

SAVANNAH[®] HILTON HEAD

INTERNATIONAL



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Years ended December 31, 2023 & 2022

Savannah, GA



SAVANNAH AIRPORT COMMISSION

Annual Comprehensive Financial Report Years Ended December 31, 2023 and 2022

**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 2023
- Air Service Map 2022
- Principal Officials
- Organizational Chart
- Certificate of Achievement for Excellence in Financial Reporting





400 AIRWAYS AVENUE
SAVANNAH, GA 31408

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TO: Savannah Airport Commissioners
Airport Attorneys
DATE: June 21, 2024
SUBJ: Commission's Annual Comprehensive Financial Report

In accordance with state statutes and local charter provisions, we hereby submit the Annual Comprehensive Financial Report (ACFR) of the Savannah/Hilton Head International Airport for the year ended December 31, 2023. 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.

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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.

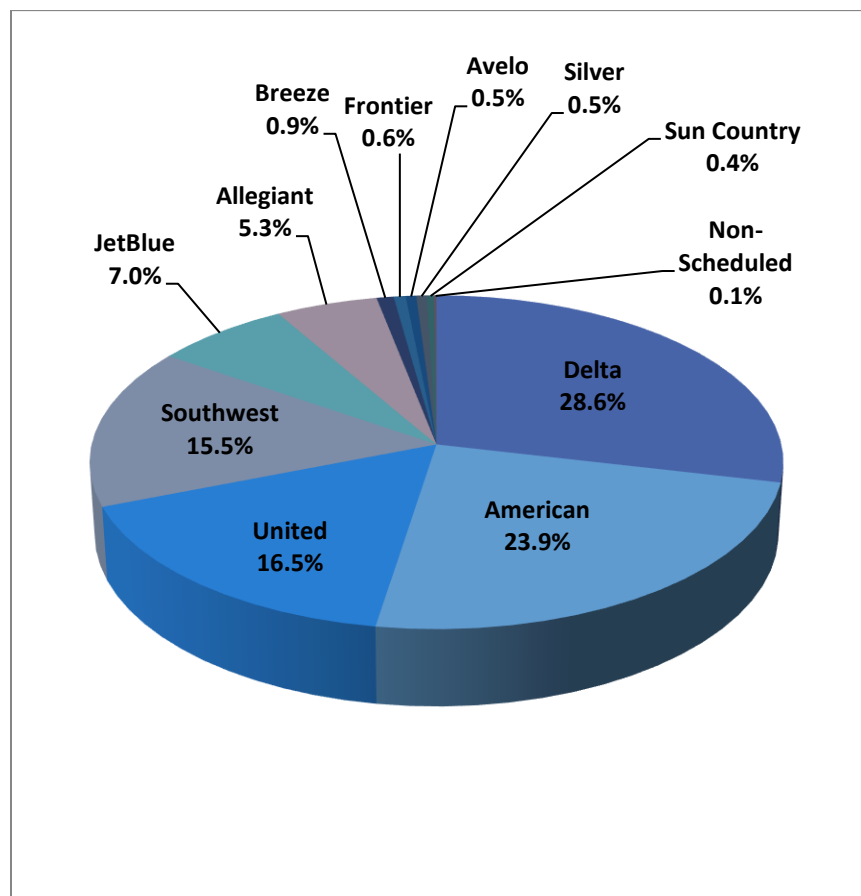
Economic Condition/Airline Activity/Enplanements

Following the moderate air traffic recovery from the COVID-19 pandemic in 2021 and 2022, 2023 brought the airline industry to an even greater recovery. During the COVID-19 pandemic, global passenger traffic decreased 65.9% in 2020 compared to 2019. Passenger traffic recovered from 41.7% of the 2019 volumes in 2021 to 68.5% in 2022. 2023 saw an even greater recovery hitting 94.1% of the 2019 levels. The Savannah/Hilton Head International Airport had a much more significant recovery from COVID-19's effects. The airlines offered 2,354,087 seats in 2023 vs. the 2,146,800 seats offered in 2022, an increase of 9.7%. The load factor remained similar in 2023 compared to 2022, respectively at 82.8% and 82.3%. Total enplanements for 2023 were 1,944,791 vs. 1,765,312 for 2022, a significant increase of 10.2%. Total passengers for 2023 were 3,897,532 vs. 3,533,294 for 2022, also a significant increase of 10.3% compared to last year. The airlines serving the Savannah/Hilton Head International Airport in 2023 included Allegiant, American, Avelo, Breeze, Delta, Frontier, JetBlue, Silver, Southwest, Sun Country, and United.

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. In 2021, the MAG waiver for concessionaires within the terminal was extended until the end of the year and the landing fee and square footage rates were frozen at the 2020 rates. Throughout 2022, the waiver of the collection of the MAG for concessionaires within the terminal was once again extended for an additional year and the landing fee and square footage rates remained frozen at the 2020 rates. Effective January 1, 2023, the landing fee and square footage rate freeze was lifted, and these rates were increased by \$0.10 per 1,000 pounds and \$1.00 per square foot,

respectively. The MAG waiver for terminal concessionaires remained in effect throughout the remainder of 2023.

The market share for the airlines serving the Airport in 2023 follows:



Delta Airlines (Delta, Endeavor, Republic, and SkyWest) had a market share of 28.6% for 2023, followed by American Airlines (American, Envoy, Piedmont, PSA, Republic, and SkyWest) with a market share of 23.9% for the year. United Airlines (United, Air Wisconsin, CommutAir, GoJet, Mesa, Republic, and SkyWest) had a market share of 16.5% while Southwest captured 15.5% of the market share. JetBlue held 7.0% of the 2023 market share while Allegiant held 5.3%. Breeze and Frontier held market shares of 0.9% and 0.6%, respectively. Avelo and Silver both held 0.5%. Sun Country held 0.4% of the market share, and non-scheduled had the least enplanements with 0.1% of the market.

The Savannah/Hilton Head International Airport diligently continues to work to attract new airlines, add new destinations and more flights to existing destinations, and lower fares to increase passenger traffic and continue the growth the airport has experienced in 2023. As of December 31, 2023, enplanements were well above 2022, with a significant increase of 10.2% and available seats were up with an increase of 9.7% over 2022. Following the record-breaking year in 2022 with 1,765,312 enplanements, 2023 ended the year with a remarkable 1,944,791 enplanements. Twelve out of the twelve months in 2023 were record-breaking

months for the history of the Airport. This led the airport to surpass the 2023 enplanement budget of 1,810,690 enplanements.

Airport Highlights

First Quarter:

- The Airport Police K-9 Team shares the love with cute Valentine's Day cards.
- JetBlue proudly celebrates nine years of nonstop service at Savannah/Hilton Head International.
- Travelers can now shop Savannah Bananas merchandise at The Savannah Square Marketplace.
- The Savannah/Hilton Head International Airport Police Department mourns the loss of K-9 Barney. Retired K-9 Barney served seven faithful years with the APD.

Second Quarter:

- Avelo Airlines announces nonstop flights to Delaware's Wilmington Airport (ILG).
- SAV partners with Thanks Boomerang, a lost and found technology platform connecting people with lost items.
- Toasted Yolk opens off of James B. Blackburn Drive, offering travelers another delicious dining option.
- Savannah/Hilton Head International Airport teams up with WHILL, an innovative personal transportation solutions company, to provide improved mobility for passengers at the airport.
- The Savannah Airport Commission's DBE and ACDBE program management team hosts an informative workshop on "Doing Business With SAV".
- SAV continues to see a strong passenger demand, including increases in passengers using the airport, total passengers, and the number of available seats.
- Savannah/Hilton Head International celebrates K-9 Brix turning six.

Third Quarter:

- Savannah/Hilton Head International celebrates K-9 Reno turning four.
- Sheltair Savannah and Fly Corps Aviation host Girls in Aviation Day.
- The Air Dominance Center hosts the William Tell competition after a 19-year hiatus.

Fourth Quarter:

- The Security Checkpoint Expansion project continues to make progress on the additional six lanes, which will expedite the screening process and improve the passenger experience.
- Savannah/Hilton Head International Airport, along with various emergency agencies in the area, completes a full-scale airport emergency plan exercise.

- Savannah/Hilton Head International Airport hosts a volunteer open house, welcoming enthusiastic individuals looking to join the volunteer Airport Ambassador team.
- Avelo Airlines adds a special nonstop to New Haven HVN flight for Thanksgiving.
- UPS starts operation at the cargo pad at Savannah/Hilton Head International.
- Savannah/Hilton Head International celebrates K-9 Buddy turning four.
- SAV's annual Home for the Holidays contest gives round-trip flights to reunite five deserving military families.
- SAV hosts a free Drone Public Awareness Brief at Memorial Stadium with the President of the Association for Uncrewed Systems International, Lamar Ellis, as the guest speaker.
- SAV sees a record number of travelers over the holidays. The airport utilizes overflow parking and shuttle service to/from the terminal to accommodate.
- SAV welcomes over 2,000 students from 35 area schools to perform at the airport for the holiday season as a part of the airport's 27th Annual School Music Days.
- SAV sponsors Bring One for the Chipper, providing Savannah residents with a location for Christmas tree recycling.

Major Initiatives

The **AIP-66 Grant** was awarded on August 24, 2021 in the amount of \$1,111,111. The supplemental discretionary funds from the AIP-66 grant have been designated to fund capital expenditures incurred during the first phase of the project to construct the air cargo apron. This grant was closed out in the first quarter of 2023.

The **AIP-67 Grant** was awarded on August 24, 2021 in the amount of \$6,679,565. The entitlement and discretionary funds from the AIP-67 grant were used to fund the capital expenditures incurred during the second phase of the project to construct the air cargo apron. This grant was closed out in the first quarter of 2023.

The **ARPA-70 Grant** was awarded on November 8, 2021 in the amount of \$11,693,915. The funds from this Airport Rescue Grant, under the American Rescue Plan Act, were also be used to reimburse the airport for operational and maintenance expenses to help offset the lost revenues resulting from the COVID-19 pandemic. Any expenses reimbursed by this grant must have been incurred on or after January 20, 2020. This grant was closed out in the first quarter of 2023.

The **ARPA-71 Grant** was awarded on December 10, 2021 in the amount of \$1,251,941. The funds from this Airport Rescue Grant, under the American Rescue Plan Act, will be used to provide relief from rent and minimum annual guarantee (MAG) obligations, as applicable, to each eligible airport concession in an amount that reflects their proportional share of the total amount of the rent and MAGs of all eligible concessions at the airport. \$250,388 of the grant will be allocated to large concessionaires while \$1,001,553 of the grant will be allocated to small concessionaires. The concession relief funded by this grant must have been provided no earlier than March 11, 2021. This grant was closed out in the first quarter of 2023.

The AIP-72 Grant was awarded on August 15, 2022 in the amount of \$5,308,672. These entitlement funds will be used to fund a portion of the design and construction of the Southeast Quadrant Stormwater Drainage Improvement project. Grant closeout documentation was submitted in the first quarter of 2024.

The AIP-74 Grant was awarded on July 27, 2023 in the amount of \$1,579,469. These entitlement funds will be used to fund a portion of the design and construction of the Southeast Quadrant Stormwater Drainage Improvement project. Grant closeout documentation was submitted in the first quarter of 2024.

The AIP-75 Grant was awarded on September 11, 2023 in the amount of \$2,203,287. These entitlement funds will be used to fund a portion of the design and construction of the Demo Air Cargo/Construct Apron/Construct Southeast Taxilane project. Grant closeout documentation is expected to be submitted before the end of 2024.

The AIG-76 Grant was awarded on September 6, 2023 in the amount of \$3,546,714. These airport infrastructure funds will be used to fund a portion of the design and construction of the Demo Air Cargo/Construct Apron/Construct Southeast Taxilane project. Grant closeout documentation is expected to be submitted before the end of 2024.

The ATP-77 Grant was awarded on June 14, 2023 in the amount of \$6,500,000. These airport terminal program funds will be used to fund a portion of the design and construction of the Security Checkpoint Expansion project. Grant closeout documentation is expected to be submitted in the first quarter of 2025.

A schedule of the projects included in open federal grants as of 12/31/23 follows:

	PROJECTED COST	FAA GRANTS	PFC STATE FUNDS FUNDS	OTHER FUNDS
Southeast Quadrant Stormwater Drainage Improvements	\$11,452,377	\$8,845,575	\$768,491	- \$1,838,311
Demo Air Cargo/Construct Apron/ Construct Southeast Taxilane	\$7,698,020	\$6,928,218	\$769,802	- -
Security Checkpoint Expansion	\$22,409,259	\$6,500,000	\$13,444,241	- \$2,465,018
Total Cost	\$41,559,656	\$22,273,793	\$14,982,534	- \$4,303,329

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, 2023.

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 fifteen (15%) 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. The terminal and landing fee rates below were frozen at 2020 levels in 2021 and 2022 due to the COVID-19 Pandemic. The rate freeze was lifted in 2023 and increased as shown below.

Airline Rates	2019	2020	2021	2022	2023
Terminal	\$57.50	\$58.50	\$58.50	\$58.50	\$59.50
Landing Fee	\$3.10	\$3.20	\$3.20	\$3.20	\$3.30
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 2024 – 2028 totaling \$482 million. The plan consists of \$265 million for airside projects, \$98 million for terminal improvements, and \$119 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 2023, or scheduled for completion in 2024, have their projected additional operating costs and related revenues incorporated into the Commission's 2024 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. For the 2024 budget, enplanements were projected to increase from 2023 by 4%. Landing Fees, Fuel Farm, Airline, Rental Car, Retail, Food & Beverage, Mobility Services, Parking, and Ground Transportation revenues are all expected to increase in 2024 as a result of the projected increase in passenger traffic from the anticipated additional enplanements and additional revenue received from new airlines. Miscellaneous revenue is also projected to increase due to the higher interest rates, which should result in an increase in investment revenue. Operating expenses were budgeted to increase approximately 16% over the 2023. This

anticipated expense increase is mainly due to rising labor costs, benefits costs, marketing and air service initiatives, and additional facilities maintenance projects.

Financial Controls

In 2010, the Commission and Airlines 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

Upgraded endpoint protection by transitioning from Panda to SentinelOne.

Added Darktrace to provide AI driven network, SaaS, and email security.

Began utilizing NinjaOne to provide IT asset management, patch management, software deployment, and remote support tools.

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

Savannah/Hilton Head International is voted No. 7 in the Travel + Leisure 2023 World’s Best Awards’ Top 10 Domestic Airports!

Condé Nast Traveler readers vote Savannah/Hilton Head International the #1 airport in the U.S. for the fourth consecutive year.

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 annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the twenty-fifth consecutive year that the Commission has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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**



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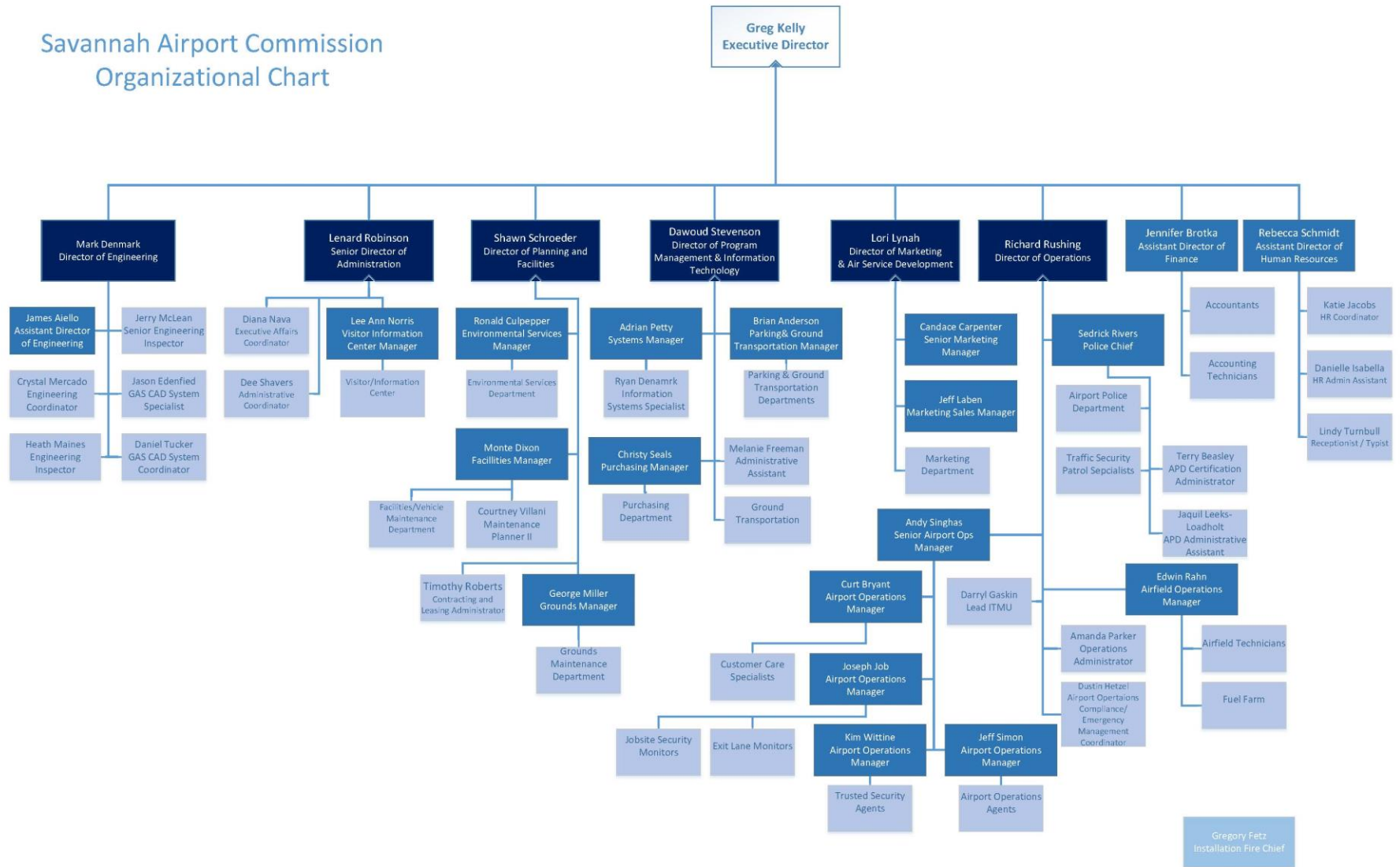
* Indicates Seasonal Service. See Airline for current schedules and details.



Principal Officials Year 2023

Commissioner	Position	Occupation	Term Expiration
Stephen Green	Chairman	Stephen Green Properties	2027
Shirley James	Vice-Chairman	The Savannah Tribune	2025
Lowell Kronowitz	Commissioner	Levy Jewelers	2024
Ted Kleisner	Commissioner	First Energy Corporation	2026
Randy Houston	Commissioner	DuPont	2028

Savannah Airport Commission Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Savannah Airport Commission
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

Savannah Airport Commission

Financial Section

- Independent Auditor's Report





Independent Auditor's Report

The Commissioners
Savannah Airport Commission
Savannah, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Savannah Airport Commission (the Commission), for the years ended December 31, 2023, and 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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, 2023, and 2022, 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.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 15 to the financial statements, effective January 1, 2022, the Commission adopted new accounting guidance, GASB Statement No. 96, *Subscription-based information technology arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

B-1

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The other supplementary information, as identified in the table of contents; the Schedule of Passenger Facility Charges required by the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation and the requirement in 14 CFR 158.63 (collectively "the guide"); and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2024, 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 Arthur & Co., LLP

Savannah, Georgia
June 21, 2024

Savannah Airport Commission

Financial Section

- Management's Discussion and Analysis (Unaudited)



MANAGEMENT'S DISCUSSION AND ANALYSIS

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 of the financial performance and financial statements of the Savannah Airport Commission (Commission) for the fiscal year ended December 31, 2023. 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 2023 with economic aviation conditions continuing at a normal operational level and on pace to exceed previous records. The new post-pandemic traffic has surpassed all previous expectations and led to a greater throughput of passengers:

	2023	2022	2021
Enplanements - Scheduled and Non-Scheduled	1,944,791	1,765,312	1,393,720
% increase/decrease	10.2%	26.6%	133.0%
Aircraft Operations - All Types	111,948	116,420	112,657
% increase/decrease	(3.8%)	3.3%	22.1%
Landed Weight - Scheduled and Non-Scheduled	2,264,246	2,081,103	1,828,440
% increase/decrease	8.8%	13.8%	73.2%
Mail/Express/Freight Cargo (Tons)	9,116	8,402	8,781
% increase/decrease	8.5%	(4.3%)	3.8%
Airline Available Seats	2,354,087	2,146,800	1,837,415
% increase/decrease	9.7%	16.7%	79.0%

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. Aircraft operations decreased by 3.8% from 2022. This was from a decrease in activity in general aviation operations. Total enplanements were up 10.2% and airline available seats were up 9.7%. The number of non-stop destinations decreased by 3 in 2023 when compared to 2022, providing service to and from 31 non-stop destinations for passengers. Landed weights increased by 8.8% and total cargo increased by 8.5% compared to 2022.

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 deferred outflows of resources less total liabilities and total deferred inflows of resources. A summarized comparison of the Commission's assets, liabilities and net position on December 31, 2023, 2022 and 2021 follows:

	2023	2022	2021
Current assets			
Current assets	\$140,958,062	\$115,703,591	\$79,712,365
Current restricted assets	37,769,510	31,927,250	27,936,083
Non-current assets			
Capital assets, net	177,886,962	170,443,002	154,467,008
Other non-current assets	43,927,379	41,392,654	42,537,262
Long-term investments	1,121,320	5,021,000	24,929,000
Total assets	\$401,663,233	\$364,487,497	\$329,581,718
Deferred outflows of resources	\$9,036,048	\$5,901,865	\$5,170,225
Current liabilities	\$10,136,437	\$9,456,375	\$5,355,110
Non-current liabilities			
Net pension/OPEB liability	22,758,992	13,815,547	17,546,864
Other non-current liabilities	305,057	117,758	
Total liabilities	\$33,200,486	\$23,389,680	\$22,901,974
Deferred inflows of resources	\$41,825,061	\$43,918,427	\$42,746,161
Net position			
Net investment in capital assets	\$177,886,962	\$170,443,002	\$154,467,008
Restricted	37,769,510	31,927,250	27,936,083
Unrestricted	120,017,262	100,711,003	86,700,717
Total net position	\$335,673,734	\$303,081,255	\$269,103,808

The Commission's financial position remained strong through December 31, 2023. Current assets increased by \$31.1 million, while total assets and deferred outflows of resources increased by \$40.3 million. The change in current and total assets was primarily due to an overall increase in assets due to grant funding and record-breaking passenger traffic. GASB 87 was implemented fully for fiscal year 2022. GASB 96 was implemented in 2023 and rolled back to 2022 for reporting purposes. Investments were continued to be kept short-term due to the upcoming spending plan. The year ended with total assets and deferred outflows of resources of \$410.7 million and total liabilities and deferred inflows of resources of \$75.0 million.

Total net position, which represents the residual interest in the Commission's assets after liabilities are deducted, was \$335.7 million at December 31, 2023, an increase of \$32.6 million from 2022. This increase was due to several factors including the Commission continuing to have a strong rebound from the COVID-19 pandemic, grant funding, and much higher interest rates on investments. In addition, passenger travel through the airport was at an all-time new high. As reflected in the above chart, the net investment in capital assets increased by \$7.4 million to \$177.9 million. The restricted and unrestricted remaining net position are derived from the Commission's operations, customer facilities charges, general aviation funding, federal and state grants, and passenger facilities charge collections. The 2023 restricted assets of \$37.8 million are subject to internal and external restrictions on how they may be used. The remaining unrestricted current assets of \$141.1 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>2023</u>	<u>2022</u>	<u>2021</u>
Operating revenues			
Airfield	\$ 8,239,788	\$ 6,301,754	\$ 5,655,665
Terminal	20,159,272	19,103,172	16,732,497
Commercial Aviation	2,259,904	2,139,612	2,097,283
Apron	81,352	80,401	81,675
Parking	12,801,648	11,321,792	7,163,517
Non-Aviation	3,339,112	3,369,936	2,952,142
Total operating revenues	<u>46,881,076</u>	<u>42,316,667</u>	<u>34,682,779</u>
Operating expenses			
Airfield	(4,003,118)	(3,819,234)	(3,456,649)
Terminal	(13,079,583)	(10,190,493)	(9,431,481)
Airport Business Center	(8,335)	(13,908)	(10,097)
Commercial Aviation	(147,441)	(156,607)	(159,742)
Apron	(6,194)	(33,380)	(12,900)
Parking	(2,761,005)	(2,173,310)	(1,792,227)
Non-Aviation	(1,297,831)	(1,101,741)	(989,003)
Public Safety	(5,156,481)	(3,679,961)	(3,046,019)
FIS Facility	(118,165)	(88,048)	(80,992)
Administration	(13,024,043)	(11,510,624)	(11,317,539)
Total operating expenses	<u>(39,602,196)</u>	<u>(32,767,306)</u>	<u>(30,296,649)</u>
Excess before depreciation and other non-operating income and expenses	<u>7,278,880</u>	<u>9,549,361</u>	<u>4,296,130</u>
Depreciation	<u>(13,890,249)</u>	<u>(13,550,797)</u>	<u>(13,374,664)</u>
Loss before other non-operating income and expenses	<u>(6,611,369)</u>	<u>(4,001,436)</u>	<u>(9,078,534)</u>
Other non-operating income net	<u>21,671,650</u>	<u>14,876,384</u>	<u>11,737,144</u>
Income (loss) before Capital contributions	<u>15,060,281</u>	<u>10,874,948</u>	<u>2,658,610</u>
Capital contributions	<u>17,532,198</u>	<u>23,007,244</u>	<u>20,512,870</u>
Increase in net position	<u>32,592,479</u>	<u>33,882,192</u>	<u>23,171,480</u>
Total net position, beginning of year	<u>303,081,255</u>	<u>269,103,808</u>	<u>240,566,840</u>
Prior period restatement	<u>-</u>	<u>95,255</u>	<u>5,365,488</u>
Total net position, end of year	<u>\$ 335,673,734</u>	<u>\$ 303,081,255</u>	<u>\$ 269,103,808</u>

SUMMARY OF OPERATIONS HIGHLIGHTS

Total passenger traffic (enplaned + deplaned) increased significantly in 2023. In 2023, a total of 3.9 million passengers passed through the Airport, versus 3.5 million passengers in 2022 and 2.8 million passengers in 2021. With this record-breaking throughput of passengers, the Airport ended the year 2023 with an increase in net position of \$32.6 million, versus an increase of \$33.9 million in 2022 (excluding the effects of adoption from GASB 87). Capital Contributions increased from \$20.5 million in 2021 to \$23.0 million in 2022 and were \$17.5 million in 2023. The Commission expects to show similar capital contributions again in 2024.

Significant items affecting the Summary of Revenue, Expenses, and Changes in Net Position for 2023 follows:

- Following an increase from 2021 to 2022 of \$7.6 million, operating revenues increased 10.8%, or \$4.6 million, from \$42.3 million in 2022 to \$46.9 million in 2023 primarily due to the following:
 - In the Airfield cost center, revenues increased by \$1.9 million or 30.8% over 2022, which is substantially more than the increase from 2021 to 2022 of \$0.6 million or 11.4%. This revenue increase is directly attributable to a record-breaking year for passenger travel, additional revenue from new airlines, and the removal of the landing fee rate freeze that had been in effect for two years which increased the landing fee rate to \$3.30 per 1,000 pounds.
 - The Terminal cost center experienced an increase of \$1.1 million over the 2022 year. This 5.5% increase helped beat the previous record from 2022 of \$19.1 million. The airline SF rates were unfrozen from \$58.50 per SF and increased to \$59.50 per SF. This revenue increase was a direct result of the additional concession revenue from the increase in passengers, additional revenue from new airlines, and also the additional revenue from the SF rate increase.
 - In the Parking cost center, revenues increased by \$1.5 million or 13.1% in 2023, which is another strong increase comparable to the increase from 2022 of \$4.2 million or 58.0% from 2021. This increase is also due to the record-breaking passenger traffic at the Airport.
- Following the 7.8% increase of \$2.4 million from 2021 to 2022, operating expenses (less depreciation) increased by 20.9%, or \$6.8 million, from \$32.8 million in 2022 to \$39.6 million in 2023. This increase in expenses was mostly due to increasing labor and benefits costs.
- The net result of the above was an operating gain before depreciation of \$7.3 million for 2023. This is a \$2.3 million decrease from the \$9.5 million operating gain seen in 2022. The operating gain in 2021 was \$4.3 million.
- Non-Operating Income experienced a substantial increase of 45.7% or \$6.8 million from a total of \$14.9 million in 2022 to \$21.7 million in 2023. A main factor resulting in the increase was the record-breaking increase in passengers. More passengers on flights resulted in

more PFC and CFC revenue. Additionally, interest rates remaining high enabled the Commission to see a substantial increase in investment income in 2023.

- In 2023, the Airport's capital contributions received were in the form of grants from the Federal government totaling \$17.5 million. This was a decrease of \$5.5 million from the capital contributions received in 2022. This decrease resulted from the cessation of relief grants given to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 pandemic.

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>2023</u>	<u>2022</u>	<u>2021</u>
Airline Landing Fees	\$ 7,015,491	\$ 5,508,064	\$ 4,928,527
Airline Terminal Rentals	7,375,658	6,395,976	6,471,778
Airline Apron Fees	<u>81,352</u>	<u>80,401</u>	<u>81,675</u>
Total Airline Revenues	14,472,501	11,984,441	11,481,980
Total Enplanements	1,944,791	1,765,312	1,393,720
Cost per Enplanement (rev.÷ enp.)	\$ 7.44	\$ 6.79	\$ 8.24
% Increase/Decrease	9.6%	-17.6%	-51.3%

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>Charleston International</u>
2023	\$7.44	\$8.70	\$9.20
2022	\$6.79	\$8.77	\$8.94
2021	\$8.24	\$9.44	\$13.47

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.

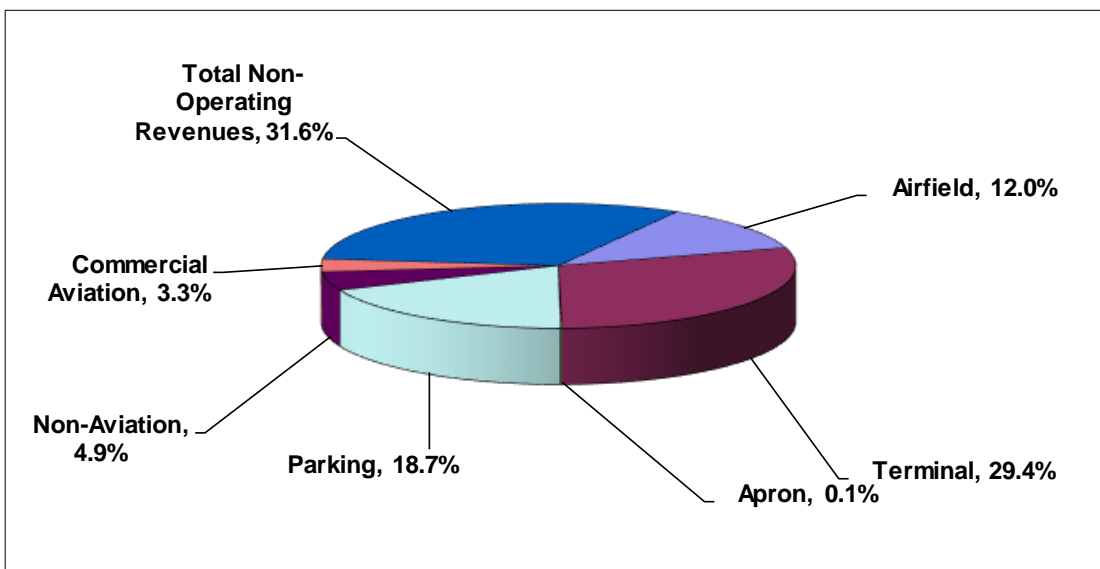
In addition, with the enplanements of fiscal year 2009 as the base, if the total annual enplanements at any time during contract term increase or decrease by fifteen (15%) percent or more, either the Airlines or the Airport may request a renegotiation of the rates. This agreement was renewed for another five-year term, effective January 1, 2020. The landing fee and terminal rental rates below were frozen at 2020 levels throughout 2021 and 2022 due to the COVID-19 Pandemic. The rate freeze was lifted effective January 1, 2023.

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

	2023		2022		2021	
Landing Fees (Per 1,000 lbs. Maximum Gross Landing Weight)	\$3.30	Jan-Dec	\$3.20	Jan-Dec	\$3.20	Jan-Dec
Terminal Rental Rates (Per square foot)	\$59.50	Jan-Dec	\$58.50	Jan-Dec	\$58.50	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, 2023:



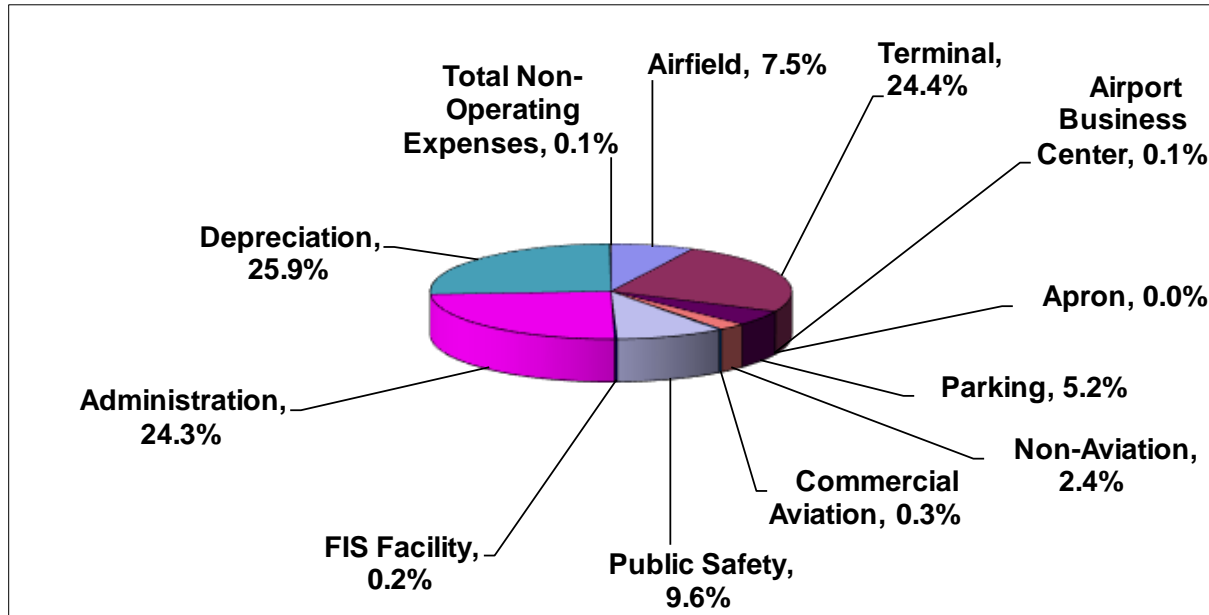
A summary of revenues for the year ended December 31, 2023, and the amounts and percentage of total in relation to prior year's amount's follow:

	2023	%	2022	%	2021*	%
	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>
Operating Revenues						
Airfield	\$ 8,239,788	12.0%	\$ 6,301,754	11.0%	\$ 5,655,665	12.1%
Terminal	\$ 20,159,272	29.4%	\$ 19,103,172	33.2%	\$ 16,732,497	35.8%
Apron	\$ 81,352	0.1%	\$ 80,401	0.1%	\$ 81,675	0.2%
Parking	\$ 12,801,648	18.7%	\$ 11,321,792	19.7%	\$ 7,163,517	15.3%
Non-Aviation	\$ 3,339,112	4.9%	\$ 3,369,936	5.9%	\$ 2,952,142	6.3%
Commercial Aviation	\$ 2,259,904	3.3%	\$ 2,139,612	3.7%	\$ 2,097,283	4.5%
Total Operating Revenues	<u>\$ 46,881,076</u>	<u>68.4%</u>	<u>\$ 42,316,667</u>	<u>73.5%</u>	<u>\$ 34,682,779</u>	<u>74.2%</u>
Non-Operating Revenue						
Passenger Facility Charges	\$ 7,947,855	11.6%	\$ 7,521,835	13.1%	\$ 5,384,186	11.5%
Customer Facility Charges	\$ 3,851,104	5.6%	\$ 3,371,721	5.9%	\$ 2,810,375	6.0%
General Aviation Fund Charges	\$ 89,482	0.1%	\$ 94,392	0.2%	\$ 85,460	0.2%
Interest Revenue	\$ 1,738,508	2.5%	\$ 1,389,321	2.4%	\$ 1,421,365	3.1%
Investment Revenue	\$ 4,396,742	6.4%	\$ 771,265	1.3%	\$ 254,534	0.5%
In-kind Rents	\$ 2,000,000	2.9%	\$ 2,000,000	3.5%	\$ 2,000,000	4.3%
Gain on Disposal of Assets	\$ -	0.0%	\$ 71,389	0.1%	\$ 104,628	0.2%
Increase in the Fair Value of Investments	\$ 1,710,932	2.5%	\$ -	0.0%	\$ -	0.0%
Total Non-Operating Revenues	<u>\$ 21,734,623</u>	<u>31.6%</u>	<u>\$ 15,219,923</u>	<u>26.5%</u>	<u>\$ 12,060,548</u>	<u>25.8%</u>
TOTAL REVENUES	<u><u>\$ 68,615,699</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 57,536,590</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 46,743,327</u></u>	<u><u>100.0%</u></u>

**2021 has been restated*

EXPENSES

The following chart shows the major cost centers and the percentage of total expenses for the year ended December 31, 2023:



A summary of expenses for the year ended December 31, 2023, and the amounts and percentage of total in relation to prior year's amount's follow:

	<u>2023</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2021</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	\$ 4,003,118	7.5%	\$ 3,819,234	8.2%	\$ 3,546,649	8.0%
Terminal	\$ 13,079,583	24.4%	\$ 10,190,493	21.8%	\$ 9,431,481	21.4%
Airport Business Center	\$ 8,335	0.1%	\$ 13,908	0.0%	\$ 10,097	0.0%
Apron	\$ 6,194	0.0%	\$ 33,380	0.1%	\$ 12,900	0.0%
Parking	\$ 2,761,005	5.2%	\$ 2,173,310	4.7%	\$ 1,792,227	4.1%
Non-Aviation	\$ 1,297,831	2.4%	\$ 1,101,741	2.4%	\$ 989,003	2.2%
Commercial Aviation	\$ 147,441	0.3%	\$ 156,607	0.3%	\$ 159,742	0.4%
Public Safety	\$ 5,156,481	9.6%	\$ 3,679,961	7.9%	\$ 3,046,019	6.9%
FIS Facility	\$ 118,165	0.2%	\$ 88,048	0.2%	\$ 80,992	0.2%
Administration	\$ 13,024,043	24.3%	\$ 11,510,624	24.7%	\$ 11,317,539	25.7%
Total Operating Expenses	\$ 39,602,196	74.0%	\$ 32,767,306	70.3%	\$ 30,386,649	68.9%
Depreciation						
Depreciation	\$ 13,890,249	25.9%	\$ 13,550,797	29.0%	\$ 13,374,664	30.4%
Non-Operating Expenses						
Loss on Disposal of Assets	\$ 57,665	0.1%	\$ -	0.0%	\$ -	0.0%
Interest Expense	\$ 5,308	0.0%	\$ -	0.0%	\$ -	0.0%
Dec. in the Fair Value of Investments	\$ -	0.0%	\$ 343,539	0.7%	\$ 323,404	0.7%
Total Non-Operating Expenses	\$ 62,973	0.1%	\$ 343,539	0.7%	\$ 323,404	0.7%
TOTAL EXPENSES	\$ 53,555,418	100.0%	\$ 46,661,642	100.0%	\$ 44,084,717	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.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash flows from			
Operating activities	\$ 8,733,788	\$ 17,524,602	\$ 381,772
Investing activities	(7,800,860)	(32,925,576)	(8,563,179)
Capital & related financing activities	<u>10,186,806</u>	<u>6,116,490</u>	<u>19,491,758</u>
Net increase (decrease) in cash and cash equivalents	11,119,734	(9,284,484)	11,310,351
Cash, restricted cash, and cash equivalents			
Beginning of year	<u>33,923,234</u>	<u>43,207,718</u>	<u>31,897,367</u>
End of year	<u>\$ 45,042,968</u>	<u>\$ 33,923,234</u>	<u>\$ 43,207,718</u>

The Savannah Airport Commission's available cash and cash equivalents increased from \$33.9 million at the end of 2022 to \$45.0 million, an \$11.1 million increase at the end of 2023. The increase in cash was a result of additional investment earnings from higher interest rates, less use of cash for the purchase of investments, lower rates of capital spending, and increases in enplanements. These sources of cash were offset by decreases in grant funding, and increases in payments to suppliers and employees.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

Funds from various sources (AIP, PFC, CFC, State and Airport revenues) totaling \$18.8 million were expended during 2023 on capital activities which have not been closed out of construction-in-progress as follows:

Security Checkpoint Expansion	\$9.24	million
Demo Air Cargo/Construct Apron/SE Taxilane Phase I	\$5.81	million
Runway 1 Localizer Study	\$1.18	million
Air Cargo Facility	\$0.91	million
Lifecycle Replacement of Chiller #3	\$0.65	million
Taxiway G & Bridge	\$0.39	million
Network Switch Refresh	\$0.23	million
Fuel Storage Facility Expansion	\$0.15	million
Construct Auxiliary Parking Lots	\$0.12	million
Miscellaneous Projects	\$0.18	million
Total	\$18.86	million

During 2023, funds were expended in the amount of \$1.0 million on projects that were closed from construction-in-progress to their respective capital accounts throughout the year while another \$1.1 million in equipment was capitalized.

Construct Robert B. Miller Road	\$0.45	million
SEQ Stormwater Drainage Improvements	\$0.22	million
CUPPS System	\$0.21	million
Rental Car Facility Lot Improvements	\$0.08	million
Lifecycle Replacement of 750 Ton Chiller	\$0.04	million
Total	\$1.00	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

The Savannah/Hilton Head International Airport experienced significant growth in passenger traffic and enplanements from 2022 to 2023. We expect this to continue throughout 2024.

- Enplanements through April of 2024 are 613,933, which is 5.8% higher than the same period from 2023. 2023 had the previous YTD record at 580,434. We are currently 33,499 enplanements ahead of our record 2023 year.

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 Annual Comprehensive 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 2023 ACFR is <https://savannahairport.com/business/about/financials/>. 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>	2023	2022
ASSETS		
Current assets		
Unrestricted assets		
Cash and cash equivalents	\$ 8,270,712	\$ 2,916,829
Short-term investments	125,265,693	107,455,279
Accounts receivable	4,638,695	3,237,081
Inventories	770,809	607,414
Prepaid expenses and other	278,713	275,014
Leases receivable - current portion	1,666,074	1,144,608
Deposits	67,366	67,366
Total current unrestricted assets	140,958,062	115,703,591
Restricted assets		
Cash and cash equivalents	36,772,256	31,006,405
Accounts receivable	997,254	920,845
Total current restricted assets	37,769,510	31,927,250
Total current assets	178,727,572	147,630,841
Non-current assets		
Capital assets		
Land	10,669,398	10,669,398
Construction in progress	30,418,683	30,976,439
Buildings and improvements	179,130,252	171,241,258
Runways, taxiways and lights	124,449,806	112,997,297
Equipment	33,959,512	32,392,837
Access roads	29,931,949	29,480,497
Subscription-based IT arrangements	725,416	300,575
	409,285,016	388,058,301
Less accumulated depreciation	231,398,054	217,615,299
Total capital assets, net	177,886,962	170,443,002
Lease receivable, net of current portion	43,927,379	41,392,654
Long-term investments	1,121,320	5,021,000
Total non-current assets	222,935,661	216,856,656
Total assets	401,663,233	364,487,497
Deferred outflows of resources		
Pension and post-employment benefits	9,036,048	5,901,865
Total deferred outflows of resources	9,036,048	5,901,865
Total assets and deferred outflows of resources	\$ 410,699,281	\$ 370,389,362

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

Savannah Airport Commission

Statements of Net Position (cont.)

<i>December 31,</i>	2023	2022
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable and accrued expenses	\$ 5,788,045	\$ 5,839,439
Security deposits	52,794	51,245
Salaries and wages payable	178,032	168,260
Contracts payable - retainage	1,317,965	919,269
Current unearned revenue	499,699	424,872
Accrued vacation liability	2,299,902	2,053,290
Total current liabilities	10,136,437	9,456,375
Non-current liabilities		
Pension and post-employment liability	22,758,992	13,815,547
Other non-current liabilities	305,057	117,758
Total non-current liabilities	23,064,049	13,933,305
Total liabilities	33,200,486	23,389,680
Deferred inflows of resources		
Lease receipts	38,683,424	36,164,902
Pension and post-employment benefits	3,141,637	7,753,525
Total deferred inflows of resources	41,825,061	43,918,427
NET POSITION		
Net investment in capital assets	177,886,962	170,443,002
Restricted		
Passenger facility charges	24,406,534	22,367,857
Customer facility charges	12,783,211	9,010,125
General aviation fund charges	579,765	549,268
Total restricted	37,769,510	31,927,250
Unrestricted	120,017,262	100,711,003
Total net position	335,673,734	303,081,255
Total liabilities, deferred inflows of resources, and net position	\$ 410,699,281	\$ 370,389,362

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>	2023	2022
Operating revenues		
Airfield	\$ 8,239,788	\$ 6,301,754
Terminal one	20,159,272	19,103,172
Commercial aviation	2,259,904	2,139,612
Apron	81,352	80,401
Parking	12,801,648	11,321,792
Non-aviation	3,339,112	3,369,936
Total operating revenues	46,881,076	42,316,667
Operating expenses		
Airfield	4,003,118	3,819,234
Terminal one	13,079,583	10,190,493
Airport business center	8,335	13,908
Commercial aviation	147,441	156,607
Apron	6,194	33,380
Parking	2,761,005	2,173,310
Non-aviation	1,297,831	1,101,741
Public safety	5,156,481	3,679,961
FIS facility	118,165	88,048
Administrative expenses	13,024,043	11,510,624
Depreciation	13,890,249	13,550,797
Total operating expenses	53,492,445	46,318,103
Operating loss	(6,611,369)	(4,001,436)
Non-operating revenues (expenses)		
Passenger facility charges	7,947,855	7,521,835
Customer facility charges	3,851,104	3,371,721
General aviation fund charges	89,482	94,392
In-kind rents	2,000,000	2,000,000
Investment income	4,396,742	771,265
Interest income	1,738,508	1,389,321
Interest expense	(5,308)	-
Net increase (decrease) in the fair value of investments	1,710,932	(343,539)
(Loss) gain on disposal of capital assets	(57,665)	71,389
Total non-operating revenues, net	21,671,650	14,876,384
Income before capital contributions	15,060,281	10,874,948
Capital contributions	17,532,198	23,007,244
Increase in net position	32,592,479	33,882,192
Total net position, beginning of year	303,081,255	269,103,808
Restatement for change in accounting principle	-	95,255
Total net position, beginning of year, as restated	303,081,255	269,199,063
Total net position, end of year	\$ 335,673,734	\$ 303,081,255

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

Savannah Airport Commission

Statements of Cash Flows

<i>Years ended December 31,</i>	2023	2022
Cash flows from operating activities		
Cash received from providing services	\$ 45,475,680	\$ 46,888,179
Cash paid to suppliers	(15,860,550)	(10,844,598)
Cash paid to employees	(20,881,342)	(18,518,979)
Net cash provided by operating activities	8,733,788	17,524,602
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(20,967,033)	(29,268,023)
Receipts from capital grants	17,532,198	23,007,244
Receipts and interest from		
Passenger facility charges	7,947,855	7,521,835
Customer facility and other charges	3,940,586	3,466,113
Interest received from leases	1,738,508	1,389,321
Interest paid for subscription-based IT arrangements	(5,308)	-
Net cash provided by capital and financing activities	10,186,806	6,116,490
Cash flows from investing activities		
Interest received	4,398,942	662,559
Sale of investments	236,851,000	110,372,865
Purchase of investments	(249,050,802)	(144,095,896)
Insurance proceeds from property	-	71,389
Change in lease receivables	-	63,507
Net cash used in investing activities	(7,800,860)	(32,925,576)
Net increase (decrease) in cash, restricted cash, and cash equivalents	11,119,734	(9,284,484)
Net cash, restricted cash, and cash equivalents, beginning	33,923,234	43,207,718
Cash, restricted cash, and cash equivalents, ending	\$ 45,042,968	\$ 33,923,234

Savannah Airport Commission

Statements of Cash Flows (cont.)

<i>Years ended December 31,</i>	2023	2022
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (6,611,369)	\$ (4,001,436)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	13,890,249	13,550,797
In-kind services	2,000,000	2,000,000
Net pension liability and OPEB Liability	1,197,374	(1,967,427)
Changes in operating assets and liabilities		
Decrease (increase) in assets		
Accounts receivable	(1,480,223)	4,400,912
Inventories	(163,395)	(196,203)
Prepaid expenses	(3,699)	2,310
Subscription-based IT arrangements	(424,841)	-
Lease receivables	(3,056,191)	1,003,403
(Decrease) increase in liabilities		
Accounts payable and accrued expenses	(132,473)	3,228,861
Security deposits	1,549	2,354
Contracts payable - retainage	398,696	552,508
Unearned revenue	74,827	170,600
Accrued vacation liability	246,612	101,187
Subscription-based IT arrangements	278,150	-
Deferred inflows of resources - lease receipts	2,518,522	(1,323,264)
Net cash provided by operating activities	\$ 8,733,788	\$ 17,524,602
Reconciliation of cash, restricted cash, and cash equivalents to the statements of net position		
Cash and cash equivalents	\$ 8,270,712	\$ 2,916,829
Total restricted assets, less receivables	36,772,256	31,006,405
Cash, restricted cash, and cash equivalents, ending	\$ 45,042,968	\$ 33,923,234
Schedule of non-cash investing and capital and related financing activities		
Increase (decrease) in fair value of investments	\$ 1,710,932	\$ (343,539)

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

Savannah Airport Commission

Notes to 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.

Savannah Airport Commission

Notes to Financial Statements

1. Summary of Significant Accounting Policies (cont.)

Budgets and Budgetary Accounting (cont.)

The 2023 budget was approved by the Commission members on December 7, 2022. 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 assets 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 assets that applies to 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 and recording of other post-employment benefits (OPEB). Certain changes in the net pension liability and OPEB, are recognized as pension expense, and employee benefit 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 and OPEB 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 and OPEB 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 or OPEB plan before year-end but subsequent to the measurement date of the Commission's net pension liability and OPEB liability are reported as deferred outflows of resources. This amount will reduce the net pension liability and the OPEB liability in the next fiscal year.

The Commission has deferred inflows of resources related to leases as accounted for in accordance with GASB Statement No. 87, *Leases*. Lease accounting under GASB Statement No. 87, *Leases* establishes a deferred inflow of resources, representing the present value of long-term lease payments expected to be received during a lease payment term, net of any prepayments received from lessees and lease incentives paid to lessees. At lease inception the Commission determines the present value of the lease receipts, based on the term and related discount rate. The calculated value of the lease receivable, from inception of the lease, is amortized on a straight-line basis over the term of the lease and recorded as a reduction of the deferred inflows of resources, and recognition of lease revenue during the period. Refer to Note 7 for additional disclosures relative to the Commission's leasing activities.

Savannah Airport Commission

Notes to Financial Statements

1. Summary of Significant Accounting Policies (cont.)

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.

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.

Savannah Airport Commission

Notes to Financial Statements

1. Summary of Significant Accounting Policies (cont.)

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.

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.

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

Lease Accounting

Revenue from terminal building space rentals and other leased sites is accounted for in accordance with GASB Statement No. 87, Leases. 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. Certain of the Commission's leases have non-cancellable lease terms and those are included in the calculation of the related lease receivable and deferred inflows of resources. Each of these leases conveys the right to use an identified asset, for which the Lessee has the right to use for a specified period of time in exchange for required payments. The Commission maintains signed lease agreements with each of their respective lessees. The Commission groups its leases for the purposes of disclosure into regulated leases, non-regulated leases, short-term leases, and nonmonetary leases.

1. Summary of Significant Accounting Policies (cont.)

Lease Accounting (cont.)

At the commencement of a lease, the Commission measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term on a straight-line basis. Key estimates and judgments related to leases include how the Commission determines the discount rate it uses to discount the expected lease payments to present value, lease term, and lease payments. The Commission uses the interest rate it is charging the lessee as the discount rate. When the lease agreement does not specify an interest rate to be charged, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments the Commission is reasonably certain to receive. The Commission monitors changes in circumstances that would require a re-measurement of its leases and will remeasure the related lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. Refer to Note 7 for additional disclosures relative to the Commission's leasing activities.

Subscription Based Information Technology Arrangements

Beginning in the year ended December 31, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that SBITAs are financings of the right to use an underlying IT asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to Note 6.

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

The Commission recognizes revenue in accordance with Financial Accounting Standards Board (FASB) ASU 2014-09, Revenue from Contracts with Customers (ASC 606). The standard, 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 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 includes leasing agreements, interest amounts earned on cash balances, and returns on investments held which 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.

Savannah Airport Commission

Notes to Financial Statements

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. Unearned 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 2023 and 2022 was \$7,947,855 and \$7,521,835, respectively. PFC reports to the FAA are based on actual collections and do not include accounts receivable. Such amounts collected in 2023 and 2022 are \$7,415,255 and \$6,945,694, respectively; and remaining collections unspent as of December 31, 2023 and 2022 are \$23,409,280 and \$21,447,012, 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 2023 and 2022 was \$3,851,104 and \$3,371,721, 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 2023 and 2022 was \$89,482 and \$94,392, respectively.

Savannah Airport Commission

Notes to Financial Statements

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. 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 2023 and 2022, was \$17,532,198 and \$23,007,244, respectively.

Concentrations

For the years ended December 31, 2023 and 2022, the Commission’s revenues from one customer, Delta Airlines, was approximately \$4.3 million and \$4.2 million, respectively. This represented a concentration risk as it comprised approximately 9% and 10% of total operating revenues in each of the respective years. Furthermore, the Commission receives a substantial amount of non-operating revenue in the form of federal and state grants. For the years ended December 31, 2023 and 2022, the Commission received approximately \$17.5 million and \$23.0 million, respectively. These amounts represented 20% and 29% of total revenue, non-operating revenue, and capital contributions for the years ended December 31, 2023 and 2022, 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, 2023 and 2022 were \$3,838,065 and \$4,198,562, respectively.

Subsequent Events

Subsequent events have been evaluated and disclosed through June 21, 2024, the date the financial statements were available to be issued.

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.

Savannah Airport Commission

Notes to Financial Statements

2. Deposits and Investments (cont.)

At December 31, 2023, 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 Fixed Income: Certificates of Deposit (CD) and Treasuries	NR	\$ 126,385,097	\$ 125,263,777	\$ 1,121,320	\$ -	\$ -
Georgia Fund 1	AAA	1,916	1,916	-	-	-
Cash investments at financial institution	NR	-	-	-	-	-
		\$ 126,387,013	\$ 125,265,693	\$ 1,121,320	\$ -	\$ -

At December 31, 2022, 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 Fixed Income: Certificates of Deposit (CD) and Treasuries	NR	\$ 112,474,456	\$ 107,453,456	\$ 5,021,000	\$ -	\$ -
Georgia Fund 1	AAA	1,823	1,823	-	-	-
Cash investments at financial institution	NR	-	-	-	-	-
		\$ 112,476,279	\$ 107,455,279	\$ 5,021,000	\$ -	\$ -

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.

Savannah Airport Commission

Notes to Financial Statements

2. Deposits and Investments (cont.)

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:

	2023	2022
Cash and cash equivalents	\$ 8,270,712	\$ 2,916,829
Investments	126,387,013	112,476,279
Restricted cash and cash equivalents	36,772,256	31,006,405
	\$ 171,429,981	\$ 146,399,513
	2023	2022
Cash deposited with financial institutions	\$ 45,042,968	\$ 33,923,234
Certificates of Deposit and U.S. Treasuries	126,387,013	112,476,279
	\$ 171,429,981	\$ 146,399,513

3. Restricted Cash and Investments

Restricted cash consists of the following at December 31:

	2023	2022
Passenger facility charge fund	\$ 23,409,280	\$ 21,447,012
Customer facility charge fund	12,783,211	9,010,125
General aviation fund	579,765	549,268
	\$ 36,772,256	\$ 31,006,405

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, 2023 and 2022, as management, after evaluation of such accounts based upon historical collections and evaluation of individual customer credit, determined all accounts were considered collectible.

Savannah Airport Commission

Notes to Financial Statements

5. Capital Assets

Capital assets consist of the following at December 31, 2023:

	Total 2022	Increases/ Additions	Deletions/ Transfers	Total 2023
Capital assets, not being depreciated				
Land	\$ 10,669,398	\$ -	\$ -	10,669,398
Construction in progress	30,976,439	19,643,204	(20,200,960)	30,418,683
Total capital assets not being depreciated	41,645,837	19,643,204	(20,200,960)	41,088,081
Capital assets being depreciated				
Building and Improvements	171,241,258	7,888,994	-	179,130,252
Runways, taxiways, and lights	112,997,297	11,452,509	-	124,449,806
Equipment	32,392,837	1,733,556	(166,881)	33,959,512
Access roads	29,480,497	451,452	-	29,931,949
Subscription-Based IT Arrangements	300,575	424,841	-	725,416
Total capital assets being depreciated	346,412,464	21,951,352	(166,881)	368,196,935
Less accumulated depreciation for				
Buildings and improvements	114,891,713	6,438,884	(25,455)	121,305,142
Runways, taxiways, and lights	62,700,405	4,275,935	-	66,976,340
Equipment	19,000,528	1,858,575	(82,039)	20,777,064
Access roads	20,980,846	1,183,675	-	22,164,521
Subscription-Based IT Arrangements	41,807	133,180	-	174,987
Total accumulated depreciation	217,615,299	13,890,249	(107,494)	231,398,054
Net capital assets	\$ 170,443,002	\$ 27,704,307	\$ (20,260,347)	\$ 177,886,962

Savannah Airport Commission

Notes to Financial Statements

5. Capital Assets (cont.)

Capital assets consist of the following at December 31, 2022:

	Total 2021	Increases/ Additions	Deletions/ Transfers	Total 2022
Capital assets not being depreciated				
Land	\$ 10,669,398	\$ -	\$ -	\$ 10,669,398
Construction in progress	11,184,659	28,232,444	(8,440,664)	30,976,439
Total capital assets not being depreciated	21,854,057	28,232,444	(8,440,664)	41,645,837
Capital assets being depreciated				
Buildings and improvements	170,678,515	588,201	(25,458)	171,241,258
Runways, taxiways, and lights	105,214,189	7,783,108	-	112,997,297
Equipment	31,447,849	1,104,934	(159,946)	32,392,837
Access roads	29,480,497	-	-	29,480,497
Subscription-Based IT Arrangements	-	300,575	-	300,575
Total capital assets being depreciated	336,821,050	9,776,818	(185,404)	346,412,464
Less accumulated depreciation for				
Buildings and improvements	108,476,549	6,415,164	-	114,891,713
Runways, taxiways, and lights	58,555,935	4,144,470	-	62,700,405
Equipment	17,399,636	1,786,296	(185,404)	19,000,528
Access roads	19,775,979	1,204,867	-	20,980,846
Subscription-Based IT Arrangements	-	41,807	-	41,807
Total accumulated depreciation	204,208,099	13,592,604	(185,404)	217,615,299
Net capital assets	\$ 154,467,008	\$ 24,416,658	\$ (8,440,664)	\$ 170,443,002

6. Subscription-based Information Technology Arrangements

The Commission has entered into SBITAs with various third parties. The agreements provide the Commission access to systems used in operations of the Commission. A subscription asset and related accumulated amortization are included in capital assets on the Statement of Net Position (see Note 5). Remaining terms of SBITAs range from 24 months to 62 months as of December 31, 2023.

The annual principal and interest expected to maturity as of December 31, 2023 are as follows:

	Principal Payments	Interest Payments	Total Payments
2024	\$ 136,605	\$ 14,538	\$ 151,143
2025	137,229	10,044	147,273
2026	134,492	5,536	140,028
2027	33,336	1,100	34,436
2028	-	-	-
Total principal and interest expected to maturity	\$ 441,662	\$ 31,218	\$ 472,880

Savannah Airport Commission

Notes to Financial Statements

7. Lease Accounting

The Commission leases terminal space, land, buildings, and equipment, as lessor, under various lease agreements. For the purpose of GASB Statement No. 87 implementation, the Commission's leases have been categorized as follows:

1. Included
2. Excluded – Short-term leases
3. Disclosed – Regulated leases
4. Excluded – Nonmonetary leases

Included Leases

In accordance with GASB Statement No. 87, the Commission recognizes a lease receivable and a deferred inflow of resources for leases the Commission categorized as included. For these leases, the Commission reported lease receivables of \$45,593,453 and \$42,537,262 for the years ended December 31, 2023 and 2022, respectively.

The leases held by the Commission do not have an implicit rate of return, therefore the Commission used its incremental borrowing rate of 3.25% to discount the leases receivable to the net present value. GASB Statement No. 87 included leases are summarized as follows:

Concessions

The Commission leases concession space located in the terminals. The terms of the concession lease agreements include a fixed revenue component or Minimum Annual Guarantee (MAG), and in some instances a variable component based on a percentage of gross revenues.

During the pandemic, the Commission waived the MAG on specific tenants due to government shutdowns, travel bans, and the reduction in passengers. This waiver was retroactively applied, beginning May 2020 and has been extended through December 2023, for specific tenants.

Real Estate

The Commission leases land for terms that range from 5 to 50 years. The terms of the real estate leases include a fixed revenue component based on acreage.

Rental Car

The Commission leases land and buildings for rental car services for various terms ranging 1 to 5 years. The terms of the fixed facility and ground-rental car leases include a fixed revenue component that is based on square footage for facility rent, acreage for ground rent, and MAG.

The terms of the facility and ground-rental car lease agreements include a variable revenue component based on a percentage of gross revenue.

Building

The Commission leases buildings and space located outside of the terminals for terms that range from 5 to 40 years. The terms of the buildings and space leases included a fixed revenue component based on square footage.

Savannah Airport Commission

Notes to Financial Statements

7. Lease Accounting (cont.)

Building (cont.)

For the years ended December 31, 2023 and 2022, the Commission recognized lease-related inflows from lease revenue and interest revenue in the amount of approximately \$2,880,888 and \$2,458,781, respectively.

For the years ended December 31, 2023 and 2022, the Commission received \$12,070,227 and \$12,450,245 of inflows related to variable rent receipts, respectively, that are not included in the measurement of lease receivables.

Excluded – Short-Term Leases

In accordance with GASB Statement No. 87, the Commission does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised.

Disclosed – Regulated Leases

The Commission is the lessor in certain leasing arrangements as defined by GASB Statement No. 87, paragraphs 42 and 43 as Regulated Leases. In accordance with GASB Statement No. 87, the Commission does not recognize a lease receivable and deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, such as requirements from the U. S. Department of Transportation and the Federal Aviation Administration. All regulated leases are between the Commission and air carriers or other aeronautical users and under the terms of the agreements the lessees have exclusive use of certain airport infrastructure. During the years ended December 31, 2023 and 2022, the Commission recognized revenues from regulated leases in the amount of \$4,215,516 and \$3,189,506, respectively. These leases are subject to renewal by the Commission via a Board ordinance.

Minimum future lease payments under regulated lease agreements as of December 31, 2023, are as follows:

<u><i>Years ended December 31,</i></u>		
2024	\$	4,188,663
2025		1,054,738
2026		1,030,772
2027		922,482
2028		769,325
2029 - 2033		3,707,249
2034 - 2038		3,701,877
2039 - 2043		3,701,877
2044 - 2048		3,658,102
2049 - 2053		2,775,049
<hr/>		
Total minimum future lease payments	\$	25,510,134

Savannah Airport Commission

Notes to Financial Statements

7. Lease Accounting (cont.)

Excluded – Nonmonetary Leases

The Commission leases certain parcels of land to the government of the United States of America (the Government). The lease agreement states an annual required payment of \$1 from the Government to the Commission. In exchange for discounted rents, the Government provides the Commission with aircraft rescue and firefighting services. Accordingly, the Commission recorded in-kind rental revenue and in-kind emergency services expense totaling \$2,000,000 from the Government for the periods ended December 31, 2023 and 2022, to reflect the fair value of the use of the premise and services provided. The lease automatically renews annually.

8. Construction Contract Commitments

The Commission has entered into contracts for construction. Status of such contracts as of December 31, 2023 are as follows:

	Project Authorization	Expended to Date	Balance on Contract	Required Further Financing
Security Checkpoint Expansion	\$ 22,439,669	\$ 9,587,839	\$ 12,851,830	None
Demo Air Cargo/Construct SE Taxi Lane	6,672,226	5,823,206	849,020	None
Lifecycle Replacement of Chiller #3	809,850	582,570	227,280	None
Lifecycle Replacement of AHU 2A-1, 2B-2	14,300	12,500	1,800	None
Network Switch Refresh	227,430	210,001	17,429	None
	\$ 30,163,475	\$ 16,216,116	\$ 13,947,359	

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 \$256,426 and \$274,815 during 2023 and 2022, 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.

Savannah Airport Commission

Notes to Financial Statements

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, 2023 and 2022, the Commission's required contribution was \$996,147 and \$912,142, 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, 2023, and 2022, pension plan membership including the commission and other employers consisted of the following:

	2023	2022
Retired members and beneficiaries currently receiving benefits	1,735	1,719
Vested terminated members entitled to but not yet receiving benefits	215	207
Active members	2,217	2,230
Total	4,167	4,156

Actuarial Assumptions

For 2023, 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, 2023, actuarial valuation using the projected unit credit actuarial method. The information and analysis used as of December 31, 2023 was measured by actuarial valuations as of January 1, 2023. 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	7.25%
Inflation	2.75%
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, 2023 was measured by actuarial valuations as of January 1, 2023.

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	41.00%	6.91%
International equity	12.50%	7.21%
Fixed income	27.00%	1.61%
Core real estate	10.00%	3.61%
Private equity (including non-core real estate)	7.00%	9.96%
Emerging markets	2.50%	8.71%
Total	100.00%	5.45%*

*Weighted average expected rate of return

Discount Rate

The discount rate used to measure the total pension liability was 7.25 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.

Savannah Airport Commission

Notes to Financial Statements

10. Pension Plans (cont.)

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, 2023, calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportional share of net pension liability	\$ 17,236,212	\$ 12,231,991	\$ 8,060,568

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

At December 31, 2023, the Commission reported a liability of \$12,231,991 for its proportionate share of the net pension liability. The net pension liability is measured as of December 31, 2022, 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, 2022, the Commission's proportion was 7.44%, which was a decrease of 0.32 from its proportion measured as of December 31, 2021.

At December 31, 2022, the Commission reported a liability of \$3,850,665 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, 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, 2021, the Commission's proportion was 7.76%, which was a decrease of 0.55 from its proportion measured as of December 31, 2020.

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.)

At December 31, 2023, and 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 806,686	\$ 25,427	\$ 1,000,139	\$ 55,889
Changes in assumptions	101,428	-	211,426	53,509
Net difference between projected and actual earnings on pension plan investments	3,932,148	-	-	4,059,514
Change in proportionate share	435,658	993,800	836,637	1,435,151
Total	\$ 5,275,920	\$ 1,019,227	\$ 2,048,202	\$ 5,604,063

For the year ended December 31, 2023 and 2022, the Commission recognized a pension expense of \$1,480,915 and a pension benefit of \$495,426, respectively.

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>	Outflows/(Inflows)
2024	\$ 181,731
2025	1,064,071
2026	1,302,043
2027	1,708,848
Total	\$ 4,256,693

Savannah Airport Commission

Notes to Financial Statements

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.

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:

	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and short-term investments	\$ 133,536,405	\$ 133,536,405	\$ 110,372,108	\$ 110,372,108
Accounts receivable	\$ 4,638,695	\$ 4,638,695	\$ 3,237,081	\$ 3,237,081
Long-term investments	\$ 1,121,320	\$ 1,121,320	\$ 5,021,000	\$ 5,021,000
Leases receivable – financing leases	\$ 276,648	\$ 285,555	\$ 335,108	\$ 350,337
Accounts payable and accrued expenses	\$ 5,788,045	\$ 5,788,045	\$ 5,839,439*	\$ 5,793,684

*2022 has been restated.

Savannah Airport Commission

Notes to Financial Statements

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.

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 Annual Comprehensive Financial Report.

Eligibility

The Plan covers both general and uniform employees of the participating employers. As of December 31, 2023 and 2022, employee membership data related to the City of Savannah OPEB Plan was as follows:

	2023	2022
Retirees and beneficiaries currently receiving benefits	1,455	1,369
Active members	2,096	2,201
Total	3,551	3,570

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.

Savannah Airport Commission

Notes to Financial Statements

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

City of Savannah Employee Benefit Plan (cont.)

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 0.15% of annual covered payroll.

Net OPEB Liability

The Commission's net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021.

Changes in the Net OPEB Liability

Changes in the Commission's net OPEB liability were as follows:

	Total OPEB Liability		Plan Fiduciary Net Position		Net OPEB Liability
	[a]		[b]		[a] – [b]
Balances at December 31, 2022	\$ 663,954	\$	-	\$	663,954
Changes for the year					
Interest	13,209		-		13,209
Difference between expected and actual experience	153,417		-		153,417
Contributions – employer	-		45,512		(45,512)
Change of assumptions	(294,126)		-		(294,126)
Benefit payments	(45,512)		(45,512)		-
Net changes	(173,012)		-		(173,012)
Balances at December 31, 2023	\$ 490,942	\$	-	\$	490,942

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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Specific rates by age, varying from 5.50% to 3.50%, including inflation.
Discount rate	7.00% for City of Savannah and Youth Futures. 3.72% (2.06% for December 31, 2021 measurement) for Savannah Airport Commission and Metropolitan Planning Commission.
Healthcare costs trend rates	
Medical	Pre-65: Initial rate is 6.00%, trending down to 4.50% over 6 years. Post-65: Initial rate is 5.00%, trending down to 4.50% over 2 years.
Prescription drug	Initial rate is 8.00%, trending down to 4.50% over 14 years.
Administrative costs	3.00%
Mortality rates	<u>Pre-Retirement</u> : Pri-2012 Amount-weighted Employee Mortality Table, projected generationally using a modified version of the SSA2020 improvement scale. <u>Healthy Annuitants</u> : Pri-2012 Amount-weighted Healthy Retiree Mortality Table, set forward six years for males and three years for females, projected generationally using a modified version of the SSA2020 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, 2023, dated August 4, 2023, completed by Segal.

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:

Savannah Airport Commission

Notes to Financial Statements

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%	6.91%
International equity	10.00%	7.21%
Intermediate aggregate bonds	20.00%	3.71%
Real estate	10.00%	3.61%
Inflation protected bonds	10.00%	0.71%
Total	100.00%	5.35%*

*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, 2022 and December 31, 2021, 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 3.72% and 2.06% as of December 31, 2022 and December 31, 2021, respectively. 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 (2.72%) or 1 percentage point higher (4.72%) than the current discount rate:

	1% Decrease (2.72%)	Discount Rate (3.72%)	1% Increase (4.72%)
Net OPEB liability	\$ 556,026	\$ 490,942	\$ 430,071

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:

Savannah Airport Commission

Notes to Financial Statements

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 (cont.)

	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	<u>\$ 439,302</u>	<u>\$ 490,942</u>	<u>\$ 554,219</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2023 and 2022, the Commission recognized OPEB benefit of \$127,500 and OPEB expense of \$9,957, respectively. At December 31, 2023 and 2022, the Commission was not allocated deferred outflows of resources or deferred inflows of resources related to the City's OPEB. The Commission was also not allocated future deferred outflows of resources or deferred inflow of resources related to the City's OPEB. Additionally, there were no significant employer contributions subsequent to the measurement date.

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.

Savannah Airport Commission

Notes to Financial Statements

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

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

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, 2023 and 2022, employee membership data related to the Commission's OPEB Plan was as follows:

	2023	2022
Retirees and beneficiaries currently receiving benefits	27	27
Active members	169	169
Total	196	196

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 1.3% of annual covered payroll.

Net OPEB Liability

The Commission's net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021.

Savannah Airport Commission

Notes to Financial Statements

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

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

Changes in the Net OPEB Liability

Changes in the Commission's net OPEB liability were as follows:

		Total OPEB Liability [a]	Plan Fiduciary Net Position [b]	Net OPEB Liability [a] – [b]
Balances at December 31, 2022	\$	9,300,926	\$ -	\$ 9,300,926
Changes for the year:				
Service cost		539,522	-	539,522
Interest		420,480	-	420,480
Difference between expected and actual experience		(341,449)	-	(341,449)
Contributions – employer		-	169,051	(169,051)
Change of assumptions		285,628	-	285,628
Benefit payments		(169,051)	(169,051)	-
Net changes		735,130	-	735,130
Balances at December 31, 2023	\$	10,036,056	\$ -	\$ 10,036,056

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. The following actuarial assumptions were used in the measurement:

Inflation	N/A; the plan is not funded
Salary increases	4.0% (for purpose of allocating liability)
Discount rate	4.00%
Healthcare costs trend rates	
Medical premiums	Pre-Medicare: 7.25% graded down to 4.5% by 0.25% per year Post-Medicare: 5.5% graded down to 4.50% by 0.25% per year.
Mortality rates	2010 Public General Employees and Healthy Retirees, Headcount weighted
Improvement Scale	MP-2021 with 2024 adjustment

The demographic assumptions are based on the experience of the OPEB Plan.

Savannah Airport Commission

Notes to Financial Statements

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

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

Actuarial Methods and Assumptions (cont.)

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, 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 4.00%. Because the plan does not have a dedicated OPEB trust, there are not assets projected to be sufficient to make projected future benefit payments of current plan members, therefore, benefit payments are discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. As of December 31, 2021, the discount rate used to value OPEB liabilities was 4.31%.

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 (3.00%) or 1 percentage point higher (5.00%) than the current discount rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Net OPEB liability	<u>\$ 11,486,462</u>	<u>\$ 10,036,056</u>	<u>\$ 8,853,818</u>

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

The following presents the net OPEB liability of the Commission, as well as what the Commission's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.25% decreasing to 3.50% by 0.25% per year) or 1 percentage point higher (8.25% decreasing to 5.50% by 0.25% per year) than the current healthcare cost trend rates:

Savannah Airport Commission

Notes to Financial Statements

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

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

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates (cont.)

	1% Decrease (6.25% graded by 0.25% per year)	Healthcare Cost Trend Rates (7.25% decreasing by 0.25% per year)	1% Increase (8.25% graded by 0.25% per year)
Net OPEB liability	\$ 8,519,180	\$ 10,036,056	\$ 11,968,006

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the Commission recognized OPEB expense of \$805,895. At December 31, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 173,818	\$ 271,829
Changes in assumptions	2,669,886	1,850,581
Total	\$ 2,843,704	\$ 2,122,410

For the year ended December 31, 2022, the Commission recognized OPEB expense of \$405,953. At December 31, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 200,305	\$ 12,413
Changes in assumptions	2,741,216	2,137,049
Total	\$ 2,941,521	\$ 2,149,462

Savannah Airport Commission

Notes to Financial Statements

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

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

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (cont.)

Amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows (note that there were no significant employer contributions subsequent to the measurement date):

<i>Year ended December 31,</i>		<i>Outflows/(Inflows)</i>
2024	\$	21,542
2025		21,542
2026		21,542
2027		21,542
2028		21,542
Thereafter		613,584
Total	\$	721,294

14. CARES Act Grant Agreements

In April of 2021, the Commission received grant awards under the Airport Coronavirus Relief Grant Program (ACRGP) of \$5,302,901 in total support in cost-reimbursement arrangements over a period of 4 years from the date the agreements were signed. During the year ended December 31, 2022, the Commission expensed \$5,302,901 of allowable reimbursable costs under the arrangement. The Commission received reimbursement grant payments for all amounts. As of December 31, 2022, the Commission used all available reimbursable funds under the grant agreement.

In November of 2021, the Commission received a grant award under the Airport Rescue Grant (ARPA) of \$11,693,915 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, 2022, the Commission expensed \$4,243,209 of allowable reimbursable costs under the arrangement and received reimbursement grant payments for such expenses of \$4,243,209. As of December 31, 2023, the Commission spent \$7,450,706, which were the remaining available reimbursable funds under the grant agreement.

In December of 2021, the Commission received a grant award under the Concessions Rent Relief Airport Rescue Grant Agreement of \$1,251,941 in total support on a cost-reimbursement arrangement over a period of 4 years from the date the agreement is signed. As of December 31, 2023, the Commission used all available reimbursable funds under the grant agreement.

Savannah Airport Commission

Notes to Financial Statements

15. Change in Accounting Principles and Restatement

In 2023, the Commission implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements, resulting in a restatement of the Commission's beginning net position as of January 1, 2022. As part of the adoption, the related disclosure requirements were modified. The implementation of GASB Statement No 96 requires retroactive implementation to the earliest period presented in the comparative financial statements, during the year of implementation.

The implementation of GASB Statement No. 96 had the following effect on net position as reported January 1, 2022:

Net position January 1, 2022, as previously reported	\$	269,103,808
Change in accounting principle due to implementation of GASB Statement No. 96		
SBITAs as of December 31, 2021		300,575
Accumulated depreciation		(41,807)
Accounts payable and accrued expenses		(45,755)
Other non-current liabilities		(117,758)
<hr/>		
Net position, as restated at January 1, 2022	\$	269,199,063

Savannah Airport Commission

Financial Section

- **Required Supplementary Information**
 - 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 Employer Contributions – SAC OPEB
 - Schedule of Changes in Net OPEB Liability



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 Position as a Percentage of the Total Pension Liability	
2015	7.7%	\$ 8,226,511	\$ 7,748,488	106.17%	75.32%	
2016	8.71%	\$ 9,556,610	\$ 8,600,853	111.11%	75.92%	
2017	8.68%	\$ 7,495,251	\$ 9,238,292	81.13%	81.75%	
2018	9.10%	\$ 12,361,102	\$ 9,832,973	125.71%	72.76%	
2019	10.07%	\$ 9,341,643	\$ 9,462,409	98.72%	81.93%	
2020	8.31%	\$ 5,715,542	\$ 9,509,542	60.10%	87.20%	
2021	7.76%	\$ 3,850,665	\$ 8,970,283	42.93%	91.19%	
2022	7.4%	\$ 12,231,991	\$ 7,344,117	166.55%	71.82%	

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	Contributions Recognized by the Plan	Contribution Deficiency (Excess)	Covered Payroll ⁽¹⁾	Contributions Recognized by the Plan as a % of Covered Payroll
2018	\$ 940,290	\$ 940,290	\$ -	\$ 9,832,973	9.56%
2019	\$ 1,071,737	\$ 1,071,737	\$ -	\$ 9,462,409	11.33%
2020	\$ 934,631	\$ 934,631	\$ -	\$ 9,509,542	9.83%
2021	\$ 932,139	\$ 932,139	\$ -	\$ 8,970,283	10.39%
2022	\$ 912,142	\$ 912,142	\$ -	\$ 8,804,459	10.36%
2023	\$ 916,424	\$ 916,424	\$ -	\$ 9,303,797	9.85%

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 Other Post Employment Benefit Plan Schedule of the Commission's Changes in Net OPEB Liability					
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Interest	\$ 13,209	\$ 14,626	\$ 34,132	\$ 56,303	\$ 62,941
Differences between expected and actual experience	153,417	27,684	(489,683)	86,721	(144,751)
Changes of assumptions	(294,126)	(32,353)	(13,445)	(168,685)	(271,576)
Benefit payments, including refunds of member contributions	(45,512)	(71,773)	(101,882)	(101,882)	(104,233)
Net change in Total OPEB Liability	(173,012)	(61,816)	(570,878)	(127,543)	(457,619)
Total OPEB Liability - beginning	663,954	725,770	1,296,648	1,424,191	1,881,810
(a) Total OPEB Liability - ending	490,942	663,954	725,770	1,296,648	1,424,191
Plan fiduciary net position					
Contributions - employer	45,512	71,773	101,882	101,882	104,233
Benefit payments, including refunds of member contributions	(45,512)	(71,773)	(101,882)	(101,882)	(104,233)
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)	\$ 490,942	\$ 663,954	\$ 725,770	\$ 1,296,648	\$ 1,424,191
Plan fiduciary net position as a percentage of the Total OPEB Liability	0%	0%	0%	0%	0%
Covered employee payroll⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Net OPEB Liability as percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A

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

Savannah Airport Commission

Required Supplementary Information

Notes to Schedule:

Benefit changes: Effective 1/1/2022, the deductible for In-Network Medicare Advantage plan decreased from \$500 and \$750 to \$250 and \$500 for In and Out of network benefits, respectively. For the purposes of this valuation, this change was treated as negligible.

⁽¹⁾ Covered employee payroll represents compensation earnable and pensionable compensation.

Change of assumptions:

- Per capita health costs and prescription drug costs and their associated trend rates were updated to reflect recent experience and future expectations.
- Administrative costs were updated to reflect rent experience and future expectations.
- The discount rate effective December 31, 2022, for the unfunded groups was increased to 3.72%.

Savannah Airport Commission

Required Supplementary Information

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

Year Ended December 31,	Annual Money-weighted Rate of Return
2017	16.20%
2018	-3.20%
2019	21.40%
2020	16.10%
2021	15.00%
2022	-19.20%

* 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	
2016	\$ 115,423	\$ 109,340	\$ 6,083	\$ -		N/A
2017	\$ 99,569	\$ 107,955	\$ (8,386)	\$ -		N/A
2018	\$ 104,233	\$ 104,233	\$ -	\$ -		N/A
2019	\$ 101,882	\$ 101,882	\$ -	\$ -		N/A
2020	\$ 101,882	\$ 101,882	\$ -	\$ -		N/A
2021	\$ 71,773	\$ 71,773	\$ -	\$ -		N/A
2022	\$ -	\$ -	\$ -	\$ -		N/A
2023	\$ -	\$ -	\$ -	\$ -		N/A

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

Notes to Schedule:

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

<i>Valuation date</i>	December 31, 2021
<i>Measurement date</i>	December 31, 2022
<i>Actuarial cost method</i>	Entry Age Normal Level Percent of Pay
<i>Asset valuation method</i>	Fair Value
<i>Remaining amortization period</i>	15 years remain as of December 31, 2021
<i>Amortization method</i>	30 years closed, level percent of pay

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,	Service Cost (End of Year)	Amortization of Unfunded Liability	Actuarially Determined Employer Contributions (ADC)	Employer Contribution	Contribution Deficiency/(Excess)	Covered Employee Payroll	Contribution as a % of Covered Payroll	ADC as a % of Covered Payroll
2019	\$ 384,468	\$ 452,466	\$ 836,934	\$ (62,417)	\$ 774,517	\$ 12,021,685	0.52%	6.96%
2020	\$ 532,808	\$ 674,060	\$ 1,206,868	\$ (120,603)	\$ 1,086,265	\$ 11,603,764	1.04%	10.40%
2021	\$ 555,762	\$ 839,963	\$ 1,395,725	\$ (134,307)	\$ 1,261,418	\$ 11,414,366	1.18%	12.23%
2022	\$ 539,522	\$ 845,036	\$ 1,384,558	\$ (169,051)	\$ 1,215,507	\$ 12,851,423	1.32%	10.77%
2023	\$ 543,089	\$ 970,588	\$ 1,513,677	\$ (249,855)	\$ 1,263,822	\$ 14,201,191	1.76%	10.66%

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

Notes to Schedule:

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

<i>Valuation date</i>	December 31, 2021
<i>Measurement date</i>	December 31, 2022
<i>Reporting date</i>	December 31, 2023
<i>Actuarial cost method</i>	Entry Age Normal (level percent of compensation)
<i>Amortization for contribution</i>	Level percent, closed
<i>Asset valuation method</i>	Fair value

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					
	2023	2022	2021	2020	2019
Total OPEB Liability					
Interest	\$ 13,209	\$ 14,626	\$ 34,132	\$ 56,303	\$ 62,941
Differences between expected and actual experience	153,417	27,684	(489,683)	86,721	(144,751)
Changes of assumptions	(294,126)	(32,353)	(13,445)	(168,685)	(271,576)
Benefit payments, including refunds of member contributions	(45,512)	(71,773)	(101,882)	(101,882)	(104,233)
Net change in Total OPEB Liability	(173,012)	(61,816)	(570,878)	(127,543)	(457,619)
Total OPEB Liability - beginning	663,954	725,770	1,296,648	1,424,191	1,881,810
(a) Total OPEB Liability - ending	490,942	663,954	725,770	1,296,648	1,424,191
Plan fiduciary net position					
Contributions - employer	45,512	71,773	101,882	101,882	104,233
Benefit payments, including refunds of member contributions	(45,512)	(71,773)	(101,882)	(101,882)	(104,233)
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)	\$ 490,942	\$ 663,954	\$ 725,770	\$ 1,296,648	\$ 1,424,191
Plan fiduciary net position as a percentage of the Total OPEB Liability	0%	0%	0%	0%	0%
Covered employee payroll¹	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Net OPEB Liability as percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A

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

Notes to Schedule:

Benefit changes: Effective 1/1/2022, the deductible for In-Network Medicare Advantage plan decreased from \$500 and \$750 to \$250 and \$500 for In and Out of network benefits, respectively. For the purposes of this valuation, this change was treated as negligible.

⁽¹⁾ Covered employee payroll represents compensation earnable and pensionable compensation.

Change of assumptions:

- Per capita health costs and prescription drug costs and their associated trend rates were updated to reflect recent experience and future expectations.
- Administrative costs were updated to reflect recent experience and future expectations.
- The discount rate effective December 31, 2022, for the unfunded groups was increased to 3.72%.

Savannah Airport Commission

Financial Section

- **Other Supplementary Information**
 - **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) 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>	2023	2022
Airfield income		
Landing fees	\$ 7,015,491	\$ 5,508,064
Fuel flow fees	159,022	189,726
Usage charges	272,114	187,855
Fuel farm fees	793,161	416,109
	8,239,788	6,301,754
Airfield expenses		
General	2,596,876	2,488,425
Buildings	9,537	3,151
Grounds	497,505	466,120
Equipment	207,109	194,517
Runway	164,074	154,792
Janitorial	386	703
Fuel farm expenses	455,019	446,316
Utilities	72,612	65,210
Total expense excluding depreciation	4,003,118	3,819,234
Depreciation	3,559,756	3,674,971
Total expenses	7,562,874	7,494,205
Net airfield income (loss)	\$ 676,914	\$ (1,192,451)

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Terminal Operations

<i>Years ended December 31,</i>	2023	2022
Terminal income		
Car rentals	\$ 7,102,898	\$ 7,520,320
Airlines	7,375,657	6,395,976
Ground transportation	903,666	694,201
Gift shop	1,243,000	1,167,918
Restaurant	1,301,551	1,398,383
Space rental	577,231	517,848
Advertising	607,436	533,864
Telephone	28,849	28,849
Vending	19,135	22,716
Mini mall	4,494	6,125
Business center	33,000	33,000
Miscellaneous	6,748	57,091
Common charge/ticket checkers	955,607	726,881
	20,159,272	19,103,172
Terminal expenses		
General	4,125,317	2,890,962
Buildings	2,811,472	2,313,943
Grounds	55,405	27,867
Janitorial	1,241,654	1,079,590
Equipment	479,098	379,019
Utilities	982,621	889,339
Advertising	179,795	111,109
Passport club	134,817	109,331
Visitors center	685,383	502,024
Ticket checkers/shuttle driver	1,838,536	1,426,088
Ground trans starters	373,280	340,118
Ops center	172,205	121,103
Total expense excluding depreciation	13,079,583	10,190,493
Depreciation	4,715,353	4,701,258
Total expenses	17,794,936	14,891,751
Net terminal income	\$ 2,364,336	\$ 4,211,421

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Airport Business Center Operations

<i>Years ended December 31,</i>	2023	2022
Airport business center expenses		
General	\$ -	\$ -
Utilities	8,335	13,908
Total expense excluding depreciation	8,335	13,908
Depreciation	-	-
Total expense	8,335	13,908
Net airport business center loss	\$ (8,335)	\$ (13,908)

See independent auditor's report.

Savannah Airport Commission

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

<i>Years ended December 31,</i>	2023	2022
Public safety expenses		
General	\$ 5,079,893	\$ 3,560,914
Buildings	17,274	47,555
Equipment	59,314	71,492
Total expense excluding depreciation	5,156,481	3,679,961
Depreciation	181,382	192,963
Total expense	5,337,863	3,872,924
Net public safety loss	\$ (5,337,863)	\$ (3,872,924)
FIS facility expenses		
Buildings	\$ 27,811	\$ 12,877
Utilities	59,438	51,404
Grounds	3,670	-
General	27,246	23,767
Total expense excluding depreciation	118,165	88,048
Depreciation	502,888	502,887
Total expense	621,053	590,935
Net FIS facility loss	\$ (621,053)	\$ (590,935)

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Commercial Aviation Operations

<i>Years ended December 31,</i>	2023	2022
Commercial aviation income		
Fixed base operators	\$ 619,085	\$ 657,530
Air cargo building	13,976	279,880
Land lease	1,475,151	1,013,777
Airline freight facility	151,442	151,258
Space rental	250	-
AvGas	-	37,167
	2,259,904	2,139,612
Commercial aviation expenses		
General	61,839	13,021
Buildings	-	3,019
Utilities	76,727	95,985
Ground support	2,065	1,350
Apron	6,810	1,535
Fuel farm	-	41,697
Total expense excluding depreciation	147,441	156,607
Depreciation	760,273	410,149
Total expense	907,714	566,756
Net commercial aviation income	\$ 1,352,190	\$ 1,572,856

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Apron and Parking Operations

<i>Years ended December 31,</i>	2023	2022
Apron income		
Airline fixed payments	\$ 81,352	\$ 80,401
Apron expenses		
General	74	1,068
Maintenance	-	22,328
Utilities	6,120	9,984
Total expense excluding depreciation	6,194	33,380
Depreciation	890,677	890,869
Total expense	896,871	924,249
Net apron loss	\$ (815,519)	\$ (843,848)
Parking income		
Parking	\$ 12,801,648	\$ 11,321,792
Parking expenses		
General	2,199,231	1,682,221
Buildings	241,235	198,716
Equipment	162,037	139,133
Grounds	7,919	13,588
Utilities	150,583	139,652
Total expense excluding depreciation	2,761,005	2,173,310
Depreciation	2,085,323	2,077,954
Total expense	4,846,328	4,251,264
Net parking income	\$ 7,955,320	\$ 7,070,528

See independent auditor's report.

Savannah Airport Commission

Schedules of Net Non-Aviation Operations

<i>Years ended December 31,</i>	2023	2022
Non-aviation income		
Land leases	\$ 1,059,442	\$ 1,041,723
Space rental	130,318	111,093
Motel	2,113,627	2,177,859
Food and beverage	33,825	37,861
Miscellaneous	1,900	1,400
	3,339,112	3,369,936
Non-aviation expenses		
General	263,874	222,798
Buildings	4,127	16,542
Grounds	709,118	606,815
Equipment	199,767	139,885
Utilities	120,945	115,701
Total expense excluding depreciation	1,297,831	1,101,741
Depreciation	970,106	980,473
Total expense	2,267,937	2,082,214
Net non-aviation income	\$ 1,071,175	\$ 1,287,722
<i>See independent auditor's report.</i>		

Savannah Airport Commission

Schedules of Administrative Expenses

<i>Years ended December 31,</i>	2023	2022
Salaries	\$ 3,561,719	\$ 3,175,974
Employee benefits	2,016,346	920,376
Contract labor	21,210	-
Marketing	3,837,586	4,196,305
Professional fees	820,702	722,001
Miscellaneous	593,381	491,265
Dues, travel, and meetings	648,227	531,562
Office supplies and postage	732,627	742,956
Telephone	164,541	153,317
Insurance	411,286	373,070
Equipment rental and service contracts	204,860	191,234
Printing and advertising	11,557	12,564
Total expense excluding depreciation	13,024,042	11,510,624
Depreciation	91,311	119,273
Total expense	\$ 13,115,353	\$ 11,629,897

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 annual comprehensive 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

	2014	2015	2016	2017*	2018
Operating revenues					
Airfield	\$ 3,257,492	\$ 3,430,523	\$ 4,092,314	\$ 4,741,605	\$ 5,703,136
Terminal	11,965,612	12,378,721	13,225,485	14,097,691	15,248,112
Airport business center	212,094	146,878	4,200	5,000	-
Commercial Aviation	2,216,288	2,229,309	2,239,342	2,342,588	2,406,820
Apron	54,381	60,231	59,651	70,879	71,773
Parking	6,018,305	6,508,913	7,023,629	7,704,652	8,534,367
Non-aviation	2,713,210	3,106,677	3,241,826	3,028,981	3,336,134
Foreign trade zone	-	-	-	-	-
Total operating revenues	26,437,382	27,861,252	29,886,447	31,991,396	35,300,342
Operating expenses					
Airfield	1,905,637	2,146,532	2,332,494	2,219,609	2,162,008
Terminal	9,094,306	9,449,322	10,696,443	10,654,133	11,463,914
Airport business center	140,603	85,877	63,253	74,964	113,294
Commercial aviation	261,441	158,716	258,360	149,683	165,349
Apron	24,547	26,691	14,664	7,121	3,969
Parking	1,369,561	1,337,464	1,535,639	1,453,209	1,653,726
Non-aviation	1,110,988	1,028,223	1,167,691	1,079,432	1,144,642
Public safety	-	-	-	-	-
FIS facility	-	-	-	-	-
Administrative expenses	5,751,582	7,664,600	7,221,902	7,373,924	8,566,816
Depreciation	9,969,695	11,202,854	11,329,228	11,878,166	12,703,635
Total operating expenses	29,628,360	33,100,279	34,619,674	34,890,241	37,977,353
Operating loss	(3,190,978)	(5,239,027)	(4,733,227)	(2,898,845)	(2,677,011)
Non-operating revenues (expenses)					
Passenger facility charges	3,640,888	3,902,443	4,208,795	4,863,617	5,549,069
Customer facility charges	611,273	658,964	694,209	732,738	2,613,350
General aviation charges	79,130	87,267	88,364	100,030	89,080
Savannah aviation village fund charges	-	-	-	-	-
In-kind rents	-	-	-	-	-
Investment revenue	-	-	-	-	-
Interest revenue	319,351	404,423	499,415	903,020	1,127,197
Interest expense	(345,038)	(260,600)	(125,349)	-	-
Bond issuance cost amortization	-	-	-	-	-
Bond premium amortization	248,182	136,380	136,380	-	-
Loss on bond refunding	(149,932)	(50,524)	(28,837)	6,401	-
Net increase (decrease) in the fair value of investments	(45,893)	23,651	51,447	(178,827)	(132,721)
Recovery of bad debt	-	-	-	-	-
Gain (loss) on disposal of capital assets	11,297	8,664	59,481	-	(100,973)
Total non-operating revenues (expenses)	4,369,258	4,910,668	5,583,905	6,426,979	9,145,002
Income before capital contributions	1,178,280	(328,359)	850,678	3,528,134	6,467,991
Capital contributions	5,932,857	4,021,586	859,175	5,686,825	5,423,362
Increase in net position	\$ 7,111,137	\$ 3,693,227	\$ 1,709,853	\$ 9,214,959	\$ 11,891,353
Restatement for change in accounting principle	-	-	-	-	-
Net position at year end composed of					
Net investment in capital assets	\$ 161,352,944	\$ 157,729,262	\$ 159,208,931	\$ 160,040,146	\$ 161,956,390
Restricted	9,715,727	11,058,622	3,349,869	3,406,924	10,957,693
Unrestricted	39,161,142	37,309,773	45,248,710	54,558,021	56,982,361
Total net position	\$ 210,229,813	\$ 206,097,657	\$ 207,807,510	\$ 218,005,091	\$ 229,896,444

*2017, 2021, and 2022 have been restated

Savannah Airport Commission

Total Annual Revenues, Expenses, and Changes in Net Position

	2019	2020	2021*	2022*	2023
Operating revenues					
Airfield	\$ 6,752,741	\$ 3,815,963	\$ 5,655,665	\$ 6,301,754	\$ 8,239,788
Terminal	16,088,023	12,054,946	16,732,497	19,103,172	20,159,272
Airport business center	-	-	-	-	-
Commercial Aviation	2,544,916	2,868,282	2,097,283	2,139,612	2,259,904
Apron	69,791	69,044	81,675	80,401	81,352
Parking	9,172,911	3,433,443	7,163,517	11,321,792	12,801,648
Non-aviation	3,067,443	2,291,249	2,952,142	3,369,936	3,339,112
Foreign trade zone	-	-	-	-	-
Total operating revenues	37,695,825	24,532,927	34,682,779	42,316,667	46,881,076
Operating expenses					
Airfield	1,805,729	1,877,299	3,546,649	3,819,234	4,003,118
Terminal	10,608,462	11,474,856	9,431,481	10,190,493	13,079,583
Airport business center	10,519	11,340	10,097	13,908	8,335
Commercial aviation	188,206	204,786	159,742	156,607	147,441
Apron	1,829	16,055	12,900	33,380	6,194
Parking	1,835,278	1,920,064	1,792,227	2,173,310	2,761,005
Non-aviation	1,219,215	1,381,800	989,003	1,101,741	1,297,831
Public safety	3,887,071	4,047,794	3,046,019	3,679,961	5,156,481
FIS facility	4,310	49,501	80,992	88,048	118,165
Administrative expenses	11,051,772	11,852,237	11,317,539	11,510,624	13,024,043
Depreciation	12,773,208	12,763,672	13,374,664	13,550,797	13,890,249
Total operating expenses	43,385,599	45,599,404	43,761,313	46,318,103	53,492,445
Operating loss	(5,689,774)	(21,066,477)	(9,078,534)	(4,001,436)	(6,611,369)
Non-operating revenues (expenses)					
Passenger facility charges	5,920,188	2,538,410	5,384,186	7,521,835	7,947,855
Customer facility charges	3,711,308	1,934,392	2,810,375	3,371,721	3,851,104
General aviation charges	90,679	82,373	85,460	94,392	89,482
Savannah aviation village fund charges	-	-	-	-	-
In-kind rents	-	-	2,000,000	2,000,000	2,000,000
Investment revenue	-	-	254,534	771,265	4,396,742
Interest revenue	1,542,767	942,438	1,421,365	1,389,321	1,738,508
Interest expense	-	-	-	-	(5,308)
Bond issuance cost amortization	-	-	-	-	-
Bond premium amortization	-	-	-	-	-
Loss on bond refunding	-	-	-	-	-
Net increase (decrease) in the fair value of investments	387,923	111,697	(323,404)	(343,539)	1,710,932
Recovery of bad debt	-	-	-	-	-
Gain (loss) on disposal of capital assets	(22,978)	(4,348,776)	104,628	71,389	(57,665)
Total non-operating revenues (expenses)	11,629,887	1,260,534	11,737,144	14,876,384	21,671,650
Income before capital contributions	5,940,113	(19,805,943)	2,658,610	10,874,948	15,060,281
Capital contributions	10,408,120	14,128,106	20,512,870	23,007,244	17,532,198
Increase in net position	\$ 16,348,233	\$ (5,677,837)	\$ 23,171,480	\$ 33,882,192	\$ 32,592,479
Restatement for change in accounting principle	-	-	5,365,488	95,255	-
Net position at year end composed of					
Net investment in capital assets	\$ 168,961,459	\$ 157,014,546	\$ 154,467,008	\$ 170,443,002	\$ 177,886,962
Restricted	19,061,440	21,121,495	27,936,083	31,927,250	37,769,510
Unrestricted	58,221,778	62,430,799	86,700,717	100,711,003	120,017,262
Total net position	\$ 246,244,677	\$ 240,566,840	\$ 269,103,808	\$ 303,081,255	\$ 335,673,734

*2017, 2021, and 2022 have been restated

Savannah Airport Commission

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

Employer	2023	2013
	Employees	Employees
Gulfstream Aerospace Corporation	11,301	8,406
Savannah-Chatham County Board of Education	5,700	4,808
St. Joseph's Candler	4,652	3,170
Ft. Stewart/Hunter Army Airfield	4,300	4,637
Walmart	4,150	*
Memorial University Medical Center	3,869	4,600
Georgia Southern University	2,864	*
Colonial Group	2,241	*
City of Savannah	2,147	2,795
Chatham County	1,810	1,600

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			
				Principal	Interest	Total	Coverage
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	\$10,543	\$0	\$0	\$0	0.00
2018	\$39,130	\$25,507	\$13,623	\$0	\$0	\$0	0.00
2019	\$43,429	\$30,635	\$12,794	\$0	\$0	\$0	0.00
2020	\$27,604	\$37,185	\$-9,581	\$0	\$0	\$0	0.00
2021*	\$41,359	\$30,710	\$10,649	\$0	\$0	\$0	0.00
2022*	\$50,015	\$33,111	\$16,904	\$0	\$0	\$0	0.00
2023	\$60,668	\$39,655	\$21,013	\$0	\$0	\$0	0.00

*2017, 2021 and 2022 have been restated

Gross revenue excludes passenger facility charges included in non-operating revenue and capital contributions of \$25,480,053 in 2023 and \$30,529,079 in 2022.

Savannah Airport Commission

Ratios of Outstanding Debt

<i>Years ended December 31,</i>	2014	2015	2016
Principal	\$2,390,000	\$2,705,000	\$2,845,000
Interest	345,038	260,600	125,350
Total debt service	\$2,735,038	\$2,965,600	\$2,970,350
Total expenses	\$30,169,223	\$33,411,404	\$34,773,860
Ratio of debt service to total expenses	9%	9%	9%
Debt service per enplaned passenger			
Net debt service	\$2,735,038	\$2,965,600	\$2,970,350
Enplaned passengers	963,385	1,017,065	1,089,222
Debt service per enplaned passenger	\$2.84	\$2.92	\$2.73
Debt limit per enplaned passenger			
Debt limit	No limit	No limit	No limit
Enplaned passengers	963,385	1,017,067	1,089,222
Debt limit per enplaned passenger	N/A	N/A	N/A
Outstanding debt per enplaned passenger			
Revenue bonds	\$5,822,760	\$2,981,380	\$0
Notes payable	-	-	-
Total outstanding debt	\$5,822,760	\$2,981,380	\$0
Outstanding debt per enplaned passenger	\$6	\$3	\$0

Savannah Airport Commission

Ratios of Outstanding Debt (cont.)

<i>Years ended December 31,</i>	2017*	2018	2019	2020
Principal	\$0	\$0	\$0	\$0
Interest	0	0	0	0
Total debt service	\$0	\$0	\$0	\$0
Total expenses	\$35,069,068	\$38,211,047	\$43,408,577	\$49,948,180
Ratio of debt service to total expenses	0%	0%	0%	0%
Debt service per enplaned passenger				
Net debt service	\$0	\$0	\$0	\$0
Enplaned passengers	1,229,083	1,395,040	1,502,974	598,096
Debt service per enplaned passenger	\$0.00	\$0.00	\$0.00	\$0.00
Debt limit per enplaned passenger				
Debt limit	No limit	No limit	No limit	No limit
Enplaned passengers	1,229,083	1,395,040	1,502,974	598,096
Debt limit per enplaned passenger	N/A	N/A	N/A	N/A
Outstanding debt per enplaned passenger				
Revenue bonds	\$0	\$0	\$0	\$0
Notes payable	-	-	-	-
Total outstanding debt	\$0	\$0	\$0	\$0
Outstanding debt per enplaned passenger	\$0	\$0	\$0	\$0

* 2017 has been restated

Savannah Airport Commission

Ratios of Outstanding Debt (cont.)

<i>Years ended December 31,</i>	2021*	2022*	2023
Principal	\$0	\$0	\$0
Interest	0	0	0
Total debt service	\$0	\$0	\$0
Total expenses	\$44,084,717	\$46,661,642	\$53,555,418
Ratio of debt service to total expenses	0%	0%	0%
Debt service per enplaned passenger			
Net debt service	\$0	\$0	\$0
Enplaned passengers	1,393,720	1,765,312	1,944,791
Debt service per enplaned passenger	\$0.00	\$0.00	\$0.00
Debt limit per enplaned passenger			
Debt limit	No limit	No limit	No limit
Enplaned passengers	1,393,720	1,765,312	1,944,791
Debt limit per enplaned passenger	N/A	N/A	N/A
Outstanding debt per enplaned passenger			
Revenue bonds	\$0	\$0	\$0
Notes payable	-	-	-
Total outstanding debt	\$0	\$0	\$0
Outstanding debt per enplaned passenger	\$0	\$0	\$0

* 2021 and 2022 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)
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
2021	289,463	\$ 51,805	\$ 14,995,510	35,946	2.30
2022	296,329	\$ 54,586	\$ 16,175,526	35,129	2.50
2023	301,107	\$ 56,682	\$ 17,067,423	32,492	2.40

Savannah Airport Commission

Industry Specific Trend Data Last Ten Calendar Years

Year	Enplanements	Deplanements	Total Passengers	Available Seats	Load Factor
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%
2021	1,393,720	1,387,189	2,780,909	1,837,415	75%
2022	1,765,312	1,767,982	3,533,294	2,144,034	82%
2023	1,944,791	1,952,741	3,897,532	2,354,087	83%

Savannah Airport Commission

Airlines Landed Weight (1,000 lbs.) 2014 - 2023

Airline	2023	Percent of Total 2023	2022	Percent of Total 2022
Delta Airlines	438,319	19.36%	442,092	21.24%
Southwest	343,738	15.18%	300,183	14.42%
American Airlines	274,898	12.14%	221,796	10.66%
PSA (American)	185,027	8.17%	167,732	8.06%
United Airlines	175,668	7.76%	67,705	3.25%
JetBlue	157,965	6.98%	200,587	9.64%
Endeavor (Delta)	130,519	5.76%	138,061	6.63%
Allegiant Airlines	112,606	4.97%	127,646	6.13%
Mesa (United)	104,715	4.62%	44,481	2.14%
Envoy Air (American)	63,189	2.79%	62,117	2.98%
Republic (United)	50,525	2.23%	87,558	4.21%
Sky West (United)	26,460	1.17%	40,926	1.97%
Breeze Airways	25,003	1.10%	12,086	0.58%
Republic (Delta)	20,275	0.90%	13,180	0.63%
Republic (American)	16,186	0.71%	14,689	0.71%
Frontier	15,612	0.69%	6,246	0.30%
Silver	12,461	0.55%	6,773	0.33%
Avelo Airlines	11,833	0.52%	13,167	0.63%
GoJet (United)	11,233	0.50%	11,720	0.56%
Sun Country	7,592	0.34%	8,608	0.41%
Air Wisconsin (United)	5,687	0.25%	13,912	0.67%
Piedmont (American)	1,872	0.08%	8,979	0.43%
CommutAir (United)	1,456	0.06%	2,866	0.14%
Sky West (American)	610	0.03%	536	0.03%
Sky West (Delta)	222	0.01%	671	0.03%
Express Jet (United)	-	-	-	-
Air Canada	-	-	-	-
GoJet (Delta)	-	-	-	-
Trans States (United)	-	-	-	-
Express Jet (Delta)	-	-	-	-
Mesa (American)	-	-	-	-
Trans States (American)	-	-	-	-
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Total Scheduled	2,193,671	96.88%	2,014,317	96.79%
Total Non-Scheduled	5,942	0.26%	6,349	0.31%
Cargo Carriers				
Federal Express	49,632	2.19%	51,228	2.46%
UPS	6,930	0.31%	-	-
Air Cargo Carriers	5,935	0.26%	7,005	0.34%
Suburban Air Freight	2,136	0.10%	2,204	0.11%
Martinaire, Inc.	-	-	-	-
Sky Way Enterprises	-	-	-	-
Mountain Air Cargo	-	-	-	-
Wiggins Airways	-	-	-	-
Total Cargo	64,633	2.86%	60,437	2.90%
Grand Total	2,264,246	100.00%	2,081,103	100.00%

Savannah Airport Commission

Airlines Landed Weight (1,000 lbs.) 2014 – 2023 (cont.)

Airline	2021	2020	2019	2018
Delta Airlines	304,396	264,789	470,470	478,767
Southwest	241,506			
American Airlines	148,070	62,407	212,358	150,412
PSA (American)	219,590	221,881	277,644	260,756
United Airlines	37,542	2,806	58,006	124,268
JetBlue	103,159	85,609	167,519	159,557
Endeavor (Delta)	152,340	28,667	93,031	135,516
Allegiant Airlines	163,963	124,606	173,044	138,366
Mesa (United)	57,776	49,213	61,919	32,886
Envoy Air (American)	50,298	25,105	32,327	14,732
Republic (United)	153,281	27,007	28,496	9,219
Sky West (United)	27,693	15,606	12,824	11,160
Breeze Airways	-	-	-	-
Republic (Delta)	1,563	4,683	875	2,260
Republic (American)	51,706	22,188	17,379	23,375
Frontier	12,360	6,958	26,305	17,201
Silver	6,659	-	-	-
Avelo Airlines	-	-	-	-
GoJet (United)	1,708	-	1,139	67
Sun Country	2,341	-	4,096	5,458
Air Wisconsin (United)	10,669	13,019	35,626	43,193
Piedmont (American)	7,275	-	-	5,750
CommutAir (United)	4,141	11,728	16,781	10,231
Sky West (American)	3,551	4,355	13,065	-
Sky West (Delta)	-	7,515	61,276	1,275
Express Jet (United)	-	10,043	41,987	32,795
Air Canada	-	676	10,030	11,248
GoJet (Delta)	-	-	67	2,570
Trans States (United)	-	-	-	11,219
Express Jet (Delta)	-	-	-	3,835
Mesa (American)	-	-	-	3,492
Trans States (American)	-	-	-	1,911
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Total Scheduled	1,761,587	988,861	1,816,264	1,691,519
Total Non-Scheduled	7,140	6,024	8,963	6,101
Cargo Carriers				
Federal Express	50,322	51,318	51,282	54,054
UPS	-	-	-	-
Air Cargo Carriers	6,883	7,131	6,868	7,026
Suburban Air Freight	2,429	2,451	2,210	2,443
Martinaire, Inc.	27	9	18	70
Sky Way Enterprises	52	104	-	-
Mountain Air Cargo	-	-	26	34
Wiggins Airways	-	-	-	-
Total Cargo	59,713	61,013	60,404	63,627
Grand Total	1,828,440	1,055,898	1,885,631	1,761,247

Savannah Airport Commission

Airlines Landed Weight (1,000 lbs.) 2014 – 2023 (cont.)

Airline	2017	2016	2015	2014
Delta Airlines	449,293	437,725	437,487	409,511
Southwest	-	-	-	-
American Airlines	64,716	4,877	260	-
PSA (American)	206,144	215,003	213,920	85,836
United Airlines	79,087	6,926	-	-
JetBlue	152,751	144,815	137,908	119,116
Endeavor (Delta)	82,856	55,621	48,590	42,732
Allegiant Airlines	101,503	69,803	17,665	-
Mesa (United)	38,198	33,969	24,522	11,725
Envoy Air (American)	37,289	47,312	25,242	45,709
Republic (United)	8,742	11,963	-	-
Sky West (United)	12,336	7,033	2,641	-
Breeze Airways	-	-	-	-
Republic (Delta)	1,628	-	-	-
Republic (American)	12,744	17,056	3,551	19,480
Frontier	-	-	-	-
Silver	-	-	-	-
Avelo Airlines	-	-	-	-
GoJet (United)	6,432	2,077	-	-
Sun Country	6,091	7,987	5,180	-
Air Wisconsin (United)	9,259	-	-	-
Piedmont (American)	8,933	859	993	888
CommutAir (United)	13,352	13,360	-	-
Sky West (American)	-	-	-	-
Sky West (Delta)	150	-	-	-
Express Jet (United)	47,792	79,769	97,412	134,643
Air Canada	8,436	-	-	-
GoJet (Delta)	13,282	40,063	41,760	30,485
Trans States (United)	4,250	6,431	20,781	-
Express Jet (Delta)	44,852	40,219	42,596	55,660
Mesa (American)	-	6,093	19,831	114,541
Trans States (American)	13,481	-	-	-
Air Wisconsin (American)	19,787	22,936	18,894	35,908
Shuttle America (United)	1,808	578	-	-
Shuttle America (Delta)	-	9,822	819	1,023
Express Jet (American)	-	-	6,157	-
Compass (Delta)	-	-	-	7,171
Total Scheduled	1,445,192	1,282,297	1,166,209	1,114,428
Total Non-Scheduled	5,719	3,154	5,367	5,654
Cargo Carriers				
Federal Express	51,678	52,074	54,648	54,252
UPS	-	-	-	-
Air Cargo Carriers	7,009	6,369	6,198	6,426
Suburban Air Freight	3,458	3,912	3,667	3,548
Martinaire, Inc.	35	36	80	113
Sky Way Enterprises	592	679	-	-
Mountain Air Cargo	-	-	-	-
Wiggins Airways	-	13	263	76
Total Cargo	62,772	63,083	64,856	64,415
Grand Total	1,513,683	1,348,534	1,236,432	1,184,497

Savannah Airport Commission

Enplaned Passengers 2014 - 2023

	2023	Percent of Total 2023	2022	Percent of Total 2022
Airline				
Delta Airlines	419,265	21.56%	417,330	23.64%
Southwest	302,280	15.54%	262,131	14.85%
American Airlines	233,613	12.01%	202,833	11.49%
PSA (American)	160,946	8.28%	144,297	8.17%
United Airlines	151,468	7.79%	56,708	3.21%
JetBlue	136,739	7.03%	150,020	8.50%
Endeavor (Delta)	119,166	6.13%	115,240	6.53%
Allegiant Airlines	102,688	5.28%	117,063	6.63%
Mesa (United)	87,803	4.51%	40,100	2.27%
Envoy Air (American)	53,946	2.77%	51,490	2.92%
Republic (United)	43,453	2.23%	72,527	4.11%
Sky West (United)	23,780	1.22%	36,900	2.09%
Republic (Delta)	17,939	0.92%	11,678	0.66%
Breeze Airways	17,139	0.88%	6,169	0.35%
Republic (American)	13,954	0.72%	11,195	0.63%
Frontier	12,084	0.62%	5,778	0.33%
Avelo Airlines	10,490	0.54%	10,457	0.59%
Silver	10,312	0.53%	6,165	0.35%
GoJet (United)	8,463	0.44%	8,811	0.50%
Sun Country	7,592	0.39%	8,303	0.47%
Air Wisconsin (United)	5,254	0.27%	13,557	0.77%
Piedmont (American)	1,957	0.10%	9,915	0.56%
CommutAir (United)	1,450	0.07%	2,816	0.16%
Sky West (American)	538	0.03%	500	0.03%
Sky West (Delta)	218	0.01%	613	0.03%
Express Jet (United)	-	-	-	-
Air Canada	-	-	-	-
GoJet (Delta)	-	-	-	-
Trans States (United)	-	-	-	-
Mesa (American)	-	-	-	-
Express Jet (Delta)	-	-	-	-
Trans States (American)	-	-	-	-
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Total	1,942,537	99.88%	1,762,596	99.85%
Non-Scheduled	2,254	0.12%	2,716	0.15%
Grand Total	1,944,791	100.00%	1,765,312	100%

Savannah Airport Commission

Enplaned Passengers 2014 – 2023 (cont.)

	2021	2020	2019	2018
Airline				
Delta Airlines	256,387	156,209	408,860	398,783
Southwest	189,940	-	-	-
American Airlines	120,482	40,165	153,759	118,537
PSA (American)	177,266	138,727	213,739	206,121
United Airlines	29,237	1,413	44,701	93,840
JetBlue	83,994	44,878	147,585	135,325
Endeavor (Delta)	113,301	15,082	73,814	104,076
Allegiant Airlines	113,175	75,380	151,089	124,108
Mesa (United)	43,910	26,972	49,826	25,728
Envoy Air (American)	38,691	19,710	29,851	14,449
Republic (United)	122,234	15,303	22,354	8,012
Sky West (United)	22,832	8,040	11,206	9,448
Republic (Delta)	496	2,556	67	1,697
Breeze Airways	-	-	-	-
Republic (American)	40,094	12,992	12,689	17,156
Frontier	9,417	3,646	27,083	16,817
Avelo Airlines	-	-	-	-
Silver	4,788	-	-	-
GoJet (United)	1,234	-	876	68
Sun Country	2,174	-	3,341	3,953
Air Wisconsin (United)	8,393	9,901	31,443	38,151
Piedmont (American)	7,803	-	-	5,435
CommutAir (United)	3,853	9,562	16,117	8,872
Sky West (American)	2,874	2,566	9,459	
Sky West (Delta)	-	3,542	44,008	885
Express Jet (United)	-	9,166	40,024	30,880
Air Canada	-	412	8,805	9,910
GoJet (Delta)	-	-	73	2,059
Trans States (United)	-	-	-	10,494
Mesa (American)	-	-	-	3,490
Express Jet (Delta)	-	-	-	3,145
Trans States (American)	-	-	-	1,921
Air Wisconsin (American)	-	-	-	-
Shuttle America (United)	-	-	-	-
Shuttle America (Delta)	-	-	-	-
Express Jet (American)	-	-	-	-
Compass (Delta)	-	-	-	-
Total	1,392,575	596,222	1,500,769	1,393,360
Non-Scheduled	1,145	1,874	2,205	1,680
Grand Total	1,393,720	598,096	1,502,974	1,395,040

Savannah Airport Commission

Enplaned Passengers 2014 – 2023 (cont.)

	2017	2016	2015	2014
Airline				
Delta Airlines	383,335	370,076	386,595	367,560
Southwest	-	-	-	-
American Airlines	48,337	996	28	
PSA (American)	174,532	180,459	183,150	74,807
United Airlines	63,883	6,522	-	-
JetBlue	135,313	128,576	121,577	104,402
Endeavor (Delta)	64,004	42,395	36,185	27,980
Allegiant Airlines	94,360	63,171	17,568	-
Mesa (United)	32,005	30,135	20,547	7,902
Envoy Air (American)	32,021	42,107	25,127	44,151
Republic (United)	6,858	10,579	-	-
Sky West (United)	10,786	6,147	2,267	
Republic (Delta)	1,035	-	-	-
Breeze Airways	-	-	-	-
Republic (American)	9,855	14,318	3,107	17,260
Frontier	-	-	-	-
Avelo Airlines	-	-	-	-
Silver	-	-	-	-
GoJet (United)	4,783	1,586	-	-
Sun Country	4,053	3,431	2,274	
Air Wisconsin (United)	8,732	-	-	-
Piedmont (American)	8,328	587	52	134
CommutAir (United)	12,721	12,676	-	-
Sky West (American)	-	-	-	-
Sky West (Delta)	151	-	-	-
Express Jet (United)	46,174	78,771	96,384	126,028
Air Canada	7,419	-	-	-
GoJet (Delta)	10,633	29,864	29,355	22,510
Trans States (United)	3,792	6,382	20,203	
Mesa (American)	-	4,880	16,612	98,421
Express Jet (Delta)	34,419	26,022	31,480	36,152
Trans States (American)	12,523	-	-	-
Air Wisconsin (American)	16,248	20,545	17,468	30,351
Shuttle America (United)	1,142	425	-	
Shuttle America (Delta)	-	7,883	671	818
Express Jet (American)	-	-	5,304	
Compass (Delta)	-	-	-	4,089
Total	1,227,442	1,088,533	1,015,954	962,565
Non-Scheduled	1,641	689	1,113	820
Grand Total	1,229,083	1,089,222	1,017,067	963,385

Savannah Airport Commission

Aircraft Operations 2014 - 2023

Year	Airlines	Cargo	General Aviation	Military	Total
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
2021	35,172	13,958	57,379	6,148	112,657
2022	35,921	15,132	59,233	6,134	116,420
2023	38,510	15,889	53,222	4,327	111,948

Annual Compounded Growth

2014-2023	8.74%	-2.81%	3.62%	-6.31%	3.09%
Number of years: 10					

Savannah Airport Commission

Airlines Serving the Savannah/Hilton Head International Airport

PRIMARY CARRIERS

Allegiant
American
Avelo
Breeze
Delta
Frontier
JetBlue
Silver
Southwest
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
GoJet d/b/a United
Mesa d/b/a/ United
Piedmont d/b/a American
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
Suburban Air Freight

Savannah Airport Commission

Principal Customers

Customer Name	Revenue from Customers 2023	% of Total Revenue 2023	Revenues from Customers 2022	% of Total Revenue 2022
PARKING	\$ 12,801,648	26.57%	\$ 10,888,110	25.77%
DELTA AIRLINES	\$ 4,225,749	8.77%	\$ 4,168,095	9.87%
ALAMO / NATIONAL (f/k/a Vanguard)	\$ 3,436,532	7.13%	\$ 2,842,982	6.73%
AMERICAN AIRLINES	\$ 3,331,578	6.92%	\$ 3,031,395	7.18%
GULFSTREAM	\$ 2,299,845	4.77%	\$ 1,914,625	4.53%
ENTERPRISE	\$ 2,205,293	4.58%	\$ 2,003,410	4.74%
AVIS RENT A CAR	\$ 2,004,989	4.16%	\$ 1,893,602	4.48%
SOUTHWEST AIRLINES	\$ 1,841,450	3.82%	-	-
BUDGET CAR RENTAL	\$ 1,779,441	3.69%	\$ 2,242,580	5.31%
UNITED AIRLINES	\$ 1,777,117	3.69%	\$ 1,230,980	2.91%
HOST, INC	\$ 1,415,508	2.94%	\$ 1,502,786	3.56%
PARADIES	\$ 1,295,301	2.69%	\$ 1,217,816	2.88%
HERTZ RENT A CAR	\$ 1,235,492	2.56%	\$ 1,534,925	3.63%
JETBLUE	\$ 1,185,723	2.46%	\$ 1,348,311	3.19%
ALLEGiant AIRLINES	\$ 871,856	1.81%	\$ 901,451	2.13%
PSA AIRLINES	\$ 610,583	1.27%	\$ 536,738	1.27%
UBER	\$ 452,685	0.94%	\$ 387,349	0.92%
THRIFTY	\$ 436,122	0.91%	\$ 449,513	1.06%
ENDEAVOR AIRLINES	\$ 432,068	0.90%	\$ 446,540	1.06%
FEDERAL EXPRESS	\$ 346,621	0.72%	\$ 408,007	0.97%
MESA AIRLINES	\$ 345,562	0.72%	-	-
TSA	\$ 331,704	0.69%	\$ 271,442	0.64%
SIGNATURE AVIATION	\$ 321,890	0.67%	\$ 438,572	1.04%
LIBERTY AIR VENTURES	\$ 304,586	0.63%	\$ 280,579	0.66%
REPUBLIC AIRLINES	\$ 287,691	0.60%	\$ 372,500	0.88%
HILTON GARDEN INN	\$ 251,087	0.52%	\$ 254,846	0.60%
ENVOY AIRLINES	\$ 234,311	0.49%	\$ 201,198	0.48%
DOUBLETREE	\$ 221,741	0.46%	\$ 216,895	0.51%
UNITED AVIATION FUELS	\$ 221,422	0.46%	-	-
DOLLAR RENT A CAR	\$ 214,921	0.45%	\$ 235,845	0.56%
UNITED GROUND EXPRESS	\$ 205,066	0.43%	\$ 150,818	0.36%
FRONTIER AIRLINES	\$ 204,283	0.42%	-	-
HAMPTON INN	\$ 192,136	0.40%	\$ 215,510	0.51%
TRU HOTEL	\$ 190,536	0.40%	\$ 182,354	0.43%
SPRINGHILL SUITES	\$ 182,150	0.38%	\$ 153,248	0.36%
AMERICAN AIR FUEL	\$ 168,390	0.35%	-	-
HYATT PLACE	\$ 156,327	0.32%	\$ 172,050	0.41%
UNIFI AVIATION	\$ 152,816	0.32%	-	-
HOLIDAY INN EXPRESS	-	-	\$ 152,140	0.36%
Total	\$ 48,172,220	100.00%	\$ 42,247,212	100.00%

Savannah Airport Commission

Principal Customers (cont.)

Customer Name	2021	2020	2019	2018
PARKING	\$ 7,037,604	\$ 3,434,560	\$ 9,173,199	\$ 8,534,367
DELTA AIRLINES	\$ 3,370,445	\$ 3,351,253	\$ 4,423,570	\$ 4,479,404
ALAMO / NATIONAL (f/k/a Vanguard)	\$ 2,238,081	\$ 1,285,291	\$ 2,582,579	\$ 2,079,736
AMERICAN AIRLINES	\$ 2,900,995	\$ 2,939,459	\$ 2,782,111	\$ 2,508,982
GULFSTREAM	\$ 1,947,552	\$ 1,925,210	\$ 1,674,553	\$ 1,663,104
ENTERPRISE	\$ 1,502,464	\$ 827,620	\$ 1,319,832	\$ 1,240,476
AVIS RENT A CAR	\$ 1,672,725	\$ 676,807	\$ 1,070,120	\$ 894,638
SOUTHWEST AIRLINES	-	-	-	-
BUDGET CAR RENTAL	\$ 1,791,643	\$ 709,961	\$ 1,077,362	\$ 931,241
UNITED AIRLINES	\$ 1,265,158	\$ 988,784	\$ 1,222,653	\$ 1,464,993
HOST, INC	\$ 777,559	\$ 390,763	\$ 1,101,793	\$ 1,027,429
PARADIES	\$ 964,857	\$ 478,324	\$ 993,234	\$ 894,035
HERTZ RENT A CAR	\$ 1,535,954	\$ 1,133,411	\$ 2,317,366	\$ 2,004,051
JETBLUE	\$ 891,248	\$ 881,767	\$ 1,252,191	\$ 1,216,452
ALLEGiant AIRLINES	\$ 968,538	\$ 1,042,261	-	-
PSA AIRLINES	\$ 702,684	\$ 710,018	\$ 860,696	\$ 782,562
UBER	\$ 245,610	-	\$ 337,410	\$ 245,177
THRIFTY	\$ 688,422	\$ 254,327	\$ 470,100	\$ 385,296
ENDEAVOR AIRLINES	\$ 488,764	-	\$ 291,432	\$ 410,281
FEDERAL EXPRESS	\$ 404,946	\$ 407,291	\$ 402,251	\$ 404,851
MESA AIRLINES	\$ 183,733	\$ 157,484	-	-
TSA	\$ 272,161	\$ 270,425	\$ 264,427	\$ 337,230
SIGNATURE AVIATION	\$ 414,531	\$ 396,475	\$ 391,203	\$ 382,880
LIBERTY AIR VENTURES	\$ 246,005	\$ 215,919	\$ 201,196	-
REPUBLIC AIRLINES	\$ 655,956	-	-	-
HILTON GARDEN INN	\$ 189,194	-	\$ 201,206	-
ENVOY AIRLINES	\$ 162,125	-	-	-
DOUBLETREE	\$ 181,196	-	-	-
UNITED AVIATION FUELS	-	-	-	-
DOLLAR RENT A CAR	\$ 369,488	\$ 187,364	\$ 261,995	\$ 220,218
UNITED GROUND EXPRESS	-	-	-	-
FRONTIER AIRLINES	\$ 185,396	-	-	-
HAMPTON INN	\$ 182,115	-	-	-
TRU HOTEL	-	-	-	-
SPRINGHILL SUITES	-	-	-	-
AMERICAN AIR FUEL	-	-	-	-
HYATT PLACE	-	-	-	-
UNIFI AVIATION	-	-	-	-
HOLIDAY INN EXPRESS	-	-	-	-
Total	\$ 34,437,149	\$ 22,664,774	\$ 34,672,479	\$ 32,107,403

Savannah Airport Commission

Principal Customers (cont.)

Customer Name	2017	2016	2015	2014
PARKING	\$ 7,704,748	\$ 7,024,263	\$ 6,508,041	\$ 6,017,762
DELTA AIRLINES	\$ 4,357,879	\$ 4,366,076	\$ 4,409,800	\$ 4,269,161
ALAMO / NATIONAL (f/k/a Vanguard)	\$ 1,464,041	\$ 1,349,645	\$ 1,272,924	\$ 969,881
AMERICAN AIRLINES	\$ 1,964,732	\$ 1,344,446	\$ 1,396,281	\$ 1,444,405
GULFSTREAM	\$ 1,617,650	\$ 1,636,155	\$ 1,558,964	\$ 1,603,327
ENTERPRISE	\$ 892,747	\$ 764,941	\$ 706,456	\$ 648,022
AVIS RENT A CAR	\$ 672,371	\$ 661,366	\$ 611,229	\$ 621,366
SOUTHWEST AIRLINES	-	-	-	-
BUDGET CAR RENTAL	\$ 611,873	\$ 541,795	\$ 574,587	\$ 650,412
UNITED AIRLINES	\$ 1,292,175	\$ 1,009,661	\$ 985,201	\$ 1,090,830
HOST, INC	\$ 824,900	\$ 787,693	\$ 707,620	\$ 611,152
PARADIES	\$ 895,408	\$ 776,391	\$ 663,623	\$ 679,311
HERTZ RENT A CAR	\$ 1,323,888	\$ 1,197,321	\$ 1,170,657	\$ 1,205,561
JETBLUE	\$ 1,250,191	\$ 1,062,944	-	-
ALLEGiant AIRLINES	-	-	-	-
PSA AIRLINES	\$ 597,812	\$ 602,004	\$ 577,580	\$ 223,369
UBER	-	-	-	-
THRIFTY	\$ 346,053	\$ 362,843	\$ 327,884	\$ 363,853
ENDEAVOR AIRLINES	\$ 248,415	-	-	-
FEDERAL EXPRESS	\$ 319,481	\$ 260,810	\$ 249,259	\$ 256,063
MESA AIRLINES	-	-	-	-
TSA	\$ 692,354	\$ 252,156	\$ 255,975	\$ 245,247
SIGNATURE AVIATION	\$ 483,592	\$ 513,339	\$ 552,978	\$ 497,662
LIBERTY AIR VENTURES	-	-	-	-
REPUBLIC AIRLINES	-	-	-	-
HILTON GARDEN INN	-	-	-	-
ENVOY AIRLINES	-	-	-	-
DOUBLETREE	-	-	-	-
UNITED AVIATION FUELS	-	-	-	-
DOLLAR RENT A CAR	-	\$ 219,894	\$ 209,125	\$ 223,342
UNITED GROUND EXPRESS	-	-	-	-
FRONTIER AIRLINES	-	-	-	-
HAMPTON INN	-	-	-	-
TRU HOTEL	-	-	-	-
SPRINGHILL SUITES	-	-	-	-
AMERICAN AIR FUEL	-	-	-	-
HYATT PLACE	-	-	-	-
UNIFI AVIATION	-	-	-	-
HOLIDAY INN EXPRESS	-	-	-	-
Total	\$ 27,560,310	\$ 24,733,743	\$ 22,738,184	\$ 21,620,726

Savannah Airport Commission

Miscellaneous Statistical Information

	2014	2015	2016
Date of Incorporation - 1949			
Number of Employees	184	196	201
Terminal Building	381,979 SF	381,979 SF	381,979 SF
Land Owner	3,638 acres	3,638 acres	3,638 acres
Airport Business Center	112,000 SF	112,000 SF	112,000 SF
Runways:			
Runway 10/28	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
Total Gates	15	15	15
Terminal Gates in Use	9	10	11
Number of Airlines Serviced	16	21	24
Number of Rental Car Agencies on Property	8	8	8
Number of Taxi/Limousine Companies Servicing Airport	80	76	76
Number of Concessionaires in Terminal Building	17	17	18
Number of Public Parking Spaces	3,914	3,924	3,924

Savannah Airport Commission

Miscellaneous Statistical Information (cont.)

	2017	2018	2019	2020
Date of Incorporation - 1949				
Number of Employees	204	205	218	198
Terminal Building	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
Airport Business Center	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
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
Total Gates	15	15	15	15
Terminal Gates in Use	12	12	12	12
Number of Airlines Serviced	27	27	23	21
Number of Rental Car Agencies on Property	8	8	8	8
Number of Taxi/Limousine Companies Servicing Airport	71	70	63	67
Number of Concessionaires in Terminal Building	19	20	21	20
Number of Public Parking Spaces	3,924	3,924	3,924	3,924

Savannah Airport Commission

Miscellaneous Statistical Information (cont.)

	2021	2022	2023
Date of Incorporation - 1949			
Number of Employees	218	215	214
Terminal Building	381,979 SF	381,979 SF	381,979 SF
Land Owner	3,638 acres	3,638 acres	3,638 acres
Airport Business Center	11,748 SF	0 SF	0 SF
Runways:			
Runway 10/28	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
Total Gates	15	15	15
Terminal Gates in Use	15	15	15
Number of Airlines Serviced	27	29	29
Number of Rental Car Agencies on Property	8	8	8
Number of Taxi/Limousine Companies Servicing Airport	64	83	83
Number of Concessionaires in Terminal Building	20	20	20
Number of Public Parking Spaces	4,979	4,979	4,979

Savannah Airport Commission

Compliance Section

- 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.
 - Schedule of Expenditures of Federal Awards
 - Notes to Schedule of Expenditures of Federal Awards
 - Schedule of Findings and Questioned Costs
- Independent auditor's report on compliance with requirements applicable to the passenger facility charge program and on internal control over compliance.
 - Schedule of Passenger Facility Charges





**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 the 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 the Savannah Airport Commission (the Commission), as of and for the year ended December 31, 2023 and 2022, 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 21, 2024.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 Arthur & Co., LLP

Savannah, Georgia
June 21, 2024



**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

Opinion on Each Major Federal Program

We have audited the Savannah Airport Commission's (the Commission) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended December 31, 2023. 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.

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 each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Arthur & Co., LLP

Savannah, Georgia
June 21, 2024



Savannah Airport Commission

Schedule of Expenditures of Federal Awards

Year ended December 31, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor Numbers	Amount of Federal Expenditures
<u>U.S. Department of Transportation</u>			
Federal Aviation Administration			
COVID-19 – Airport Rescue Grant Program	20.106	N/A	\$ 8,702,647
Airport Infrastructure Grant	20.106	N/A	3,020,550
Airport Terminal Program	20.106	N/A	1,361,120
Airport Improvement Program	20.106	N/A	3,762,037
			16,846,354
<u>U.S. Department of Defense</u>			
United States Property and Fiscal Office for Georgia			
Military Construction, National Guard	12.400	N/A	234,445
National Guard Military Operations and Maintenance (O&M) Projects	12.401	N/A	451,399
			685,844
			\$ 17,532,198

See notes to schedule of expenditures of federal awards.

Savannah Airport Commission

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. The Commission had no awards during the year that were passed to subrecipients.

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 capital contributions in the amount of \$17,532,198.

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, 2023

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 200.516(a)? _____ yes X no

Identification of major programs

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
20.106	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.

Section V – Summary of Prior Audit Findings

None reported



**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

Opinion on 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 (the 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, 2023.

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, 2023.

Basis for Opinion on Passenger Facility Charge Program

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. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the passenger facility charge program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's passenger facility charge program.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of the passenger facility program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Guide. Accordingly, this report is not suitable for any other purpose.

Hancock Ashken & Co., LLP

Savannah, Georgia
June 21, 2024

Savannah Airport Commission

Schedule of Passenger Facility Charges

	For the quarter ended				For the year	Cumulative as
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	December 31, 2023	of December 31, 2023
PFC Income						
PFC Revenue	\$ 1,641,200	\$ 2,051,802	\$ 1,945,121	\$ 1,777,132	\$ 7,415,255	\$ 109,359,215
Interest	101,383	118,825	114,776	121,251	456,235	1,393,631
Total PFC Income	\$ 1,742,583	\$ 2,170,627	\$ 2,059,897	\$ 1,898,383	\$ 7,871,490	\$ 110,752,846
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	-	-	-	-	-	47,019
GREINER (SAC REIMB) AIP29 T/W C	-	-	-	-	-	3,505
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

Savannah Airport Commission

Schedule of Passenger Facility Charges (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
TWY A-AIP 33 -TRIANGLE INV#1-13	-	-	-	-	-	346,833
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
AAAE 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 (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
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

Savannah Airport Commission

Schedule of Passenger Facility Charges (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
TERMINAL EXPANSION (AIP 40)-BLDG & EARTH (APPL #6)	-	-	-	-	-	2,728
TERMINAL EXPANSION (AIP 40)-ALLTEL SYSTEM GROUP (APPL #6)	-	-	-	-	-	7,355
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

Savannah Airport Commission

Schedule of Passenger Facility Charges (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
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
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) REHABILITATE T/W B2, NORTH END OF T/W B, T/W C, T/W E1-REIMB SAC (APP#8)	-	-	-	-	-	169,812
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

Savannah Airport Commission

Schedule of Passenger Facility Charges (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
TERMINAL WALKWAYS-REIMB SAC-APP #8	-	-	-	-	-	28,707
TERMINAL WALKWAYS-MILLER-APP(#8)	-	-	-	-	-	6,485
GA TAXIWAY 4 & 5-REIMB SAC (APP#8)	-	-	-	-	-	44,422
PFC APPLICATION #8 IMPLEMENTATION & ADMIN-REIMB SAC	-	-	-	-	-	27,921
EA NORTH DEVELOPMENT-APPLICATION #8- REIMB SAC	-	-	-	-	-	27,665
SURFACE PAINTED HOLDING POSITION SIGNS- REIMB SAC-APP # 8	-	-	-	-	-	185,020
CCTV SYSTEM REPLACEMENT-REIMB SAC APP #8	-	-	-	-	-	269,319
CCTV SYSTEM REPLACEMENT-COASTAL DIGITAL	-	-	-	-	-	33
CCTV SYSTEM REPLACEMENT-URS& I SYSTEM CORP	-	-	-	-	-	861,066
IET UPGRADE	-	-	-	-	-	150,000
PC AIR HOSE UPGRADES-TWIST IN	-	-	-	-	-	186,480
PC AIR HOSE UPGRADES-TWIST IN-REIMB SAC	-	-	-	-	-	46,620
PA SYSTEM REPLACEMENT-ALLTEL SYSTEM GRP, INC	-	-	-	-	-	278,002
PA SYSTEM REPLACEMENT - REIMB SAC	-	-	-	-	-	49,059
TWO VALET BAG BELTS SYSTEMS-R.J DESIGN	-	-	-	-	-	61,000
AOA SURVEY -URS	-	-	-	-	-	62,500
AOA SURVERY - REIMB SAC	-	-	-	-	-	12,230
TREE REMOVAL R/W 10 APPROACH-REIMB SAC	-	-	-	-	-	167,615
T/W A -NAD -MCLENDON/URS CONSTR	-	-	-	-	-	453,739
T/W A EXTENSION NORTH - CONSTRUCTION - REIMB SAC	-	-	-	-	-	1,877,946
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	-	-	-	-	-	42,396
SITE MITIGATIONS (NAD)	-	-	-	-	-	126,771
REALIGN & CONSTRUCT GULFSTREAM RD - CONSTRUCTION - REIMB SAC	-	-	-	-	-	55,034
REALIGN & CONSTRUCT GULFSTREAM RD - DESIGN - REIMB PFC	-	-	-	-	-	(3,263)
STORMWATER UPDATE	-	-	-	-	-	23,075
REALIGN & CONSTRUCT GULFSTREAM ROAD (DESIGN)	-	-	-	-	-	7,806
TAXIWAY A EXTENSION NORTH (DESIGN)	-	-	-	-	-	56,361
ELECTRICAL VAULT (DESIGN)	-	-	-	-	-	2,915
TAXIWAY H (DESIGN)	-	-	-	-	-	30,124
TRAFFIC SURVEY NAD (DESIGN)	-	-	-	-	-	2,028

Savannah Airport Commission

Schedule of Passenger Facility Charges (cont.)

	For the quarter ended				For the year December 31, 2023	Cumulative as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023		
PFC IMPLEMENTATION AND ADMIN.-SAC REIMB (APPL #8&9)	-	-	-	-	-	41,118
LIGHTING 10/28 RUNWAY	-	-	-	-	-	41,257
TERMINAL CURBSIDE CANOPY EXPANSION	-	-	-	-	-	1,407,900
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	-	-	-	-	-	7,840,056
GROOVE RUNWAY 1-19	-	-	-	-	-	20,425
PFC 10 APPLICATION COSTS	-	-	-	-	-	23,100
ADD 2 AOA GATES	-	-	-	-	-	26,954
RUNWAY 28 SAFETY AREA IMPROVEMENTS	-	-	-	-	-	86,125
REPLACEMENT OF BOARDING BRIDGES AT GATES 7 & 11	-	-	-	-	-	1,468,717
RECONSTRUCT TAXILANE GA-3	-	-	-	-	-	122,995
RECONSTRUCT TAXIWAY E-1	-	-	-	-	-	130,555
RUNWAY LIGHTING UPGRADES	-	-	-	-	-	58,824
AIRFIELD SIGNAGE UPGRADES	-	-	-	-	-	58,840
INSTALL 5 NEW JETBRIDGES FOR TEMRINAL EXPANSION	-	-	-	-	-	-
JUMBO GA FIS FACILITY	-	-	-	-	-	700,072
REPLACE 7 JETBRIDGE PC AIR UNITS	-	-	-	-	-	-
TERMINAL APRON EXPANSION	-	-	-	-	-	761,052
IDENTITY MANAGEMENT SYSTEM	-	186,441	-	-	186,441	186,441
PFC 11 APPLICATION COSTS	-	-	-	-	-	34,298
TERMINAL CONCOURSE AND SECURITY CHECKPOINT EXPANSION	-	3,422,842	-	2,299,939	5,722,781	7,038,899
AUTOMATED BAGGAGE HANDLING SYSTEM PHASE II	-	-	-	-	-	245,591
Total expenditures	\$ -	\$ 3,609,283	\$ -	\$ 2,299,939	\$ 5,909,222	\$ 87,343,566
Income	\$ 1,742,584	\$ (1,438,656)	\$ 2,059,897	\$ (401,556)	\$ 1,962,268	\$ 23,409,280
Beginning balance	21,447,012	23,189,595	21,750,939	23,810,836	21,447,012	-
Ending balance	\$ 23,189,596	\$ 21,750,939	\$ 23,810,836	\$ 23,409,280	\$ 23,409,280	\$ 23,409,280



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