



A.B. WON PAT

INTERNATIONAL AIRPORT AUTHORITY, GUAM

CONVENIENT CONNECTIONS

"Sharing information with the People of Guam!"

Fiscal Year (FY) 2009

Citizen-Centric Report (P.L. 30-127)

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VISION

The Authority's vision is to advance Guam further as the first-class premier air transportation hub of the region.

MISSION

The Authority strives to ensure the safety and security of the traveling public, is dedicated to maintaining a superior and reliable level of airport services for our island residents and tourists, and is committed to supporting the development of air linkages and facilities which are integral parts of the island's future economic growth.

OBJECTIVES

To deliver improvements in customer service, facilities and access infrastructure, economic development, competitive positioning, community relations and governance and organization.

Get to Know Your Airport



Guam Public Law (P.L.) 13-57 created the A.B. Won Pat International Airport Authority, Guam as

an autonomous instrumentality of the Government of Guam. The Airport is fully self-sustaining, generating its own funds through revenues levied for facility use and services at the airport on air service providers, tenants, and concessionaires. In 2009, 264 employees fulfilled local and federal mandates of Airport Management and Operations, in the fields of Engineering, Operations, Facility Maintenance, Property Management, Planning, Administration, Accounting, Airport Police and Aircraft Rescue and Fire Fighting.

PROJECT: AIRPORT GUAM 2009

Created in 1975, the A.B. Won Pat International Airport is the embodiment of the pride of the people of Guam and a major catalyst in the island's economic development.

Over a period of three decades, the Airport has built three terminals, and in 2009 had celebrated 10 years in the current \$241 million-dollar facility. An additional \$260M has been invested in Airport infrastructure, roadways, and enhancements, attributable to grant awards from the Federal Aviation Administration (FAA), the Federal Highways Administration (FHWA), and the US Economic Development Authority (EDA).

The most significant project is the extension of our primary runway (RW24R) by 1,000 linear feet respectively at both ends, anticipated for completion in April of 2012. This extension brings RW24R to a total length of 12,000 ft.

Another high profile project completed in 2009 is the demolition of former U.S. Naval housing, which spurred massive development in the Tiyan Business Park. Airport development, officially



dubbed 'PROJECT: AIRPORT GUAM' is a truly dynamic component of Guam's economic and aviation related business development, and has become a lead player in regional aviation.

Cargo Business - Moving & Growing



2009 was a year of marked development and expansion of cargo business in surrounding Airport areas, with over \$35M dollars invested by private enterprise.

PacAir Properties LLC opened its massive, state-of-the-art \$27.5M Integrated Air Cargo Facility in Tiyan and houses airline cargo operations and

Customs offices. CTSI Logistics broke ground on its \$4.5M air freight consolidation facility in Tiyan, while MSA Logistics also broke ground on its \$1.5M air and sea freight forwarding facility and is located at the Airport Industrial Park.

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Airport CONNECTIONS & Successes 2009

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Passenger & Cargo Traffic FY'09

The following airlines served the A.B. Won Pat International Airport Authority, Guam (GIAA) with scheduled or charter overseas passenger flights for Fiscal Year 2009: Continental Airlines, Northwest Airlines, All Nippon Airways, China Airlines, Japan



Airlines, Korean Airlines, Philippine Airlines, Asia Pacific Airlines, and Aerospace Concepts, which operates a business jet service. The principal commuter airlines providing inter-island passenger flight service to and from Guam and the Commonwealth of the Northern Marianas Islands are Cape Air and Freedom Air. Additionally, we have a general aviation operator, Micronesia Aviation Systems based at the A.B. Won Pat International Airport, Guam.

Delta & LSG Open "Sagan Bisita" at GIAA

"Sagan Bisita", or Visitor Center in Chamorro, is the new passenger lounge operated by Delta Air Lines and Lufthansa Service Guam, Inc. (LSG) opened for operations at the Main Terminal of the A.B. Won Pat International Airport, Guam. The new lounge features world-class accommodations, including wireless internet access, flat screen TVs, and buffet service. Conference and meeting room facilities are available onsite, along with ultra modern washrooms and full shower facilities. The \$1M-dollar investment by Delta and LSG represents their firm commitment to Guam as a preferred travel destination for the airline and their Sky Team partnership alliance of eight premier

airlines. This network includes Korean Air, a GIAA signatory airline which also operates at Guam's only civilian airport.



NEW & ENHANCED AIR SERVICE IN 2009

ALL NIPPON AIRWAYS



- Operated 33 charters from Haneda

CHINA AIRLINES



- Operated 2 charter flights from Beijing

KOREAN AIRLINES



- Added 3 additional ICN/KIX/GUM flights per week between Incheon, Korea/Kansai, Japan/Guam
- Operated charters 2x per week from Busan

CONTINENTAL AIRLINES



- 13 charter flights during Golden Week
- Inaugural flight to Nadi, Fiji
- Resumption of Osaka Service
- Joined Star Alliance

DELTA AIR LINES



- Upgraded Aircraft serving Tokyo-Guam route

Airport RATA Secures \$300,000 DOI Training Grant

The A.B. Won Pat International Airport Authority, Guam (GIAA) applied for and was awarded a 100% grant from the U.S. Department of Interior, Office of Insular Affairs, Operations and Maintenance Improvement Program in the amount of \$300,000.00 that would fund the first year of planned courses in Fiscal Year 2009 under GIAA's Regional Aviation Training Academy (RATA) of the A.B. Won Pat International Airport Authority, Guam. The funds are for training with specific focus on basic and advanced academic courses for operations, security, aircraft rescue and fire fighting and airport management.

The GIAA training academy is mission-oriented and sets the vision for GIAA to offer quality aviation training and become a leader

in airport US certified aviation training in the Asia/Pacific region. Initial training partnered with the American Association of Airport Executive (AAAE) to offer a course in Basic Airport Safety and Operations Specialist School (ASOS), with 33 participants from GIAA, regional airports from Micronesia, the mainland US and US Andersen Air Force Base participants. ARFF Driver Operator training using the DOI funds followed for ARFF personnel from regional island airports.



2009 Financial CONNECTIONS & Statistics

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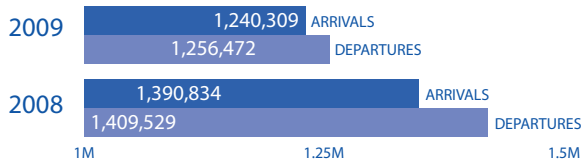
Listed below is the summary of **REVENUES** for FY 2009 and 2008.

Revenues	2009	2009 % of Total	2008	2008 % of Total	2009 % Increase (Decrease) from 2008
Operating:					
Facilities and use charges:					
Arrival facilities	\$ 5,387,772	6.4%	\$ 5,416,560	6.8%	-0.5%
Departure facilities	5,326,503	6.3%	5,528,596	7.0%	-3.7%
Immigration	1,937,884	2.3%	1,717,703	2.2%	12.8%
Public apron	1,804,241	2.1%	2,152,654	2.7%	-16.2%
Passenger loading bridge	1,689,336	2.0%	2,121,589	2.7%	-20.4%
Landing fees	1,218,711	1.4%	898,085	1.1%	35.7%
Utility recovery charge and other fees	290,131	0.3%	276,099	0.3%	5.1%
Fuel flowage fee	142,507	0.2%	189,833	0.2%	-24.9%
Total facilities and use charges	17,797,085	21.0%	18,301,099	23.1%	-2.8%
Concession fees:					
General merchandise	6,064,436	7.2%	6,985,111	8.8%	-13.2%
Ground transportation	3,870,031	4.6%	4,360,587	5.5%	-11.2%
Car rental	910,220	1.1%	937,712	1.2%	-2.9%
Food and beverage	707,835	0.8%	729,385	0.9%	-3.0%
In-flight catering	589,956	0.7%	574,992	0.7%	2.6%
Other	801,077	0.9%	832,150	1.0%	-3.7%
Total concession fees	12,943,555	15.3%	14,419,937	18.2%	-10.2%
Rental income:					
Operating space - airline	2,754,459	3.3%	2,812,705	3.5%	-2.1%
Operating space - non airline	2,997,093	3.5%	2,366,157	3.0%	26.7%
Other	3,587,235	4.2%	3,925,251	5.0%	-8.6%
Total rental income	9,338,787	11.0%	9,104,113	11.5%	2.6%
Miscellaneous					
	1,651,198	2.0%	75,840	0.1%	2077.2%
Total operating	41,730,625	49.4%	41,900,989	52.8%	-0.4%
Non-Operating					
Interest income	1,468,089	1.7%	1,978,585	2.5%	-25.8%
Passenger facility charge	5,064,667	6.0%	5,479,217	6.9%	-7.6%
Grants from the U.S. Government	36,261,526	42.9%	29,928,541	37.7%	21.2%
Transfers from Government of Guam	30,095	0.0%	-	0.0%	100.0%
Total non-operating	42,824,378	50.6%	37,386,343	47.2%	14.5%
Total revenues	\$ 84,555,002	100.0%	\$ 79,287,332	100.0%	6.6%

Listed below is the summary of **EXPENSES** for FY 2009 and 2008.

Expenses	2009	2009 % of Total	2008	2008 % of Total	2009 % Increase (Decrease) from 2008
Contractual services	\$ 16,086,870	26.7%	\$ 16,580,429	27.6%	-3.0%
Personnel services	12,706,013	21.1%	11,399,538	19.0%	11.5%
Materials and supplies	684,259	1.1%	1,205,169	2.0%	-43.2%
Bad debt expense	34,889	0.1%	551,420	0.9%	-93.7%
Total operating expenses	29,512,031	49.0%	29,736,556	49.6%	-0.8%
Depreciation and amortization	21,797,415	36.2%	21,440,046	35.7%	1.7%
Non-Operating:					
Interest expense	8,339,935	13.9%	8,580,584	14.3%	-2.8%
Other expense	538,997	0.9%	247,238	0.4%	118.0%
Total non-operating expenses	8,878,932	14.8%	8,827,822	14.7%	0.6%
Total expenses	\$ 60,188,378	100.0%	\$ 60,004,423	100.0%	0.3%
Total full time employees	205		204		

PASSENGER STATISTICS



FINANCIAL POSITION SUMMARY

The Authority's investments in capital assets net of related debt make up 83.1% of its net assets. These capital assets are used to provide services to its passengers and visitors to the Authority's Airport terminal. Although invested capital assets are reported net of related debt, the resources are required to repay this debt from revenues received annually from operations as specified in the 2003 Airport Bonds Indenture. In FY 2009, the Authority recorded \$15 million in aviation easements, which grant aircraft the right to fly, land, or take off in unobstructed airspace above a parcel of real property. These easements prohibit property owners from installing structures that exceed a specified height and provides for outcomes typically associated with aircraft by allowing for the right to make and generate noise and other aircraft activities near or around the Won Pat Guam International Airport.

AIRLINE SIGNATORY RATES AND CHARGES

The Authority entered into an airport-airline lease agreement with signatory airlines to provide those airlines with the nonexclusive right to use the airport facilities, equipment improvements, and services, in addition to occupying certain exclusive use premises and facilities. These leases became effective October 1, 2006 and will remain in effect through September 30, 2011.

COST PER ENPLANED PASSENGER

The cost per enplaned passenger (CPE) is one method used by airlines to measure its total cost of operations at an airport. For FY 2009, the Authority's CPE amounted to \$15.29 reflecting a 3.4% increase versus the 2009 budgeted CPE of \$14.78 and a 12.7% increase in comparison to FY 2008's figure of \$13.56. In spite of the increase, the Authority's CPE remained 20.4% below the Authority's record high of \$19.22 in FY 2003. The Authority's cost per enplaned passenger year-over-year has remained well within the range of \$14.87 to \$24.70 projected by Leigh Fisher and Associates as reflected in the Authority's Official Statement for the 2003 Bond Indenture.

DEBT SERVICE COVERAGE

Under the Bond Indenture for the issuance of the 2003 General Revenue Bonds, the Authority is required to maintain minimum debt service coverage of 1.25 in relation to net revenues versus annual debt service. The Authority does not anticipate assumption of any new debt to fund their capital improvement projects and has managed to consistently meet its debt service requirements year-over-year even in the face of economic adversity.

Plans on the Radar: ETDs and ETAs

The established A.B. Won Pat International Airport Authority, Guam (GIAA) initiatives and goals for FY2010

Customer Service

Renovations and upgrades to our terminal restrooms; Accessibility compliance upgrades in line with the Americans with Disabilities Act (ADA); Upgrades to our Flight/Baggage Information Display Systems (FIDS/BIDS); Enhancements in our Food Court (F&B) area; and Developing a 3rd floor Arrivals Corridor.



Facilities & Infrastructure

Establishing an Energy Management Program; Updating the GIAA Master Plan; Facility Maintenance; Improving the Airport Access



Road; and Upgrades of the Water Systems and the Airfield Infrastructure.



Economic Development

Establishing a Regional Distribution Program; further Property Development partnerships; Upgrading Fuel System; and Increase Terms for Exclusive Contracts.

Competitive Positioning

Securing continued U.S. Department of Transportation (DOT) Air Service Exemption; further Development of Air Cargo Operations; Aggressive pursuit of Visa Waiver Opportunities for key visitor markets; and continued enhancements in Air Service Development.



Community Relations

Continuance of Residential Sound Solutions Program; Town Hall Presentations; and continued Community Outreach Activities and GovGuam collaborative programming.



Governance & Organization

Workforce improvement with quality HR training; Reduction of costs by eliminating duplicative processes; Passenger convenience & cost efficiency; Reduction of power consumption & costs through conservation efforts and relevance in line with current aviation environment trends.

