOURCES				
Airline revenues				
Landing Fees	$ 528,725	$ 519,424	$ 487,995	$ 410,214
Terminal Rents	578,461	430,834	448,784	428,943
Total airline revenues	$ 1,107,186	$ 950,258	$ 936,779	$ 839,157
Percentage of total revenues	18%	17%	17%	18%
Nonairline revenues				
Parking	$ 2,972,382	$ 2,692,720	$ 2,192,110	$ 2,205,473
Rental Car	875,844	789,511	760,550	761,187
Other	771,034	1,006,496	1,332,446	771,155
Total nonairline revenues	$ 4,619,260	$ 4,488,727	$ 4,285,106	$ 3,737,815
Percentage of total revenues	74%	79%	78%	76%
Nonoperating revenues				
Interest income	$ 8,493	$ 7,443	$ 14,438	$ 16,247
Other income	546,716	211,575	245,683	295,682
Total nonoperating revenues	$ 555,209	$ 219,018	$ 260,121	$ 311,929
Percentage of total revenues	9%	4%	5%	6%
Total revenues	$ 6,281,655	$ 5,658,003	$ 5,482,006	$ 4,888,901
Enplaned passengers (excluding charters)	263,631	238,398	227,874	231,907
Total revenue per enplaned passenger	$ 23.83	$ 23.73	$ 24.06	$ 21.08
Airline cost per enplaned passenger	$ 4.20	$ 3.99	$ 4.11	$ 3.62
SIGNATORY AIRLINES RATES AND CHARGES				
Landing Fee (per 1,000 lbs MGLW)	$ 1.95	$ 1.86	$ 1.84	$ 1.78
Average Annual Terminal Rental Rate (per s. f.)	$ 23.09	$ 23.09	$ 21.58	$ 22.82

Source: Authority's audited financial statements and Authority's records.

Table 3

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Principal Revenue Sources, Cost per Enplaned Passenger and

Scheduled Airline Rates and Charges

For Years Ended June 30

2011	2010	2009	2008	2007	2006
$ 446,621	$ 389,948	$ 401,028	$ 460,408	$ 404,054	$ 462,721
443,901	460,565	490,750	505,191	496,143	547,317
$ 890,522	$ 850,513	$ 891,778	$ 965,599	$ 900,197	$ 1,010,038
19%	19%	21%	22%	19%	23%
$ 2,001,761	$ 1,621,417	$ 1,600,779	$ 1,734,476	$ 1,732,821	$ 1,658,415
1,006,860	907,184	827,169	756,212	710,716	655,294
673,754	694,800	676,004	642,805	857,344	637,831
$ 3,682,375	$ 3,223,401	$ 3,103,952	$ 3,133,493	$ 3,300,881	$ 2,951,540
76%	72%	72%	71%	70%	68%
$ 32,048	$ 31,883	$ 19,629	$ 103,852	$ 172,350	$ 132,350
245,682	384,113	325,682	220,682	325,682	275,432
$ 277,730	$ 415,996	$ 345,311	$ 324,534	$ 498,032	$ 407,782
6%	9%	8%	7%	11%	9%
$ 4,850,627	$ 4,489,910	$ 4,341,041	$ 4,423,626	$ 4,699,110	$ 4,369,360
203,404	183,543	173,823	177,494	183,392	190,500
$ 23.85	$ 24.46	$ 24.97	$ 24.92	$ 25.62	$ 22.94
$ 4.38	$ 4.63	$ 5.13	$ 5.24	$ 4.91	$ 5.30
$ 1.77	$ 1.58	$ 1.59	$ 1.55	$ 1.33	$ 1.37
$ 22.78	$ 23.64	$ 23.68	$ 24.43	$ 25.94	$ 29.05

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Table 4

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Parking Rates Per Lot

Fiscal Years Ended June 30

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Short Term	$ 10	$ 10	$ 8	$ 8	$ 8	$ 12	$ 12	$ 12	$ 9.5	$ 9.5
Long Term	10	10	8	8	8	7	7	7	7	7
Economy	8	8	8	8	8	7	7	7	7	-

Source: Airport Authority Records

Note: Overflow parking was not available until 2007.

Note: August 15, 2013 rate change and the Overflow lot became the Economy Lot.

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Revenue Bond Debt Service Coverage

For Years Ended June 30

	2015	2014	2013	2012
NET REVENUES				
Operating Revenues	$ 5,726,446	$ 5,438,985	$ 5,221,885	$ 4,576,972
Interest Income	8,493	7,443	14,438	16,247
Agency Reimbursements	150,000	180,000	169,904	219,903
PFC Income*	-	31,575	75,779	75,779
Other Income	61,282	-	-	-
Total Revenues	$ 5,946,221	$ 5,658,003	$ 5,482,006	$ 4,888,901
Less: Operating Expenses	$ (4,442,964)	$ (4,285,964)	$ (4,347,885)	$ (3,788,084)
Net Revenues	$ 1,503,257	$ 1,372,039	$ 1,134,121	$ 1,100,817
Aggregate Debt Service**	$ 690,776	$ 703,216	$ 713,606	$ 715,655
Debt Service Coverage	2.18	1.95	1.59	1.54

Source: Authority's audited financial statements.

*Portion of PFC Income allowed for debt coverage calculation.

**Net of CFC Debt.

Table 5

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Revenue Bond Debt Service Coverage

For Years Ended June 30

2011	2010	2009	2008	2007	2006
$ 4,572,897	$ 4,073,914	$ 3,995,730	$ 4,099,092	$ 4,201,078	$ 3,961,578
32,048	31,883	19,629	103,852	172,350	132,350
169,903	249,903	249,903	144,903	249,903	198,653
75,779	75,779	75,779	75,779	75,779	75,779
-	58,431	-	-	-	1,000
$ 4,850,627	$ 4,489,910	$ 4,341,041	$ 4,423,626	$ 4,699,110	$ 4,369,360
$ (3,644,386)	$ (3,503,588)	$ (3,264,784)	$ (3,390,361)	$ (3,631,675)	$ (3,281,123)
$ 1,206,241	$ 986,322	$ 1,076,257	$ 1,033,265	$ 1,067,435	$ 1,088,237
$ 715,655	$ 715,655	$ 715,655	$ 715,655	$ 715,655	$ 674,950
1.69	1.38	1.50	1.44	1.49	1.61

Table 6

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Ratios of Outstanding Debt Service by Type

Fiscal Year Ended June 30

	Bonds	Notes Payable	VDOA Bridge Loans	Total Outstanding Debt	(1) Less Bonds Series 2002 $2,222,078	Net Operational Outstanding Debt	Debt Expense/ Operating Expense	(2) Percentage of Personal Income	(3) Debt Per Enplaned Passenger
2006	$ 12,097,614	$ 186,595	$ -	$ 12,284,209	$ 3,125,889	$ 9,158,320	21%	0.65	64.48
2007	11,212,484	161,716	-	11,374,200	2,931,535	8,442,665	20%	0.75	62.02
2008	10,327,350	136,836	-	10,464,186	2,737,178	7,727,008	21%	0.87	58.96
2009	9,442,219	111,957	-	9,554,176	2,542,822	7,011,354	22%	0.92	54.96
2010	8,557,085	87,077	-	8,644,162	2,348,465	6,295,697	20%	1.04	47.10
2011	7,671,952	59,255	-	7,731,207	2,154,109	5,577,098	20%	1.23	38.01
2012	6,786,823	37,319	109,262	6,933,404	1,959,754	4,973,650	19%	1.51	29.90
2013	4,954,811	12,239	223,274	5,190,324	1,357,955	3,832,369	16%	2.09	22.78
2014	4,100,004	-	223,394	4,323,398	1,036,503	3,286,895	16%	2.69	18.14
2015	3,418,097	-	223,394	3,641,491	898,529	2,742,962	16%	unavailable	13.92

Source: Authority's audited financial statements and records

[1] Ratios of Outstanding Debt includes Series 2002 Rental Car Facility which is not part of Operations

[2] Calculated from table twelve total personal income combined for the region

[3] Calculated by taking total outstanding debt and divide by enplaned passengers

Table 7

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Airline Landed Weights
Last Ten Fiscal Years
(in thousands of pounds)

Scheduled Air Carriers	2015	% Total	2014	2013	2012	2011	2010	2009	2008	2007	2006
US Airways	129,395	46.4%	128,699	129,014	165,013	164,390	143,813	150,988	154,214	151,072	163,716
Delta Airlines	68,952	24.7%	67,781	60,791	49,162	51,512	65,518	43,287	71,393	80,511	103,212
United Express	36,225	13.0%	44,160	47,729	40,576	40,480	40,024	39,709	41,213	39,862	38,477
American Airlines[1]	44,517	16.0%	28,047	27,565	32,003	1,111	-	-	-	-	-
Allegiant Airlines[3]	-	0.0%	3,996	-	-	-	-	-	-	-	-
Northwest Airlink[2]	-	-	-	-	-	-	-	22,617	20,520	20,492	25,599
Total	279,089		272,683	265,099	286,754	257,493	249,355	256,601	287,340	291,937	331,004

Percentage increase/decrease FY 2015/FY 2014: 2%

Source: Airport Authority Records

[1]American commenced service June 9, 2011
[2]Northwest merged with Delta Airlines effective March 1, 2009
[3]Allegiant Airlines commenced service in November 2013, ended in February 2014

Table 8

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Enplaned Passengers

Fiscal Year Ended June 30,

	2015	*% of Total*	2014	2013	2012	2011	2010	2009	2008	2007	2006
USAirways	121,400	*46%*	114,356	109,611	126,243	126,798	100,322	96,254	84,329	84,422	85,092
Delta Airlines	69,385	*27%*	58,363	53,174	45,630	44,589	52,973	34,309	50,009	53,149	61,119
United Express	30,925	*12%*	36,499	39,403	35,780	30,418	30,248	27,695	29,585	31,336	28,605
American Airlines[1]	39,921	*15%*	25,956	25,686	24,254	1,599	-	-	-	-	-
Allegiant Airlines[3]		*0%*	3,224	-	-	-	-	-	-	-	-
Northwest Airlink[2]	-	*0%*	-		-	-	-	15,565	13,571	14,485	15,684
Total	261,631		238,398	227,874	231,907	203,404	183,543	173,823	177,494	183,392	190,500
% Incr/(Dec)	10%		5%	-2%	14%	11%	6%	-2%	-3%	-4%	-2%

Source: Airport Authority records

[1]Commenced service June 9, 2011

[2]Merged with Delta Airlines March 1, 2009

[3]Commenced service in November 2013, ended in February 2014

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Aircraft Operations Summary

Last Ten Fiscal Years

Fiscal Year	Air Carrier	General Aviation	Military	Total
2006	21,510	41,892	3,236	66,638
2007	20,544	47,104	3,094	70,742
2008	23,434	59,477	4,534	87,445
2009	21,837	58,819	4,670	85,326
2010	20,072	58,381	5,380	83,833
2011	18,718	56,263	5,180	80,161
2012	18,619	57,667	5,408	81,694
2013	17,382	49,833	5,491	72,706
2014	20,214	50,825	6,028	77,067
2015	20,049	48,307	5,637	73,993
Average Annual Change	-0.78%	1.60%	6.36%	1.17%

Source: Airport Authority records

Table 10

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
Top 50 Origin Destination Markets

Year Ended Quarter 2 2015				Year Ended Quarter 4 2006			
Rank	Airport Code	City	Total Passengers	Rank	Airport Code	City	Total Passengers
1	ORD	Chicago (O'Hare)	39,036	1	LGA	New York	23,250
2	ATL	Atlanta	27,560	2	ATL	Atlanta	21,490
3	LGA	New York (LGA)	22,191	3	ORD	Chicago	13,630
4	CLT	Charlotte	19,731	4	BOS	Boston	11,400
5	SFO	San Francisco	17,123	5	CLT	Charlotte	9,170
6	DEN	Denver	15,928	6	SFO	San Francisco	8,220
7	DFW	Dallas/Fort Worth	14,995	7	MCO	Orlando	8,210
8	LAX	Los Angeles	13,367	8	DTW	Detroit	7,810
9	BOS	Boston	11,415	9	CVG	Cincinnati	7,760
10	MCO	Orlando	10,780	10	LAX	Los Angeles	7,590
11	IAH	Houston	10,614	11	DEN	Denver	7,550
12	TPA	Tampa	10,386	12	DFW	Dallas-Fort Worth	6,910
13	SEA	Seattle/Tacoma	9,470	13	MSP	Minneapolis	6,610
14	PHX	Phoenix	8,390	14	TPA	Tampa	6,370
15	SAN	San Diego	7,744	15	BNA	Nashville	5,360
16	MSY	New Orleans	7,658	16	LAS	Las Vegas	5,000
17	AUS	Austin	7,143	17	MIA	Miami	4,850
18	FLL	Ft. Lauderdale	6,699	18	SEA	Seattle	4,820
19	MSP	Minneapolis/St. Paul	6,511	19	PHL	Philadelphia	4,740
20	PBI	West Palm Beach	6,171	20	PHX	Phoenix	4,640
21	BNA	Nashville	5,967	21	SAN	San Diego	4,470
22	MIA	Miami	5,875	22	IND	Indianapolis	4,270
23	RSW	Fort Myers	5,544	23	IAH	Houston	4,110
24	STL	St. Louis	5,447	24	STL	St Louis	4,070
25	DTW	Detroit	5,366	25	MCI	Kansas City	3,950
26	JAX	Jacksonville	5,229	26	JAX	Jacksonville	3,870
27	PHL	Philadelphia	5,216	27	FLL	Fort Lauderdale	3,800
28	LAS	Las Vegas	5,145	28	PBI	West Palm Beach	3,800
29	SLC	Salt Lake City	5,144	29	SLC	Salt Lake City	3,670
30	MCI	Kansas City	4,944	30	BDL	Hartford	3,630
31	SAT	San Antonio	4,761	31	MSY	New Orleans	3,560
32	MKE	Milwaukee	4,514	32	AUS	Austin	3,250
33	PDX	Portland	4,297	33	BHM	Birmingham	3,250
34	IND	Indianapolis	4,277	34	SAT	San Antonio	3,220
35	BDL	Hartford/Springfield	3,979	35	MEM	Memphis	3,200
36	PVD	Providence	3,281	36	MKE	Milwaukee	2,830
37	BHM	Birmingham	3,239	37	PDX	Portland	2,670
38	EWR	New York (EWR)	3,176	38	MHT	Manchester	2,610
39	CHS	Charleston	3,111	39	PVD	Providence	2,570
40	SRQ	Sarasota/Bradenton	2,981	40	CMH	Columbus	2,500
41	MEM	Memphis	2,860	41	RSW	Fort Myers	2,350
42	ABQ	Albuquerque	2,393	42	PWM	Portland	2,190
43	OMA	Omaha	2,256	43	CLE	Cleveland	2,160
44	PWM	Portland	2,254	44	CHS	Charleston	2,120
45	CMH	Columbus	2,131	45	ABQ	Albuquerque	2,030
46	OKC	Oklahoma City	2,043	46	EWR	Newark	2,020
47	MSN	Madison	2,028	47	HSV	Huntsville	1,820
48	TUS	Tucson	1,971	48	ALB	Albany	1,800
49	SNA	Orange County	1,855	49	LIT	Little Rock	1,770
50	ALB	Albany	1,837	50	TLH	Tallahassee	1,620
	CHO Total - Top 50 Domestic Markets		386,032				
	CHO Total - All Domestic Markets		467,422		**Grand Total**		**241,310**

Source: YE 2Q 2015 U.S. DOT, Origin-Destination Passenger Survey, FMg Database via Diio Online Portal

Source: Back Aviation: US DOT True O&D Ten Percent Survey Data Adjusted to 100 percent.

Table 11

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Airport Information

Fiscal Year Ended June 30

Airport Code: CHO
Location: 8 Miles North of downtown Charlottesville, Virginia
Elevation: 641 feet
FBO: Landmark Aviation

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Acres (+/-):	705	705	705	705	705	705	705	702	661	661
Runways:										
3/21 North/South ILS 3/GPS	6,801 by 150 ft.	6,801 by 150 ft.	6,801 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.	6,001 by 150 ft.
Terminal:										
Airlines - sq. ft.	25,353	25,353	25,353	25,353	25,353	25,353	25,353	25,353	23,336	23,336
Rental Car - sq. ft.	270	270	270	270	270	270	270	270	270	270
Market - sq. ft.	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
TSA - sq. ft.	496	700	700	700	700	700	700	700	700	700
Total	27,719	27,923	27,923	27,923	27,923	27,923	27,923	27,923	25,906	25,906
# of passenger gates	5	5	5	5	5	5	5	5	5	5
# of loading bridges	1	1	1	1	1	1	1	1	1	1
# of Concessionaires in Terminal	4	4	4	4	4	4	4	4	4	4
# of Rental Car Agencies in Terminal	3	3	3	3	3	3	3	3	3	3
Parking:										
Spaces assigned:										
Short-term	108	108	108	108	108	108	108	108	108	108
Long-term	748	748	748	748	748	748	748	748	748	748
Over flow lot	132	132	132	132	132	132	132	132	132	0
Rental Cars	303	303	303	303	303	303	303	303	303	303
Employees	175	175	175	175	175	175	175	175	175	175
Total	1,466	1,466	1,466	1,466	1,466	1,466	1,466	1,466	1,466	1,334
Cargo:										
None										
Employees:										
Administrative	7	7	7	6	6	6	5	5	5	6
Public Safety	8	7	7	7	7	6	6	6	7	7
Maintenance	7	7	6	6	5	7	7	8	8	7
CSO	0	0	4	4	4	4	3	4	2	3
Parking	8	9	5	5	5	5	5	5	6	5
Equipment Technician	1	1	1	1	1	1	1	1	1	1
Total f/t employees (2080) hrs. per yr.	31	31	30	29	28	29	27	29	29	29
Hangars:										
T-Hangar Units	4	4	4	4	4	4	4	4	4	4
Conventional Units	5	5	5	5	5	5	5	5	5	4

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
Demographic Information

Population in the Primary Trade Area [1] Fiscal Years Ended June 30

	2014[5]	% Change 2014/2013	2013	2012	2011
City of Charlottesville	47,783	*2.5%*	46,623	45,073	44,471
County of Albemarle	103,707	*1.0%*	102,731	101,575	100,780
County of Greene	19,618	*1.5%*	19,320	18,856	19,402
County of Fluvanna	25,970	*-0.2%*	26,019	26,033	25,989
County of Madison	13,353	*0.2%*	13,333	13,472	13,424
County of Nelson	15,074	*0.3%*	15,031	15,078	15,097
Total	225,505	*1.1%*	223,057	220,087	219,163

Unemployment Rate [2] Fiscal Years Ended June 30

	2015	% Change 2015/2014	2014	2013	2012
City of Charlottesville	4.5	*-16.7%*	5.4	4.3	6.6
County of Albemarle	4.7	*-2.1%*	4.8	4.4	4.8
County of Greene	4.3	*0.0%*	4.3	3.8	5.2
County of Fluvanna	4.3	*-6.5%*	4.6	4.2	4.8
County of Madison	4.0	*-7.0%*	4.3	4.0	4.8
County of Nelson	4.5	*-6.3%*	4.8	4.6	5.3

Total Personal Income [3] Fiscal Years Ended June 30

	2014[5]	% Change 2014/2013	2013	2012	2011
Albemarle/Charlottesville[4]	8,795,194	*13.3%*	7,764,329	7,493,869	6,778,562
County of Greene	701,736	*-11.4%*	791,878	767,362	710,441
County of Fluvanna	967,881	*-9.7%*	1,072,290	1,040,671	951,419
County of Madison	541,990	*2.1%*	530,597	523,987	479,209
County of Nelson	629,685	*-6.8%*	675,564	640,628	601,790
	11,636,486		10,834,658	10,466,517	9,521,421

Per Capita Income [3] Fiscal Years Ended June 30

	2014[5]	% Change 2014/2013	2013	2012	2011
Albemarle/Charlottesville[4]	58,603	*10.6%*	52,963	51,255	47,052
County of Greene	36,873	*-12.4%*	42,112	40,880	38,073
County of Fluvanna	37,095	*-10.1%*	41,278	40,077	36,507
County of Madison	41,194	*2.5%*	40,197	39,696	36,389
County of Nelson	42,403	*-7.2%*	45,680	43,207	39,862
	216,168		222,230	215,115	197,883

[1] Source: Weldon Cooper Center for Public Service (7/1/14 Estimate published on 1/27/15)

[2] Source: U.S. Bureau of Labor Statistics

[3] Source: Bureau of Economic Analysis/ US Department of Commerce (Estimates only through 2014)

[4] Albemarle County standalone statistic unavailable

[5] 2015 information not available

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Demographic Information

2010	2009	2008	2007	2006	2005
43,475	43,054	42,130	41,538	41,066	40,597
98,970	98,071	97,081	95,009	93,852	91,676
18,403	18,237	18,131	17,972	17,607	17,155
25,691	25,576	25,461	25,134	24,638	24,318
13,308	13,358	13,332	13,429	13,291	13,106
15,016	15,090	15,050	14,993	14,809	14,828
214,863	213,386	211,185	208,075	205,263	201,680

2011	2010	2009	2008	2007	2006
6.3	6.9	6.6	3.9	3.1	3.2
5.1	5.4	5.2	3.0	2.2	2.4
5.0	5.9	5.9	3.3	2.1	2.3
4.9	5.8	5.8	3.3	2.4	2.4
5.0	6.2	6.2	3.8	2.7	2.6
5.5	6.2	6.5	3.6	2.7	2.7

2010	2009	2008	2007	2006	2005
6,421,082	6,213,020	6,545,468	6,251,318	5,860,761	5,322,475
666,063	640,318	643,028	590,973	547,950	495,969
894,204	883,986	883,083	814,673	759,028	683,257
457,332	446,445	447,494	390,567	379,962	365,791
570,682	561,482	568,823	522,617	495,016	456,847
9,009,363	8,745,251	9,087,896	8,570,148	8,042,717	7,324,339

2010	2009	2008	2007	2006	2005
44,987	44,025	47,018	45,781	43,439	40,239
36,093	35,011	34,900	33,141	31,220	28,877
34,710	34,561	34,517	32,259	30,621	27,934
34,394	33,422	32,783	28,511	28,114	27,509
38,005	37,209	37,115	36,078	34,131	31,380
188,189	184,228	186,333	175,770	167,525	155,939

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Principal Employers in the Primary Air Trade Area [1]

As of 1st Quarter 2015	As of 2nd Quarter 2006
1. University of Virginia / Blue Ridge Hospital	1. University of Virginia
2. University of Virginia Medical Center	2. University of Virginia Health Sciences
3. County of Albemarle	3. County of Albemarle
4. Martha Jefferson Hospital	4. Martha Jefferson Hospital
5. City of Charlottesville	5. City of Charlottesville
6. State Farm Mutual Automobile Insurance	6. Northrop Grumman Corporation
7. UVA Health Services Foundation	7. State Farm
8. Charlottesville City School Board	8. National Ground Intelligence Center
9. U.S. Department of Defense	9. Aramark Educational Group, Inc.
10. Fluvanna County Public School Board	10. Greene County Schools
11. Walmart	11. Sam's Club
12. Lakeland Tours	12. Food Lion
13. Food Lion	13. Pharmaceutical Research Association
14. Region Ten Community Services	14. Matthew Bender & Company
15. Servicelink Management Com Inc.	15. GE Fanuc Automation Manufacturing
16. Wintergreen Resort	16. Region Ten Community Services
17. Northrop Grumman Corporation	17. Piedmont Virginia Community College
18. Greene County School Board	18. U.S. Postal Service
19. Piedmont Virginia Community College	19. Crutchfield Corporation
20. SNL Security LP	20. Lakeland Tours
21. Troy Construction, LLC.	21. Americare Plus
22. Aramark Campus	22. Boar's Head Inn
23. Atlantic Coast Athletic Club	23. Farmington Country Club
24. Nelson County School Board	24. Kroger
25. Buckingham County School Board	25. FIC Staff Services
26. Assoc. for Investment Management	26. Thomas Jefferson Foundation
27. Kroger	27. Lowes
28. GE Fanuc Automation North Corporation	28. SNL Security LP
29. Crutchfield Corporation	29. Atlantic Coast Athletic Club
30. Thomas Jefferson Memorial	30. Westminster Canterbury of the Blue Ridge
31. Postal Service	31. McDonalds
32. Buckingham Correctional Center	32. Tiger Fuel Company
33. Harris Teeter Supermarket	33. CFA Institute
34. Fluvanna Correctional Center	34. Sodexho Service
35. Boar's Head Inn	35. Trinity Mission Healthcare & Rehabilitation

[1] Primary trade area is defined as the Thomas Jefferson District: Charlottesville, Albemarle, Greene Fluvanna, Louisa and Nelson

Source: Virginia Employment Commission, Quarterly Census of Employment and Wages (QCEW), 1st Quarter (January, February, March) 2015.

COMPLIANCE SECTION

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To The Honorable Members of The
Charlottesville-Albemarle Airport Authority
Charlottesville, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of Charlottesville-Albemarle Airport Authority as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Charlottesville-Albemarle Airport Authority's basic financial statements and have issued our report thereon dated January 25, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Charlottesville-Albemarle Airport Authority's internal control over financial reporting (internal control) to determine the 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Charlottesville-Albemarle Airport Authority's internal control.

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. 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
January 25, 2016

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133 and the Passenger Facility Charge (PFC) Program

To the Honorable Members of the
Charlottesville-Albemarle Airport Authority
Charlottesville, Virginia

Report on Compliance for Each Major Federal Program

We have audited Charlottesville-Albemarle Airport Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Charlottesville-Albemarle Airport Authority's major federal programs for the year ended June 30, 2015, and the requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (Guide), issued by the Federal Aviation Administration. Charlottesville-Albemarle Airport Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and those applicable to its passenger facility charge program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Charlottesville-Albemarle Airport Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* and the Guide. Those standards, OMB Circular A-133 and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about Charlottesville-Albemarle Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program or the passenger facility charge program. However, our audit does not provide a legal determination of Charlottesville-Albemarle Airport Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Charlottesville-Albemarle Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, and the passenger facility charge program, for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of Charlottesville-Albemarle Airport Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Charlottesville-Albemarle Airport Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program, and internal control over compliance with the types of requirements that could have a direct and material effect on the passenger facility charge program, to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program and the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the Guide. Accordingly, this report is not suitable for any other purpose.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
January 25, 2016

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Transportation:			
Direct Payments:			
Airport Improvement Program	20.106	N/A	$ 1,524,346
Total expenditures of federal awards			$ 1,524,346

This schedule presents the activity of all federally assisted programs of Charlottesville-Albemarle Airport Authority. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included herein. The schedule is presented using the accrual basis of accounting, which is described in note 2 to the financial statements.

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Findings and Questioned Costs
Year Ended June 30, 2015

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No

Identification of major programs:

CFDA #	Name of Federal Program or Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs	$300,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report.

Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2015

There were no federal award findings reported.

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Passenger Facility Charges Collected and Expended and Interest Credited
Year Ended June 30, 2015

Unexpended passenger facility charges as of July 1, 2014			$	1,265,077
Collections:				
Passenger facility charges collected	$	1,106,466		
Interest credited		7,283		1,113,749
Passenger facility charges expended for approved projects:				
Runway 21 phase 2 AIP	$	88,505		
Runway 21 phase 3 state		335,994		
Runway 21 phase 4 state		328,028		
PFC application 21 reimbursement of local share (reprogrammed to above projects)		(653,857)		(98,670)
Unexpended passenger facility charges as of June 30, 2015			$	2,280,156
Reconciliation to cash as reported on the Statement of Net Position:				
Change in accounts receivable			$	(18,262)
Cash balance per Statement of Net Position			$	2,261,894

This schedule presents the activity of the passenger facility charge program of the Charlottesville-Albemarle Airport Authority. The schedule is presented using the accrual basis of accounting, which is described in note 2 to the financial statements. A reconciliation to the cash balance reported in the Statement of Net Position is provided.

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Findings and Questioned Costs
Passenger Facility Charge Program
Year Ended June 30, 2015

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Passenger Facility Charge

Internal control over Passenger Facility Charge:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for Passenger Facility Charge:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Aviation and Safety in accordance with the Federal Aviation Administration (Guide) for its Passenger Facility Charge Program?	No

Identification of Program:
Part 14 CFR 158 Passenger Facility Charge

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Passenger Facility Charge Findings and Questioned Costs

There are no Passenger Facility Charge findings and questioned costs to report.

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY

Schedule of Prior Year Findings and Questioned Costs
Passenger Facility Charge Program
Year Ended June 30, 2015

There were no Passenger Facility Charges findings reported.