Smith Reynolds Airport
Executive Overview
for
Board of Commissioners
Forsyth County

October 2013
Airport Commission of Forsyth County

- **Organization**
  - 5 Airport Commissioners
    - Thomas F. McKim, Chairman
    - Perry G. Hudspeth, Vice Chairman
    - Scott G. Piper, Secretary/Treasurer
    - Glenn L. Cobb, Commissioner
    - Bill Whiteheart, County Commissioner
  - Airport Director
    - Mark R. Davidson, A.A.E.
  - 9 Full Time Employees

- **Airport Type**
  - FAA Designation “National” GA
    - Out of 2,954 Public Use Airports, only 84 are designated by the FAA as “National”
    - Based upon high levels of operations and jet traffic
  - FAR Part 139 Certificated Airport
    - Authorized for Passenger Commercial Service
Operations

- Tenants by Lease: 62
- Aircraft Based on Field: 91
  - 63 Single Engine Aircraft
  - 11 Multi Engine Aircraft
  - 17 Jets
- Annual Operations: 41,373
- Approximately 884,052 Gallons of Aviation Fuel Dispensed Annually

Monthly Aircraft Operations - Trend
Finance

Growth Despite Difficult Circumstances and Tough Economy

– Financially Self Sufficient
– Major New Tenants
  • North State Aviation
  • Piedmont Propulsion
– Expanding Corporate and MRO Sectors

Minimized Expenses and Maximized Revenues

– In-house Services
– Reduced Head Count & Work Hours
– New Rates and Charges Policy
– Lease Renegotiations
– Restructured Tenant Relationships

Annual Budget

FYE 2013 Net Income $373,389 (actual)
FYE 2014 Net Income $580,000 (estimated)
FYE 2014 Capital Budget $2.6 Million *
  (*FAA / NCDOT Grants Included)

Current Board Results

– Net Revenue improved from a net loss in 2010 to a net gain in 2011
– Net Revenue in CY 2013 expected to approach $500K

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Year</td>
<td>($316,478)</td>
<td>$34,722</td>
<td>$127,366</td>
<td>$331,602 (YTD August)</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>($159,443)</td>
<td>$124,536</td>
<td>$373,389</td>
<td></td>
</tr>
</tbody>
</table>
Key Airport Stakeholders

- Forsyth County & Winston-Salem
- Business Community
- Major Commercial Tenants
  - North State Aviation
  - Landmark Aviation
  - Piedmont Propulsion
  - Piedmont Aviation Components
  - Piedmont Flight Training
  - BB&T
  - Epes Transport
  - Avis, Budget and Hertz
- Economic Development Organizations
- Individual Airport Users
- Airport Neighbors
- Community Organizations
  - Liberty CDC
  - ACE Academy
Business Development

• Master Plan Updated: May 2012

• Targets
  • MRO and Manufacturing
  • Business Aviation
  • Recreational Aviation

• Marketing Efforts
  – Web Page/Facebook
  – Fly-Ins
  – Chamber of Commerce
  – Winston-Salem Business Inc.
  – Piedmont Triad Partnership
  – Meridian Reality
  – Networking
    • National Business Aviation Association (NBAA)
    • MRO Americas
Real Estate

Building / Facilities
- Total Space owned by ACFC = 489,619 square feet (sf)
- Occupancy 76% or 363,835 sf
- Hangar Space 100% Leased

Types of Available Space
- Office Space
  - 60,800 sf Listed with Meridian Reality Group
- Air Charter / Airline Counter
- Restaurant

Land
- Total Airport Acreage: 713
  - Includes 8.05 Acres Acquired in August 2013
- Master Plan - Preferred Development Alternative
  - Land Development: 37.1 Acres
Capital Improvements

Recent
• Runway 15/33 Overlay and EMAS
• Upgrades to Piedmont Propulsion and Piedmont Aviation Components Facilities
• PAPIs and REILs
• Master Plan Update
• Liberty Street Landscaping
• Parking Lot and Roadway
• Public Observation Area

Future
• Runway 4/22 Overlay
• Reconstruct Taxiway A
• Extend Taxiway F
• Terminal Renovations – Restrooms, Restaurant, and Lobby
• Infrastructure – Roofing (PAC, Epes)
Recent Media


North State Aviation gets 2nd United contract

BY RICHARD CRAWFORD
Winston-Salem Journal

North State aviation U.S. transition from startup to established aircraft maintenance company is nearing completion, with the Winston-Salem company on pace to meet an ambitious job-creation pledge about a year ahead of time.

The company said Thursday it will create at least 60 jobs by March 31 to assist in handling a new installation contract with its largest customer, United Airlines, at its Smith Reynolds Airport operation.

Once the company adds the new lines, it will have about 300 employees — just shy of the workforce of 300 it pledged to create within four years when it was made

NORTHWEST, Page A13

A Boeing 737-300 undergoes conditioning in January at the North State Aviation maintenance hangar at Smith Reynolds Airport in Winston-Salem. The company now has a contract to install a satellite-based system on 160 of United's Boeing 737-700, 800 and 900 series aircraft.

W-S Journal: Landmark Hangar Purchase – October 2013

Landmark Aviation completes purchase of hangar space

BY RICHARD CRAWFORD
Winston-Salem Journal

Landmark Aviation has completed the acquisition of the former RIR hangar at Smith Reynolds Airport, a commercial real estate developer and Tuesday, Landmark sold new hangar

Purchase of the former RIR hangar at Smith Reynolds Airport gives Landmark 45,000 more square feet.

The hangar had been vacant since December 2011, shortly after RIR Airlines closed its operations, leaving a large hangar with the option to be turned into a satellite to its aviation department.

Some of the hangar's assets were sold, said a spokesperson. The hangar is now in use for hangar space.

The lease deal makes Landmark no longer have to turn its operations to use the hangar itself.
Air Show

- 2013 Attendance: 22,119
  - Six year average: 27,542

- 500 Volunteers a Day

- $6.84 Million Economic Impact*

- Showcase for Northeast Ward

- 100th Year Anniversary in 2011
  
  * 2003 Business Journal Estimate
Contract Tower Program

• Contract towers enhance aviation safety at smaller airports that otherwise would not have a tower. Contract tower controllers give first priority to separating aircraft and issuing safety and weather alerts. Contract towers provide these services in a cost effective manner.

• Time Line
  – 1941 Smith Reynolds Control Tower is constructed
  – 1982 Federal Contact Tower Program is created
  – 1999 Smith Reynolds switches from an FAA manned Tower to an FAA Contract Tower
  – May 2012 FAA Designation “National” GA
  – March 5, 2013 ACFC is notified that Contract Tower will not be funded by the FAA.
  – March 13, 2013 ACFC submits appeal to the FAA.
  – March 22, 2013 FAA denies ACFC appeal

• Current Situation
  – Funds included in FYE 2014 Appropriations Bill.
Smith Reynolds Airport

Airport is Recovering
  • Financially
  • Business Activity

Top Priorities
  • Safety and Security
  • Economic Development and Job Creation
  • Community Relations
  • Maintaining Existing Infrastructure
  • Capital Improvement Initiatives Identified in Master Plan