

A Year of **Extraordinary Heights**

ANNUAL REPORT 2023



CAPITAL REGION AIRPORT COMMISSION



RICHMOND
INTERNATIONAL AIRPORT.
VIRGINIA



#1

**Most Efficient
Airport**

in North America*



RIC has had a direct impact on local business vitality, resident happiness, and increased tourism spending. And you can see that [the Airport Commission is] not content to rest on [its] laurels; [it's] deliberately taking steps to improve.



Frank Thornton

*Chairman of the Henrico County
Board of Supervisors (2022-2023)*

*under 3 million passengers per year

Welcome Aboard

We invite you to explore the Fiscal Year 2023 (FY23) financial journey of the Capital Region Airport Commission and Richmond International Airport (RIC), the gateway to Virginia's Capital Region.

This report reveals not just the numbers but the stories behind them—stories of resilience, growth, and an unwavering commitment to providing an exceptional travel experience to our valued passengers.

You will witness the historic accomplishments of both record-breaking passenger traffic and cargo volume. Discover the strategic navigation of our finances to drive current operations, capital improvements, and the future. We piloted through the turbulence of the COVID-19 pandemic with agility, landing on solid ground with a renewed focus on the passenger experience, innovation, efficiency, and growth.

Prepare for takeoff with detailed insights into operational efficiency, revenue streams, and responsible investments. We're committed to transparency, ensuring every mile flown is fueled by your trust and well-being.

This report is a summary of a year of RIC reaching extraordinary heights. Join us on this exciting flight, where every destination holds the promise of moving people, business, and commerce to advance the Richmond region.

Buckle up and enjoy the read!

Respectfully submitted,



PhD, AAE, IAP
President and Chief Executive Officer



CPA, CIA, AAE
Chief Financial Officer

Flight Plan

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Navigationa**l** **Compass**

RIC has tremendous regional significance and strives to be the airport of choice for the mid-Atlantic region. According to Virginia Department of Aviation estimates, in addition to facilitating air service for millions of travelers, RIC makes a **\$2.1 billion economic impact** each year, and its activities help fuel **16,000 jobs across central Virginia**.

The Richmond region is expanding rapidly, and RIC is matching the pace. In 2020, the Capital Region Airport Commission undertook a high-level effort to produce a new strategic plan, **Serve 2025**. The plan: renews the airport's vision, mission, and values; identifies goals; and establishes key strategic priorities.

RIC's action plan is based on five focus areas using the word **POWER:**

- Enhance the **P**assenger Experience
- Launch **O**n-Airport Community Connections and Collaboration
- Renew **W**orkplace Culture and Practices
- Initiate Facilities and Operations Innovations and **E**fficiencies
- **R**VA Business and Community Engagement

These five focus areas will guide RIC's flight into the future and help reinforce Richmond's role as one of America's greatest cities.

Further, as RIC navigates to a course of greater equity, inclusion, and social justice, the Commission produced its inaugural environmental, social, and governance (ESG) report. The **2023 ESG Report** is the first step in formalizing baseline practices to assess progress and plan for future sustainability. The report assists the airport in a variety of ways:

- Helps RIC: renew its mission, vision, and values; implement its strategic plan; reflect upon our use of natural resources and operational efficiency; and much more.
- Maps out the processes the airport utilizes to promote health and well-being, as well as provide safety, security, and accessibility.
- Forges a path into the future, becoming both the employer and airport of choice.



VISION

We move people, business, and commerce to advance the Richmond region.

MISSION

RIC seeks to provide all our customers with an exceptional experience through convenience, innovation, and excellence.

VALUES

What we believe in.



Integrity

The only way to do business is with honesty and good character



Safety

The safety of our coworkers and guests is always the top priority



Commitment

Going the extra mile delivers on promises and achieves goals



Courtesy

Every conversation is an opportunity to demonstrate care and understanding



Service

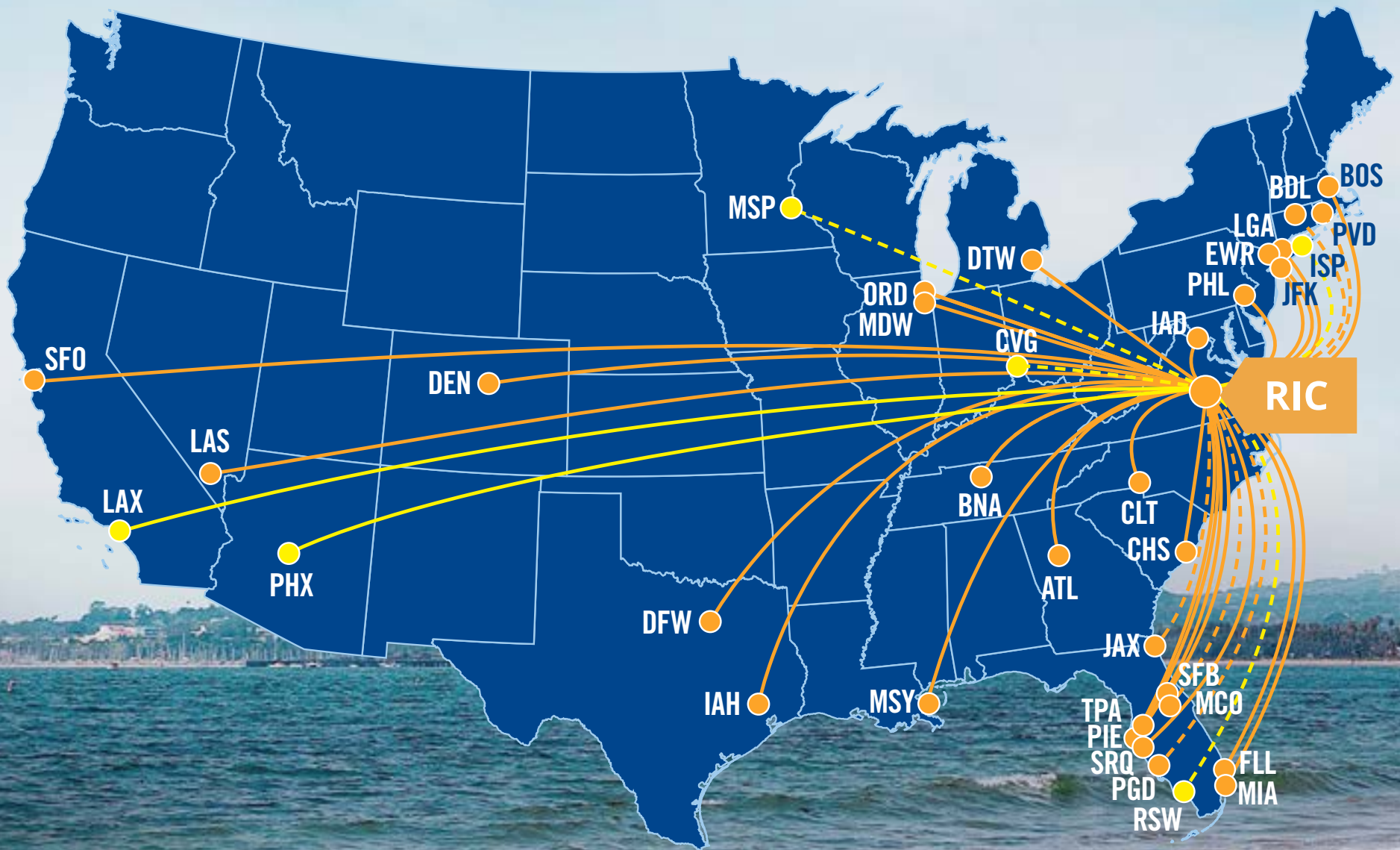
Working hard for our guests so they can get where they're going



Passion

The energy and importance of the aviation industry unites us all

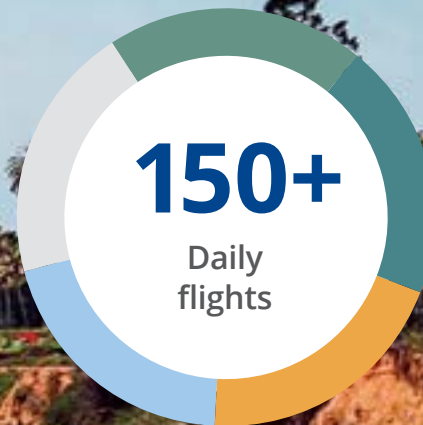
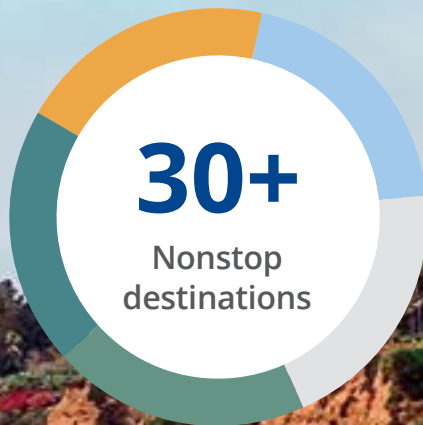
Nonstop Adventures



RIC accelerated into FY 2023 with several new routes, including Hartford, Las Vegas, and seasonal service to Jacksonville and Providence. In February 2023, new service to Phoenix commenced, and in May, flights were added to Los Angeles; Islip, NY; and Cincinnati. Soon thereafter, Richmond and Minneapolis/St. Paul were reconnected.

By the end of FY23, RIC amassed **35 year-round and seasonal routes—the most in its history—and nonstop service to four Far West destinations: Los Angeles, San Francisco, Phoenix, and Las Vegas.**

Today, as single-aisle aircraft become increasingly more capable, RIC is actively recruiting international service, reaching out to Canada for transborder flights, the Caribbean and Latin America for leisure and visiting friends and relatives (VFR) travel, and European operators for transatlantic opportunities.



We Have **Liftoff**

Earning the **Most Efficient Airport in North America*** award from the Air Transport Research Society (ATRS) was one of our highest honors to date. The award is based on performance indicators like productivity, operating/management efficiency, airport charge comparisons, and more.

We know that we could not have won without a fantastic team steering us toward success. Team RIC—the entirety of the workforce based at the airport, as well as air service development partners like Chamber RVA, the Greater Richmond Partnership, and Richmond Region Tourism, plus a variety of community stakeholders—shares our commitment to delivering an extraordinary travel experience and to continuing the development of RIC to support the community it serves.

Our achievement has made us more driven. There are a number of recently completed projects—such as the **expansion of Concourse A** to add six new gates and the **renovation of the existing Federal Inspection Services (FIS) facility** to meet current U.S. Customs and Border Protection (CBP) standards—that should accommodate future growth.

Further, RIC is laying new groundwork to lead the way in the future of aviation. To that end, we're investigating a hands-on facility where the next generation of workers can learn about the industry.

*under 3 million passengers per year



Soaring in FY2023



2,219,229

Enplaned passengers

13.8%

YOY increase



\$93,127,513

Total revenue

26.8%

YOY increase



\$63,305,990

Total expenses

11.5%

YOY increase

Air-Resistible

OPERATIONAL EXCELLENCE

We have several projects in the queue to make RIC even better, including:

- A new Aircraft Rescue and Fire Fighting (ARFF) station
- A potential consolidation of security screening checkpoints to make customer access to both concourses easier
- Vital amenities expansion for business and leisure travelers
- An ongoing and comprehensive maintenance program to keep facilities in tip-top shape
- Modernization of jet bridges, gate seating, and more
- Improved access to power sources to recharge personal devices

We're doing everything possible to keep RIC soaring.

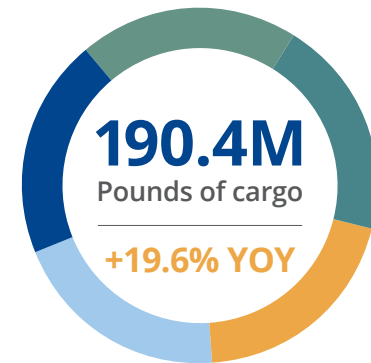


Shattering Records

PASSENGER AND CARGO

For FY23, RIC reported 4.43 million passengers, an annual record. Passenger traffic clearly benefited from a record number of nonstop destinations (35 year-round and seasonal) as well as a pent-up demand for travel. The airport finished the fiscal year with four consecutive record months. Notably, **May 2023 was the first month in the 96-year history of RIC to surpass the 400,000-passengers threshold**, reporting 431,416.

Similarly, cargo also reported historic activity in FY23, logging a record of 190.4 million pounds handled primarily by all-cargo operators supporting business and commerce across the region.



Gaining *Altitude*

AWARDS RECOGNITION





Having direct access to the West, like the new nonstop flights to Los Angeles, is a game-changer for us as we seek to make the film industry aware of all that Virginia has to offer.

*Andy Edmunds
Director, Virginia Film Office*

Above and Beyond

#1 MOST EFFICIENT AIRPORT IN NORTH AMERICA

For the first time, RIC earned the title of Most Efficient Airport in North America.* Air Transport Research Society (ATRS), recognized as one of the most reputable aviation research societies in the world, honored us during the organization's 26th World Conference in Kobe, Japan. This award is based on **performance excellence in areas such as operating and management efficiency, airport charge comparisons, and more.**

MOODY'S

In 2023, Moody's Investors Service **upgraded the Capital Region Airport Commission to A1 from A2 based on its general airport revenue bonds (GARBs) series 2001A&B, 2013A, 2016A, and 2021A&B.** The outlook was changed to stable from positive. A calculated total debt service coverage ratio of 5.7x, sources of liquidity totaling 952 days in 2022, and declining debt levels confirm a strong financial outlook. This rating also reflects the strong economic conditions in the Richmond region and the Commission's conservative fiscal approach.

GBAC STAR FACILITY

RIC is an accredited Global Biorisk Advisory Council® (GBAC) STAR™ facility for **implementing the most stringent protocols for cleaning, disinfection, and infectious disease prevention.** To achieve accreditation, the airport had to comply with 20 core elements of the program.

TOURISM IMPACT AWARD

RIC was recognized for its contribution to the community through the Richmond Region Tourism Foundation 2023 Tourism Impact Award. It is one of the highest hospitality honors given each year and **goes to an organization that has greatly impacted the region through its work.**

VIRGINIA GREEN

Since 2011, Virginia Green has recognized organizations for their commitment to sustainability and contributions to green tourism. This year, the Capital Region Airport Commission was among them, earning a **Travel Leader Award for its dedication to environmental stewardship.**

GREAT PLACE TO WORK CERTIFIED

The Capital Region Airport Commission has been certified as a Great Place to Work®. Surveys show that **89% of team members love their jobs**, climbing high above the national average of 57%.



While we are happy to be a leader among Virginia facilities, becoming the first airport in the Commonwealth to earn [GBAC® STAR™ Facility] accreditation was not our aim. Our single motivation...was to do all we could to ensure passenger safety. We want people to know that it is safe to fly out of RIC.

*Perry J. Miller, AAE, IAP
President and CEO, Capital Region Airport Commission*



LIVING THE VALUES

The recognition of employees leads to a meaningful, valued workplace, so RIC instituted its own employee recognition program, Living the Values. Each quarter, Team RIC members (the Commission as well as tenant employees) are **recognized by their peers for going above and beyond in duty performance**. There is also an Employee of the Year Award. Honorees demonstrate RIC's core values of integrity, commitment, service, safety, courtesy, and passion.

AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

This year, **Perry J. Miller served as the elected chair of the American Association of Airport Executives (AAAE)**, whose 10,000 members represent more than 850 airports and hundreds of companies and organizations that support the industry. As the leader of the largest professional organization for airport employees in the world, he works alongside his distinguished colleagues to provide guidance on the most critical issues facing airports today, to create and enact AAAE policies, and to collaborate with the association's team to develop new member initiatives.

First-Class Upgrades

OPERATIONAL ADVANCEMENTS

RIC's operational advancement efforts are wide-reaching. We ask for input from customers, tenants, and stakeholders. We observe industry activity, processes, and behaviors. Sometimes, we gain inspiration from other large public facilities—not always airports. We are excited to share information about a few of our recent noteworthy initiatives.



STEAMING AHEAD FOR BETTER JAVA

Customers expressed a particular interest in improved coffee options. After scouring the market, sampling a variety of brews, and gauging provider interest, we went all-in on Ironclad Coffee Roasters, a craft coffee company anchored in Richmond's Shockoe Bottom. With choices like Bare-Knuckle Espresso and House of Usher Blend (Poe was a former Richmond resident), this partnership has been mocha magic from launch.



CHARGE ME UP

The airport very recently installed two Level 2 electric vehicle (EV) chargers by ChargePoint, the world's largest network of EV charging stations. Located in valet parking, these stations can charge four vehicles at a time. This technology showcases our sustainability efforts and ensures valet customers have a fully charged vehicle upon return, reducing travel inconvenience.



TECHED IN

Are there parking spaces available in the South Garage? How long is the wait at the B checkpoint? Recent enhancements to the FlyRichmond.com website provide this information and more. Helpful hint: The wait at the TSA PreCheck line is almost always shorter.



BOOK IT

In terms of ground transportation, RIC features some of the region's best taxis, top-notch rental car providers, and more. In fact, we were one of the first airports in the U.S. to approve operations by a peer-to-peer rental car application. Those who are more inclined to request a ride via apps can now meet drivers curbside on the upper departures or lower arrivals levels.

On the Horizon

Planning and agility matter. Some projects need to advance as quickly as possible; others may be better suited to longer funding cycles. With this in mind, we're pleased to share three airport projects in development:

INTERNATIONAL FACILITIES

During the pandemic, the Capital Region Airport Commission was advised by U.S. Customs and Border Protection that RIC's Federal Inspection Services (FIS) facility needed rehabilitation to meet updated operational requirements. We got to work and look forward to bringing the fully renovated facility back online in early 2024, complete with streamlined processing, intuitive design, and space to accommodate cutting-edge tech like Global Entry kiosks.

SAFETY FOCUSING ON A NEW ARFF STATION

RIC has programmed the construction of a new Aircraft Rescue and Fire Fighting (ARFF) station designed to accommodate changing equipment and workforce needs, replacing an aging 40-year-old facility. The new station will also require less crossing of movement areas by staff, which is another safety plus.

CONSOLIDATING CHECKPOINTS

Since shortly after 9/11, RIC has had separate checkpoints for each concourse. However, a recent study identified numerous benefits for consolidation:

- More efficient process management by TSA
- Ease of making connections, regardless of the departure gate's location
- Creating space for more concessions
- Room for increased customer amenities



Captains



Wayne T. Hazzard
Chairman
Hanover County



James M. Holland
Vice Chairman
Chesterfield County

MEMBERS OF THE CAPITAL REGION AIRPORT COMMISSION FOR FISCAL YEAR 2023



Charles S. Macfarlane
Secretary
City of Richmond



Tyrone E. Nelson
Treasurer
Hanover County



Kevin P. Carroll
Chesterfield County



Susan P. Dibble
Hanover County



BK Fulton
City of Richmond



Grant J. Heston
City of Richmond



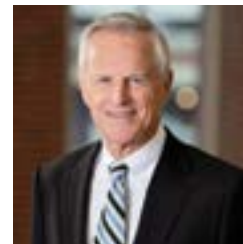
Harvey L. Hinson
Henrico County



Frank J. Thornton
Henrico County



Reva M. Trammell
City of Richmond



Robert S. Ukrop
Henrico County



C. James Williams, III
Chesterfield County



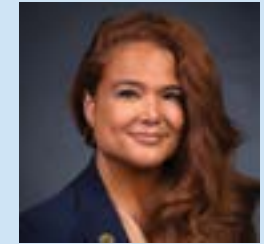
Christopher M. Winslow
Chesterfield County



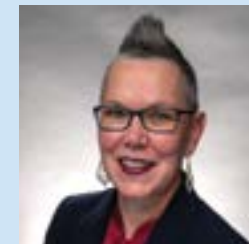
Welcoming New Members



Mark S. Miller, PhD
Chesterfield County



Misty D. Whitehead
Henrico County



Jessica Schneider
Chesterfield County



Roscoe D. Cooper III
Henrico County

Navigators

OFFICERS



Perry J. Miller
President and CEO



Basil O. Dosunmu
Chief Financial Officer



Uday Nethula
Chief Human Resources Officer



John B. Rutledge
Chief Operating Officer

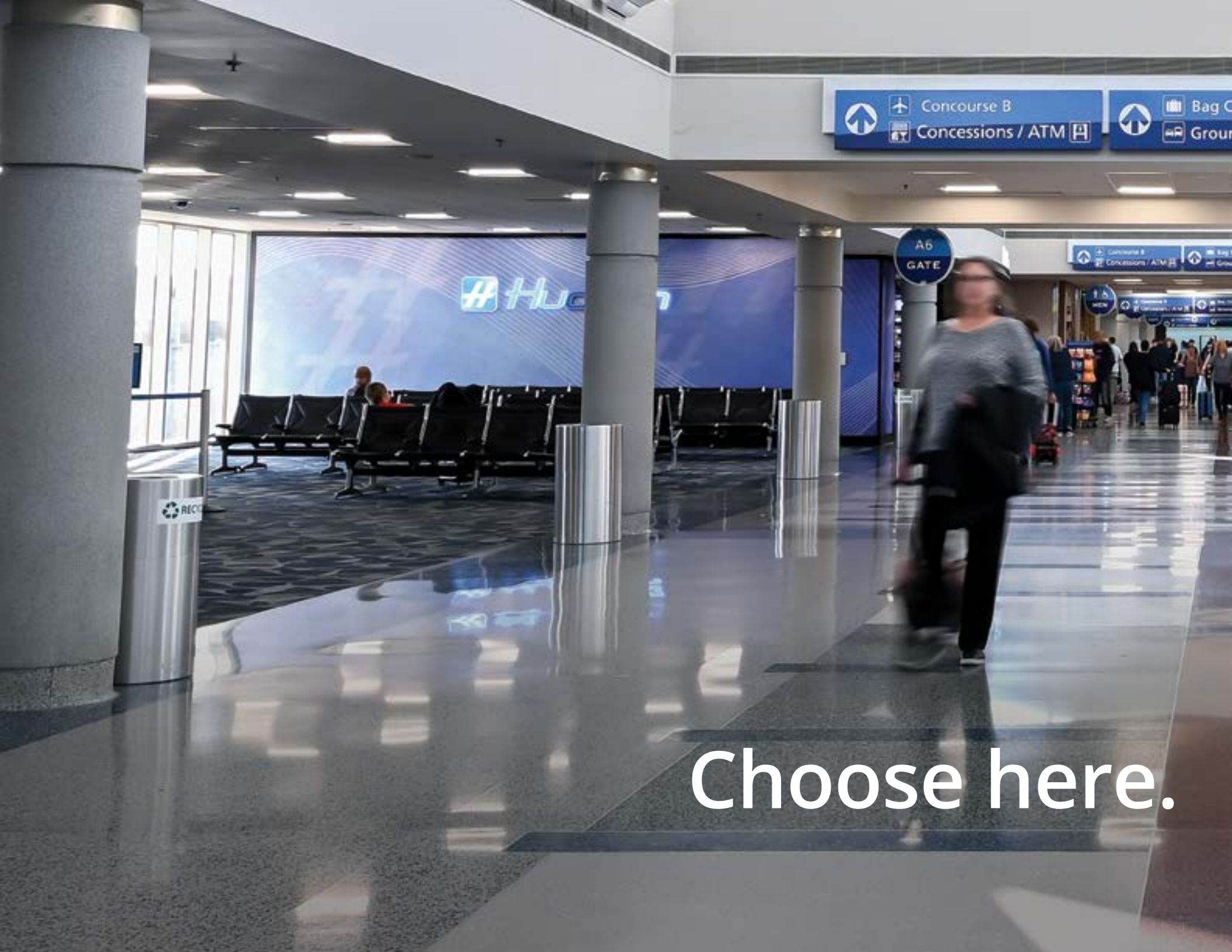


Flight Crew

RIC's Leadership Team

From public safety, human capital, and innovation to capital development and building services, this is the team responsible for implementing the *Serve 2025* strategic plan to make RIC the airport of choice in the mid-Atlantic region.





Choose here.

Claim
and Transportation

Restrooms
Ticketing

A5
GATE

1-10-
11-20

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