

SAVANNAH, GA

Comprehensive Annual Financial Report

YEARS ENDED DECEMBER 31, 2020 & 2019





SAVANNAH AIRPORT COMMISSION

Comprehensive Annual Financial Report
Years Ended December 31, 2020 and 2019

Prepared By: Finance Department
Savannah, Georgia

Airport Website: www.savannahairport.com

Savannah Airport Commission

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Savannah Airport Commission

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Savannah Airport Commission

Introductory Section (Unaudited)

- Letter of Transmittal
- Air Service Map 2020
- Air Service Map 2019
- Principal Officials
- Organization Chart
- Certificate of Achievement for Excellence in Financial Reporting





400 AIRWAYS AVENUE
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T: 912.964.0514
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TO: Savannah Airport Commissioners
Airport Attorneys
DATE: June 30, 2021
SUBJ: Commission's Comprehensive Annual Financial Report

In accordance with state statutes and local charter provisions, we hereby submit the Comprehensive Annual Financial Report (CAFR) of the Savannah/Hilton Head International Airport for the year ended December 31, 2020. Responsibility for both the accuracy of the information contained in this report and the completeness and fairness of the presentation, including all disclosures, rests with the Savannah Airport Commission (Commission). To the best of our knowledge and belief, and as indicated by the opinion of our independent auditors, the report is accurate in all material aspects and presents the Commission's financial position, the results of operations and cash flows. It also includes disclosures necessary to enable the reader to gain the maximum understanding of the Commission's financial affairs. This report was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) promulgated by the Government Accounting Standards Board (GASB).

The independent audit of the financial statements is part of the broader mandated provisions of the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as it pertains to federal financial awards received from the U.S. Government and in conformity with the provisions of the November 1994 Audit Compliance and Reporting Guide for Public Agencies relative to the collection and use of Passenger Facility Charges. The independent auditor must not only report on the fair presentation of the financial statements but also on the Commission's internal controls and compliance with legal requirements, with special emphasis involving the administration of federal awards. See the independent auditor's reports presented in the compliance section of this report.

GASB 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). This letter of transmittal should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditor in the Financial Section of this report.

flySAV.com

Description of Airport/Reporting Entity

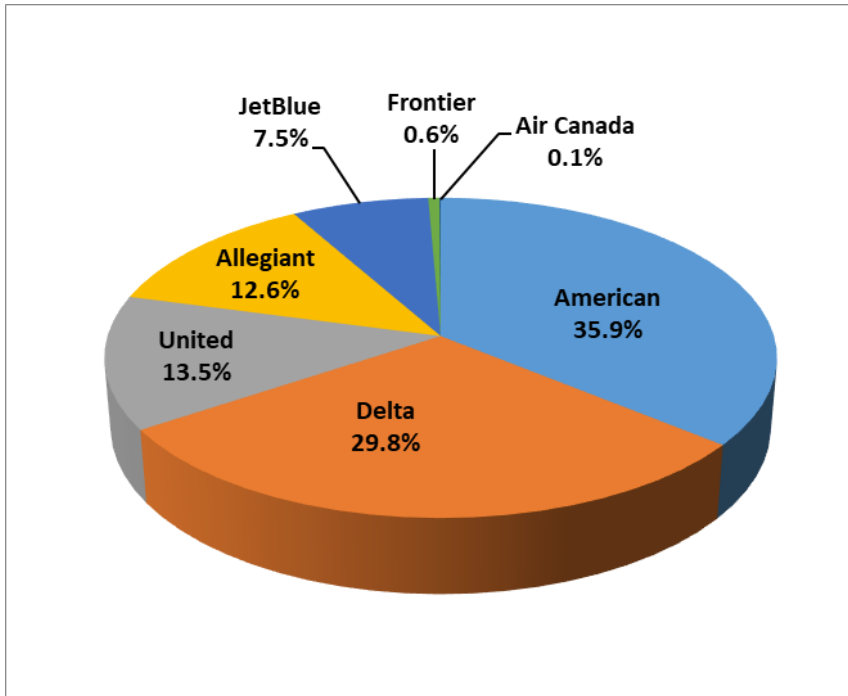
In 1940, the City of Savannah acquired a 600-acre tract to construct an airfield but before it was completed, the United States was drawn into WWII. The U.S. Army Air Corps took over construction and named the airfield Chatham Field. After WWII ended, the airfield was turned over to the Georgia Air National Guard and renamed Travis Field. In 1949, the City of Savannah received a quitclaim deed to Travis Field and that same year the Savannah Airport Commission was enacted by an act of the Georgia State Legislature. The Commission is a corporate body politic, operating as a stand-alone enterprise. The Commission is an agency of the City of Savannah. The Mayor and City Council of the City of Savannah appoint five Commissioners to serve five-year staggered terms. The financial reporting entity of the Commission includes all activities related to the operation and maintenance of the Savannah/Hilton Head International Airport.

Economic Condition/Airline Activity/Enplanements

Following the positive trend from 2019 growth, 2020 brought the airline industry to a screeching halt. Due to the COVID-19 pandemic, global passenger traffic decreased 65.9% in 2020 compared to 2019. This decrease was the sharpest decline in aviation history. 2020's decrease came on the heels of an increase of 4.2% from 2018 to 2019. The load factor for the global market also plummeted to 64.8%. The Savannah/Hilton Head International Airport did not escape COVID-19's effects. The airlines offered 1,026,397 seats in 2020 vs. the 1,903,143 seats offered in 2019, a decrease of 46.1%. The load factor decreased in 2020 compared to 2019, respectively at 58.1% and 78.9%. Total enplanements for 2020 were 598,096 vs. 1,502,974 for 2019, a significant decrease of 60.2%. Total passengers for 2020 were 1,199,995 vs. 3,021,077 for 2019, also a significant decrease of 60.3% compared to last year. The airlines serving the Savannah/Hilton Head International Airport in 2020 included Delta, American, United, Allegiant, JetBlue, Frontier, Air Canada, and Sun Country.

The Savannah/Hilton Head International Airport was pleased to offer a generous rent relief program to our tenants to help curb the effects of the COVID-19 pandemic. Three phases of relief were offered in 2020. Phase 1 allowed severely impacted tenants to defer their Minimum Annual Guarantee (MAG) and percentage of Gross Receipts payments for a three month period. The second phase extended the deferral period from three months to six months. Phase 3 of the rent relief program extended the deferral period for terminal concessionaires, this time until December 31, 2020. The third phase also waived the collection of the MAG for concessionaires within the terminal for all deferred periods, allowing tenants to only pay their percentage of Gross Receipts payments.

The market share for the airlines serving the Airport in 2020 follows:



American Air Lines (American, PSA, Republic, Envoy, and SkyWest) had a market share of 35.9% for the year, followed by Delta Airlines (Delta, Endeavor, Republic, and SkyWest) with 29.8%; United (United, Air Wisconsin, CommutAir, Express Jet, Mesa, Republic, and SkyWest) captured 13.5%; Allegiant held 12.6%; JetBlue took 7.5% of the market share; Frontier held 0.6%, and Air Canada had the fewest enplanements with a market share of 0.1%.

The Savannah/Hilton Head International Airport has been diligently working to attract new airlines, add new destinations and more flights to existing destinations, and also lower fares to increase passenger traffic and return to the growth the airport was experiencing prior to the COVID-19 pandemic. As of December 31, 2020, enplanements were well below 2019, with a significant decrease of 60.2% and available seats were down with a decrease of 46.1% under 2019. Following the record-breaking mark set in 2019 of 1,502,974 enplanements, 2020 ended the year with only 598,096 enplanements. Our budgeted 2020 enplanements originally projected an increase of 4.0% over 2019. Through the first two months of 2020 enplanements were up 6.1% from 2019. However, due to COVID-19, the year finished well below our budgeted amount.

Airport Highlights

First Quarter:

- **Allegiant announces new nonstop service to three additional locations**
- **Apron Expansion and Taxiway-F completed**
- **SAC Executive Director Greg Kelly appointed to the board of International Association of Airport Executives (IAAAE)**
- **Paradies opens remodeled Hilton Head Isle locations inside SAV**
- **Tourism Leadership Council (TLC) awards SAC Executive Director Greg Kelly with Herb & Franklin Traub Visionary Award**

Second Quarter:

- **SAC's Airport Police Department (APD) receives first State of Georgia Law Enforcement Certification**
- **SAV receives \$26.8M Coronavirus Aid, Relief, and Economic Security Act (CARES Act) grant for Federal Funds**
- **Burger King remodels at SAV**
- **SAC Director of Landside Facilities Lenard Robinson appointed to SEC AAAE Board of Directors**

Third Quarter:

- **SAV named one of the Top 10 Best Domestic Airports in the 2020 Travel + Leisure World's Best Awards**
- **SAC announces opening of new Customs FIS, formally known as the James B. Blackburn Federal Inspection Services Facility**
- **SAV receives \$3.9M AIP grant from the FAA for escalator replacements and stormwater drainage in the Southeast Quadrant**
- **SAV undergoes runway marking refurbishment**
- **Paradies opens remodeled Factors Walk location inside SAV**

Fourth Quarter:

- **Southwest Airlines announces service coming to SAV in 2021**
- **SAV hosts Georgia Airports Association (GAA) Annual Conference**
- **SAC Executive Director Greg Kelly receives American Association of Airport Executives' (AAAE) Distinguished Service Award**
- **SAC Manager of Properties & Executive Affairs Meghan Dunn appointed to Georgia Airports Association (GAA) Board of Directors**
- **New flight information display systems (FIDS) monitors installed**
- **Escalator construction begins at SAV**
- **Tru Hotel opens in Aviation Village**
- **Brooks Stillwell appointed as SAC legal counsel**

Major Initiatives

The **AIP-59 Entitlement Grant** was awarded on September 6, 2017, in the amount of \$2,125,135 of entitlement funds. The entitlement funds from the AIP-59 grant have been designated to fund the capital expenditures incurred as a result of the construction of the Federal Inspection Services Facility. The FIS Facility project was completed during the first quarter of 2020, and the grant closeout documentation was submitted during the third quarter of 2020.

The **AIP-60 Entitlement Grant** was awarded on July 18, 2018, in the amount of \$4,086,265 of entitlement funds. The entitlement funds from the AIP-60 grant have been designated to fund the capital expenditures incurred as a result of the construction of the Federal Inspection Services Facility. The FIS Facility project was completed during the first quarter of 2020, and the grant closeout documentation was submitted during the third quarter of 2020.

The **AIP-61 Supplemental Discretionary Grant** was awarded on September 21, 2018, in the amount of \$7,642,751. The supplemental discretionary funds from the AIP-61 grant have been designated to fund the capital expenditures incurred as a result of the expansion of the terminal apron. The terminal apron expansion was completed in the first quarter of 2020, and the grant closeout documentation was submitted during the fourth quarter of 2020.

The **AIP-62 Entitlement Grant** was awarded on July 15, 2019, in the amount of \$4,222,340. The entitlement funds from the AIP-62 grant have been designated to fund the remainder of the capital expenditures incurred as a result of the construction of the Federal Inspection Services Facility. The FIS Facility project was completed during the first quarter of 2020, and the grant closeout documentation was submitted during the third quarter of 2020.

The **AIP-63 Entitlement Grant** was awarded on July 16, 2020, in the amount of \$3,965,942. The entitlement funds from the AIP-63 grant have been designated to fund the capital expenditures incurred as a result of replacing terminal escalators, decommissioning an underground fuel tank, design costs and mitigation credits necessary for improving SE Quadrant drainage, and environmental assessments needed for planning short-term development in the SE and NW Quadrants. The last project is expected to be completed in the third quarter of 2021, and grant closeout documentation submitted in the fourth quarter of 2021.

The **AIP-64 Entitlement Grant** was awarded on July 16, 2020, in the amount of \$908,124. The entitlement funds from the AIP-64 grant were designated to fund an update to our Master Plan. The Master Plan update was delayed, and the funds will be reallocated to be used for SE quadrant mitigation credits. The grant closeout documentation will be submitted in 2022.

The **AIP-65 Grant** was awarded on April 27, 2020, in the amount of \$26,824,077. This grant was a part of the CARES Act given out to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 pandemic. The grant will be closed out by the second quarter of 2024.

A schedule of the AIP projects that were open as of 12/31/20 follows:

	PROJECTED COST	FAA GRANTS	PFC FUNDING	STATE FUNDING	AIRPORT FUNDING
Escalator Replacement	\$1,700,000	\$1,700,000			
SE Quadrant Stormwater Drainage Improvements – Mitigation	\$1,546,160	\$1,546,160			
SE Quadrant Stormwater Drainage Improvements – Design	\$459,255	\$459,255			
Short-Term Development EA	\$227,374	\$227,374			
Decommission Terminal Underground Fuel Tank	\$80,783	\$80,783			
Total Cost	\$4,013,572	\$4,013,572			

The costs detailed above include total projected costs, and the construction contract commitments (Note 8) in the auditor’s report are authorized contractor project costs through December 31, 2020.

Financial Information

In developing and evaluating the Commission’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Airline Primary Rates and Charges

Effective January 1, 2010, a new five-year Airline Use and Lease Agreement was adopted with a major change in the rates and charges. The Airline Use and Lease Agreement with the signatory and non-signatory airlines Rates and Charges section was simplified and fixed rates were established for the next five years. The fixed rates are based on our past residual rate-making methodology for the airfield (landing fee calculation) and a hybrid residual rental rate methodology for the terminal and apron (rental rate calculation) but with a discount. Airlines and the Airport agreed upon the fixed annual rates and charges for Primary and Affiliated airlines as stated in the table below. Under the new agreement, rates increase annually based on estimated increases in enplanements, with the enplanements of fiscal year 2009 as the base. If the total annual enplanements at any time during the contract period increase or decrease by twenty-five (25%) percent or more, either the Airlines or Airport may request a renegotiation of the rates. This agreement was renewed effective January 1, 2020 for another five-year term.

Airline Rates	2016	2017	2018	2019	2020
Terminal	\$54.50	\$55.50	\$56.50	\$57.50	\$58.50
Landing Fee	\$2.80	\$2.90	\$3.00	\$3.10	\$3.20
Apron Fee	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
Fuel Flowage Fee	\$0.025	\$0.025	\$0.025	\$0.025	\$0.025

- 1) **Terminal Rental Rate:** This fee is for terminal square footage rental rate each year that will be applied to the space leased by airlines and other tenants who lease Airline space on a square foot basis.
- 2) **Landing Fee:** This fee is charged to each airline based on the airline’s number of landings at the Airport times the maximum certified landing weight of each aircraft (per 1,000 pounds).
- 3) **Apron Fee:** This fee is charged to each airline based on the number of gates assigned to them for the use of parking of aircraft and support vehicles and the loading and unloading of their aircraft. It is based on a per gate/per year fee.
- 4) **Fuel Flowage Fee:** The Savannah/ Hilton Head International Airport maintains the fuel farm, which is necessary for fueling commercial jet aircraft at the Airport. The fuel farm is operated by Airport Staff in accordance with state and local regulations and, additionally, in accordance with a standard operating agreement with each airline. The fuel farm flowage fees are established each year based on anticipated expenses divided by volume.

Capital Financial Planning

The Savannah Airport Commission has a five-year Airport Capital Improvement Plan (Strategic Plan) for the years 2021 – 2025 totaling \$316 million. The plan consists of \$153 million for airside projects, \$64 million for terminal improvements, and \$99 million for miscellaneous projects and improvements. Many of the projects included are dependent on their eligibility for available Federal and State funding. Therefore, the projected timing for starting each project is dependent upon the Airport’s growth and ability to obtain adequate funding. The remaining projects, if initiated, will require future Federal entitlement and discretionary funds, State funds, Passenger Facility Charge funds, and Airport funds.

All the projects included in the five-year capital plan are designed to meet the objectives as set forth in the Airport’s Master Plan and Safety Improvement Program. All projects have or will be subject to a Federal Environment Assessment (FEA) pursuant to the National Environmental Policy Act of 1969 (NEPA). Specific airfield-related projects eligible for Federal or State funding support will also be subject to Federal Aviation Administration review and approval.

The total effect any capital plan will have on future operating budgets is evaluated at the time a specific project is authorized by the Commission to be started unless a project is mandated for safety or health purposes. All other projects are undertaken based on a cost-benefit analysis. All capital projects completed in 2020, or scheduled for completion in 2021, have their projected additional operating costs and related revenues incorporated into the Commission's 2021 operating budget.

Operating Financial Planning

As part of preparing its operating budget each year, the Commission prepares a multi-year projection of revenues and expenses covering the next five years. The projections normally include an annual compounded growth rate of 3% to 5% for enplanements and revenues, with operating expense projections ranging from 3% to 5% annually. Due to COVID-19's impact in 2020, the 2021 budget process differed greatly. For our 2021 budget, our enplanements are projected to increase from 2020 by 56.0%. Rent A Car, Gift Shop, Food & Beverage, Auto Parking, and Ground Transportation revenues are also all expected to increase in 2021, as a result of the projected increase in passenger traffic from the anticipated additional enplanements. Our projected operating expenses are expected to remain flat compared to our 2020 expenses due to the decreased headcount due to our current hiring freeze, hold on employee cost of living increases, and the goal to minimize capital and facility costs. Our goal is to break even in 2021. If that is not possible we plan to use money from the CARES Act to offset any shortfalls.

Financial Controls

In 2010, the Commission and Airlines had negotiated and implemented a new Airline Agreement. In past years, the Airport-Airline Operating Agreements executed between the airlines and the Commission included a majority-in-interest (MII) provision, allowing airlines to approve or disapprove certain capital projects. Airline rates and charges were calculated with a residual rate-making methodology for the airfield and a hybrid residual methodology for the terminal and apron. The airport executed new Airline Operating Agreements which replaced "Signatory" airlines with "Primary" airlines. The new agreements eradicated the MII provision and instead structured new, five-year agreements with the Primary Airlines based on a fixed monthly rate and pre-established annual adjustments. In addition, new financial controls were added to the agreements requiring that the Primary airlines be responsible for any and all charges incurred by their respective affiliate airlines.

Technological Advances

The IT department installed a Nutanix AHV system. With this new system we were able to migrate our virtual server infrastructure for better performance, reliability, and ease of management.

Cisco Meraki access points were also installed in many of the areas used for Airport Commission offices. These access points provide quick, secure wireless access to the Savannah Airport Commission network and its resources.

Independent Audit

The Commission and State & Federal Regulations require an annual audit of the financial records of the Commission by an independent certified public accountant selected by the Commission. The accounting firm of Hancock Askew and Co., LLP, was selected to perform the audit. The audit was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The auditor's report on the basic financial statements and schedules is included in the financial section of this report. The auditor's reports on compliance are found in the compliance section of this report.

Awards

SAC's Airport Police Department (APD) receives first State of Georgia Law Enforcement Certification

SAC Executive Director Greg Kelly receives American Association of Airport Executives' (AAAE) Distinguished Service Award

SAV Named #1 Airport in the U.S. in 2020 Condé Nast Traveler Readers' Choice Awards

SAV Named #6 Best Domestic Airport in 2020 Travel + Leisure World's Best Awards

SAC Receives ACI-NA Airport Marketing, Communications and Customer Experience – Best in Airport Partnerships Award for JetStream Music Festival, an online celebration of local music among 23 airports from across the U.S.

Tourism Leadership Council (TLC) awards SAC Executive Director Greg Kelly with Herb & Franklin Traub Visionary Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Savannah Airport Commission for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the twenty-second consecutive year that the Commission has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the professional, efficient and dedicated services of the entire staff of the finance department and the marketing department as well as the independent auditors. We express appreciation to all Commission staff members who contributed to its preparation.

In conclusion, the Savannah Airport Commission is in excellent financial condition. The Commission has sufficient funds on hand to provide for its day-to-day operating expenses and additionally to self-fund the majority of its internal capital needs for the next five-year Strategic Plan. The Commission is charged by the Federal Aviation Administration to be self-sufficient, and we believe with the current rate structure and the current condition of the economy and airline industry that we will generate sufficient revenue sources to maintain the self-sufficient status of the Savannah/Hilton Head International Airport.

Respectfully submitted,



Gregory B. Kelly
Executive director

Airlines & Nonstop Destinations



27 Nonstop Destinations

*SEASONAL SERVICE

**as of December 2020

2020 FLIGHT LIST



Weekly nonstop departures to
ALLENTOWN ABE*

Weekly nonstop departures to
BALTIMORE BWI

Weekly nonstop departures to
BELLVILLE BLV*

Weekly nonstop departures to
CINCINNATI CVG

Weekly nonstop departures to
CHICAGO MDW*

Weekly nonstop departures to
CLEVELAND CLE

Weekly nonstop departures to
COLUMBUS LCK*

Weekly nonstop departures to
GRAND RAPIDS GRR*

Weekly nonstop departures to
HOUSTON HOU*

Weekly nonstop departures to
INDIANAPOLIS IND*

Weekly nonstop departures to
LOUISVILLE SDF*

Weekly nonstop departures to
NASHVILLE BNA*

Weekly nonstop departures to
NEWBURGH SWF*

Weekly nonstop departures to
NEWARK EWR

Weekly nonstop departures to
PITTSBURGH PIT*



Daily nonstop departures to
TORONTO YYZ*



Daily nonstop departures to
CHARLOTTE CLT

Daily nonstop departures to
CHICAGO O'HARE ORD*

Daily nonstop departures to
DALLAS DFW

Weekend nonstop departures to
LAGUARDIA LGA

Daily nonstop departures to
MIAMI MIA

Weekday nonstop departures to
PHILADELPHIA PHL

Daily nonstop departures to
WASHINGTON REAGAN DCA



Daily nonstop departures to
ATLANTA ATL

Daily nonstop departures to
DETROIT DTW

Daily nonstop departures to
NEW YORK JFK

Daily nonstop departures to
NEW YORK LGA



Weekly nonstop departures to
PHILADELPHIA PHL*



Daily nonstop departure to
BOSTON BOS

Daily nonstop departures to
NEW YORK JFK



Daily nonstop departures to
CHICAGO O'HARE ORD

Daily nonstop departures to
DENVER DEN

Daily nonstop departures to
HOUSTON IAH

Daily nonstop departures to
NEWARK EWR

Daily nonstop departures to
WASHINGTON IAD



Weekly nonstop departures to
MINNEAPOLIS MSP*

AIRLINES & NONSTOP DESTINATIONS

○ SEASONAL SERVICE

● YEAR-ROUND SERVICE



2019 FLIGHT LIST

AIR CANADA 

1 daily nonstop departure to
TORONTO YYZ*

allegiant[®]

2 weekly nonstop departures to
ALLENTOWN ABE*

2 weekly nonstop departures to
ALBANY ALB*

2-3 weekly nonstop departures to
BALTIMORE BWI

2-7 weekly nonstop departures to
CINCINNATI CVG

3-7 weekly nonstop departures to
CLEVELAND CLE

2-4 weekly nonstop departures to
COLUMBUS LCK*

2 weekly nonstop departures to
GRAND RAPIDS GRR*

2 weekly nonstop departures to
INDIANAPOLIS IND*

2 weekly nonstop departures to
LOUISVILLE SDF*

2 weekly nonstop departures to
NASHVILLE BNA*

2 weekly nonstop departures to
NEWARK EWR

2 weekly nonstop departures to
NIAGARA FALLS IAG*

2-4 weekly nonstop departures to
PITTSBURGH PIT*

2 weekly nonstop departures to
PROVIDENCE PVD*

American Airlines 

9 daily nonstop departures to
CHARLOTTE CLT

1 daily nonstop departure to
CHICAGO O'HARE ORD*

2-3 daily nonstop departures to
DALLAS DFW

2 weekend nonstop departures to
LAGUARDIA LGA

2 daily nonstop departures to
MIAMI MIA

3 weekday nonstop departures to
PHILADELPHIA PHL

2 daily nonstop departures to
**WASHINGTON
REAGAN DCA**

 **DELTA**

11 daily nonstop departures to
ATLANTA ATL

1 Saturday nonstop departure to
BOSTON BOS*

1 daily nonstop departure to
DETROIT DTW

2-3 daily nonstop departures to
NEW YORK JFK

3 daily nonstop departures to
NEW YORK LGA

1 weekly nonstop departure to
MINNEAPOLIS MSP*

FRONTIER
AIRLINES

2-3 weekly nonstop departures to
DENVER DEN

2-3 weekly nonstop departures to
PHILADELPHIA PHL*

jetBlue

1-3 daily nonstop departure to
BOSTON BOS

2 daily nonstop departures to
NEW YORK JFK

UNITED 

3-4 daily nonstop departures to
CHICAGO O'HARE ORD

2 weekend nonstop departures to
DENVER DEN*

2 daily nonstop departures to
HOUSTON IAH

3 daily nonstop departures to
NEWARK EWR

3 daily nonstop departures to
WASHINGTON IAD

 **sun country airlines.**

2 weekly nonstop departures to
MINNEAPOLIS MSP*

** Indicates Seasonal Service.*

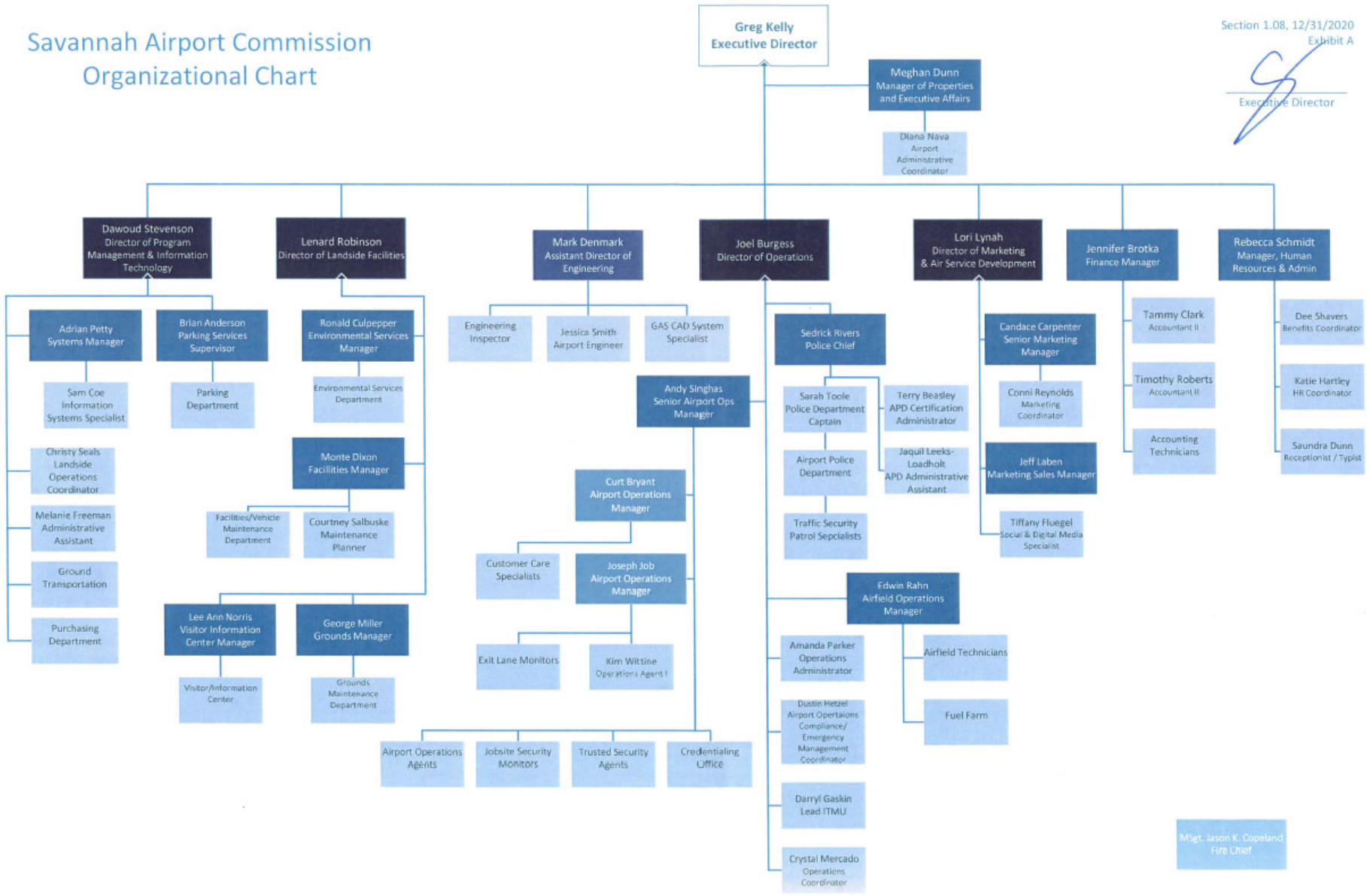
Principal Officials 2020

<u>Commissioner</u>	<u>Position</u>	<u>Occupation</u>	<u>Term Expiration</u>
Stephen Green	Chairman	Stephen Green Properties	2022
Shirley James	Vice-Chairman	The Savannah Tribune	2025
Ted Kleisner	Commissioner	First Energy Corporation	2021
Randy Houston	Commissioner	DuPont	2023
Lowell Kronowitz	Commissioner	Levy Jewelers	2024

Savannah Airport Commission Organizational Chart

Section 1.08, 12/31/2020
Exhibit A

[Signature]
Executive Director



A-16



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Savannah Airport Commission
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

- Independent Auditor's Report





Independent Auditor's Report

The Commissioners
Savannah Airport Commission
Savannah, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the Savannah Airport Commission (the Commission), as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Commission'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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 auditor's 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 opinions.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission, as of December 31, 2020 and 2019, and the respective changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information as listed in the table of contents, 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, supplementary information, statistical section, and the Schedule of Expenditures of Federal Awards, required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplemental information, Schedule of Expenditures of Federal Awards, and the Schedule of Passenger Facility Charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 supplemental information, Schedule of Expenditures of Federal Awards, and the Schedule of Passenger Facility Charges 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021 on our consideration of the Savannah Airport Commission'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 solely 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 the effectiveness of the Commission's 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 the Commission's internal control over financial reporting and compliance.

Hancock Askew + Co., LLP

Savannah, Georgia
June 30, 2021

- **Management's Discussion and Analysis (Unaudited)**



MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

This Management’s Discussion and Analysis (MD&A) of the Savannah/Hilton Head International Airport provides an introduction to the major activities affecting the operations of the airport and an introduction and overview to the financial performance and financial statements of the Savannah Airport Commission (Commission) for the fiscal year ended December 31, 2020. The information contained in this MD&A prepared by management should be considered in conjunction with the information contained in the Letter of Transmittal included in the Introduction Section and various historic summaries of activities and financial performance included in the Statistical and Compliance Sections of this report. Following this MD&A are the basic financial statements of the Commission together with the notes thereto, which are essential to a full understanding of the data contained in the financial statements.

The Savannah Airport Commission is self-sufficient using aircraft landing fees, fees from terminal and other rentals as well as revenues from concessions and non-aviation revenues such as hotels, a golf course, service stations/convenience stores, and restaurant establishments to fund daily operating expenses. The capital program is funded by Federal and State grants, Passenger Facility Charges (“PFC”), Customer Facility Charges (“CFC”), and net remaining revenues.

AIRPORT ACTIVITIES & HIGHLIGHTS

The Savannah/Hilton Head International Airport entered 2020 with economic aviation conditions continuing to increase in several areas compared to 2019. Conditions changed quickly in March 2020 with the start of the COVID-19 pandemic. Total airline activities during the past three years are as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Enplanements - Scheduled and Non-Scheduled	598,096	1,502,974	1,395,040
% increase/decrease	-60.2%	7.7%	13.5%
Aircraft Operations - All Types	92,294	107,764	96,823
% increase/decrease	-14.4%	11.3%	2.1%
Landed Weight - Scheduled and Non-Scheduled	1,055,898	1,885,631	1,761,247
% increase/decrease	-44.0%	7.1%	16.4%
Mail/Express/Freight Cargo (Tons)	8,459	9,248	9,262
% increase/decrease	-8.5%	-0.2%	2.9%
Airline Available Seats	1,026,397	1,903,143	1,768,310
% increase/decrease	-46.1%	7.6%	17.7%

Two major factors affect airport revenues: operations, which generate landed weight fee revenues plus usage charges for apron; and enplanements, which generate concession, parking, rental car, and other ground transportation revenues. Due to COVID-19, aircraft operations decreased by 14.4% from 2019. Total enplanements were down 60.2% and airline available seats were down 46.1%. The number of non-stop destinations decreased by 4 in 2020 when compared to 2019, providing service to and from 27 non-stop destinations for passengers. Landing weights decreased by 44.0% and total cargo decreased by 8.5% compared to 2019.

STATEMENT OF NET POSITION

The Statement of Net Position presents the financial position of the Commission at the end of the fiscal year. The Statement includes all assets and liabilities of the Commission. Net position is the difference between total assets and total liabilities and is an indicator of the current fiscal health of the Commission. A summarized comparison of the Commission's assets, liabilities and net assets on December 31, 2020, 2019 and 2018 follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current assets			
Current assets	\$66,405,087	\$69,926,060	\$54,823,654
Current restricted assets	21,121,495	19,061,440	10,957,693
Non-current assets			
Capital assets, net	157,014,546	168,961,459	161,956,390
Other non-current assets	403,995	466,465	528,391
Long-term investments	20,046,000	7,053,000	19,348,000
Total assets	<u>\$264,991,123</u>	<u>\$265,468,424</u>	<u>\$247,614,128</u>
Deferred outflows of resources	<u>\$4,691,731</u>	<u>\$3,701,409</u>	<u>\$1,036,720</u>
Liabilities			
Current liabilities	\$6,268,631	\$6,124,470	\$5,567,701
Non-current liabilities			
Net pension/OPEB liability	19,976,089	16,166,468	11,300,617
Total liabilities	<u>\$26,244,720</u>	<u>\$22,290,938</u>	<u>\$16,868,318</u>
Deferred inflows of resources	<u>\$2,871,294</u>	<u>\$634,218</u>	<u>\$1,886,086</u>
Net position			
Net investment in capital assets	\$157,014,546	\$168,961,459	\$161,956,390
Restricted	21,121,495	19,061,440	10,957,693
Unrestricted	62,430,799	58,221,778	56,982,361
Total net position	<u>\$240,566,840</u>	<u>\$246,244,677</u>	<u>\$229,896,444</u>

The Commission's financial position remained strong through December 31, 2020, despite the pandemic. Even though current assets decreased by \$1.5 million, total assets and deferred outflows of resources increased by \$513,000. The change in current and total assets was primarily due to the Commission shifting current investments into long-term holdings. The year ended with total assets and deferred outflows of resources of \$269.7 million and total liabilities and deferred inflows of resources of \$29.1 million.

Total net position, which represents the residual interest in the Commission's assets after liabilities are deducted, is \$240.6 million at December 31, 2020, a decrease of \$5.7 million from 2019. This decrease was primarily due to the Commission disposing of significantly old capital assets during the year. As reflected in the above chart, the net investment in capital assets decreased by \$11.9 million to \$157.0 million. The restricted and unrestricted remaining net assets are derived from the Commission's operations, customer facilities charges, general aviation funding, federal and state grants, and passenger facilities charge collections. The 2020 restricted assets of \$21.1 million are subject to internal and external restrictions on how they may be used. The remaining unrestricted current assets of \$66.4 million may be used to meet any of the Commission's ongoing operations, subject to approval by the Commission's Board.

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues			
Airfield	\$3,815,963	\$6,752,741	\$5,703,136
Terminal One	12,054,946	16,088,023	15,248,112
Airport Business Center	-	-	-
Commercial Aviation	2,868,282	2,544,916	2,406,820
Apron	69,044	69,791	71,773
Parking	3,433,443	9,172,911	8,534,367
Non-Aviation	2,291,249	3,067,443	3,336,134
Total operating revenues	24,532,927	37,695,825	35,300,342
Operating expenses			
Airfield	(1,877,299)	(1,805,729)	(2,162,008)
Terminal One	(11,474,856)	(10,608,462)	(11,463,914)
Airport Business Center	(11,340)	(10,519)	(113,294)
Commercial Aviation	(204,786)	(188,206)	(165,349)
Apron	(16,055)	(1,829)	(3,969)
Parking	(1,920,064)	(1,835,278)	(1,653,726)
Non-Aviation	(1,381,800)	(1,219,215)	(1,144,642)
Public Safety	(4,047,794)	(3,887,071)	-
FIS Facility	(49,501)	(4,310)	-
Administration	(11,852,237)	(11,051,772)	(8,566,816)
Total operating expenses	(32,835,732)	(30,612,391)	(25,273,718)
(Loss) excess before depreciation and other non-operating income and expenses	(8,302,805)	7,083,434	10,026,624
Depreciation	(12,763,672)	(12,773,208)	(12,703,635)
Loss before other non-operating income and expenses	(21,066,477)	(5,689,774)	(2,677,011)
Other non-operating income net	1,260,534	11,629,887	9,145,002
(Loss) income before Capital contributions	(19,805,943)	5,940,113	6,467,991
Capital contributions	14,128,106	10,408,120	5,423,362
(Decrease) increase in net position	(5,677,837)	16,348,233	11,891,353
Total net position, beginning of year	246,244,677	229,896,444	218,005,091
Total net position, end of year	\$240,566,840	\$246,244,677	\$229,896,444

SUMMARY OF OPERATIONS HIGHLIGHTS

Total passenger traffic (enplaned + deplaned) decreased significantly in 2020. In 2020, a total of 1.2 million passengers passed through the Airport, versus 3.0 million passengers in 2019 and 2.8 million passengers in 2018. With this vast decrease in passengers, the Airport ended the year 2020 with a decrease in net position of \$5.7 million, versus an increase of \$16.3 million in 2019. Capital Contributions increased from \$5.4 million in 2018 to \$10.4 million in 2019 and increased even more to \$14.1 million in 2020. The Commission expects to show similar capital contributions again in 2021. In the past, the Airport has allocated the cost of Public Safety between the Airfield and Terminal Cost Centers. Beginning in 2019, Public Safety was kept separate to provide a clearer picture of each Cost Center's operating expenses. This change artificially lowered the expenses for the Airfield and Terminal Cost Centers so looking at 2018 vs. 2019 and 2020 is slightly skewed.

Significant items affecting the Summary of Revenue, Expenses and Changes in Net Position for 2020 follows:

- Following an increase from 2018 to 2019 of \$2.4 million, operating revenues decreased 34.9%, or \$13.2 million, from \$37.7 million in 2019 to \$24.5 million in 2020 primarily due to the following:
 - In the Airfield cost center, revenues decreased by \$2.9 million or 43.5% under 2019, which is very different from the growth from 2018 to 2019 of \$1.0 million or 18.4%. This revenue decrease is directly attributable to COVID-19 causing a major decrease in air traffic at the Airport, which drives revenues collected from landing fees. A minor contributor to the Airfield revenue was the annual landing fee rate increase. Landing fees increased from \$3.10 per 1,000 pounds to \$3.20 per 1,000 pounds, which equates to a 3.2% increase. However, this increase was not large enough to offset the drastic decrease in traffic.
 - The Terminal cost center experienced a decrease in revenues of \$4.0 million or 25.1% under 2019. This revenue decrease is a change from the growth from 2018 to 2019 of \$839,911 or 5.5%. This decrease is a result of the decrease in passengers in the terminal. The airline SF rates increased from \$57.50 per SF to \$58.50 per SF, about a 2% increase.
 - In the Parking cost center, revenues decreased by \$5.7 million or 62.6% in 2020, which is very different from the 2019 increase of \$638,544 or 7.5% over 2018. This decrease is also due to the reduced traffic at the Airport.
- Following the 21.1% increase of \$5.3 million from 2018 to 2019, operating expenses (less depreciation) increased by 7.3%, or \$2.2 million, from \$30.6 million in 2019 to \$32.8 million in 2020. This increase was primarily due to an increase in and rising labor expenses resulting from cost-of-living adjustments, merit increases, promotions, new positions, and also the rising cost of employee benefit programs. This cost was partially mitigated by a hiring freeze and letting natural attrition lower headcount.
- The net result of the above was an operating loss before depreciation of \$8.3 million for 2020. This is a \$15.4 million decrease from the \$7.1 million operating gain seen in 2019. The operating gain in 2018 was even more favorable at \$10.0 million.

- **Non-Operating Income** experienced a substantial decrease of 89.2% or \$10.4 million from a total of \$11.6 million in 2019 to \$1.3 million in 2020. The largest factor resulting in the decrease was the decrease in passenger traffic due to COVID-19. Less passengers on flights resulted in less PFC revenue and less cars rented which decreased CFC revenue. Interest rates were also substantially lower, decreasing our interest revenue. Another factor resulting in the decrease in non-operating income was a fixed asset audit that removed many assets that were no longer in service. The assets that were not fully depreciated caused a loss on disposal of capital assets.

- In 2020, the Airport's capital contributions received were in the form of grants from the Federal and State governments totaling \$14.1 million. This was a major increase of \$3.7 million from the capital contributions received in 2019. This increase resulted from the CARES Act grant given to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 pandemic. The capital contributions are expected to be similar in 2021.

COST PER ENPLANEMENT

The Savannah Airport Commission measures its performance in several areas to determine the effectiveness of programs. The most commonly used measurement is cost per enplanement. Increasing costs alert management to potential problems while decreasing costs often reflect the results of marketing activity, cost containment and economic growth. In 2010, with the Airlines' new agreement to fixed rates, the cost per enplanements did not change by much as long as enplanements did not drastically decrease and/or increase. The method the Commission uses to calculate cost per enplanement, as well as a comparison for the last three years follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Airline Landing Fees	\$3,263,429	\$5,933,266	\$5,007,212
Airline Terminal Rentals	6,778,830	6,592,159	6,320,199
Airline Apron Fees	<u>69,044</u>	<u>69,791</u>	<u>71,772</u>
Total Airline Revenues	10,111,303	12,595,216	11,399,183
Total Enplanements	598,096	1,502,974	1,395,040
Cost per Enplanement (rev.÷ enp.)	\$16.91	\$8.38	\$8.17
% Increase/Decrease	101.7%	2.6%	-0.2%

The following table compares the Commission cost per enplanement with a few other airports of similar size.

Cost Per Enplanement

	<u>Savannah Hilton Head International</u>	<u>Columbia Metropolitan</u>	<u>Des Moines International</u>	<u>Charleston International *</u>
2020	\$16.91	\$25.32	\$14.41	\$11.73
2019	\$8.38	\$8.86	\$9.08	\$9.02
2018	\$8.17	\$9.19	\$8.95	\$8.50

* Terminal cost only, Airfield operated by the US Airforce.

AIRLINE PRIMARY RATES AND CHARGES

Effective January 1, 2010, a five-year Airline Use and Lease Agreement (covering years 2010-2014) was adopted with a few major changes in the rates and charges. In past years, the Airport-Airline Operating Agreements executed between the airlines and the Commission included a majority-in-interest (MII) provision, allowing airlines to approve or disapprove certain capital projects. Airline rates and charges were calculated with a residual rate-making methodology for the airfield and a hybrid residual methodology for the terminal and apron. In 2010, the airport executed new Airline Operating Agreements which replaced “Signatory” airlines with “Primary” airlines. The new agreements eradicated the MII provision and instead structured new, five-year agreements with the Primary Airlines based on a fixed monthly rate and pre-established annual adjustments. In addition, new financial controls were added to the agreements requiring that the Primary airlines be responsible for any and all charges incurred by their respective affiliate airlines.

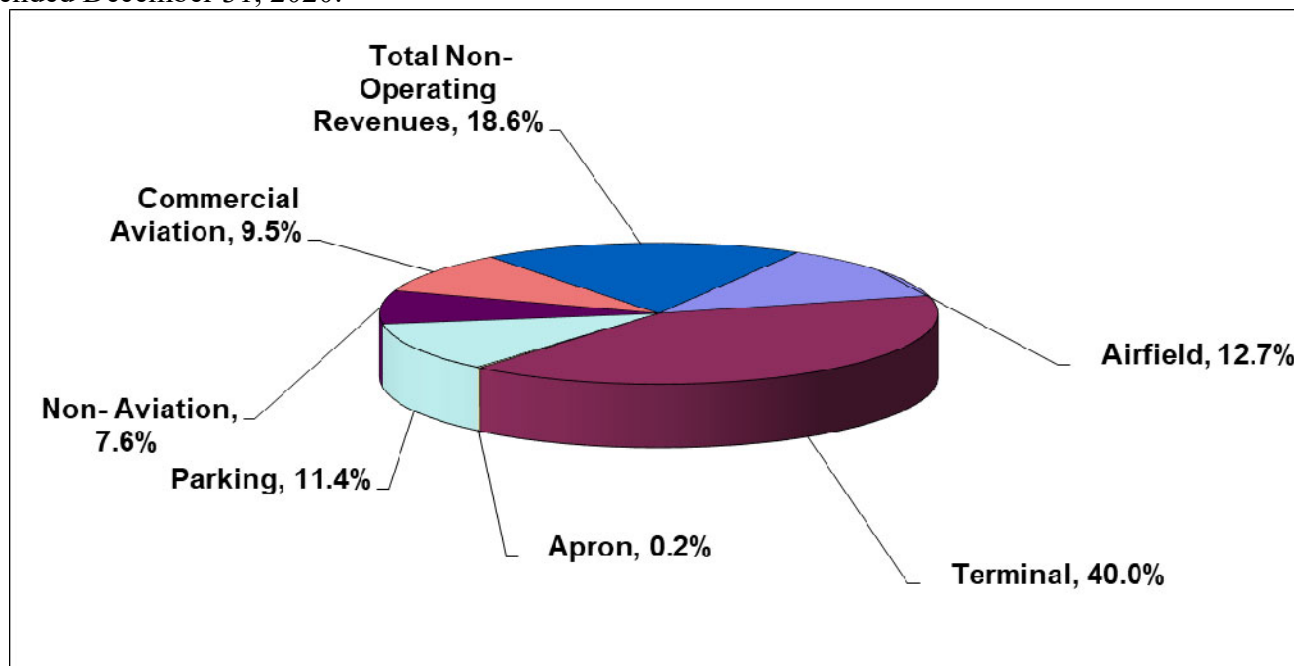
In addition, with the enplanements of fiscal year 2009 as the base, if the total annual enplanements at any time during contract term increase or decrease by twenty-five (25%) percent or more, either the Airlines or the Airport may request a renegotiation of the rates. This agreement was renewed for another five-year term, effective January 1, 2020.

A comparison of actual rates and charges for primary and affiliated airlines follows:

	<u>2020</u>		<u>2019</u>		<u>2018</u>	
Landing Fees (Per 1,000 lbs. Maximum Gross Landing Weight)	\$3.20	Jan-Dec	\$3.10	Jan-Dec	\$3.00	Jan-Dec
Terminal Rental Rates (Per square foot)	\$58.50	Jan-Dec	\$57.50	Jan-Dec	\$56.50	Jan-Dec
Apron Rental Fee	\$6,500	Jan-Dec	\$6,500	Jan-Dec	\$6,500	Jan-Dec
Fuel Flow Fee	\$0.025		\$0.025		\$0.025	

REVENUES

The following chart shows the major cost centers and the percentage of total revenues for the year ended December 31, 2020:

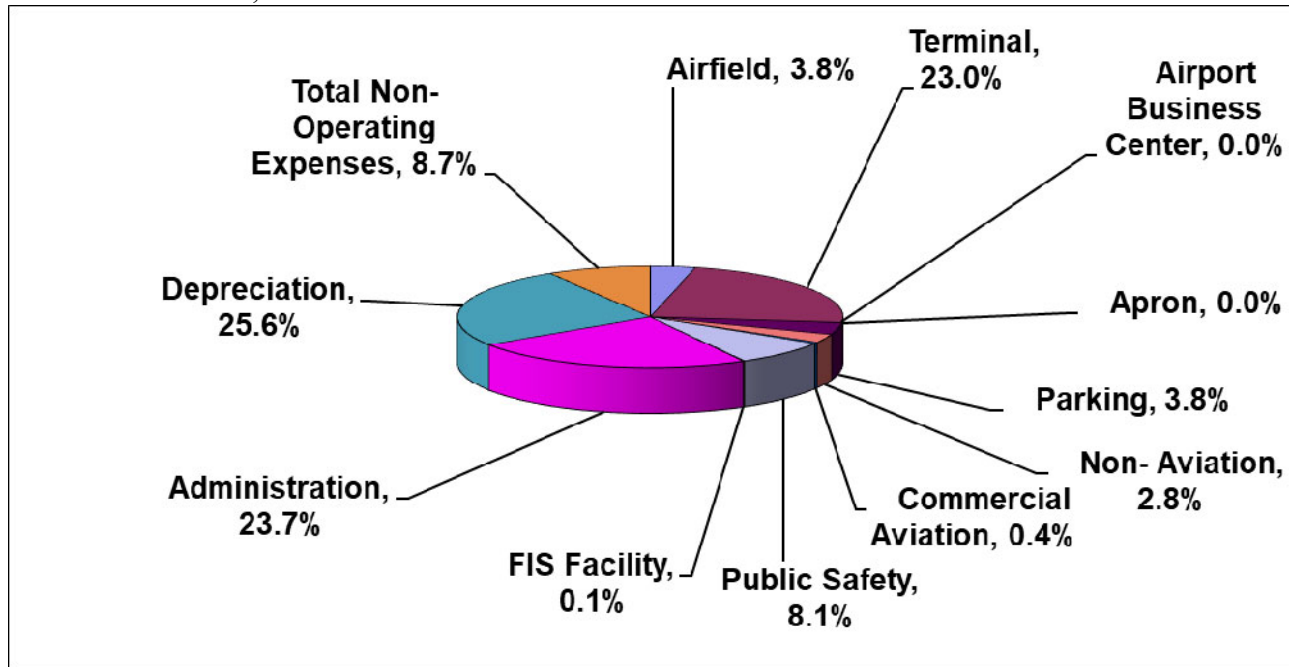


A summary of revenues for the year ended December 31, 2020, and the amounts and percentage of total in relation to prior year's amounts follow:

	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>	<u>2018</u>	<u>%</u>
	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>
Operating Revenues						
Airfield	\$ 3,815,963	12.7%	\$ 6,752,741	13.7%	\$ 5,703,136	12.8%
Terminal	\$ 12,054,946	40.0%	\$ 16,088,023	32.6%	\$ 15,248,112	34.1%
Apron	\$ 69,044	0.2%	\$ 69,791	0.1%	\$ 71,773	0.2%
Parking	\$ 3,433,443	11.4%	\$ 9,172,911	18.6%	\$ 8,534,367	19.1%
Non-Aviation	\$ 2,291,249	7.6%	\$ 3,067,443	6.2%	\$ 3,336,134	7.5%
Commercial Aviation	\$ 2,868,282	9.5%	\$ 2,544,916	5.2%	\$ 2,406,820	5.4%
Total Operating Revenues	\$ 24,532,927	81.4%	\$ 37,695,825	76.4%	\$ 35,300,342	79.0%
Non- Operating Revenue						
Passenger Facility Charges	\$ 2,538,410	8.4%	\$ 5,920,188	12.0%	\$ 5,549,069	12.4%
Customer Facility Charges	\$ 1,934,392	6.4%	\$ 3,711,308	7.5%	\$ 2,613,350	5.8%
General Aviation Fund Charges	\$ 82,373	0.3%	\$ 90,679	0.2%	\$ 89,080	0.2%
Savannah Aviation Village Charges	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Interest Revenue	\$ 942,438	3.1%	\$ 1,542,767	3.1%	\$ 1,127,197	2.5%
Bond Premium Amortization	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Gain on Bond Refunding	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Gain on Disposal of Assets	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Increase in the Fair Value Investment	\$ 111,697	0.4%	\$ 387,923	0.8%	\$ -	0.0%
Total Non-Operating Revenues	\$ 5,609,310	18.6%	\$ 11,652,865	23.6%	\$ 9,378,696	21.0%
TOTAL REVENUES	\$ 30,142,237	100.0%	\$ 49,348,690	100.0%	\$ 44,679,038	100.0%

EXPENSES

The following chart shows the major cost centers and the percentage of total expenses for the year ended December 31, 2020:



A summary of expenses for the year ended December 31, 2020, and the amounts and percentage of total in relation to prior year's amounts follow:

	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>	<u>2018</u>	<u>%</u>
	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>
Operating Expenses						
Airfield	\$ 1,877,299	3.8%	\$ 1,805,729	4.2%	\$ 1,370,982	3.6%
Terminal	\$ 11,474,856	23.0%	\$ 10,608,462	24.4%	\$ 9,090,837	23.9%
Airport Business Center	\$ 11,340	0.0%	\$ 10,519	0.0%	\$ 113,294	0.3%
Apron	\$ 16,055	0.0%	\$ 1,829	0.0%	\$ 3,969	0.0%
Parking	\$ 1,920,064	3.8%	\$ 1,835,278	4.2%	\$ 1,653,726	4.3%
Non-Aviation	\$ 1,381,800	2.8%	\$ 1,219,215	2.8%	\$ 1,144,642	3.0%
Commercial Aviation	\$ 204,786	0.4%	\$ 188,206	0.4%	\$ 165,349	0.4%
Public Safety	\$ 4,047,794	8.1%	\$ 3,887,071	9.0%	\$ 3,164,103	8.3%
FIS Facility	\$ 49,501	0.1%	\$ 4,310	0.0%	\$ -	0.0%
Administration	\$ 11,852,237	23.7%	\$ 11,051,772	25.5%	\$ 8,566,816	22.5%
Total Operating Expenses	\$ 32,835,732	65.7%	\$ 30,612,391	70.5%	\$ 25,273,718	66.1%
Depreciation						
Depreciation	\$ 12,763,672	25.6%	\$ 12,773,208	29.4%	\$ 12,703,635	33.2%
Non- Operating Expenses:						
Interest Expense	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Loss on Bond Refunding	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Loss on Disposal of Assets	\$ 4,348,776	8.7%	\$ 22,978	0.1%	\$ 100,973	0.3%
Dec. in the Fair Value Investments	\$ -	0.0%	\$ -	0.0%	\$ 132,721	0.3%
Total Non-Operating Expenses	\$ 4,348,776	8.7%	\$ 22,978	0.1%	\$ 233,694	0.6%
TOTAL EXPENSES	\$ 49,948,180	100.0%	\$ 43,408,577	100.0%	\$ 38,211,047	100.0%

SUMMARY OF CASH FLOW ACTIVITIES

The following shows a summary of the major sources and uses of cash and cash equivalents for the past three years. Cash equivalents are considered cash-on-hand, bank deposits and highly liquid investments with a maturity of twelve months or less.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Cash flows from			
Operating activities	(\$4,068,446)	\$8,919,260	\$11,138,459
Investing activities	(813,459)	2,187,184	(7,440,665)
Capital & related financing activities	13,517,747	329,040	(1,146,965)
Net increase (decrease) in cash and cash equivalents	8,635,842	11,435,484	2,550,829
Cash and cash equivalents:			
Beginning of year	23,261,525	11,826,041	9,275,212
End of year	<u>\$31,897,367</u>	<u>\$23,261,525</u>	<u>\$11,826,041</u>

The Savannah Airport Commission's available cash and cash equivalents increased from \$23.3 million at the end of 2019 to \$31.9 million, an \$8.6 million increase at the end of 2020.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

Funds from various sources (AIP, PFC, CFC, State and Airport revenues) totaling \$3.82 million were expended during 2020 on capital activities which have not been closed out of construction-in-progress as follows:

SEQ Stormwater Drainage Improvements	\$2.96	million
Lifecycle Escalator Replacement	\$0.36	million
Construct Air Cargo Apron	\$0.19	million
Rental Car Ready Lot Improvements	\$0.16	million
Site Clearing T/U/V	\$0.08	million
CBIS Recapitalization	\$0.05	million
Miscellaneous Projects	\$0.02	million
Total	\$3.82	million

During 2020, funds were expended in the amount of \$1.84 million on projects that were closed from construction-in-progress to their respective capital accounts throughout the year while another \$2.22 million in equipment was capitalized.

Apron Expansion	\$0.40	million
Jumbo GA FIS Facility	\$0.39	million
Davidson Drive Resurfacing	\$0.34	million
Maintenance Equipment Shed	\$0.21	million
Identity Management System	\$0.12	million
Hotel Site Development	\$0.10	million
Remove Underground Fuel Tank	\$0.08	million
PARCS System Replacement	\$0.08	million
Short Term Development EA	\$0.07	million
Miscellaneous Upgrades	\$0.05	million
Total	\$1.84	million

Capital asset acquisitions, those exceeding \$5,000, are capitalized at cost. Acquisitions are funded using a variety of financing techniques including Federal grants, State grants, CFC, debt issuances and Airport revenues. Additional information on the Commission's capital assets and commitments can be found in Note 8, Construction Contract Commitments, in the notes to the financial statements.

DEBT ACTIVITY

On October 20, 1992, the Commission issued a total of \$38,910,000 for Airport Revenue Bonds, Series 1992 A (\$7,140,000), and for Airport Revenue Bonds, Series 1992 B (\$31,770,000), (collectively the “Series 1992 Bonds”). This bond issue was authorized to help fund the \$68.5 million relocation and construction of a new 299,195 sq. ft. Terminal One and associated infrastructure such as new roads, new aircraft taxiway, parking apron, storm water ponds and a new interchange at I-95 for entry into the Airport (Exit 104). Prior to the issuing of the Series 1992 Bonds, the Commission deceased the balance of the Series 1972 Bonds.

On October 4, 2001, the Commission issued \$32,255,000 in revenue bonds, Series 2001 A and 2001 B to advance refund \$32,125,000 of outstanding Series 1992 A & 1992 B Bonds. This advance refunding was done to take advantage of a reduction in the All-In (TIC) rate from 6.19% to 4.98% or a \$2.4 million reduction in interest expense over the life of the Series 2001 Bonds.

On June 29, 2011, the Commission issued \$15,010,000 in revenue bonds, Series 2011 A and Series 2011 B (AMT) to advance refund the \$15,630,000 of outstanding Series 2001 A and 2001 B bonds, a reduction of \$.6 million. In addition, this was a prime opportunity to take advantage of a reduction in the All-In (TIC) rate of 4.98% to 2.83% or a \$.5 million reduction in interest expense over the remaining life of the bonds. By refinancing the Series 2001 A and 2001 B bonds, the Airport was able to condense total expenses by \$1.1 million.

On December 12, 2016, the final bond payment of \$2,907,675 was signed and mailed. This final payment cleared all remaining liabilities owed by the Commission on their bonds.

FINANCIAL STATEMENTS SUMMARY

The Commission’s financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). The Commission is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized (except land) and are depreciated over their useful lives. Amounts are restricted for debt service, operations and maintenance reserves and, where applicable, for construction activities. See Note 1 to the financial statements for a summary of the Commission’s significant accounting policies.

FUTURE IMPACTS

Due to COVID-19 the Savannah/Hilton Head International Airport experienced a significant decrease in passenger traffic and enplanement growth from 2019 to 2020. However, we expect a rebound in 2021.

Through the first two months of 2021 passenger traffic decreased by 59.1% compared to the first two months of 2020, but by the end of April traffic had increased by 4.2% compared to the first four months of 2020. We expect to see a continued increase in passenger traffic throughout 2021 compared to 2020.

Although external economic influences can create challenges for the Airport, business and leisure travelers, and other tenants at the airport, the Savannah/Hilton Head International Airport is staying focused on the goal of being “First In Service” with anyone who comes in contact with the Airport and will continue this objective as a driving factor in the growth of our region.

REQUEST FOR INFORMATION

This Comprehensive Annual Financial Report is designed to provide detailed information on the Commission’s operations to all those with an interest in the Commission’s financial affairs. The Commission’s website, www.savannahairport.com is also a valuable source for financial, statistical and other related data. In addition, our link to view the 2020 CAFR is <http://www.savannahairport.com/quicklinks/news/>. Questions concerning any of the information provided in this report or any request for additional information should be addressed to the Executive Director by email: GKelly@flySAV.com or in writing to Savannah Airport Commission, 400 Airways Avenue, Savannah, Georgia 31408.

Respectfully submitted,



Gregory B. Kelly
Executive director

- **Basic Financial Statements**
 - **Statements of Net Position**
 - **Statements of Revenues, Expenses, and Changes in Net Position**
 - **Statements of Cash Flows**
 - **Notes to Financial Statements**



Savannah Airport Commission

Statements of Net Position

<i>December 31,</i>	2020	2019
ASSETS		
Current assets		
Unrestricted assets		
Cash and cash equivalents	\$ 11,076,405	\$ 4,938,652
Short-term investments	50,363,190	61,246,484
Accounts receivable	4,191,412	3,020,377
Inventories	389,810	360,966
Prepaid expenses and other	249,054	231,354
Leases receivable - current portion	67,850	61,926
Deposits	67,366	66,301
Total current unrestricted assets	66,405,087	69,926,060
Restricted assets		
Cash and cash equivalents	20,820,962	18,322,873
Accounts receivable	300,533	738,567
Total current restricted assets	21,121,495	19,061,440
Total current assets	87,526,582	88,987,500
Non-current assets		
Capital assets		
Land	10,669,398	10,669,398
Construction in progress	5,955,107	30,378,085
Buildings and improvements	168,424,641	158,940,402
Runways, taxiways and lights	105,214,189	114,108,019
Equipment	31,348,858	33,989,909
Access roads	26,585,976	25,222,775
	348,198,169	373,308,588
Less accumulated depreciation	191,183,623	204,347,129
Total capital assets, net	157,014,546	168,961,459
Leases receivable, net of current portion	403,995	466,465
Long-term investments	20,046,000	7,053,000
Total non-current assets	177,464,541	176,480,924
Deferred outflows of resources		
Pension and post-employment benefits	4,691,731	3,701,409
Total deferred outflows of resources	4,691,731	3,701,409
Total assets and deferred outflows of resources	\$ 269,682,854	\$ 269,169,833

The accompanying notes are an integral part of these financial statements.

Savannah Airport Commission

Statements of Net Position (cont.)

<i>December 31,</i>	2020	2019
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable and accrued expenses	\$ 4,099,149	\$ 1,894,427
Security deposits	48,041	96,090
Salaries and wages payable	113,299	255,400
Contracts payable - retainage	37,116	1,774,722
Current deferred revenue	91,024	295,161
Accrued vacation liability	1,880,002	1,808,670
Total current liabilities	6,268,631	6,124,470
Non-current liabilities		
Pension and post-employment liability	19,976,089	16,166,468
Total liabilities	26,244,720	22,290,938
Deferred inflows of resources		
Pension and post-employment benefits	2,871,294	634,218
Total deferred inflows of resources	2,871,294	634,218
NET POSITION		
Net investment in capital assets	157,014,546	168,961,459
Restricted		
Passenger facility charges	11,212,392	10,996,745
Customer facility charges	9,434,017	7,632,871
General aviation fund charges	472,675	427,599
Other restricted assets	2,411	4,225
Total restricted	21,121,495	19,061,440
Unrestricted	62,430,799	58,221,778
Total net position	240,566,840	246,244,677
Total liabilities, deferred inflows of resources, and net position	\$ 269,682,854	\$ 269,169,833

The accompanying notes are an integral part of these financial statements.

Savannah Airport Commission

Statements of Revenues, Expenses, and Changes in Net Position

<i>Years ended December 31,</i>	2020		2019	
Operating revenues				
Airfield	\$	3,815,963	\$	6,752,741
Terminal one		12,054,946		16,088,023
Commercial aviation		2,868,282		2,544,916
Apron		69,044		69,791
Parking		3,433,443		9,172,911
Non-aviation		2,291,249		3,067,443
Total operating revenues		24,532,927		37,695,825
Operating expenses				
Airfield		1,877,299		1,805,729
Terminal one		11,474,856		10,608,462
Airport business center		11,340		10,519
Commercial aviation		204,786		188,206
Apron		16,055		1,829
Parking		1,920,064		1,835,278
Non-aviation		1,381,800		1,219,215
Public safety		4,047,794		3,887,071
FIS facility		49,501		4,310
Administrative expenses		11,852,237		11,051,772
Depreciation		12,763,672		12,773,208
Total operating expenses		45,599,404		43,385,599
Operating loss		(21,066,477)		(5,689,774)
Non-operating revenues (expenses)				
Passenger facility charges		2,538,410		5,920,188
Customer facility charges		1,934,392		3,711,308
General aviation fund charges		82,373		90,679
Interest revenue		942,438		1,542,767
Net increase in the fair value of investments		111,697		387,923
Loss on disposal of capital assets		(4,348,776)		(22,978)
Total non-operating revenues, net		1,260,534		11,629,887
(Loss) income before capital contributions		(19,805,943)		5,940,113
Capital contributions		14,128,106		10,408,120
(Decrease) increase in net position		(5,677,837)		16,348,233
Total net position, beginning of year		246,244,677		229,896,444
Total net position, end of year	\$	240,566,840	\$	246,244,677

The accompanying notes are an integral part of these financial statements.

Savannah Airport Commission

Statements of Cash Flows

<i>Years ended December 31,</i>	2020		2019	
Cash flows from operating activities				
Cash received from providing services	\$	23,410,223	\$	38,079,885
Cash paid to suppliers		(10,298,568)		(11,731,000)
Cash paid to employees		(17,180,101)		(17,429,625)
Net cash (used in) provided by operating activities		(4,068,446)		8,919,260
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets		(5,165,534)		(19,923,087)
Receipts from capital grants		14,128,106		10,408,120
Proceeds from sale of capital assets		-		121,832
Receipts and interest from				
Passenger facility charges		2,538,410		5,920,188
Customer facility and other charges		2,016,765		3,801,987
Net cash provided by capital and financing activities		13,517,747		329,040
Cash flows from investing activities				
Interest received		1,128,004		1,511,292
Sale of investments		95,490,609		53,607,079
Purchase of investments		(97,488,618)		(53,014,118)
Change in lease receivables		56,546		82,931
Net cash (used in) provided by investing activities		(813,459)		2,187,184
Net increase in cash and cash equivalents		8,635,842		11,435,484
Net cash and cash equivalents, beginning		23,261,525		11,826,041
Cash and cash equivalents, ending	\$	31,897,367	\$	23,261,525

The accompanying notes are an integral part of these financial statements.

Savannah Airport Commission

Statements of Cash Flows (cont.)

<i>Years ended December 31,</i>	2020	2019
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (21,066,477)	\$ (5,689,774)
Adjustments to reconcile operating loss to net cash (used in) provided by operating activities		
Depreciation	12,763,672	12,773,208
Net pension liability and OPEB Liability	5,056,375	949,294
Changes in operating assets and liabilities		
Decrease (increase) in assets		
Accounts receivable	(918,567)	366,338
Inventories	(28,844)	(14,144)
Deposits	(1,066)	(24,281)
Prepaid expenses	(17,700)	1,850
(Increase) decrease in liabilities		
Accounts payable and accrued expenses	2,062,621	(144,382)
Security deposits	(48,049)	(3,455)
Contracts payable - retainage	(1,737,606)	604,717
Deferred revenue	(204,137)	17,722
Accrued vacation liability	71,332	82,167
Net cash (used in) provided by operating activities	\$ (4,068,446)	\$ 8,919,260
Reconciliation of cash and cash equivalents to the statements of net position		
Cash and cash equivalents	\$ 11,076,405	\$ 4,938,652
Total restricted assets, less receivables	20,820,962	18,322,873
Cash and cash equivalents, ending	\$ 31,897,367	\$ 23,261,525
Schedule of non-cash investing and capital and related financing activities		
Change in fair value of investments	\$ 111,697	\$ 387,923

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

Nature of Business

The Savannah Airport Commission (the Commission) provides an airline terminal, runways, and other aeronautical facilities in Savannah, Georgia, for passenger and freight airlines and private aircraft.

Financial Reporting Entity

The Commission is a municipal corporation established by the Savannah City Code and governed by five members who are appointed by the Mayor and Aldermen of the City of Savannah. The Commission is a public corporation created by an act of the general assembly of the state of Georgia as a public agency of the City of Savannah and has no other participation in the operation of the Commission. Therefore, the Commission is not considered a component unit of the City of Savannah, but a related organization.

Criteria for determining if other entities are potential component units which should be reported within the Commission's financial statements are identified and described in the GASB's Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600. The application of these criteria provides for identification of any entities for which the Commission is financially accountable and other organizations for which the nature and significance of their relationship with the Commission are such that exclusion would cause the Commission's financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the Commission.

The Commission receives funding from state and federal government sources and must comply with the accompanying requirements of these funding source entities.

The Commission applies all applicable Governmental Accounting Standards Board Statements (GASB) pronouncements.

Basis of Presentation - Fund Accounting

The operations of the Commission are accounted for as using separate funds as required, which are combined for financial reporting purposes into a single enterprise fund. Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Commission has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Basis of Accounting and Measurement Focus

The economic measurement focus, and the accrual basis of accounting are used by the Commission. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized when the liability has been incurred. Under this basis of accounting, all assets and all liabilities associated with the operation of the Commission are included in the statements of net position.

Budgets and Budgetary Accounting

The Executive Director submits an annual budget to the Commission. The budget is prepared on a detailed line item basis, by department. Revenues are budgeted in the year receipt is expected and expenses are budgeted in the year that the applicable purchase orders are expected to be issued and materials are expected to be received. All budget appropriations lapse at year-end.

1. Summary of Significant Accounting Policies (cont.)

Budgets and Budgetary Accounting (cont.)

The 2020 budget was approved by the Commission members on December 4, 2019. Once approved, the Commission may amend the legally adopted budget when unexpected modifications are required in estimated revenues and expenses. Encumbrance accounting is not used in proprietary fund types used by the Commission. Budgetary data is not included in the basic financial statements.

Estimates Used in Financial Statements

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to liabilities, the financial statements 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In addition to assets, the statement of financial position reports 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/expenditure) until then.

The Commission has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains, or losses, result from periodic studies by the Commission's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement plan members. These experience gains, or losses, are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the Commission to the pension plan before year-end but subsequent to the measurement date of the Commission's net pension liability, are reported as deferred outflows of resources. This amount will reduce the net pension liability in the next fiscal year.

Cash and Cash Equivalents

Cash deposits consist of demand deposit accounts held by banks. For purposes of the statements of cash flows, the Commission considers demand deposit accounts, as well as all highly liquid investments (including restricted assets) purchased with a maturity of three months or less to be cash equivalents.

1. Summary of Significant Accounting Policies (cont.)

Investments

Investments consist of amounts placed with the Office of Treasury and Fiscal Services for participation in the State Investment Pool and those made locally. Commission monies placed in the State Investment Pool represent an interest in the pool rather than ownership of specific securities. These investments have short-term maturities and are considered cash equivalents. The fair value of the position in this State Investment Pool is the same as the cost of the pool shares.

Other investments are reported at fair value, based on quoted market prices.

The Commission is authorized by Georgia Code 36-83-4 (1993) statutes to invest in the following:

1. Obligations of the State of Georgia or of other states,
2. Obligations issued by the United States government,
3. Obligations fully insured or guaranteed by the United States government or a United States government agency,
4. Obligations of any corporation of the United States government,
5. Prime bankers' acceptances,
6. The local government investment pool established by Georgia Code Section 36-83-8,
7. Repurchase agreements, and
8. Obligations of other political subdivisions of the state of Georgia.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

The Commission follows GASB Statement No. 72, "*Fair Value Measurement and Application*", which requires the Commission to categorize its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

The three levels of the fair value hierarchy defined by the topic are as follows:

Level 1 - Observable inputs that reflect unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3 - Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. The valuation method used may produce a fair value measurement that may not be indicative of ultimate realizable value.

Restricted Assets

Restricted assets consist of cash and cash equivalents, investments and other resources which are restricted by authoritative or legal documents with the collection of funds from Passenger Facility Charges, Customer Facility Charges, General Aviation Fund Charges and the Savannah Aviation Village Fund Charges. The Commission's policy when appropriately permitted under grant and funding agreements, is to use restricted assets first, then unrestricted assets when both are available for use.

1. Summary of Significant Accounting Policies (cont.)

Inventories

Inventories consist of expendable materials and supplies held for consumption in the course of the Commission's operations. Inventories are stated at cost or net realizable value.

Capital Assets

Capital assets are stated at cost, or, as in the case of donated capital assets, the acquisition value at the time of acquisition. Tangible assets having a useful life in excess of one year and costs exceeding \$5,000 are capitalized. Expenditures for maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged directly to operations when incurred, while betterments and major renovations are capitalized. The cost of assets retired or otherwise disposed of and the related allowance for depreciation are eliminated from the accounts and any gain or loss is credited or charged to income.

Provision for depreciation is made by charges to income at rates based upon the estimated useful lives of the assets and is computed by the straight-line method.

Assets	Years
Buildings and improvements	10 - 30
Runways, taxiways & lights	10 - 30
Equipment	3 - 20
Access roads	5 - 20

Compensated Absences

Compensated absences, (i.e. paid absences for employee vacation leave) are accrued as expenses when leave is earned. The Commission recognizes a liability for vacation leave only if the employee's right to receive benefits are attributable to services already rendered. The Commission classifies the accrued liability as current or non-current depending on when the leave is expected to be used, which is typically a current item in anticipation of leave being paid or used in the upcoming year.

Post-Employment Benefits

For post-employment pension benefits, the Commission follows the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. These standards establish the provisions for recognition and measurement of expense and related assets and liabilities as well as the required disclosures.

For other postemployment benefits (OPEB), the Commission follows the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB.

1. Summary of Significant Accounting Policies (cont.)

Post-Employment Benefits (cont.)

Effective January 1, 2019, newly hired employees are entered into a 401(a) profit-sharing plan and trust known as the Savannah Airport Commission Defined Contribution Plan (the Contribution Plan). Employees hired before the effective date are not eligible for the Contribution Plan, however they continue as participants in the Pension. The Contribution Plan requires mandatory contributions of 6% from both the employee and the Commission. Additionally, the Contribution Plan requires a mandatory annual contribution from the Commission for select employees.

Net Position

Net position is defined in the following components:

Net investment in capital assets - This component consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component is used when there are limitations imposed on their use either through enabling legislation adopted by the Commission or through external restrictions imposed by grantors or laws, or regulations of other governments.

Unrestricted - This component consists of net position that do not meet the definition of “Net investment in capital assets” or “Restricted”.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, Revenue from Contracts with Customers (ASC 606). The new standard, as amended, supersedes existing revenue recognition guidance and applies to all entities that enter into contracts to provide goods or services to customers, requiring them to account for revenue from contracts with customers under a single five-step model. The Commission adopted the standard on January 1, 2020, using the modified retrospective approach applied to any open contracts as of that date. The Commission determined that the timing of recognition for its sources of revenue remains substantially unchanged. There was no impact to the combined statements of net position and the related combined statements of revenues, expenses, and changes in net position, and cash flows. There was also no cumulative impact to the opening balance of net assets as a result of adopting the new standard.

The Commission recognizes revenues for landing fees, parking fees, mobility services, and ground transportation services in the month the service is provided to the customer. Certain other revenue include leasing agreements, interest amounts earned on cash balances, and returns on investments held are recognized and recorded in accordance with applicable standards and based on the terms of the transaction, assuming collection of amounts is reasonably assured.

There are no significant judgments that impact the amount and timing of the revenue recognized.

1. Summary of Significant Accounting Policies (cont.)

Operating and Non-Operating Revenues and Expenses

The Commission distinguishes operating revenues and operating expenses from non-operating revenues and non-operating expenses. Operating revenues and expenses generally result from providing services in connection with principal ongoing operations and include such items as space rental, landing fees, parking and other miscellaneous items. Such items are reported in the accompanying statements of revenues, expenses, and changes in net position according to the respective commission cost centers. Transactions that are capital in nature such as passenger facility charges and customer facility charges, which are received for the restricted purpose of investing in future facilities, as well as financing type items such as interest on bonds and earnings or losses on investments, are considered non-operating items. Expenses associated with operating the airport such as employee wages and benefits as well as purchases of services and materials are considered operating expenses and are recorded in or allocated to a cost center for presentation purposes.

The Commission grants unsecured credit to its customers and receives payments from them monthly, in accordance with lease and user fee agreements. Deferred revenue generally represents lease rental payments received in advance and is recognized over the appropriate lease term.

Passenger Facility Charges

The Federal Aviation Administration (the FAA) authorized the Commission to impose a \$4.50 Passenger Facility Charge (PFC) on each enplaning passenger. These funds are restricted cash and must be used for Airport planning and development projects approved by the FAA or for bond-associated debt service and financing costs incurred on that portion of a bond issued to carry-out approved projects. The Commission accounts for passenger facility charges in accordance with GASB Statement No. 33, which requires governments to recognize capital contributions to proprietary funds as revenues. The total amount, which includes the charges and interest earned, reflected as non-operating revenue during 2020 and 2019 was \$2,538,410 and \$5,920,188, respectively. PFC reports to the FAA are based on actual collections and do not include accounts receivable. Such amounts collected in 2020 and 2019 are \$2,976,444 and \$5,868,955, respectively; and remaining collections unspent as of December 31, 2020 and 2019 are \$10,911,859 and \$10,258,178, respectively.

Customer Facility Charges

The Commission may require car rental companies to charge a Customer Facility Charge (CFC). The current CFC is \$3.00 per rental car contract day. These funds are presently considered restricted cash and have been used for Airport planning and development projects or other lawful uses agreed to by the majority of rental car companies. In accordance with GASB Statement No. 33, which requires governments to recognize capital contributions to proprietary funds as revenues and not contributed capital, the total amount, which includes the charges and interest earned, reflected as non-operating revenue during 2020 and 2019 was \$1,934,392 and \$3,711,308, respectively.

General Aviation Fund Charges

The Commission requires companies that operate general aviation facilities at the airport to charge a General Aviation Fund Charge (GAF) to be used to reimburse the Commission for costs, fees and expenses associated with capital improvements to the general aviation facilities. These funds are restricted cash and must be used for Airport planning and development projects approved by the general aviation companies. In accordance with GASB Statement No. 33, which requires governments to recognize capital contributions to proprietary funds as revenues and not contributed capital, the total amount, which includes the charges and interest earned, reflected as non-operating revenue during 2020 and 2019 was \$82,373 and \$90,679, respectively.

1. Summary of Significant Accounting Policies (cont.)

Federal and State Financial Assistance

The Commission receives federal and state financial assistance for various airport planning and development projects. This assistance is generally received based on applications submitted to and approved by the granting agencies, the Federal Aviation Administration and the Georgia Department of Transportation. In accordance with GASB Statement No. 33, which requires governments to recognize capital contributions to proprietary funds as revenues, the Commission recognizes such revenue as “Capital contributions” in the accompanying statements of revenue, expenses and changes in net position. Capital contribution revenue during 2020 and 2019, was \$14,128,106 and \$10,408,120, respectively.

Concentrations

For the years ended December 31, 2020 and 2019, the Commission’s revenues from one customer, Delta Airlines, was approximately \$3.4 million and \$4.4 million, respectively. This represented a concentration risk as it comprised 15% and 13% of total operating revenues, respectively.

Taxes

The Commission is exempt from payment of federal and state income, property and certain other taxes.

Advertising

Advertising costs are expensed as incurred. Advertising costs for the years ended December 31, 2020 and 2019 were \$2,765,057 and \$4,494,922, respectively.

Reclassification

Certain reclassifications of prior year amounts have been made to conform with the current year presentation.

Subsequent Events

Subsequent events have been evaluated and disclosed through June 30, 2021, the date the financial statements were available to be issued.

On April 13, 2021 the Commission was awarded additional funding under the CARES Act Airport Grant (the Grant) in an amount not to exceed \$5,300,792. The Grant is for a period of four years and permits reimbursement of allowable expenditures paid for by the Commission. Draw down requests of funds for the Grant are to be submitted and paid from the Federal Aviation Administration, on behalf of the United States Government.

Savannah Airport Commission

Notes to Financial Statements

2. Deposits and Investments

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to the Commission. The Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be on deposit, at any time, in any depository for a time longer than ten days, a sum of money which has not been secured by a surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to, not less than, 110% of the public funds being secured after the deduction of the amount of depository insurance. The Commission has no custodial credit risk policy that would require additional collateral requirements.

At December 31, 2020, the Commission had the following investments and maturities:

Investment maturities (in years)

Type of Investment	Average Credit Rating	Fair Value	Less than 1	1-3	4-5	Greater than 5
Primary government						
Certificates of deposit (CD's)	NR	\$ 70,407,137	\$ 50,361,137	\$ 20,046,000	\$ -	\$ -
Georgia Fund 1	AAA	1,793	1,793	-	-	-
Cash investments at financial institution	NR	260	260	-	-	-
		\$ 70,409,190	\$ 50,363,190	\$ 20,046,000	\$ -	\$ -

At December 31, 2019, the Commission had the following investments and maturities:

Investment maturities (in years)

Type of Investment	Average Credit Rating	Fair Value	Less than 1	1-3	4-5	Greater than 5
Primary government						
Certificates of deposit (CD's)	NR	\$ 68,297,440	\$ 61,244,440	\$ 7,053,000	\$ -	\$ -
Georgia Fund 1	AAA	1,784	1,784	-	-	-
Cash investments at financial institution	NR	260	260	-	-	-
		\$ 68,299,484	\$ 61,246,484	\$ 7,053,000	\$ -	\$ -

Savannah Airport Commission

Notes to Financial Statements

2. Deposits and Investments (cont.)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk is the risk that issuer or counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk that a significant portion of investments are concentrated with a single or small number or group of counterparties. Custodial credit risk is the risk that the third-party providing safekeeping services for the Commission's investments fails to act properly in its fiduciary capacity. State law governs the investment of retirement funds (OCGA 47-20-84) and limits investments to maximum concentrations by investment category (at cost). The Commission has no formal investment policy that would further limit its investment choices or custodial risk.

Section 36-83-4, Code of Georgia, authorizes the Commission to participate in the Office of Treasury and Fiscal Services State Investment Pool (the State Investment Pool), and Section 36-80-3, Code of Georgia, authorizes the Commission to invest in U.S. Treasury Notes and Certificates of Deposit.

The State Investment Pool complies with all state statutes regarding investment of public funds and has an internal investment policy with portfolio restrictions. In addition, it is monitored by Standard and Poor, as weekly reports are submitted to maintain the Pool's AAA rating.

Total deposits as of December 31, 2020:

Cash and cash equivalents	\$	11,076,405
Investments		70,409,190
Restricted cash and cash equivalents		20,820,962
	\$	102,306,557

Cash deposited with financial institutions	\$	31,897,367
Certificates of Deposit		70,409,190
	\$	102,306,557

Savannah Airport Commission

Notes to Financial Statements

3. Restricted Cash and Investments

Restricted cash consists of the following at December 31:

	2020	2019
Passenger facility charge fund	\$ 10,911,859	\$ 10,258,178
Customer facility charge fund	9,434,017	7,632,871
General aviation fund	472,675	427,599
Other restricted funds	2,411	4,225
	<u>\$ 20,820,962</u>	<u>\$ 18,322,873</u>

4. Accounts Receivable

Accounts receivable consists mainly of trade receivables and in the case that certain accounts are deemed doubtful as to collection, would be shown net of allowance for doubtful accounts. There is no allowance for doubtful accounts as of December 31, 2020 and 2019, as management, after evaluation of such accounts based upon historical collections and evaluation of individual customer credit, determined all accounts were considered collectible.

5. Direct Financing Leases

The Commission has financed the construction of certain buildings and improvements for its customers using direct financing leases.

Signature Flight Support

The Commission entered into a lease agreement with Signature in which the Commission agreed to finance the construction of general improvements to facilities leased by Signature, at a cost of \$66,821. The direct financing lease has a term of 30 years and an interest rate of 10.00% and expires in 2027.

The Commission entered into a lease agreement with Signature in which the Commission agreed to finance the construction of an office and lounge, at a cost of \$422,970. The direct financing lease has a term of 30 years and an interest rate of 10.00% and expires in 2027.

The Commission entered into a lease agreement with Signature in which the Commission agreed to finance the construction of a hangar, at a cost of \$284,412. The direct financing lease has a term of 30 years and an interest rate of 10.00% and expires in 2027.

Savannah Aviation

The Commission entered into a lease agreement with Savannah Aviation in which the Commission agreed to finance the construction of a hangar, at a cost of \$212,509. The direct financing lease has a term of 20 years and an interest rate of 8.00% and expires in 2022.

Savannah Airport Commission

Notes to Financial Statements

5. Direct Financing Leases (cont.)

Savannah Aviation (cont.)

The Commission entered into a lease agreement with Savannah Aviation in which the Commission agreed to finance the construction of an apron at a cost of \$87,368. The direct financing lease has a term of 27 years and an interest rate of 6.08% and expires in 2028.

Minimum lease payments to be received under all direct financing leases as of December 31, 2020, for each of the next five years and thereafter are:

<i>Years ended December 31,</i>	
2021	\$ 109,454
2022	98,788
2023	88,124
2024	88,124
2025	88,124
Thereafter	159,657
Total minimum lease payments	632,271
Less interest	160,426
Present value of minimum lease payments	\$ 471,845

Savannah Airport Commission

Notes to Financial Statements

6. Capital Assets

Capital assets consist of the following at December 31, 2020:

	Total 2019	Increases/ Additions	Deletions/ Transfers	Total 2020
Capital assets, not being depreciated				
Land	\$ 10,669,398	\$ -	\$ -	\$ 10,669,398
Construction in progress	30,378,085	4,494,057	(28,917,035)	5,955,107
Total capital assets not being depreciated	41,047,483	4,494,057	(28,917,035)	16,624,505
Capital assets being depreciated				
Buildings and improvements	158,940,402	16,187,674	(6,703,435)	168,424,641
Runways, taxiways, and lights	114,108,019	9,395,655	(18,289,485)	105,214,189
Equipment	33,989,909	2,219,801	(4,860,852)	31,348,858
Access roads	25,222,775	1,785,383	(422,182)	26,585,976
Total capital assets being depreciated	332,261,105	29,588,513	(30,275,954)	331,573,664
Less accumulated depreciation for				
Buildings and improvements	102,040,799	6,207,397	(6,135,097)	102,113,099
Runways, taxiways, and lights	65,662,252	3,857,226	(15,104,770)	54,414,708
Equipment	18,181,595	1,904,533	(4,266,754)	15,819,373
Access roads	18,462,483	794,517	(420,557)	18,836,443
Total accumulated depreciation	204,347,129	12,763,672	(25,927,177)	191,183,623
Net capital assets	\$ 168,961,459	\$ 21,318,899	\$ (33,265,812)	\$ 157,014,546

Savannah Airport Commission

Notes to Financial Statements

6. Capital Assets (cont.)

Capital assets consist of the following at December 31, 2019:

	Total 2018	Increases/ Additions	Deletions/ Transfers	Total 2019
Capital assets not being depreciated				
Land	\$ 10,669,398	\$ -	\$ -	\$ 10,669,398
Construction in progress	14,233,070	18,539,605	(2,394,590)	30,378,085
Total capital assets not being depreciated	24,902,468	18,539,605	(2,394,590)	41,047,483
Capital assets being depreciated				
Buildings and improvements	157,320,094	1,620,310	-	158,940,402
Runways, taxiways, and lights	114,108,019	-	-	114,108,019
Equipment	32,040,521	2,071,218	(121,832)	33,989,909
Access roads	25,222,775	-	-	25,222,775
Total capital assets being depreciated	328,691,409	3,691,528	(121,832)	332,261,105
Less accumulated depreciation for				
Buildings and improvements	96,057,344	5,983,455	-	102,040,799
Runways, taxiways, and lights	61,660,955	4,001,297	-	65,662,252
Equipment	16,203,922	2,041,238	(63,565)	18,181,595
Access roads	17,715,266	747,217	-	18,462,483
Total accumulated depreciation	191,637,487	12,773,207	(63,565)	204,347,129
Net capital assets	\$ 161,956,390	\$ 9,457,926	\$ (2,452,857)	\$ 168,961,459

7. Lease Revenue

The Commission leases its property to commercial airlines, car rental companies, concessionaires, several fixed based operators who service the airline industry, and the Federal Aviation Administration. These leases are cancelable operating leases, with notification requirements ranging from 15 days to six months. Rental income for 2020 and 2019, received through these leases was approximately \$6.9 million and \$8.4 million, respectively.

As of December 31, 2020, estimated cost of leased land and buildings was \$53.4 million net of accumulated depreciation of \$43.8 million for a carrying value of \$9.6 million.

The Commission also has numerous leases that require the lessee to remit a percentage of its revenue as the rental charge. Rental income for 2020 and 2019, received through these leases was approximately \$4.2 million and \$7.5 million, respectively.

Savannah Airport Commission

Notes to Financial Statements

7. Lease Revenue (cont.)

Minimum lease payments to be received under operating leases as of December 31, 2020, for each of the next five years and thereafter are:

<i>Year ended December 31,</i>	
2021	\$ 6,620,186
2022	6,393,025
2023	6,173,659
2024	5,961,821
2025	5,757,251
Thereafter	22,238,802
Total minimum lease payments	\$ 53,144,744

8. Construction Contract Commitments

The Commission has entered into contracts for construction. Status of such contracts as of December 31, 2020 are as follows:

	Project Authorization	Expended to Date	Balance on Contract	Required Further Financing
CBIS Recapitalization Project	\$ 209,492	\$ 16,569	\$ 192,923	None
	\$ 209,492	\$ 16,569	\$ 192,923	

9. Retirement Plans

Effective January 1, 2019, newly hired employees are entered into a 401(a) profit-sharing plan and trust known as the Savannah Airport Commission Defined Contribution Plan (the Contribution Plan). Employees hired before the effective date are not eligible for the Contribution Plan, however they continue as participants in the Pension. The Contribution Plan requires mandatory contributions of 6% from both the employee and the Commission. Additionally, the Contribution Plan requires a mandatory annual contribution from the Commission for select employees. The Commission incurred costs under the Contribution Plan of \$129,926 and \$121,846 during 2020 and 2019, respectively.

Effective January 1, 2019, select employees were entered into a 401(a) retirement plan, which requires a mandatory annual contribution of \$25,000 from the Commission.

10. Pension Plans

Plan Description

Permanent employees of the Commission, hired prior to January 1, 2019, participate in the City of Savannah Employees' Retirement Plan (the Plan). The Plan is a cost sharing multiple-employer defined benefit pension plan, which was established in July 1972, to provide retirement and disability for all full-time general and uniformed personnel of the City of Savannah, the Commission, and Metropolitan Planning Commission. Membership by all full-time city employees is required by a city ordinance. The Plan is administered by a Pension Board pursuant to the ordinance of the City of Savannah and is included as a Pension Trust Fund in the financial statements of the City of Savannah. The Mayor and Aldermen of the City of Savannah have the authority to establish and amend pension plan provisions. A stand-alone financial report is not issued for the Plan.

Contributions

Plan members are required to contribute 6.65% of their annual covered salary, and the Commission contributes such additional amounts as necessary, based on actuarial valuations, to provide the Plan with assets sufficient to meet future benefits payable to Plan members. For December 31, 2020 and 2019, the Commission's required contribution was \$934,631 and \$1,071,737, respectively. The contribution requirements of Plan members and the employers are established and may be amended by the Pension Board.

Plan Membership

At January 1, 2020, pension plan membership including the commission and other employers consisted of the following:

Retired members and beneficiaries currently receiving benefits	1,572
Vested terminated members entitled to but not yet receiving benefits	202
Active members	2,370
Total	4,144

Actuarial Assumptions

For 2020, the Commission's annual pension costs for the Plan was equal to the Commission's required and actual contributions. The required contribution was determined as part of the January 1, 2020, actuarial valuation using the projected unit credit actuarial method. The information and analysis used as of December 31, 2020 was measured by actuarial valuations as of January 1, 2020. The following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

10. Pension Plans (cont.)

Actuarial Assumptions (cont.)

Net investment return	7.50%
Inflation	3.00%
Salary increases	Specific rates by age, varying from 3.50% to 5.50%, including inflation.
Mortality rates	<u>Pre-Retirement</u> : Pri-2012 Employee Amount-weighted Mortality Table: projected generationally with 60% of Scale SSA-2020. <u>Healthy Annuitants</u> : Pri-2012 Healthy Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020. <u>Disabled Annuitants</u> : Pri-2012 Disabled Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020.
Cost of living	5.00% at participant adjustment date, 1.00% annually thereafter.
Payroll growth	2.75%, used to amortize the unfunded actuarial accrued liability as a level percentage of payroll.

The information and analysis used as of December 31, 2019 was measured by actuarial valuations as of January 1, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	40.00%	6.40%
International equity	12.50%	7.05%
Fixed income	22.50%	1.15%
Core real estate	5.00%	4.50%
Short-term	7.50%	0.65%
Private equity (including non-core real estate)	10.00%	10.40%
Emerging markets	2.50%	9.00%
Total	100.00%	5.24%*

*Weighted average expected rate of return

10. Pension Plans (cont.)

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at actuarially determined contribution rates. Based on those assumptions, the 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 on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Commission's proportional share of the net pension liability as of December 31, 2020, calculated using the discount rate of 7.50%, as well as what the proportional share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportional share of net pension liability	\$ 15,669,711	\$ 9,341,643	\$ 4,096,510

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

At December 31, 2020, the Commission reported a liability of \$9,341,643 for its proportionate share of the net pension liability. The net pension liability is measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2019, the Commission's proportion was 10.07%, which was an increase of 0.97 from its proportion measured as of December 31, 2018.

Savannah Airport Commission

Notes to Financial Statements

10. Pension Plans (cont.)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (cont.)

For the year ended December 31, 2020, the recognized pension expense is \$1,605,868. At December 31, 2020, the Commission 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
Differences between expected and actual experience	\$ 731,260	\$ 307,413
Changes in assumptions	-	208,442
Net difference between projected and actual earnings on pension plan investments	-	2,324,842
Change in proportionate share	1,638,595	15,558
Total	\$ 2,369,855	\$ 2,856,255

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year ending December 31,</i>	Recognition of Net Deferred Outflows
2021	\$ (315,839)
2022	(136,344)
2023	362,879
2024	(561,304)
2025 and Thereafter	164,208
Total	\$ (486,400)

11. Risk Management

The Commission is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled through the purchase of commercial insurance. There have been no reductions in insurance coverage from the prior year. The amount of settlements has not exceeded insurance coverage for any of the past three fiscal years.

Savannah Airport Commission

Notes to Financial Statements

12. Fair Value of Financial Instruments

The following methods and assumptions were used by the Commission to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash, cash equivalents, and accounts receivable due in less than one year: The carrying amounts reported in the statements of net position approximate fair values because of the short maturities of these financial instruments.

Long-term investments: The fair values of these investments are estimated based on quoted market prices for those investments.

Direct financing leases: The fair values of these receivables are estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Accounts payable and accrued expenses: The carrying amounts reported in the statements of net position approximate fair values because of the short maturities of these financial instruments.

The estimated fair values of the Commission's financial instruments are as follows:

	2020		2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and short-term investments	\$ 61,439,595	\$ 61,439,595	\$ 66,185,136	\$ 66,185,136
Accounts receivable	\$ 4,191,412	\$ 4,191,412	\$ 3,020,377	\$ 3,020,377
Long-term investments	\$ 20,046,000	\$ 20,046,000	\$ 7,053,000	\$ 7,053,000
Leases receivable	\$ 471,845	\$ 536,030	\$ 528,391	\$ 587,047
Accounts payable and accrued expenses	\$ 4,099,149	\$ 4,099,149	\$ 1,894,427	\$ 1,894,427

13. Post-Employment Benefits Other than Pensions (OPEB)

The Commission has OPEB plans that cover employees during retirement. Historically, the Commission was involved in the City of Savannah Benefit Plan. Employees retiring before July 1, 2012 were participants in the City of Savannah Benefit Plan. Beginning July 1, 2012, the Commission left the City's OPEB plan for new retirees as they are retained on the Commission's insurance and covered along with active employees. For both plans, when an employee reaches 65, they are removed from the plan and the Commission pays a portion of their Medicare expenses.

These plans are described as follows:

City of Savannah Employee Benefit Plan

Plan Description

The Savannah Airport Commission participates in the City of Savannah's agent multiple-employer defined benefit OPEB Plan (the "City of Savannah Employee Benefit Plan" or the "Plan") which provides medical and life insurance benefits to its retirees. Membership in the Plan is voluntary. The Plan does not issue a stand-alone financial report.

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

City of Savannah Employee Benefit Plan (cont.)

Plan Description (cont.)

The Plan provides members, upon eligible retirement, with healthcare insurance and life insurance benefits. The benefits provided are not guaranteed and are subject to change at any time. In addition, the benefit provisions are subject to annual appropriation of funds by the City’s Mayor and Alderman. The Plan does not provide for automatic or ad hoc postretirement benefit increases; however, the benefit provisions provided by the Plan may be amended, established or terminated at any time by a vote of the City’s Mayor and Alderman. The Plan Document specifies the types and levels of Plan benefits as well as member contribution requirements. The City of Savannah provides administration of the Plan, including setting funding policies, and reports the Plan as a fiduciary fund in its Comprehensive Annual Financial Report.

Eligibility

The Plan covers both general and uniform employees of the participating employers. As of December 31, 2020, employee membership data related to the City of Savannah OPEB Plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,358
Active members	2,156
Total	3,514

Contribution Policy

As administrator of the Plan, the Mayor and Aldermen of the City of Savannah are the authority under which the obligations of the Plan members and the employers to contribute to the Plan are established and are amended. Members are required to contribute 30% of expected funding target for pre-Medicare retirees and 25% for post-Medicare retirees. The remaining contributions are required contributions by the employers.

The Savannah Airport Commission is required to contribute the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current ARC rate is 3.00% of annual covered payroll.

Net OPEB Liability

The Commission’s net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018.

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

City of Savannah Employee Benefit Plan (cont.)

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	Specific rates by age, varying from 5.00% to 3.00%, including inflation.
Discount rate	7.00% for City of Savannah and Youth Futures. 2.74% for Savannah Airport Commission and Metropolitan Planning Commission.
Healthcare costs trend rates	
Medical	Pre-65: Initial rate is 6.00%, trending down to 4.5% over 6 years. Post-65: Initial rate is 5.25%, trending down to 4.50% over 3 years.
Prescription drug	Initial rate is 7.50%, trending down to 4.50% over 3 years.
Administrative costs	3.00%
Mortality rates	<u>Pre-Retirement</u> : RP-2014 Employee Mortality Table, projected generationally using a modified version of the MP-2014 improvement scale. <u>Healthy Annuitants</u> : RP-2014 Healthy Annuitant Mortality Table, set forward six years for males and three years for females, projected generationally using a modified version of the MP-2014 improvement scale.

Many of the demographic assumptions used in this valuation (including mortality, disability, turnover, retirement, percent married and relative ages of spouses) are the same as used in the City of Savannah Employees' Retirement Plan's Actuarial Valuation and Review as of January 1, 2019, dated July 12, 2019, completed by Segal Consulting. The remaining demographic assumptions, such as enrollment elections, were based on the experience of the OPEB Plan.

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These returns 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 and subtracting expected investment expenses. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized as follows:

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

City of Savannah Employee Benefit Plan (cont.)

Actuarial Methods and Assumptions (cont.)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50.00%	6.40%
International equity	10.00%	7.05%
Fixed income	30.00%	1.15%
Real estate	10.00%	4.50%
Total	100.00%	4.70%*

*Weighted average expected rate of return

Nature of assets: The assets are maintained in an irrevocable Trust dedicated to OPEB.

Discount Rate

The discount rate used to measure the total OPEB liability for the City of Savannah and Youth Futures was 7.00% as of December 31, 2019 and December 31, 2018 respectively. The other employers including the commission do not fund and so are valued at the 20-year, general obligation, municipal bond index rate of 2.74%. The projection of cash flow used to determine the discount rate assumed that the contributions would be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, The OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

The following presents the Commission's proportionate share of the net OPEB liability, as well as what the Commission's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current discount rate:

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Net OPEB liability	\$ 1,490,221	\$ 1,296,648	\$ 1,142,417

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

City of Savannah Employee Benefit Plan (cont.)

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the Commission’s proportionate share of the net OPEB liability, as well as what the Commission’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.00% decreasing to 3.50%) or 1 percentage point higher (7.00% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (5.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (6.00% decreasing to 4.50%)	1% Increase (7.00% decreasing to 5.50%)
Net OPEB liability	\$ 1,167,028	\$ 1,296,648	\$ 1,457,839

Savannah Hilton Head International Airport Retiree Medical Plan

Plan Description

Savannah Hilton Head International Airport Retiree Medical Plan (the Plan) is a single employer plan established and is administered by the Commission. The Plan provides medical and life insurance benefits to its retirees and can be amended by the Commission at its discretion. Membership in the Plan is voluntary. The Plan does not issue a stand-alone financial report.

The Plan provides members, upon eligible retirement, with healthcare insurance and life insurance benefits. The benefits provided are not guaranteed and are subject to change at any time. The Plan does not provide for automatic or ad hoc postretirement benefit increases; however, the benefit provisions provided by the Plan may be amended, established or terminated at any time by the Commission. The Plan Document specifies the types and levels of Plan benefits as well as member contribution requirements. The Commission provides administration of the Plan, including setting funding policies.

Eligibility

To be eligible for post-retirement medical coverage, Airport employees must meet retirement age, have been employed by the Commission for ten consecutive years, and elect to continue medical coverage by paying the applicable monthly premium. As of December 31, 2020, employee membership data related to the Commission’s OPEB Plan was as follows:

Retirees and beneficiaries currently receiving benefits	14
Active members	183
Total	197

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

Savannah Hilton Head International Airport Retiree Medical Plan (cont.)

Contribution Policy

Active plan members are currently not obligated to make contributions to the Plan. The Commission does not pre-fund the Plan. Implicit retiree costs covered by active health payments can be counted as plan contributions. The Savannah Airport Commission has the authority to establish and amend the obligations of the Commission and plan members to contribute to the Plan.

The Savannah Airport Commission is recommended to contribute the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current ARC rate is 0.52% of annual covered payroll.

Net OPEB Liability

The Commission's net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018.

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	Specific rates by age, varying from 4.78% to 3.13%, including inflation.
Discount rate	2.74%
Healthcare costs trend rates	
Medical	Pre-65: 8.50% in 2019 graded by 0.25% per year. Post-65: 6.5% in 2019 graded to 4.50% by 0.25% per year. Medicare: 6.50% in 2019 graded to 4.50% by 0.25% per year.
Mortality rates	Pub-2010 Headcount weighted mortality table for general public employer, annuitant and non-annuitant, sex distinct with improvement scale MP-2019.

Many of the demographic assumptions used in this valuation (including mortality, disability, turnover, retirement, percent married and relative ages of spouses) are set to be consistent with those used in the City of Savannah Employees' Retirement Plan's Actuarial Valuation and Review. The remaining demographic assumptions, such as enrollment elections, were based on the experience of the OPEB Plan.

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

13. Post-Employment Benefits Other than Pensions (OPEB) (cont.)

Savannah Hilton Head International Airport Retiree Medical Plan (cont.)

Actuarial Methods and Assumptions (cont.)

The long-term expected rate of return on OPEB plan investments, target allocations, and projected arithmetic real rates of return for each major asset class were not available as the Plan is not currently funded.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.74%. The projection of cash flows used to determine the discount rate assumed that there will be no Employer contributions made. Based on those assumptions, the Plan’s fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current Plan participants. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the “depletion date”), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability. The discount rate used as of December 31, 2018 was 4.10%

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

The following presents the net OPEB liability of the Commission, calculated using a discount rate 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current discount rate:

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Net OPEB liability	\$ 11,499,008	\$ 9,337,797	\$ 7,696,066

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Commission, calculated using medical trend rates 1 percentage point lower (5.00%) or 1 percentage point higher (7.00%) than the current healthcare cost trend rate:

The following presents the Commission’s proportionate share of the net OPEB liability, as well as what the Commission’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.00% decreasing to 3.50%) or 1 percentage point higher (7.00% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (5.00% graded by 0.25% per year)	Healthcare Cost Trend Rates (6.00% decreasing by 0.25% per year)	1% Increase (7.00% graded by 0.25% per year)
Net OPEB liability	\$ 7,446,978	\$ 9,337,797	\$ 11,897,570

14. CARES Act Airport Grant Agreement

In April of 2020, under the US Department of Transportation Federal Aviation Administration, the Commission received a CARES Act Airport Grant. Based on the terms of the agreement, the Commission is entitled to received up to \$26,824,077 in total support on a cost-reimbursement arrangement over a period of 4 years from the date the agreement is signed. During the year ended December 31, 2020, the Commission expensed \$9,585,214 of allowable reimbursable costs under the arrangement and received reimbursement grant payments for such expenses of \$9,585,214. As of the balance sheet date, the Commission has \$17,238,863 available in future reimbursable funds under the grant agreement.

15. COVID-19 Considerations

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Commission's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Commission is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the remainder of 2021.

- **Required Supplementary Information**

- **Schedule of Changes in Net Pension Liability and Related Ratios**
- **Schedule of the Commission's Proportionate Share of the Net Pension Liability**
- **Schedule of Contributions**
- **Schedule of the Commission's Changes in Net OPEB Liability**
- **Schedule of Investment Returns**
- **Schedule of Employer Contributions – City of Savannah OPEB**
- **Schedule of Changes in Net OPEB Liability**
- **Schedule of Employer Contributions – SAC OPEB**



Savannah Airport Commission

Required Supplementary Information

**Savannah Airport Commission
Required Supplementary Information
City of Savannah Employees' Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios***

Total Pension Liability	2020	2019
Service cost	\$ 11,411,039	\$ 12,197,176
Interest	37,031,735	35,850,147
Differences between expected and actual experience	(1,025,181)	7,761,517
Benefit payments, including refunds of member contributions	(32,616,874)	(30,396,491)
Net change in Total Pension Liability	14,800,719	25,412,349
Total Pension Liability - beginning	498,653,864	473,241,515
Total Pension Liability - ending	513,454,583	498,653,864
Plan Fiduciary Net Position		
Contributions - employer	10,643,079	10,331,820
Contributions - employee	7,222,808	7,459,327
Net investment income	72,761,682	(11,332,027)
Benefit payments, including refunds of member contributions	(32,616,874)	(30,396,491)
Administrative expense	(156,206)	(122,121)
Net change in Plan Fiduciary Net Position	57,854,489	(24,059,492)
Plan Fiduciary Net Position - beginning	362,831,209	386,890,701
Plan Fiduciary Net Position - ending	420,685,698	362,831,209
Net Pension Liability - ending	\$ 92,768,885	\$ 135,822,655
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	81.93%	72.76%
Covered employee payroll ⁽¹⁾	\$ 106,204,028	\$ 114,069,874
Plan Net Pension Liability as percentage of covered employee payroll	87.35%	119.07%

Notes to Schedule:

Benefit changes: There have been no benefit changes since GASB 67 implementation.

Assumption changes: There have been no assumption changes since the prior valuation.

Note: This information is not readily available for 10 years.

⁽¹⁾ Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are

* This information is presented for the City of Savannah Employees' Retirement Plan as a whole, for which the Commission is a participant.

Savannah Airport Commission

Required Supplementary Information

Savannah Airport Commission
 Required Supplementary Information
 City of Savannah Employees' Retirement Plan
 Schedule of the Commission's Proportionate Share of the Net Pension Liability

Fiscal Year Ended December 31,	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll ⁽¹⁾	Net Pension Liability as a % of Covered Payroll	Plan Fiduciary Net Postion as a percentage of the Total Pension Liability
2016	7.66%	\$ 8,226,511	\$ 7,748,488	106.17%	75.32%
2017	8.71%	\$ 9,556,610	\$ 8,600,853	111.11%	75.92%
2018	8.68%	\$ 7,495,251	\$ 9,238,292	81.13%	81.75%
2019	9.10%	\$ 12,361,102	\$ 9,832,973	125.71%	72.76%
2020	10.07%	\$ 9,341,643	\$ 9,462,409	98.72%	81.93%

Note: This information is not readily available for 10 years.

⁽¹⁾ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Savannah Airport Commission

Required Supplementary Information

Savannah Airport Commission
Required Supplementary Information
City of Savannah Employees' Retirement Plan
Schedule of Contributions*

Fiscal Year Ended December 31,	Actuarially Determined Contributions ⁽¹⁾	Contributions Recognized by the Plan	Contribution Deficiency (Excess)	Covered Payroll ⁽²⁾	Contributions Recognized by the Plan as a % of Covered Payroll
2009	\$ 7,622,577	\$ 7,622,583	\$ (6)	103,128,935	7.39%
2010	\$ 8,552,348	\$ 8,552,370	\$ (22)	102,212,443	8.37%
2011	\$ 8,697,179	\$ 8,697,179	\$ -	101,231,939	8.59%
2012	\$ 9,729,071	\$ 9,729,071	\$ -	98,576,795	9.87%
2013	\$ 11,311,352	\$ 11,311,347	\$ 5	101,065,407	11.19%
2014	\$ 11,989,208	\$ 11,989,213	\$ (5)	100,296,655	11.95%
2015	\$ 11,378,988	\$ 11,378,991	\$ (3)	99,962,326	11.38%
2016	\$ 10,588,767	\$ 10,588,773	\$ (6)	108,873,305	9.73%
2017	\$ 10,233,131	\$ 10,361,785	\$ (128,654)	115,437,152	8.98%
2018	\$ 10,331,820	\$ 10,331,820	\$ -	114,069,874	9.06%
2019	\$ 10,643,079	\$ 10,643,079	\$ -	106,204,028	10.02%

⁽¹⁾ All "Actuarially Determined Contributions" through January 1, 2016 were determined as the "Annual Required Contribution" under GASB 25 and 27.

⁽²⁾ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

* This information is presented for the City of Savannah Employees' Retirement Plan as a whole, for which the Commission is a participant.

Savannah Airport Commission

Required Supplementary Information

Savannah Airport Commission
Required Supplementary Information
City of Savannah Other Post Employment Benefit Plan
Schedule of the Commission's Changes in Net OPEB Liability

	2020
Total OPEB Liability	
Interest	\$ 56,303
Differences between expected and actual experience	86,721
Changes of assumptions	(168,685)
Benefit payments, including refunds of member contributions	(101,882)
Net change in Total OPEB Liability	(127,543)
Total OPEB Liability - beginning	1,424,191
(a) Total OPEB Liability - ending	1,296,648
Plan fiduciary net position	
Contributions - employer	101,882
Benefit payments, including refunds of member contributions	(101,882)
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	-
(b) Plan Fiduciary Net Position - ending	-
(c) Net OPEB Liability - ending (a) - (b)	\$ 1,296,648
Plan fiduciary net position as a percentage of the Total OPEB Liability	0%
Covered employee payroll	\$ -
Plan Net OPEB Liability as percentage of covered employee payroll	N/A

Notes to Schedule:

Benefit changes: None

Change of assumptions:

- Per capita health costs and prescription drug trend rates were updated to reflect experience and future expectations.
- The discount rate effective December 31, 2019 for the unfunded groups was lowered to 2.74%.
- The excise tax regulation was repealed by Congress in December 2019.

Note: This information is not readily available for 10 years.

Savannah Airport Commission

Required Supplementary Information

**Savannah Airport Commission
Required Supplementary Information
City of Savannah Other Post Employment Benefit Plan
Schedule of Investment Returns***

<u>Year Ended December 31,</u>	<u>Annual Money- weighted Rate of Return</u>
2017	16.20%
2018	-3.20%
2019	21.40%

* This information is presented for the City of Savannah Other Post Employment Benefit Plan as a whole, for which the Commission is a participant.

Note: This information is not readily available for 10 years.

Savannah Airport Commission

Required Supplementary Information

Savannah Airport Commission
Required Supplementary Information
City of Savannah Other Post Employment Benefit Plan
Schedule of Employer Contributions*

Year Ended December 31,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/(Excess)	Covered Employee Payroll	Annual Money- weighted Rate of Return
2009	\$ 15,601,172	\$ 3,541,681	\$ 12,059,491	\$ 97,836,492	3.62%
2010	\$ 16,887,022	\$ 3,791,480	\$ 13,095,542	\$ 101,788,736	3.72%
2011	\$ 14,453,693	\$ 37,815,516	\$ (23,361,823)	\$ 101,231,939	37.36%
2012	\$ 10,897,270	\$ 11,425,392	\$ (528,122)	\$ 97,898,141	11.67%
2013	\$ 8,629,426	\$ 11,252,249	\$ (2,622,823)	\$ 100,925,268	11.15%
2014	\$ 7,751,003	\$ 11,318,014	\$ (3,567,011)	\$ 93,188,755	12.15%
2015	\$ 8,154,429	\$ 10,768,104	\$ (2,613,675)	\$ 92,213,838	11.68%
2016	\$ 5,960,277	\$ 10,089,939	\$ (4,129,662)	\$ 100,272,452	10.06%
2017	\$ 4,135,057	\$ 5,586,200	\$ (1,451,143)	\$ 106,198,860	5.26%
2018	\$ 4,259,109	\$ 4,259,109	\$ -	\$ 104,236,901	4.09%
2019	\$ 2,901,830	\$ 2,901,830	\$ -	\$ 96,741,021	3.00%

Notes to Schedule:

Methods and assumptions used to establish "actuarially determined contribution" rates:

<i>Valuation date</i>	December 31, 2018
<i>Measurement date</i>	December 31, 2019
<i>Actuarial cost method</i>	Entry Age Normal Level Percent of Pay
<i>Asset valuation method</i>	Market Value
<i>Remaining amortization period</i>	18 years remain as of December 31, 2018

* This information is presented for the City of Savannah Other Post Employment Benefit Plan as a whole, for which the Commission is a participant.

Savannah Airport Commission

Required Supplementary Information

Savannah Airport Commission
Required Supplementary Information
Savannah Hilton Head International Airport Retiree Medical Plan
Schedule of Changes in Net OPEB Liability

	2020
Total OPEB Liability	
Service Cost	\$ 369,326
Interest	262,274
Differences between expected and actual experience	(17,665)
Changes of assumptions	2,727,444
Benefit payments, including refunds of member contributions	(62,417)
Net change in Total OPEB Liability	3,278,962
Total OPEB Liability - beginning	6,058,835
(a) Total OPEB Liability - ending	9,337,797
Plan fiduciary net position	
Benefit payments made from general operating funds	62,417
Benefit payments, including refunds of member contributions	(62,417)
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	-
(b) Plan Fiduciary Net Position - ending	-
(c) Net OPEB Liability - ending (a) - (b)	\$ 9,337,797
Plan fiduciary net position as a percentage of the Total OPEB Liability	0%
Covered employee payroll	\$ 12,021,685
Plan Net OPEB Liability as percentage of covered employee payroll	77.67%

Notes to Schedule:

Benefit changes: None

Change of assumptions:

- Health cost trend pre and post-65 updated from 6.0% and 5.0% in 2019 respectively (ultimate rate and trend pattern - 4.50% by 0.25% per year - were retained)
- Utilization increased from 70% electing medical at retirement to 90%
- Base mortality updated to General Public employer mortality tables from RPH 2014
- Mortality improvement scale update to MP 2019
- Retirement assumption updated from a graded schedule that produced an average retirement age of 62 to one that produces an average age at retirement of 67 which is more specific to airport authority experience
- Discount rate lowered from 4.10% to 2.74% reflecting changes in the bond rate environment

Note: This information is not readily available for 10 years.

Savannah Airport Commission

Required Supplementary Information

**Savannah Airport Commission
Required Supplementary Information
Savannah Hilton Head International Airport Retiree Medical Plan
Schedule of Employer Contributions**

Year Ended December 31,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/(Excess)	Covered Employee Payroll	Contribution as % of covered payroll
2019	\$ 836,934	\$ 62,417	\$ 774,517	\$ 12,021,685	0.52%

Notes to Schedule:

Methods and assumptions used to establish "actuarially determined contribution" rates:

<i>Valuation date</i>	December 31, 2018
<i>Measurement date</i>	December 31, 2019
<i>Actuarial cost method</i>	Entry Age Normal Level Percent of Pay
<i>Amortization for contribution</i>	Level percent, closed
<i>Asset valuation method</i>	N/A; plan is not pre-funded

Note: This information is not readily available for 10 years.

- **Other Supplementary Schedules**
 - **Schedules of Net Airfield Operations**
 - **Schedules of Net Terminal Operations**
 - **Schedules of Net Airport Business Center Operations**
 - **Schedules of Net Public Safety and Federal Inspection Station (FIS) Facility Operations**
 - **Schedules of Net Commercial Aviation Operations**
 - **Schedules of Net Apron and Parking Operations**
 - **Schedules of Net Non-Aviation Operations**
 - **Schedules of Administrative Expenses**



Savannah Airport Commission

Schedules of Net Airfield Operations

<i>Years ended December 31,</i>	2020	2019
Airfield income		
Landing fees	\$ 3,263,429	\$ 5,933,266
Fuel flow fees	138,296	144,103
Usage charges	191,196	218,614
Fuel farm fees	223,042	456,758
	3,815,963	6,752,741
Airfield expenses		
General	705,394	652,144
Maintenance		
Buildings	5,019	17,352
Grounds	464,186	441,998
Equipment	168,506	163,000
Runway	40,856	106,493
Janitorial	231	654
Fuel farm expenses	428,386	357,881
Utilities	64,721	66,207
Total expense excluding depreciation	1,877,299	1,805,729
Depreciation	3,829,110	4,052,024
Total expenses	5,706,409	5,857,753
Net airfield (loss) income	\$ (1,890,446)	\$ 894,988

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Terminal Operations

<i>Years ended December 31,</i>	2020	2019
Terminal income		
Car rentals	\$ 2,882,963	\$ 5,212,947
Airlines	6,778,830	6,592,159
Ground transportation	226,331	573,834
Gift shop	429,186	936,028
Restaurant	319,259	1,004,082
Space rental	376,665	501,530
Advertising	221,320	498,038
Telephone	26,929	26,929
Vending	30,147	46,531
Mini mall	6,328	8,767
Business center	33,000	33,000
Miscellaneous	18,716	130,394
Common charge/ticket checkers	705,272	523,784
	12,054,946	16,088,023
Terminal expenses		
General	4,425,388	3,346,852
Maintenance		
Buildings	2,270,167	2,678,605
Grounds	44,425	68,571
Janitorial	1,029,769	1,038,770
Equipment	306,847	307,780
Utilities	784,345	875,480
Advertising	95,818	91,421
Passport club	98,232	108,762
Visitors center	601,086	473,037
Ticket checkers/shuttle driver	1,480,940	1,266,234
Ground trans starters	201,133	196,371
Ops center	136,706	156,579
Total expense excluding depreciation	11,474,856	10,608,462
Depreciation	4,806,231	4,802,644
Total expenses	16,281,087	15,411,106
Net terminal (loss) income	\$ (4,226,141)	\$ 676,917

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Airport Business Center Operations

<i>Years ended December 31,</i>	2020	2019
Airport business center expenses		
General	41	-
Maintenance		
Buildings	1,906	187
Grounds	-	-
Utilities	9,272	9,376
Janitorial	121	956
Total expense excluding depreciation	11,340	10,519
Depreciation	1,662	1,808
Total expense	13,002	12,327
Net airport business center loss	\$ (13,002)	\$ (12,327)

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Public Safety and Federal Inspection Station (FIS) Facility Operations

<i>Years ended December 31,</i>	2020	2019
Public safety expenses		
General	\$ 4,003,512	\$ 3,774,563
Buildings	12,876	72,279
Equipment	31,406	40,229
<hr/>		
Total expense excluding depreciation	4,047,794	3,887,071
Depreciation	249,066	403,197
<hr/>		
Total expense	4,296,860	4,290,268
<hr/>		
Net public safety loss	\$ (4,296,860)	\$ (4,290,268)
<hr/>		
FIS facility expenses		
Building	\$ 1,988	\$ -
Utilities	37,625	-
General	9,888	4,310
<hr/>		
Total expense excluding depreciation	49,501	4,310
Depreciation	168,912	1,123
<hr/>		
Total expense	218,413	5,433
<hr/>		
Net FIS facility loss	\$ (218,413)	\$ (5,433)

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Commercial Aviation Operations

<i>Years ended December 31,</i>	2020	2019
Commercial aviation income		
Fixed base operators	\$ 550,605	\$ 588,249
Air cargo building	312,026	296,687
Land lease	1,839,416	1,461,973
Airline freight facility	123,734	146,763
AvGas	42,501	51,244
	2,868,282	2,544,916
Commercial aviation expenses		
General	83,478	45,618
Maintenance		
Buildings	5,036	(1,570)
Utilities	82,513	101,710
Ground support	2,850	5,799
Grounds	431	10,143
Fuel farm	30,478	26,506
Total expense excluding depreciation	204,786	188,206
Depreciation	379,929	360,393
Total expense	584,715	548,599
Net commercial aviation income	\$ 2,283,567	\$ 1,996,317

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Apron and Parking Operations

<i>Years ended December 31,</i>	2020	2019
Apron income		
Airline fixed payments	\$ 69,044	\$ 69,791
Apron expenses		
General	8,787	238
Maintenance	2,796	1,591
Utilities	4,472	-
Total expense excluding depreciation	16,055	1,829
Depreciation	579,379	423,577
Total expense	595,434	425,406
Net apron loss	\$ (526,390)	\$ (355,615)
Parking income		
Parking	\$ 3,433,443	\$ 9,172,911
Parking expenses		
General	1,702,939	1,514,910
Maintenance		
Buildings	79,275	161,369
Equipment	458	771
Grounds	4,478	4,916
Utilities	132,914	153,312
Total expense excluding depreciation	1,920,064	1,835,278
Depreciation	1,739,915	1,747,371
Total expense	3,659,979	3,582,649
Net parking (loss) income	\$ (226,536)	\$ 5,590,262

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Non-Aviation Operations

<i>Years ended December 31,</i>	2020	2019
Non-aviation income		
Land leases	\$ 1,111,613	\$ 1,230,795
Space rental	96,670	66,813
Motel	1,055,844	1,722,339
Industrial park	4,800	6,000
Food and beverage	21,622	39,198
Miscellaneous	700	2,298
	2,291,249	3,067,443
Non-aviation expenses		
General	546,829	349,237
Maintenance		
Buildings	7,837	6,314
Grounds	634,744	679,866
Equipment	80,435	75,051
Utilities	111,955	108,747
Total expense excluding depreciation	1,381,800	1,219,215
Depreciation	877,785	835,055
Total expense	2,259,585	2,054,270
Net non-aviation income	\$ 31,664	\$ 1,013,173

See independent auditor's report.

Savannah Airport Commission

Schedules of Administrative Expenses

<i>Years ended December 31,</i>	2020	2019
Salaries	\$ 2,891,901	\$ 2,772,956
Employee benefits	3,011,836	1,445,842
Contract labor	-	8,404
Marketing	2,747,694	3,961,655
Professional fees	1,178,722	905,234
Miscellaneous	315,429	345,115
Dues, travel, and meetings	345,028	617,349
Office supplies and postage	787,200	525,830
Telephone	95,513	94,153
Insurance	332,959	228,032
Equipment rental and service contracts	145,768	146,154
Printing and advertising	190	1,048
Total expense excluding depreciation	11,852,240	11,051,772
Depreciation	131,683	146,016
Total expense	\$ 11,983,923	\$ 11,197,788

See independent auditor's report.

Savannah Airport Commission

Statistical Section (Unaudited)

- Total Annual Revenues, Expenses, and Changes in Net Position
- Major Employers in Primary Air Trade Area
- Revenue Bond Coverage
- Ratios of Outstanding Debt
- Demographic Statistics
- Industry Specific Trend Data
- Airline Landed Weights
- Enplaned Passengers
- Aircraft Operations
- Airlines Serving the Savannah/Hilton Head International Area
- Principal Customers
- Miscellaneous Statistical Information



Savannah Airport Commission

Statistical Section (Unaudited)

This part of the Savannah Airport Commission's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the Commission's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Savannah Airport Commission

Total Annual Revenues, Expenses, and Changes in Net Position

<i>Years ended December 31,</i>	2011	2012	2013*	2014
Operating revenues				
Airfield	\$ 2,960,483	\$ 2,979,410	\$ 3,104,566	\$ 3,257,492
Terminal one	10,651,583	11,022,200	11,449,988	11,965,612
Airport business center	237,774	251,498	228,817	212,094
Commercial aviation	1,384,381	1,540,736	2,103,115	2,216,288
Apron	59,049	55,080	55,048	54,381
Parking	5,069,763	5,090,084	5,260,004	6,018,305
Non-aviation	2,210,156	2,357,093	2,472,968	2,713,210
Foreign trade zone	41,880	46,637	-	-
Total operating revenues	22,615,069	23,342,738	24,674,506	26,437,382
Operating expenses				
Airfield	1,518,448	1,560,643	1,631,526	1,905,637
Terminal one	7,388,517	8,525,450	8,499,325	9,094,306
Airport business center	278,190	234,919	274,554	140,603
Commercial aviation	201,895	175,258	237,942	261,441
Apron	28,374	27,931	27,066	24,547
Parking	1,367,486	1,382,186	1,452,052	1,369,561
Non-aviation	1,018,677	770,901	689,325	1,110,988
Foreign trade zone	217,008	112,931	-	-
Public safety	-	-	-	-
FIS facility	-	-	-	-
Administrative expenses	4,266,647	4,614,001	4,827,543	5,751,582
Depreciation	9,833,916	9,812,599	10,306,897	9,969,695
Total operating expenses	26,119,158	27,216,819	27,946,230	29,628,360
Operating loss	(3,504,089)	(3,874,081)	(3,271,724)	(3,190,978)
Non-operating revenues (expenses)				
Passenger facility charges	3,047,826	3,115,125	3,073,621	3,640,888
Customer facility charges	510,213	530,901	548,616	611,273
General aviation charges	60,288	69,395	77,196	79,130
Savannah aviation village fund charge	60,600	22,000	10,500	-
Interest revenue	685,564	553,716	487,125	319,351
Interest expense	(687,586)	(536,837)	(442,838)	(345,038)
Bond issuance cost amortization	(123,210)	(163,225)	-	-
Bond premium amortization	162,160	248,182	248,182	248,182
Loss on bond refunding	(132,322)	(149,932)	(149,932)	(149,932)
Net increase (decrease) in the fair value investments	(40,831)	(23,667)	(121,987)	(45,893)
Recovery of bad debt	-	1,294	-	-
Gain on disposal of capital assets	39,708	(10,251)	84,596	11,297
Total non-operating revenues	3,582,410	3,656,701	3,815,079	4,369,258
Income before capital contributions	78,321	(217,380)	543,355	1,178,280
Capital contributions	5,167,328	10,478,528	5,580,020	5,932,857
Net position adjustment	-	-	-	-
Increase in net position	\$ 5,245,649	\$ 10,261,148	\$ 6,123,375	\$ 7,111,137
Net position at year-end composed of				
Net investment in capital assets	\$ 150,510,150	\$ 164,079,072	\$ 163,915,951	\$ 161,352,944
Restricted	9,286,594	9,181,408	10,193,462	9,715,727
Unrestricted	27,378,084	24,175,496	29,009,263	39,161,142
Total net position	\$ 187,174,828	\$ 197,435,976	203,118,676	\$ 210,229,813

Savannah Airport Commission

Total Annual Revenues, Expenses, and Changes in Net Position

	2015	2016	2017*	2018	2019	2020
\$	3,430,523	\$ 4,092,314	\$ 4,741,605	\$ 5,703,136	\$ 6,752,741	\$ 3,815,963
	12,378,721	13,225,485	14,097,691	15,248,112	16,088,023	12,054,946
	146,878	4,200	5,000	-	-	-
	2,229,309	2,239,342	2,342,588	2,406,820	2,544,916	2,868,282
	60,231	59,651	70,879	71,773	69,791	69,044
	6,508,913	7,023,629	7,704,652	8,534,367	9,172,911	3,433,443
	3,106,677	3,241,826	3,028,981	3,336,134	3,067,443	2,291,249
	-	-	-	-	-	-
	27,861,252	29,886,447	31,991,396	35,300,342	37,695,825	24,532,927
	2,146,532	2,332,494	2,219,609	2,162,008	1,805,729	1,877,299
	9,449,322	10,696,443	10,654,133	11,463,914	10,608,462	11,474,897
	85,877	63,253	74,964	113,294	10,519	11,299
	158,716	258,360	149,683	165,349	188,206	204,782
	26,691	14,664	7,121	3,969	1,829	16,055
	1,337,464	1,535,639	1,453,209	1,653,726	1,835,278	1,920,064
	1,028,223	1,167,691	1,079,432	1,144,642	1,219,215	1,381,800
	-	-	-	3,164,103	3,887,071	4,047,798
	-	-	-	-	4,310	49,501
	7,664,600	7,221,902	7,373,924	8,566,816	11,051,772	11,852,237
	11,202,854	11,329,228	11,878,166	12,703,635	12,773,208	12,763,672
	33,100,279	34,619,674	34,890,241	37,977,353	43,385,599	45,599,404
	(5,239,027)	(4,733,227)	(2,898,845)	(2,677,011)	(5,689,774)	(21,066,477)
	3,902,443	4,208,795	4,863,617	5,549,069	5,920,188	2,538,410
	658,964	694,209	732,738	2,613,350	3,711,308	1,934,392
	87,267	88,364	100,030	89,080	90,679	82,373
	-	-	-	-	-	-
	404,423	499,415	903,020	1,127,197	1,542,767	942,438
	(260,600)	(125,349)	-	-	-	-
	-	-	-	-	-	-
	136,380	136,380	-	-	-	-
	(50,524)	(28,837)	6,401	-	-	-
	23,651	51,447	(178,827)	(132,721)	387,923	111,697
	-	-	-	-	-	-
	8,664	59,481	-	(100,973)	(22,978)	(4,348,776)
	4,910,668	5,583,905	6,426,979	9,145,002	11,629,887	1,260,534
	(328,359)	850,678	3,528,134	6,467,991	5,940,113	(19,805,943)
	4,021,586	859,175	5,686,825	5,423,362	10,408,120	14,128,106
	-	-	-	-	-	-
\$	3,693,227	\$ 1,709,853	\$ 9,214,959	\$ 11,891,353	\$ 16,348,233	\$ (5,677,837)
\$	157,729,262	\$ 159,208,931	\$ 160,040,146	\$ 161,956,390	\$ 168,961,459	\$ 157,014,546
	11,058,622	3,349,869	3,406,924	10,957,693	19,061,440	21,121,495
	37,309,773	45,248,710	54,558,021	56,982,361	58,221,778	62,430,799
\$	206,097,657	\$ 207,807,510	\$ 218,005,091	\$ 229,896,444	\$ 246,244,677	\$ 240,566,840

*2013 and 2017 have been restated

Savannah Airport Commission

Major Employers in Primary Air Trade Area Current Year and Ten Years Ago

Employer	2020	2010
	Employees	Employees
Gulfstream Aerospace Corporation	11,391	6,000
Savannah-Chatham County Board of Education	5,700	4,093
St. Joseph's Candler	4,071	3,304
Ft. Stewart/Hunter Army Airfield	3,299	5,109
Georgia Southern University	2,901	*
City of Savannah	2,205	2,500
Chatham County	2,136	1,500
YMCA of Coastal Georgia	1,987	*
Savannah College of Art & Design	1,814	1,500
Effingham County Board of Education	1,735	*
Walmart	*	2,935
Momentum Resources II, Inc.	*	1,703

Source: The Savannah Area Chamber of Commerce and The Savannah Economic Development Authority.

*Employer was not considered top ten major employers in respective year.

Savannah Airport Commission

Revenue Bond Coverage Last Ten Calendar Years (Thousands of Dollars)

Year	Gross Revenue	Total Expenses (Excluding Depreciation & Interest)	Net Revenue Available for Debt Service	Current Revenue Bond Debt Service			Total	Coverage
				Principal	Interest			
2011	\$ 24,134	\$ 16,541	\$ 7,593	\$ 2,275	\$ 688	\$ 2,963	2.56	
2012	\$ 24,768	\$ 17,728	\$ 7,040	\$ 2,350	\$ 537	\$ 2,887	2.44	
2013*	\$ 26,131	\$ 17,789	\$ 8,342	\$ 2,445	\$ 443	\$ 2,888	2.89	
2014	\$ 27,707	\$ 19,809	\$ 7,898	\$ 2,390	\$ 345	\$ 2,735	2.89	
2015	\$ 29,181	\$ 21,948	\$ 7,233	\$ 2,705	\$ 261	\$ 2,966	2.44	
2016	\$ 31,416	\$ 23,319	\$ 8,097	\$ 2,845	\$ 125	\$ 2,970	2.73	
2017*	\$ 33,734	\$ 23,191	\$ 10,534	\$ -	\$ -	\$ -	-	
2018	\$ 39,130	\$ 25,507	\$ 13,623	\$ -	\$ -	\$ -	-	
2019	\$ 43,429	\$ 30,635	\$ 12,794	\$ -	\$ -	\$ -	-	
2020	\$ 27,604	\$ 37,185	\$ (9,581)	\$ -	\$ -	\$ -	-	

*2013 and 2017 have been restated

Gross revenue excludes passenger facility charges included in non-operating revenue and capital contributions of \$16,666,516 in 2020 and \$ 16,328,308 in 2019.

Savannah Airport Commission

Ratios of Outstanding Debt

<i>Years ended December 31,</i>	2011	2012	2013*	2014
Ratio of authority issued Revenue Bond debt service to total expenses				
Principal	\$ 2,275,000	\$ 2,350,000	\$ 2,445,000	\$ 2,390,000
Interest	687,586	536,838	442,838	345,038
Total debt service	\$ 2,962,586	\$ 2,886,838	\$ 2,887,838	\$ 2,735,038
Total expenses	\$ 27,103,107	\$ 28,100,731	\$ 28,660,987	\$ 30,169,223
Ratio of debt service to total expenses	11%	10%	10%	9%
Debt service per enplaned passenger				
Net debt service	\$ 2,962,586	\$ 2,886,838	\$ 2,887,838	\$ 2,735,038
Enplaned passengers	817,631	814,496	823,494	963,385
Debt service per enplaned passenger	\$ 3.62	\$ 3.54	\$ 3.51	\$ 2.84
Debt limit per enplaned passenger				
Debt limit	No limit	No limit	No limit	No limit
Enplaned passengers	817,631	814,496	823,494	963,385
Debt limit per enplaned passenger	N/A	N/A	N/A	N/A
Outstanding debt per enplaned passenger				
Revenue bonds	\$ 13,752,306	\$ 11,154,124	\$ 8,460,942	\$ 5,822,760
Notes payable	-	-	-	-
Total outstanding debt	\$ 13,752,306	\$ 11,154,124	\$ 8,460,942	\$ 5,822,760
Outstanding debt per enplaned passenger	\$ 17	\$ 14	\$ 10	\$ 6

* 2013 and 2017 have been restated.

Savannah Airport Commission

Ratios of Outstanding Debt

2015		2016		2017*		2018		2019		2020	
\$	2,705,000	\$	2,845,000	\$	-	\$	-	\$	-	\$	-
	260,600		125,350		-		-		-		-
\$	2,965,600	\$	2,970,350	\$	-	\$	-	\$	-	\$	-
\$	33,411,403	\$	34,773,860	\$	35,069,068	\$	38,211,047	\$	43,408,577	\$	49,948,180
	9%		9%		0%		0%		0%		0%
\$	2,965,600	\$	2,970,350	\$	-	\$	-	\$	-	\$	-
	1,017,065		1,089,222		1,229,083		1,395,040		1,502,974		598,096
\$	2.92	\$	2.73	\$	-	\$	-	\$	-	\$	-
	No limit		No limit		No limit		No limit		No limit		No limit
	1,017,065		1,089,222		1,229,083		1,395,040		1,502,974		598,096
	N/A		N/A		N/A		N/A		N/A		N/A
\$	2,981,380	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-
\$	2,981,380	\$	-	\$	-	\$	-	\$	-	\$	-
\$	3	\$	-	\$	-	\$	-	\$	-	\$	-

* 2013 and 2017 have been restated.

Savannah Airport Commission

Demographic Statistics Last Ten Calendar Years

Year	Population (1)	Chatham County Per Capita Income (1)	Personal Income (000's) (1)	School Enrollment (2)	Unemployment Rate (3)
2011	271,544	\$ 38,748	\$ 10,295,000	35,355	8.70
2012	276,434	\$ 41,480	\$ 11,263,750	36,794	7.40
2013	280,359	\$ 41,804	\$ 11,556,179	37,487	6.20
2014	278,434	\$ 41,859	\$ 11,655,003	38,375	5.50
2015	283,379	\$ 40,872	\$ 11,582,152	37,059	5.50
2016	286,956	\$ 42,115	\$ 12,085,072	38,033	5.00
2017	289,082	\$ 43,076	\$ 12,452,599	37,335	4.00
2018	290,501	\$ 44,313	\$ 12,872,910	37,393	3.40
2019	289,195	\$ 47,563	\$ 13,754,879	37,433	2.70
2020	289,430	\$ 48,294	\$ 13,977,718	36,395	5.80

Sources: (1) Bureau of Economic Analysis
(2) Savannah-Chatham County Board of Education
(3) State Department of Labor

Savannah Airport Commission

Industry Specific Trend Data Last Ten Calendar Years

Year	Enplanements	Deplanements	Total Passengers	Available Seats	Load Factor
2011	817,631	794,808	1,612,439	1,084,319	75%
2012	814,496	797,504	1,612,000	1,034,307	79%
2013	823,494	818,594	1,642,088	1,041,740	79%
2014	963,385	953,176	1,916,561	1,172,334	82%
2015	1,017,065	1,010,197	2,027,262	1,214,145	84%
2016	1,089,222	1,101,184	2,190,406	1,333,669	82%
2017	1,229,083	1,234,358	2,463,441	1,501,797	82%
2018	1,395,040	1,404,486	2,799,526	1,768,310	79%
2019	1,502,974	1,518,103	3,021,077	1,903,143	79%
2020	598,096	601,899	1,199,995	1,026,397	58%

Source: Savannah Airport Commission, Finance Department.

Savannah Airport Commission

Airline Landed Weights (1,000 lbs.) 2011 – 2020

	Percent of Total		Percent of Total	
	2020	2020	2019	2019
Airline				
Delta Airlines	264,789	25.08%	470,470	24.95%
PSA (American)	221,881	21.01%	277,644	14.72%
Allegiant Airlines	124,606	11.80%	173,044	9.18%
JetBlue	85,609	8.11%	167,519	8.88%
American Airlines	62,407	5.91%	212,358	11.26%
Mesa (United)	49,213	4.66%	61,919	3.28%
Endeavor (Delta)	28,667	2.71%	93,031	4.93%
Republic (United)	27,007	2.56%	28,496	1.51%
Envoy Air (American)	25,105	2.38%	32,327	1.71%
Republic (American)	22,188	2.10%	17,379	0.92%
Sky West (United)	15,606	1.48%	12,824	0.68%
Air Wisconsin (United)	13,019	1.23%	35,626	1.89%
CommutAir (United)	11,728	1.11%	16,781	0.89%
Express Jet (United)	10,043	0.95%	41,987	2.23%
Sky West (Delta)	7,515	0.71%	61,276	3.25%
Frontier	6,958	0.66%	26,305	1.40%
Republic (Delta)	4,683	0.44%	875	0.05%
Sky West (American)	4,355	0.41%	13,065	0.69%
United Airlines	2,806	0.27%	58,006	3.08%
Air Canada	676	0.06%	10,030	0.53%
Sun Country	-	-	4,096	0.22%
GoJet (United)	-	-	1,139	0.06%
GoJet (Delta)	-	-	67	0.00%
Trans States (United)	-	-	-	-
Piedmont (American)	-	-	-	-
Express Jet (Delta)	-	-	-	-
Mesa (American)	-	-	-	-
Trans States (American)	-	-	-	-
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Chautauqua (American)	-	-	-	-
Pinnacle (Delta)	-	-	-	-
Continental	-	-	-	-
Comair (Delta)	-	-	-	-
US Airways Express	-	-	-	-
Chautauqua (Delta)	-	-	-	-
Vision Airlines	-	-	-	-
Total scheduled	988,861	93.65%	1,816,264	96.32%
Total non-scheduled	6,024	0.57%	8,963	0.48%
Cargo carriers				
Federal Express	51,318	4.86%	51,282	2.72%
Air Cargo Carriers	7,131	0.68%	6,868	0.36%
Suburban Air Freight	2,451	0.23%	2,210	0.12%
Sky Way Enterprises	104	0.01%	-	-
Martinaire, Inc.	9	0.00%	18	0.00%
Mountain Air Cargo	-	-	26	0.00%
Wiggins Airways	-	-	-	-
Total Cargo	61,013	5.78%	60,404	3.20%
Grand Total	1,055,898	100.00%	1,885,631	100.00%

Source: PASSUR, passive radar software.

Savannah Airport Commission

Airline Landed Weights (1,000 lbs.) 2011 – 2020

2018	2017	2016	2015	2014	2013	2012	2011
478,767	449,293	437,725	437,487	409,511	414,153	415,927	395,480
260,756	206,144	215,003	213,920	85,836	86,597	88,326	58,031
138,366	101,503	69,803	17,665	-	-	-	8,648
159,557	152,751	144,815	137,908	119,116	-	-	-
150,412	64,716	4,877	260	-	-	-	-
32,886	38,198	33,969	24,522	11,725	8,943	12,596	6,432
135,516	82,856	55,621	48,590	42,732	-	-	-
9,219	8,742	11,963	-	-	-	-	-
14,732	37,289	47,312	25,242	45,709	46,596	48,425	56,540
23,375	12,744	17,056	3,551	19,480	32,429	47,239	99,827
11,160	12,336	7,033	2,641	-	67	-	-
43,193	9,259	-	-	-	-	-	-
10,231	13,352	13,360	-	-	-	-	-
32,795	47,792	79,769	97,412	134,643	131,057	110,595	41,991
1,275	150	-	-	-	-	-	-
17,201	-	-	-	-	-	-	-
2,260	1,628	-	-	-	-	-	-
-	-	-	-	-	-	-	-
124,268	79,087	6,926	-	-	-	-	44,997
11,248	8,436	-	-	-	-	-	-
5,458	6,091	7,987	5,180	-	-	-	-
67	6,432	2,077	-	-	-	-	-
2,570	13,282	40,063	41,760	30,485	18,425	9,581	-
11,219	4,250	6,431	20,781	-	-	4,469	7,892
5,750	8,933	859	993	888	420	204	684
3,835	44,852	40,219	42,596	55,660	28,034	26,794	27,793
3,492	-	6,093	19,831	114,541	124,798	87,675	70,635
1,911	13,481	-	-	-	-	-	-
-	19,787	22,936	18,894	35,908	35,767	28,576	15,933
-	1,808	578	-	-	-	-	-
-	-	9,822	819	1,023	20,462	19,759	292
-	-	-	6,157	-	-	-	-
-	-	-	-	7,171	28,251	11,557	-
-	-	-	-	-	3,277	8,032	255
-	-	-	-	-	769	5,276	48,317
-	-	-	-	-	-	36,107	79,312
-	-	-	-	-	-	8,910	4,430
-	-	-	-	-	-	753	898
-	-	-	-	-	-	298	28,635
-	-	-	-	-	-	-	1,554
1,691,519	1,445,192	1,282,297	1,166,209	1,114,428	980,045	971,099	998,576
6,101	5,719	3,154	5,367	5,654	2,195	4,812	4,139
54,054	51,678	52,074	54,648	54,252	51,440	42,563	49,068
7,026	7,009	6,369	6,198	6,426	6,606	4,238	6,094
2,443	3,458	3,912	3,667	3,548	3,487	2,450	2,773
-	592	679	-	-	-	-	-
70	35	36	80	113	51	8,876	2,146
34	-	-	-	-	-	-	-
-	-	13	263	76	-	988	-
63,627	62,772	63,083	64,856	64,415	61,584	59,115	60,081
1,761,247	1,513,683	1,348,534	1,236,432	1,184,497	1,043,824	1,035,026	1,062,796

Savannah Airport Commission

Enplaned Passengers 2011 – 2020

	2020	Percent of Total 2020	2019	Percent of Total 2019
Airline				
Delta Airlines	156,209	26.12%	408,860	27.20%
PSA (American)	138,727	23.19%	213,739	14.22%
Allegiant Airlines	75,380	12.60%	151,089	10.05%
JetBlue	44,878	7.50%	147,585	9.82%
American Airlines	40,165	6.72%	153,759	10.23%
Mesa (United)	26,972	4.51%	49,826	3.32%
Envoy Air (American)	19,710	3.30%	29,851	1.99%
Republic (United)	15,303	2.56%	22,354	1.49%
Endeavor (Delta)	15,082	2.52%	73,814	4.91%
Republic (American)	12,992	2.17%	12,689	0.84%
Air Wisconsin (United)	9,901	1.66%	31,443	2.09%
CommutAir (United)	9,562	1.60%	16,117	1.07%
Express Jet (United)	9,166	1.53%	40,024	2.66%
Sky West (United)	8,040	1.34%	11,206	0.75%
Frontier	3,646	0.61%	27,083	1.80%
Sky West (Delta)	3,542	0.59%	44,008	2.93%
Sky West (American)	2,566	0.43%	9,459	0.63%
Republic (Delta)	2,556	0.43%	67	0.00%
United Airlines	1,413	0.24%	44,701	2.97%
Air Canada	412	0.07%	8,805	0.59%
Sun Country	-	-	3,341	0.22%
GoJet (United)	-	-	876	0.06%
GoJet (Delta)	-	-	73	0.00%
Trans States (United)	-	-	408,860	27.20%
Piedmont (American)	-	-	-	-
Mesa (American)	-	-	-	-
Express Jet (Delta)	-	-	-	-
Trans States (American)	-	-	-	-
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Chautauqua (American)	-	-	-	-
Pinnacle (Delta)	-	-	-	-
Continental	-	-	-	-
Comair (Delta)	-	-	-	-
Chautauqua (Delta)	-	-	-	-
Vision Airlines	-	-	-	-
Total	596,222	99.69%	1,500,769	99.85%
Non-Scheduled	1,874	0.31%	2,205	0.15%
Grand Total	598,096	100.00%	1,502,974	100.00%

Source: Individual Airlines.

Savannah Airport Commission

Enplaned Passengers 2011 – 2020

2018	2017	2016	2015	2014	2013	2012	2011
398,783	383,335	370,076	386,595	367,560	346,474	346,857	301,000
206,121	174,532	180,459	183,150	74,807	73,237	73,303	51,289
124,108	94,360	63,171	17,568	-	-	-	6,578
135,325	135,313	128,576	121,577	104,402	-	-	-
118,537	48,337	996	28	-	-	-	-
25,728	32,005	30,135	20,547	7,902	7,629	8,593	5,410
14,449	32,021	42,107	25,127	44,151	45,769	46,386	50,470
8,012	6,858	10,579	-	-	-	-	-
104,076	64,004	42,395	36,185	27,980	-	-	-
17,156	9,855	14,318	3,107	17,260	28,020	40,099	77,188
38,151	8,732	-	-	-	-	-	-
8,872	12,721	12,676	-	-	-	-	-
30,880	46,174	78,771	96,384	126,028	119,552	95,592	34,094
9,448	10,786	6,147	2,267	-	-	-	-
16,817	-	-	-	-	-	-	-
885	151	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,697	1,035	-	-	-	-	-	-
93,840	63,883	6,522	-	-	-	-	40,953
9,910	7,419	-	-	-	-	-	-
3,953	4,053	3,431	2,274	-	-	-	-
68	4,783	1,586	-	-	-	-	-
2,059	10,633	29,864	29,355	22,510	13,488	7,122	-
10,494	3,792	6,382	20,203	-	-	3,528	6,527
5,435	8,328	587	52	134	100	-	302
3,490	-	4,880	16,612	98,421	96,914	72,159	58,704
3,145	34,419	26,022	31,480	36,152	23,438	21,896	25,611
1,921	12,523	-	-	-	-	-	-
-	16,248	20,545	17,468	30,351	29,982	26,740	14,017
-	1,142	425	-	-	-	-	-
-	-	7,883	671	818	14,549	13,891	285
-	-	-	5,304	-	-	-	-
-	-	-	-	4,089	20,866	8,823	-
-	-	-	-	-	1,921	5,819	257
-	-	-	-	-	644	4,151	44,441
-	-	-	-	-	-	30,573	66,084
-	-	-	-	-	-	7,263	4,167
-	-	-	-	-	-	258	27,882
-	-	-	-	-	-	-	928
1,393,360	1,227,442	1,088,533	1,015,954	962,565	822,583	813,053	816,187
1,680	1,641	689	1,113	820	911	1,443	1,444
1,395,040	1,229,083	1,089,222	1,017,067	963,385	823,494	814,496	817,631

Savannah Airport Commission

Aircraft Operations 2011 – 2020

Year	Airlines	Cargo	General Aviation	Military	Total
2011	13,946	24,093	52,746	8,021	98,806
2012	15,150	21,532	45,259	8,385	90,326
2013	15,332	20,554	41,778	7,294	84,958
2014	18,121	20,543	38,648	7,778	85,090
2015	20,042	19,101	40,486	9,062	88,691
2016	23,597	19,405	42,132	7,546	92,680
2017	24,878	20,273	41,503	8,173	94,827
2018	28,226	20,160	40,752	7,685	96,823
2019	31,082	18,583	50,489	7,610	107,764
2020	19,750	12,920	51,821	7,803	92,294

Annual Compounded Growth

2011-2020	3.94%	-6.69%	-0.20%	-0.31%	-0.75%
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Source: FAA

Savannah Airport Commission

Airline Serving the Savannah/Hilton Head International Airport

Airlines Serving the Savannah/Hilton Head International Airport

PRIMARY CARRIERS

Air Canada
Allegiant
American
Delta
Frontier
JetBlue
Sun Country
United

AFFILIATE CARRIERS

Air Wisconsin d/b/a United
CommutAir d/b/a United
Endeavor d/b/a Delta
Envoy d/b/a American
Express Jet d/b/a United
Mesa d/b/a/ United
PSA d/b/a American
Republic d/b/a American
Republic d/b/a Delta
Republic d/b/a United
SkyWest d/b/a American
SkyWest d/b/a Delta
SkyWest d/b/a United

ALL CARGO CARRIERS

Air Cargo Carriers
Federal Express
Martinaire Aviation
Sky Way Enterprises
Suburban Air Freight

Savannah Airport Commission

Principal Customers

Customer Name	Revenue From Customers 2020	% Of Total Revenue 2020	Revenue From Customers 2019	% Of Total Revenue 2019
PARKING	3,434,560	15.15%	9,173,199	26.46%
DELTA AIRLINES	3,351,253	14.79%	4,423,570	12.76%
AMERICAN AIRLINES	2,939,459	12.97%	2,782,111	8.02%
GULFSTREAM	1,925,210	8.49%	1,674,553	4.83%
ALAMO/NATIONAL (f/k/a Vanguard)	1,285,291	5.67%	2,582,579	7.45%
HERTZ RENT A CAR	1,133,411	5.00%	2,317,366	6.68%
ALLEGiant AIRLINES	1,042,261	4.60%	-	-
UNITED AIRLINES	988,784	4.36%	1,222,653	3.53%
JETBLUE	881,767	3.89%	1,252,191	3.61%
ENTERPRISE	827,620	3.65%	1,319,832	3.81%
PSA AIRLINES	710,018	3.13%	860,696	2.48%
BUDGET CAR RENTAL	709,961	3.13%	1,077,362	3.11%
AVIS RENT A CAR	676,807	2.99%	1,070,120	3.09%
PARADIES	478,324	2.11%	993,234	2.86%
FEDERAL EXPRESS	407,291	1.80%	402,251	1.16%
SIGNATURE FLIGHT SUPPORT	396,475	1.75%	391,203	1.13%
HOST, INC	390,763	1.72%	1,101,793	3.18%
TSA	270,425	1.19%	264,427	0.76%
THRIFTY	254,327	1.12%	470,100	1.36%
LIBERTY AIR VENTURES	215,919	0.95%	201,196	0.58%
DOLLAR RENT A CAR	187,364	0.83%	261,995	0.76%
MESA-UNITED	157,484	0.69%	-	-
UBER	-	-	337,410	0.97%
ENDEAVOR AIRLINES - DELTA	-	-	291,432	0.84%
HILTON GARDEN INN	-	-	201,206	0.58%
CHATHAM CO. MOSQ CONTROL	-	-	-	-
US AIRWAYS	-	-	-	-
ASA - UNITED	-	-	-	-
MESA-US AIRWAYS	-	-	-	-
GOODWILL INDUSTRIES	-	-	-	-
AMERICAN EAGLE	-	-	-	-
EXPRESS JET-UNITED	-	-	-	-
CONTINENTAL EXPRESS	-	-	-	-
REPUBLIC AIRLINES	-	-	-	-

Source: Savannah Airport Commission, Finance Department.

Savannah Airport Commission

Principal Customers

2018	2017	2016	2015	2014	2013	2012	2011
\$8,534,367	\$7,704,748	\$7,024,263	\$6,508,041	\$6,017,762	\$5,260,004	\$5,090,084	\$5,069,763
\$4,479,404	\$4,357,879	\$4,366,076	\$4,409,800	\$4,269,161	\$4,321,510	\$4,137,592	\$3,901,914
\$2,508,982	\$1,964,732	\$1,344,446	\$1,396,281	\$1,444,405	-	-	-
\$1,663,104	\$1,617,650	\$1,636,155	\$1,558,964	\$1,603,327	\$1,333,438	\$809,977	\$458,043
\$2,079,736	\$1,464,041	\$1,349,645	\$1,272,924	\$969,881	\$767,753	\$803,237	\$817,442
\$2,004,051	\$1,323,888	\$1,197,321	\$1,170,657	\$1,205,561	\$1,071,008	\$1,019,274	\$984,063
-	-	-	-	-	-	-	-
\$1,464,993	\$1,292,175	\$1,009,661	\$985,201	\$1,090,830	\$1,208,256	\$537,657	-
\$1,216,452	\$1,250,191	\$1,062,944	-	-	-	-	-
\$1,240,476	\$892,747	\$764,941	\$706,456	\$648,022	\$633,847	\$576,510	\$522,201
\$782,562	\$597,812	\$602,004	\$577,580	\$223,369	\$217,013	\$212,482	-
\$931,241	\$611,873	\$541,795	\$574,587	\$650,412	\$534,221	\$533,998	\$511,930
\$894,638	\$672,371	\$661,366	\$611,229	\$621,366	\$556,467	\$579,394	\$594,835
\$894,035	\$895,408	\$776,391	\$663,623	\$679,311	\$547,145	\$566,346	\$559,506
\$404,851	\$319,481	\$260,810	\$249,259	\$256,063	\$462,028	\$431,745	\$439,845
\$382,880	\$483,592	\$513,339	\$552,978	\$497,662	\$668,386	\$698,769	\$674,465
\$1,027,429	\$824,900	\$787,693	\$707,620	\$611,152	\$511,211	\$483,713	\$481,628
\$337,230	\$692,354	\$252,156	\$255,975	\$245,247	\$245,674	\$231,165	\$246,121
\$385,296	\$346,053	\$362,843	\$327,884	\$363,853	\$289,152	\$274,995	\$240,731
-	-	-	-	-	-	-	-
\$220,218	-	\$219,894	\$209,125	\$223,342	-	-	-
-	-	-	-	-	-	\$398,304	\$694,558
\$245,177	-	-	-	-	-	-	-
\$410,281	\$248,415	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$345,230	\$394,080	\$391,388	\$388,696	\$386,004	\$383,312	\$380,620	\$378,467
-	-	\$504,942	\$510,020	\$710,666	\$1,738,024	\$1,594,722	\$1,471,922
-	-	-	\$263,020	\$349,290	-	-	-
-	-	-	-	\$297,798	\$311,991	\$210,414	\$162,457
-	-	-	-	\$211,446	\$214,926	\$234,534	\$234,534
-	-	-	-	-	\$749,316	\$721,951	\$780,517
-	-	-	-	-	\$328,357	\$337,242	-
-	-	-	-	-	-	\$434,778	\$838,507
-	-	-	-	-	-	-	\$229,601

Savannah Airport Commission

Miscellaneous Statistical Information

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Date of Incorporation - 1949										
Number of Employees	171	175	172	184	196	201	204	205	218	198
Terminal Building	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF	381,979 SF
Land Owner	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres	3,638 acres
Airport Business Center	112,000 SF	112,000 SF	112,000 SF	112,000 SF	112,000 SF	112,000 SF	112,000 SF	11,748 SF	11,748 SF	11,748 SF
Runways:										
Runway 10/28	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft	9,351 ft x 150 ft
Runway 19/1	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft	7,002 ft x 150 ft
Total Gates	15	15	15	15	15	15	15	15	15	15
Terminal Gates in Use	8	8	8	9	10	11	12	12	12	12
Number of Airlines Serviced	22	21	17	16	21	24	27	27	23	21
Number of Rental Car Agencies on Property	7	7	7	8	8	8	8	8	8	8
Number of Taxi/Limousine Companies Servicing Airport	65	72	79	80	76	76	71	70	63	67
Number of Concessionaires in Terminal Building	18	17	17	17	17	18	19	20	21	20
Number of Public Parking Spaces	3,954	3,954	3,954	3,914	3,924	3,924	3,924	3,924	3,924	3,924

Source: Savannah Airport Commission, Finance Department

- Independent auditor's 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*.
- Independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.
- Independent auditor's report on compliance with requirements applicable to the passenger facility charge program and on internal control over compliance.





**INDEPENDENT AUDITOR'S 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***

The Commissioners
Savannah Airport Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Savannah Airport Commission (the Commission) as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated June 30, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

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 the Commission'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.

Hancock Askew + Co., LLP

Savannah, Georgia
June 30, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Commissioners
Savannah Airport Commission

Report on Compliance for Each Major Federal Program

We have audited the compliance of Savannah Airport Commission (the Commission) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission'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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about the Commission'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. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, Savannah Airport Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Commission 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 the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Commission'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 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 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hancock Askew + Co., LLP

Savannah, Georgia
June 30, 2021

Savannah Airport Commission

Schedule of Expenditures of Federal Awards

December 31, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor Numbers	Amount of Federal Expenditures
Capital contributions			
Federal Department of Transportation			
Federal Aviation Administration			
COVID-19 – Airport Improvement Program	20.106*	N/A	\$ 9,585,214
Airport Improvement Program	20.106*	N/A	4,283,593
			\$ 13,868,807

*Major program as defined by United States Office of Management and the Uniform Guidance.
See notes to schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Commission. The Commission's reporting entity is defined in Note 1 to the Commission's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). All federal awards received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Commission's basic financial statements. The Commission accounts for this federal financial assistance as non-operating revenue.

3. Indirect Cost Rate

The Commission has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Relationship to Financial Statements

Federal program award revenues are reported as non-operating revenue in the Commission's basic financial statements as federal construction grants in the amount of \$13,868,807

5. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with amounts reported in the related federal financial reports.

Savannah Airport Commission

Schedule of Findings and Questioned Costs

Year ended December 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting

Material weakness identified? _____ yes X no

Significant deficiency identified not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs

Material weakness identified? _____ yes X no

Significant deficiency identified not considered to be material weakness? _____ yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section .510(a)? _____ yes X no

Identification of major programs

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
20.106	Federal Aviation Administration - Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? X yes _____ no

Savannah Airport Commission

Schedule of Findings and Questioned Costs (cont.)

Passenger Facility Charges (PFC) Program

Internal control over financial reporting

Material weakness identified?

_____ yes X no

Significant deficiency identified not considered
to be material weaknesses?

_____ yes X none reported

Type of auditors' report issued on compliance for PFC
program:

Unmodified

Any audit findings disclosed?

_____ yes X no

Section II - Financial Statement Findings

None reported

Section III - Federal Award Findings

None reported

Section IV – PFC Program Findings and Questioned Costs

No matters were reportable.



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE**

The Commissioners
Savannah Airport Commission

Report on Compliance for Passenger Facility Charge Program

We have audited Savannah Airport Commission's (the Commission) compliance with the types of compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (Guide), issued by the Federal Aviation Administration, that could have a direct and material effect on the Commission's passenger facility charge program for the year ended December 31, 2020.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Commission's passenger facility charge program 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 the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration. Those standards and 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 the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the Commission'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 the passenger facility charge program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the Commission 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 the Commission's 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 the passenger facility charge program and to test and report on internal control over compliance in accordance with the Passenger Facility Charge Audit Guide for Public Agencies, 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 Commission'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 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 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 the passenger facility charge 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 the Passenger Facility Charge Audit Guide for Public Agencies. Accordingly, this report is not suitable for any other purpose.

Hancock Askew + Co., LLP

Savannah, Georgia
June 30, 2021

Savannah Airport Commission

Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
PFC Income						
PFC Revenue	\$ 1,334,207	\$ 719,629	\$ 343,393	\$ 576,690	\$ 2,973,919	\$ 89,751,623
Interest	966	983	560	16	2,525	844,067
Total PFC income	\$ 1,335,173	\$ 720,612	\$ 343,953	\$ 576,706	\$ 2,976,444	\$ 90,595,690
Expenditures by project						
GILBERT SOUTHERN - APRON	-	-	-	-	-	316,549
DUNN CONST. IN #3,6,7, 10-17	-	-	-	-	-	780,771
PALMETTO PILE DRIVING	-	-	-	-	-	221,395
MONTGOMERY ELEVATORS INV. #1-6, 10-11	-	-	-	-	-	394,000
CONSULTANT/PROFESSIONAL FEES	-	-	-	-	-	581,242
FEDERAL SIGN INVOICE #1	-	-	-	-	-	27,995
HIGGERSON INVOICE #26	-	-	-	-	-	298,474
BANK OF NY-DEBT SVC 92 BONDS/2001 Bond Ref./2011 Bond Ref.	-	-	-	-	-	42,939,056
HELIPAD	-	-	-	-	-	60,177
HNTB AIP 20	-	-	-	-	-	34,633
BALLENGER AIP 21	-	-	-	-	-	167,577
HEAD INC. INV#1-11 AIP 24	-	-	-	-	-	515,235
NORTH/SOUTH PERIMETER FENCE - AIP24	-	-	-	-	-	4,429
NORTH/SOUTH PERIMETER FENCE - NON AIP	-	-	-	-	-	195,905
PHOENIX CONST (SAC REIMB) AIP26 T/W E	-	-	-	-	-	244,628
FAA AIP26 T/W E CABLES	-	-	-	-	-	1,735
J.M.MILES AIP27 FIRE STATION INV#1-15	-	-	-	-	-	92,547
WILBUR SMITH AIP 27 FIRE STATION	-	-	-	-	-	2,283
RICONDO&ASSOC PFC APPLICATION	-	-	-	-	-	12,849
RC CONSTR INV#1-3 AIP29 T/W C	-	-	-	-	-	47,020
GREINER (SAC REIMB) AIP29 T/W C	-	-	-	-	-	3,506
SAC REIMB LABOR-AIP 29 T/W C	-	-	-	-	-	12,631
S&ME AIP29 R/W 18/36	-	-	-	-	-	181
RC CONSTR INV#1-7 AIP29 R/W 18/36	-	-	-	-	-	102,619
GREINER (SAC REIMB) AIP29 R/W 18/36	-	-	-	-	-	6,695
AAAE (SAC REIMB) AIP29 R/W 18/36 (ANTN)	-	-	-	-	-	484
SAC REIMB-LABOR/TESTING AIP29 R/W 18/36	-	-	-	-	-	2,742
GREINER AIP30 GA TWY #3	-	-	-	-	-	6,222
S&ME AIP30 GA TWY #3	-	-	-	-	-	11
ADEL STEEL AIP30 GA TWY #3	-	-	-	-	-	50,000
RB BAKER AIP30 GA TWY #3 INV 1-8	-	-	-	-	-	49,026
SAC REIMB-LABOR/ADMIN AIP30 GA TWY #3	-	-	-	-	-	1,625
TWY A-SAC REIMB-LABOR	-	-	-	-	-	3,712
TWY A-AIP30-GREINER	-	-	-	-	-	16,777
TWY A-AIP33-URS CORP(GREINER)	-	-	-	-	-	1,814
TWY A-AIP 33 -TRIANGLE INV#1-13	-	-	-	-	-	346,833

Savannah Airport Commission

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	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
TWY A-AIP 33-S&ME	-	-	-	-	-	2,000
SWEEPER	-	-	-	-	-	100,000
AIRFIELD LIGHT CONTROL	-	-	-	-	-	229,540
TERMINAL APRON-AIP 33-TRIANGLE INV#4-10	-	-	-	-	-	144,424
TERMINAL APRON-AIP 33-URS	-	-	-	-	-	652
TERMINAL APRON-AIP 33-S&ME	-	-	-	-	-	987
TERMINAL APRON-AIP 33-SAC REIMB	-	-	-	-	-	64,839
BUILDOUT GATE 9 & 10-SAC REIMB	-	-	-	-	-	532,393
GA TWY #2-TRIANGLE INV#8-10	-	-	-	-	-	110,405
GA TWY #2-URS	-	-	-	-	-	2,390
GA TWY #2-S&ME	-	-	-	-	-	1,180
GA TWY #2-SAC REIMB	-	-	-	-	-	178,382
LOADING BRIDGES (PURCHASE 6 FMC)	-	-	-	-	-	829,960
LOADING BRIDGES FMC (REIMB SAC)	-	-	-	-	-	1,003,162
RICONDO & ASSOC. - PFC APPLICATION #4-REIMB SAC	-	-	-	-	-	25,972
T/W "F" AIP 34 - SHAMROCK	-	-	-	-	-	158,501
T/W "F" AIP 34 - URS	-	-	-	-	-	1,786
T/W "F" AIP 34 - S & ME	-	-	-	-	-	1,188
T/W "F" AIP 34 - REIMB SAC	-	-	-	-	-	7,699
AIR CARGO APRON AIP 34 - SHAMROCK	-	-	-	-	-	83,354
AIR CARGO APRON AIP 34 - URS	-	-	-	-	-	595
AIR CARGO APRON AIP 34 - S & ME	-	-	-	-	-	396
AIR CARGO APRON AIP 34 - REIMB SAC	-	-	-	-	-	1,905
PAPI AIP 34 - SHAMROCK	-	-	-	-	-	8,266
RICONDO & ASSOC. - PFC APPLICATION #5-REIMB SAC	-	-	-	-	-	16,000
AAAAE INTERACTIVE TRAINING - REIMB. SAC (APPL. #5)	-	-	-	-	-	38,000
FINGERPRINT MACHINE - REIMB. SAC (APPL. #5)	-	-	-	-	-	2,272
SO. BAGGAGE CAROUSEL - REIMB. SAC (APPL. #5)	-	-	-	-	-	245,519
VALET BAG LIFTS - REIMB. SAC (APPL. #5)	-	-	-	-	-	237,714
AMMO BUNKER AIP 36 - OGEECHEE RIVER MITIGATION	-	-	-	-	-	23,920
AMMO BUNKER AIP 36 - R. B. BAKER	-	-	-	-	-	230,105
AMMO BUNKER AIP 36 - REIMB. SAC	-	-	-	-	-	23,720
AMMO BUNKER AIP 36 - MACTEC	-	-	-	-	-	32
SW QUAD ACCESS ROAD AIP 36 - R. B. BAKER	-	-	-	-	-	172,117
SW QUAD ACCESS ROAD AIP 36 - REIMB SAC	-	-	-	-	-	32,210
SW QUAD ACCESS ROAD AIP 36 - URS	-	-	-	-	-	990
ESCALATOR #1A (APPL. #4)	-	-	-	-	-	148,818

Savannah Airport Commission

Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
ESCALATOR #1A (APPL. #4) REIMB SAC	-	-	-	-	-	4,227
PURCHASE/RENOVATE LOADING BRIDGES (APPL. #5)	-	-	-	-	-	909,988
PURCHASE/RENOVATE LOADING BRIDGES REIMB SAC	-	-	-	-	-	26
FLIGHT INFORMATION DISPLAY SYSTEM (APPL. #5)	-	-	-	-	-	764,073
DESIGN & CONSTRUCT GA TAXIWAYS (APPL. #5)	-	-	-	-	-	134,240
Relocate Airfield Lighting Controls- ATCT AIP 38 - SAC REIMB	-	-	-	-	-	10,988
General Aviation Connector Taxiways (AIP 39+40)- R.B.BAKER	-	-	-	-	-	3,938
General Aviation Connector Taxiways (AIP 39+40)- URS	-	-	-	-	-	250
General Aviation Connector Taxiways (AIP 39+40)- SAC REIMB.	-	-	-	-	-	70,950
Runway Safety Area Impr. (AIP 39)-R.B BAKER (APPL #6)	-	-	-	-	-	703
Runway Safety Area Impr. (AIP 39)-SAC REIMB. (APPL #6)	-	-	-	-	-	6,015
Airfield Lighting Impr.-Vault (Phase1&2)-BAKER (AIP39&40)	-	-	-	-	-	692
Airfield Lighting Impr.-Vault (Phase1&2)-CHOATE (AIP39&40)	-	-	-	-	-	8,100
Airfield Lighting Impr.-Vault (Phase1&2)-SAC REIMB PFC OVERPD Choate.(AIP39&40)	-	-	-	-	-	(1,303)
Airfield Lighting Impr.-Vault (Phase1&2)-SAC REIMB	-	-	-	-	-	188,180
Terminal Expansion (AIP 40)- RUTH & DUN. (APPL #6)	-	-	-	-	-	3,825
Terminal Expansion (AIP 40)-SAC REIMB. (APPL #6)	-	-	-	-	-	294,406
Terminal Expansion (AIP 40)-CHOATE (APPL #6)	-	-	-	-	-	926,095
Terminal Expansion (AIP 40)-GRIFFIN (APPL #6)	-	-	-	-	-	1,037
Terminal Expansion (AIP 40)- BMW ARCHITE (APPL #6)	-	-	-	-	-	718
Terminal Expansion (AIP 40)-SAC reimb. For BMW ARCHITE (APPL #6)	-	-	-	-	-	896
Terminal Expansion (AIP 40)-URS (APPL #6)	-	-	-	-	-	25,631
Terminal Expansion (AIP 40)-BLDG & EARTH (APPL #6)	-	-	-	-	-	2,728
Terminal Expansion (AIP 40)-ALLTEL SYSTEM GROUP (APPL #6)	-	-	-	-	-	7,355

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Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
Terminal Expansion (AIP 40)-skinner nurseries (APPL #6)	-	-	-	-	-	350
Terminal Expansion (AIP 40) home depo (plants) (APPL #6)	-	-	-	-	-	464
Apron Expansion (AIP 40)-SAC REIMB. (APPL #6)	-	-	-	-	-	157,087
Apron Expansion (AIP 40)-URS (APPL #6)	-	-	-	-	-	1,619
Apron Expansion (AIP 40)-RC Construction (APPL #6)	-	-	-	-	-	486,384
Loading Bridges (6) and Bag Lifts (4) (APPL #6) FMC	-	-	-	-	-	1,990,247
Loading Bridges (6) and Bag Lifts (4) (APPL #6) REIMB SAC	-	-	-	-	-	36,562
Replace ARFF Bridge (AIP39)-R.B BAKER (APPL #6)	-	-	-	-	-	1,671
Replace ARFF Bridge (AIP39)-SAC REIMB. (APPL #6)	-	-	-	-	-	14,649
Runway Redesignation-URS	-	-	-	-	-	663
Runway Redesignation- RC CONSTRUCTION	-	-	-	-	-	29,264
Runway Redesignation- REIMB SAC	-	-	-	-	-	36,160
Relocate Runway 36 Localizer-URS	-	-	-	-	-	543
Relocate Runway 36 Localizer-Aubrey Silvey	-	-	-	-	-	6,088
Relocate Runway 36 Localizer-SAC REIMB	-	-	-	-	-	28,579
Security Enhancements-SAC REIMB. (APPL #6)	-	-	-	-	-	72,915
Security Enhancements-Johnson (APPL #6)	-	-	-	-	-	12,746
Security Enhancements-URS (APPL #6)	-	-	-	-	-	204
PFC Implementation and Admin.-SAC REIMB (APPL #6)	-	-	-	-	-	55,834
Taxiway E Milling (AIP 40)-EAGLE GROOVING (APPL #6)	-	-	-	-	-	2,945
Taxiway E Milling (AIP 40)- URS (APPL #6)	-	-	-	-	-	248
Taxiway E Milling (AIP 40)-SAC REIMB. (APPL #6)	-	-	-	-	-	3,674
Rehabilitate Runway Shoulders-RC Construction- (APPL #7)	-	-	-	-	-	40
Rehabilitate Runway Shoulders-Reimb SAC-(APPL #7)	-	-	-	-	-	21,685
Construct Taxiway- SW QUAD- REIMB SAC (APPL #7)	-	-	-	-	-	45,995
ALP Update-(APPL #7)-URS	-	-	-	-	-	155,419
ALP Update-(APPL #7)-Reimb SAC URS	-	-	-	-	-	5,646
Taxiway B Extension (APPL#7)- URS	-	-	-	-	-	3,264
Taxiway B Extension (APPL#7)- Harbor	-	-	-	-	-	112,777

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Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
Taxiway B Extension (APPL#7)- SAC ck 13511						
Reimb PFC fund -Harbor & Reimb SAC	-	-	-	-	-	(6,822)
Taxiway B Extension (APPL#7)- Reimb SAC	-	-	-	-	-	94,670
Taxiway C-2 (APPL#7)- Harbor	-	-	-	-	-	214,356
Taxiway C-2 (APPL#7)- SAC ck 13511 Reimb PFC						
fund -Harbor & Reimb SAC	-	-	-	-	-	24,370
Update main comm system(APPL#7)- Motorola	-	-	-	-	-	223,703
PFC Implementation and Admin.-SAC REIMB						
(APPL #7)	-	-	-	-	-	47,520
Pre Cool 9- Jet Bridges-Misc City of SAV advertise	-	-	-	-	-	497
Pre Cool 9- Jet Bridges-reimb. SAC	-	-	-	-	-	109,722
Bio Scrypt 15 Boarding Bridges Doors- Johnson						
Control	-	-	-	-	-	144,760
Bio Scrypt 15 Boarding Bridges Doors- URS	-	-	-	-	-	3,154
Bio Scrypt 15 Boarding Bridges Doors- Reimb SAC	-	-	-	-	-	4,742
Runway 18/36 Extension-Reimb. SAC URS Design						
cost	-	-	-	-	-	74,111
NAVAIDS-URS (APP #7)	-	-	-	-	-	30,464
NAVAIDS-FAA (APP #7)	-	-	-	-	-	201,921
NAVAIDS- Reimb SAC (APP #7)	-	-	-	-	-	205,392
Airport Master Plan (PFC #7)- URS	-	-	-	-	-	51,292
Airport Master Plan (PFC #7)- SAC Reimb PFC	-	-	-	-	-	(20,042)
Asphalt Pavement replace -Runway 19/1 -Reimb						
SAC (PFC #8)	-	-	-	-	-	69,379
Construct Taxiway A-Reimb SAC (APP#8)	-	-	-	-	-	169,812
Rehabilitate T/W B2, North end of T/W B, T/WC, T/W						
E1-Reimb SAC (APP#8)	-	-	-	-	-	18,476
GA Connector T/W Site Development North of						
Terminal RK Contracting	-	-	-	-	-	270,348
GA Connector T/W Site Development North of						
Terminal Reimb SAC	-	-	-	-	-	217,423
GA Connector T/W Site Development North of						
Terminal-ECS	-	-	-	-	-	27
Terminal Walkways-Reimb SAC-APP #8	-	-	-	-	-	23,589
Terminal Walkways-Miller-App(#8)	-	-	-	-	-	6,485
GA Taxiway 4 & 5-reimb SAC (APP#8)	-	-	-	-	-	18,639
PFC Application #8 Implementation & Admin-						
Reimb SAC	-	-	-	-	-	27,921
EA North Development-Application #8-Reimb SAC	-	-	-	-	-	18,982
Surface Painted Holding Position Signs-REIMB						
SAC-APP # 8	-	-	-	-	-	185,020
CCTV System Replacement-reimb SAC APP #8	-	-	-	-	-	61,421
CCTV System Replacement-Coastal Digital	-	-	-	-	-	33
CCTV System Replacement-URS& I System Corp	-	-	-	-	-	861,066

Savannah Airport Commission

Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
PC Air Hose Upgrades-Twist In	-	-	-	-	-	186,480
PC Air Hose Upgrades-Twist In-Reimb SAC	-	-	-	-	-	23,520
PA System Replacement-Alltel System GRP, INC	-	-	-	-	-	278,002
PA System Replacement - Reimb SAC	-	-	-	-	-	(2,122)
Two Valet Bag Belts Systems-R.J Design	-	-	-	-	-	61,000
AOA Survey -URS	-	-	-	-	-	62,500
AOA Survey - Reimb SAC	-	-	-	-	-	(12,500)
Tree Removal R/W 10 Approach-Reimb SAC	-	-	-	-	-	155,862
T/W A -NAD -McLendon/URS Constr	-	-	-	-	-	453,739
T/W A Extension North - Construction - Reimb SAC	-	-	-	-	-	1,500,000
T/W H -NAD -McLendon/URS Constr	-	-	-	-	-	607,928
Gulfstream -McLendon/URS Constr	-	-	-	-	-	3,263
Elect Vault -McLendon/URS Constr	-	-	-	-	-	4,050
Electrical Vault - Reimb SAC	-	-	-	-	-	16,150
Site Mitigations (NAD)	-	-	-	-	-	60,000
Realign & Construct Gulfstream Rd - Construction - Reimb SAC	-	-	-	-	-	55,033
Realign & Construct Gulfstream Rd - Design - Reimb PFC	-	-	-	-	-	(3,263)
PFC Implementation and Admin.-SAC REIMB (APPL #8&9)	-	-	-	-	-	39,600
Lighting 10/28 Runway	-	-	-	-	-	41,257
Terminal Curbside Canopy Expansion	-	-	-	-	-	1,407,899
Relocate Airfield Maintenance Road	-	-	-	-	-	42,978
Runway 1 Perimeter Road	-	-	-	-	-	62,557
Taxiway C Light Replacement	-	-	-	-	-	32,718
Seal Coat Runway 10-28 Asphalt and Apron Shoulders	-	-	-	-	-	29,187
Runway 28 RSA Improvements and Road Relocations	-	-	-	-	-	127,066
In-Line Baggage System	-	-	-	-	-	7,379,031
Groove Runway 1-19	-	-	-	-	-	22,054
PFC 10 Application Costs	-	-	-	-	-	23,100
Add 2 AOA Gates	-	-	-	-	-	26,954
Runway 28 Safety Area Improvements	-	-	-	-	-	33,431
Replacement of Boarding Bridges at Gates 7 & 11	-	-	-	-	-	1,333,333
Reconstruct Taxilane GA-3	-	-	-	-	-	122,995
Reconstruct Taxiway E-1	-	-	-	-	-	130,555
Runway Lighting Upgrades	-	-	-	-	-	58,824
Airfield Signage Upgrades	-	-	-	-	-	58,841
Jumbo GA FIS Facility	-	-	-	-	-	700,073
PFC 11 Application Costs	-	-	-	-	-	34,291
Terminal Apron Expansion	761,053	-	-	-	761,053	761,053

Savannah Airport Commission

Schedule of Passenger Facility Charges

	For the quarter ended				For the year ended December 31, 2020	Cumulative as of December 31, 2020
	March 31, 2020	June 31, 2020	September 31, 2020	December 31, 2020		
Terminal Concourse and Security Checkpoint Expansion	1,316,119	-	-	-	1,316,119	1,316,119
Automated Baggage Handling System Phase II	245,591	-	-	-	245,591	245,591
Total expenditures	2,322,763	-	-	-	2,322,763	79,683,831
Income	(987,590)	720,612	343,953	576,706	653,681	10,911,859
Beginning balance	10,258,178	9,270,588	9,991,200	10,335,153	10,258,178	-
Ending balance	\$ 9,270,588	\$ 9,991,200	\$ 10,335,153	\$ 10,911,859	\$ 10,911,859	\$ 10,911,859



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