



LEHIGH-NORTHAMPTON AIRPORT AUTHORITY

2017 ANNUAL REPORT



BOARD OF GOVERNORS

The Lehigh-Northampton Airport Authority consists of a 15-member Board of Governors appointed by Lehigh and Northampton Counties:

J. Michael Dowd, Chairman

Charles R. Diacont, Vice Chairman

Edwin R. Lozano, Treasurer

Anne Baum

Brian Daems

Christopher Werley

Glenn A. Geissinger

Jeffrey B. Matzkin

John L. Crampsie/
Frank Facchiano

John Hayes

Larry Hemberger

Matthew Tuerk

Michael Schware

Neal D. Koplin

Ted Rosenberger

“ By developing a strategic plan of aeronautical and non-aeronautical projects, the Lehigh-Northampton Airport Authority has enhanced its reputation as being a leader within the aviation community by demonstrating sustained growth and success at Lehigh Valley International Airport (ABE), Queen City Airport (XLL) and Braden Airpark (N43). ”

— J. Michael Dowd —
Chairman, Board of Governors





OUR VISION

To be the best regional airport system in North America.

MISSION STATEMENT

As a customer-centric organization, we will operate our facilities safely and efficiently; grow and develop in an innovative, agile and competitive manner; work closely with our stakeholders and partners to make our region the community of choice for business and residents.

CORE VALUES

INTEGRITY

We are honest, true to our word and do the right thing.

TEAMWORK

We are empowered and share a common purpose.

RESPECT

We treat others as we would like to be treated.

SERVICE

We strive to exceed customer expectations.

TRUST

We believe in and rely on each other.

HUMILITY

We are humble, engaged, self-aware and teachable.

LNAA

TRANSITION OF LEADERSHIP



On Friday, August 4th, The Lehigh-Northampton Airport Authority's Executive Director, Charles R. Everett Jr. submitted his resignation to accept a position as Deputy Director of Aviation with the Port Authority of New York and New Jersey.

"This has been an amazing journey, with challenges to overcome and celebrations achieved by the hard work, dedication and support of the LNAA staff and the Board of Governors," said Charles Everett, Executive Director, Lehigh-Northampton Airport Authority.

Everett's leadership played an instrumental role in paying the \$26 million judgement, which ended a restitution dispute with Willowbrook Farms (WBF) regarding the condemnation of 632 acres by the Lehigh Valley International Airport (ABE) which WBF planned to develop.

During his tenure, the Airport Authority has increased passenger traffic which reached its highest level since 2013, and the most significant change under Everett remains the meteoric rise of air cargo flights, which produced 125,950,992 lbs. of cargo – a 165.7 % increase from 2015.

Maintaining the organization's vision and mission of being a strong presence within the community resulted in several initiatives including raising over \$40,000 for the Leukemia and Lymphoma Society of the Lehigh Valley and receiving the Spirit of Volunteerism Award from the Volunteer Center of the Lehigh Valley for the "Wings for All" event at ABE.

BOARD OF GOVERNORS SELECT THOMAS R. STOUDT AS INTERIM EXECUTIVE DIRECTOR

The Lehigh-Northampton Airport Authority (LNAA) Board of Governors selected Thomas R. Stoudt as Executive Director of the LNAA effective February 2018. Stoudt had been serving in the same role on an interim basis since the departure of former Executive Director Charles R. Everett Jr.

"I am honored to help lead this organization and achieve our overall vision of being the best regional airport system in North America," said Thomas R. Stoudt, Executive Director, Lehigh-Northampton Airport Authority. "We've made significant progress with positioning this Airport system for future growth and success; it's an exciting time to be part of the LNAA family."

The Airport Authority Board of Governors conducted a five-month national search and reviewed over 50 resumes for the position.

"It wasn't an easy decision due to a number of high quality candidates, so the selection committee didn't rush the process," said J. Michael Dowd, Chairman, Lehigh-Northampton Airport Authority Board of Governors. "Tom demonstrated strong leadership skills during his short time as interim director, and the Board feels extremely confident the Airport will continue to thrive under his direction in the future."

Tom has spent over twenty-two years with the Airport Authority, beginning as a baggage handler and an intern with the Authority. He previously worked in Operations, Planning and Engineering for the Authority, and in the past five years, Tom served as Director of Operations and Safety. He was the primary liaison to federal and state aviation operations and safety organizations; such as: Department of Transportation (DOT), Federal Aviation Administration (FAA), Transportation Security Administration (TSA), Customs and Border Protection (CBP), USDA Wildlife Services and PennDOT Bureau of Aviation. Tom is the principal Airport Security Coordinator (ASC) for ABE and directs the development and implementation of the Airport Security Program (ASP) and the Airport Certification Manual (ACM) for ABE in accordance with Federal Regulations.

In 1995, Tom earned his Bachelor of Science in Aviation Management from Embry-Riddle Aeronautical University. He also holds an FAA Airframe & Powerplant License and an Associate of Science in Aircraft Maintenance from Embry-Riddle Aeronautical University. Tom received his Airplane Single-Engine Land Private Pilot Flight Theory at Lehigh Carbon Community College and earned a Geographic Information Systems (GIS) Certificate from Pennsylvania State University.

Tom is a board member of the Aviation Council of Pennsylvania, a member of the Operations, Safety, Planning & Emergency Management Committee of the American Association of Airport Executives (AAAE), the Operations & Technical Affairs Committee, Operations & Safety Working Group and the Public Safety and Security Committee of Airports Council International-North America (ACI/NA).



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AIR SERVICE

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TOTAL PASSENGER TRAFFIC COMPARISON

Passenger Traffic 2017

	2017	Percent Difference	2016	2015	2014	2013
Jan	47,515	-0.12%	47,570	44,848	39,020	43,126
Feb	46,549	-2.36%	47,675	44,358	37,943	42,351
Mar	57,977	-1.94%	59,121	56,939	51,161	59,475
Apr	56,012	-4.12%	58,420	56,606	54,173	52,787
May	55,996	-6.49%	59,880	60,335	58,567	55,711
Jun	61,044	-2.40%	62,542	62,200	58,471	59,240
Jul	63,336	-5.40%	66,953	68,256	60,064	62,872
Aug	67,402	-0.40%	67,673	62,497	56,021	57,901
Sep	53,228 *	-9.64%	58,906	53,474	47,471	46,485
Oct	67,261	19.69%	56,198	56,335	51,509	47,409
Nov	60,008	15.46%	51,871	56,326	49,414	46,176
Dec	55,826	8.20%	51,596	51,331	48,836	48,363
Total	692,154	10.48%	688,405	673,505	612,650	621,896

* Hurricanes Irma, Maria & Jose resulted in 21 cancelled flights at ABE in September



TOTAL PASSENGER INCREASE

0.53% 



TRAFFIC REPORT

Total Air Traffic Operations 2017

Monthly Aircraft Activity
YEAR-TO-DATE

The FEDERAL AVIATION ADMINISTRATION AIR TRAFFIC CONTROL TOWER at LVIA recorded the following aircraft take-offs and landings for the month:

	2017	2016	Increase Decrease	Percent Difference
Major Airlines Passengers YEAR-TO-DATE				
Enplaned	29,961	33,961	4,000	-11.78%
Deplaned	27,300	33,453	6,153	-18.39%
Sub-total	57,261	67,414	10,153	-15.06%
Regional Airlines Passengers YEAR-TO-DATE				
Enplaned	317,455	310,934	6,521	2.10%
Deplaned	317,438	310,157	7,281	2.35%
Sub-total	634,893	621,091	13,802	2.22%
Total Passengers	692,154	688,505	3,649	0.53%
Cargo YEAR-TO-DATE				
Enplaned	99,502,411	63,684,969	35,817,442	56.24%
Deplaned	107,679,557	63,266,023	45,413,534	72.93%
Total Cargo	207,181,968	125,950,992	81,230,976	64.49%
Customs YEAR-TO-DATE				
Entries	191	244	53	-21.72%
Monthly Aircraft Activity YEAR-TO-DATE				
Major Airlines	10,227	7,905	2,322	29.37%
Regional Airlines	9,254	8,678	576	6.64%
General Aviation	25,877	25,210	667	2.65%
Military	556	590	34	-5.76%
Total Itinerant	45,914	42,383	3,531	8.33%
Total Local	33,676	35,595	1,919	-5.39%
Total Operations	79,590	77,978	1,612	2.07%

NONSTOP SERVICE TO FLL

Air Service

“ In the past, passengers would need to use Philadelphia or Newark for this flight, but now they can choose the convenient and customer-friendly environment at Lehigh Valley International Airport. ”

— Charles Everett —

Executive Director, Lehigh-Northampton Airport Authority

Finding a way to escape the winter weather and cold temperatures had passengers “ready for takeoff” on the inaugural flight to Fort Lauderdale.

Lehigh Valley International Airport (ABE) welcomed the arrival of its 11th non-stop destination with air service aboard Allegiant to Fort Lauderdale (FLL) on February 15, 2017.

As part of this celebration, Lehigh Valley residents had an opportunity to submit a Valentine’s Day message during a “Love is in the Air” promotion describing “why they love flying from ABE.” The winner was Kristen Bartholomew. She received (2) round-trip tickets courtesy of Allegiant and a three-night stay at the Renaissance Fort Lauderdale Cruise Port Hotel.

“I made a plane out of cardboard, painted the allegiant logo on it and created a luggage tag that reads: I love non-stop flights from LVIA to FLL because they are just so plane sweet”, said Bartholomew. The Love is in the Air event also included raffles, refreshments, giveaways and goodie bags (sunglasses, sunscreen and a coozie) for Fort Lauderdale bound passengers.

We want to thank the Fort Lauderdale Visitors and Convention Bureau for their support.



CARGO RAMP EXPANSION

Air Service

In late December, the Lehigh-Northampton Airport Authority (LNAA) completed a \$3.5 million expansion of the Air Cargo Apron at Lehigh Valley International Airport (ABE).

The project broke ground in September to create an additional aircraft parking position, more room for ground support equipment (GSE) and improved LED lighting. Minimal work and improvements will be completed when spring weather returns.

"We overcame several challenges with this project, from soil conditions to Mother Nature, but we've constructed a more efficient area for daily operations for all of our cargo carriers," said Ryan Meyer, Director of Planning and Programming.



ABE IS CUSTOMER-FRIENDLY

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IT'S PLAY TIME

ABE is Customer-Friendly



Lehigh Valley Children's Hospital has partnered with Lehigh Valley International Airport (ABE) to create a special place for young children and their families to pass the time while waiting for their planes to depart – the Lehigh Valley Children's Hospital Play Area at ABE.

"There's a lot of fun here, and that's exactly why Lehigh Valley Health Network (LVHN) is proud to be part of this great play area," said Terry Capuano, Executive Vice President and Chief Operating Officer for LVHN. "It really fits right in with our mission to heal, comfort and care for our community."

The play area replicates many of the features found at Lehigh Valley Hospital–Cedar Crest's campus, as well as other area landmarks, all arranged so kids can enjoy playing with them. Some of the highlights include:

- crawling under a small Lehigh Valley Children's Hospital
- climbing aboard a MedEvac helicopter
- jumping on the back of a MedEvac ambulance

"You know you have to get to the airport early and when you get here, head to the play area so children can have fun and time will fly by before departing," said Dr. J. Nathan Hagstrom, Chairman of the Department of Pediatrics, Lehigh Valley Health Network.



For really young children and their mothers, a Mamava lactation pod provides a comfortable, private feeding option. Older children should enjoy the tech bar, where they can charge their mobile devices before they get on the plane.

Charles Everett, Executive Director of the Lehigh-Northampton Airport Authority (LNAA), said a recent report rating the top amenities likely to appear in North American airport terminals over the next three to five years included nursing mothers' rooms and pods and children's play areas.

"Today, alongside a strong partner, Lehigh Valley International Airport has the opportunity to cross those two items off the list and continue giving our customers, especially children and mothers, a first class experience."

Capuano said the "play date before the gate" should be a welcome site for children, as well as their parents and guardians. It's been designed to help kids enjoy their experience at the airport more in a safe environment.

"Lehigh Valley Health Network is proud to have another opportunity help improve the quality of life in the region at one of the most important of our community resources, ABE," Capuano said.

THANKS AGAIN

ABE is Customer-Friendly



thanks again

Make Travel More Rewarding™



In April, Lehigh Valley International Airport (ABE) launched "Thanks Again", a global loyalty and engagement solution that allows passengers to earn their favorite travel related awards when making purchases at parking, shopping and dining locations while using ABE & other airports.

"We are excited to partner with the team at ABE in a collective effort to greatly benefit the passenger experience via rewards, targeted engagement and individualized service updates", said Jay Ellis, EVP Global Network Development.

The partnership between "Thanks Again" and ABE will allow program members the opportunity to earn points immediately after securely registering their credit, debit and prepaid cards on the "Thanks Again" website <https://thanksagain.com/> or via the "Thanks Again" Mobile application. Accumulated points can be redeemed for airline miles, hotel points, Uber Credits, Fandango points, cash back and other benefits.

RECYCLING IS RESPONSIBLE AT ABE

ABE is Customer-Friendly

The Lehigh-Northampton Airport Authority's (LNAA) "Recycling is Responsible" Program celebrated America Recycles Day on November 15, 2017 by unveiling a new digital display recognizing the 95 tons of recycled materials by LNAA in the past year.

"We have worked hard to identify ways to improve our recycling methods and also create an easier process for passengers, staff and other airport users," said Darren Betters, Director of Business Development, Lehigh-Northampton Airport Authority.

Brand new recycling receptacles and additional disposal areas were placed throughout the Main Terminal, Wilfred M. "Wiley" Post Jr., Departure Concourse, TSA and Baggage Claim. Additionally, recycling receptacles were upgraded and re-distributed to employees, tenants and stakeholders, while adding more recycling dumpsters at facilities operated by LNAA.

Airport Authority terminal services staff have also been proactive through implementation of environmental friendly products including cleaning chemicals, paper towels, toilet paper and toilet seat covers.

ALL IN ONE WAY



It's up, up and away....for Subarashii Kudamono!

A pop-up farm stand made its debut at Lehigh Valley International Airport (ABE), giving passengers and the Lehigh Valley community a chance to taste and purchase delicious Asian Pears from local grower, Subarashii Kudamono.

Fall flavors from Subarashii includes: butterscotch, citrus, cashew, starfruit, kiwi, melon, honey and more.

"With so many traveling through ABE, a farm stand at the airport offers the perfect venue for people to experience this delicious fruit on the go and which is grown right here in the Lehigh Valley," said Holly Harter, Marketing Director, Subarashii Kudamono.

“ **The Airport Authority believes in supporting local businesses, and the pop-up farm stand brings a unique element to achieving our mission of delivering the highest level of customer service,** ”

— **Thomas R. Stoudt** —
Interim Executive Director, Lehigh-Northampton Airport Authority



FARM TO FLIGHT

ABE is Customer-Friendly

WORLD WATER DAY CELEBRATION AT ABE

ABE is Customer-Friendly

Lehigh Valley International Airport (ABE) celebrated "World Water Day" on March 22, 2017 by unveiling (3) water bottle refill stations and dump stations located in the Main Terminal and Wilfred M. "Wiley" Post Jr., Departure Concourse.

This amenity is the latest step by the LNAA to create a "green" environment throughout the terminal. Additionally, these refill stations should impact the number of water bottles thrown away as passengers process through TSA Checkpoint which will in turn protect the environment.

Hydration Station

Flying takes a lot out of you. Fill up.



TRAVEL AGENT MIXER

ABE is Customer-Friendly



On Wednesday, March 29, 2017 travel professionals from around the Lehigh Valley and New Jersey enjoyed an evening of food, drinks and a presentation about the benefits of using Lehigh Valley International Airport (ABE). Business Development Director Darren Betters and Customer Experience Manager Paula Bonstein discussed available air service, customer service programs and hosted a "Q&A" for those attending the event.

ADVERTISING PROGRAM

ABE is Customer-Friendly

The ABE In-House Advertising Program continued to thrive in 2017. This program is operated internally to support our mission of offering a better experience to our customers and our clients.

Some notable additions in 2017 are featured here.

On September 13, 2017 Mack Trucks unveiled its new highway truck. Part of the announcement included terminal takeover advertising at Lehigh Valley International Airport.

VERTIVUE
HELICOPTER CHARTERS



Welcome to Allentown.

Home of Mack Trucks.



“SWEET” SURPRISE AT ABE

ABE is Customer-Friendly



Expecting their luggage to drop, passengers at Lehigh Valley International Airport (ABE) were treated to a “sweet” surprise of PEEPS® along with other delicious candies during Easter and Halloween.



Thank you to our friends from

JUST BORN

QUALITY CONFECTIONS

MASCOT MANIA

ABE is Customer-Friendly



Lehigh Valley International Airport (ABE) and the Lehigh Valley Phantoms (American Hockey League) developed a strong partnership through advertising initiatives and the "Tickets from the Terminal" campaign on Facebook, giving passengers a chance to win tickets for home games at PPL Center.

The Phantoms infamous mascot, "meLvin" chooses ABE for his travel needs, and enjoyed several stops in the Wilfred M. "Wiley" Post Jr., Departure Concourse, including a visit to the Lehigh Valley Health Network Children's Play Area.

ABE IN THE COMMUNITY

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WINGS FOR ALL

ABE in the Community

“ This day offers a practice run through anything that anyone has to deal with when flying which will give the individual a more comfortable travel experience. ”

— Charles R. Everett Jr. —

Executive Director, Lehigh-Northampton Airport Authority



The Arc of Lehigh and Northampton Counties and Lehigh-Northampton Airport Authority (LNAA) partnered for a third consecutive year to host Wings for All event on Saturday, May 6, 2017. Since its arrival at Lehigh Valley International Airport (ABE), the program has impacted “Wings for Autism®” 200 children with autism and related disorders on the autism spectrum and their families.

This event provides a unique rehearsal event for people with autism and other intellectual and developmental disabilities to have a real-life experience using an airport when traveling by plane.

“You and I take for granted the ability to see relatives who live a far distance. The people that get this experience are finally going to be able to plan the same trips we all enjoy,” said Karen Shoemaker, Executive Director, The Arc of Lehigh and Northampton Counties.

Pat Carter heard about “Wings for All” from parents of another program her son attends and decided they should drive up from Baltimore, Maryland.



“I thought it was a good opportunity to come here to decrease his anxiety of getting on a plane and let him know going through the airport can be a fun time,” said Carter.

Allegiant provides an aircraft for participants to experience the following: checking in at the ticket counter, security clearance by the Transportation Security Administration (TSA), walking through the terminal, boarding the plane. Participants depart the aircraft and enjoy refreshments during a special reception, courtesy of Lehigh Valley International Airport.

More than 40 volunteers were on hand to assist the individuals and families to successfully complete the experience, with helpful tips and suggestions they can use when traveling by air in the future.



READY TO RUN

ABE in the Community



Girls on the Run



Lehigh Valley International Airport (ABE) has partnered with Thomas Jefferson Elementary School in the Bethlehem Area School District to support their "Girls on the Run" program. A surprise visit from the Airport included jackets, headbands, gloves and water bottles for their upcoming race.

The mission of "Girls on the Run" is inspiring girls to be joyful, healthy and confident using a fun, experience-based curriculum which creatively integrates running.

SHOP WITH AN AIRPORT COP

ABE in the Community

On Saturday, December 16, 2017 Lehigh-Northampton Airport Authority (LNAA) Police Officers reported for their favorite assignment: delivering joy and happiness to local students and their families during the 2nd Annual "Shop with an Airport Cop" at Target (Airport Center) in Allentown.

"Deeply impacted by last year's participants, LNAA Police Officers were eager to ensure this day of giving back to the community by the Department and Airport remained a holiday tradition," said Chief Timothy D. Koder, Lehigh-Northampton Airport Authority Police Department.

The "Shop with a Cop" program focuses on fostering a positive relationship between youth and law enforcement, while also providing an opportunity to help local families facing financial challenges.

"Whatever challenges financially they are facing around the holiday season, our goal is to give them the best Christmas they can possibly experience," said Sgt. Steve Gensits, Lehigh-Northampton Airport Authority Police Department.

Accompanied by an Airport Authority police escort, the school bus arrived and everyone rushed off to start their shopping spree. LNAA Police Officers teamed up with (14) kids from Catasauqua Area School District for this aisle searching adventure to purchase gifts for members of their immediate family.

"I heard students say how wonderful it is to purchase a gift for a family member to open on Christmas Day," said Melissa Inselmann, Principal, Catasauqua Middle School.

Through support of RandomActs.org, each participant also had the chance to buy a winter coat.

Beyond their display of generosity for family and friends, Airport Authority police officers encouraged the kids to get a gift they could enjoy, too.

"They are more worried about providing gifts for other people, to the point that officers were forcing them to pick out one present for themselves," said Cinde Monsam, RandomActs.Org.

During a pizza party and gift wrapping session following the shopping spree, the LNAA presented each participant with a \$100 gift card to Wegmans.





NORTH POLE EXPRESS

ABE in the Community

Tis' the season to believe. Tis' the season to hope.

With snowfall creating a perfect backdrop, on December 9, 2017, at Lehigh Valley International Airport (ABE), 20 families impacted by cancer boarded a United Express Charity Flight for the most popular flight destination every holiday season, the North Pole.

"It was hard to imagine what was going to happen, and there were lots of questions about meeting Santa Claus," said Lisa Kappes, Director of Programming, Pediatric Cancer Foundation of the Lehigh Valley.

These special passengers were issued a boarding pass and processed through the TSA checkpoint, before departing on their quick flight to the North Pole.

"Staff and volunteers are excited about this event each year and their chance to provide a joyous holiday for children who have endured so much adversity in their lives," said Thomas R. Stoudt, Interim Executive Director, Lehigh-Northampton Airport Authority.

Diagnosed with Acute Lymphoblastic Leukemia, Reilly Shimko is nearly finished with chemo-therapy. Yet, the past couple of months presented challenges, including a hospital stay every month since September.

"This is really an experience we will remember forever, and the generosity we have received has been overwhelming," said Natasha Shimko, Reilly's mother.

Battling Stage 4 Neuroblastoma, Emmitt Spearman completed treatment, but a relapse on December 22, 2016, has led to another fight with cancer. For his family, the holiday season has lacked the feeling of joy in recent years.

"This North Pole flight is turning things around and helping us believe that things will get better in the end," said Carissa Young, Emmitt's mother.

Santa Claus, Mrs. Claus and the elves anxiously awaited the arrival of their honorary guests, having prepared a holiday celebration filled with food, face painting, and presents.

"It's a magical day for everyone, and the perfect way to kick off the Christmas season," said Kappes.

This event was coordinated through a partnership between Lehigh-Northampton Airport Authority, United / United Express and the Pediatric Cancer Foundation of the Lehigh Valley.



FACILITIES, EQUIPMENT & INFRASTRUCTURE

LNA – 2017 Annual Report



MULTI-MODAL RIBBON CUTTING

Facilities, Equipment & Infrastructure



Following ten months of construction at Lehigh Valley International Airport (ABE), there is a new transportation hub in the region with the arrival of the Multi-Modal Transportation Center.

Funding for this project included a \$1.75 million grant from the Multi-Modal Transportation Fund through the Pennsylvania Department of Transportation Bureau of Aviation.

"We are known here in the Lehigh Valley, especially the airport, as being a good hub and always looking forward to the future to expand while providing a high quality of customer service," said Senator Lisa Boscola, 18th District of Pennsylvania (Lehigh and Northampton Counties).

Among the initial phases of this project included the historic takedown of Building 10, which was built in 1965 and used as a firehouse and later as a maintenance facility. "Being able to see this facility in operation is extremely rewarding and was achieved through collaboration and cooperation from all of our stakeholders," said Ryan Meyer, Director of Planning & Programming, Lehigh-Northampton Airport Authority.

Focused on enhancing the customer experience, the design of this facility certainly achieves those goals with the following improvements: reduced walking distances to rental cars from the terminal (700 feet closer), weather protected walkways, improved safety by eliminating passenger / vehicle conflict points and improved signage,

designated areas for bus services from LANta and Trans-Bridge Lines Inc. and double the amount of existing taxi stands.

"This is a celebration and unveiling of a new vital asset at Lehigh Valley International Airport and an important day for the region as a transportation facility of this magnitude can stimulate growth," said Anthony J. McCloskey, P.E., Director of the Bureau of Aviation, Pennsylvania Department of Transportation.

In December 2015, the Lehigh-Northampton Airport Authority Board of Governors approved a resolution to designate a portion of the terminal roadway, "Bert Daday Drive," to recognize his 28 years of serving the Airport Authority and strong support for regional aviation.

Joined by his wife, Lois and ten other members of the Daday family, LNAA fulfilled that promise by officially unveiling a special road sign bearing his name.

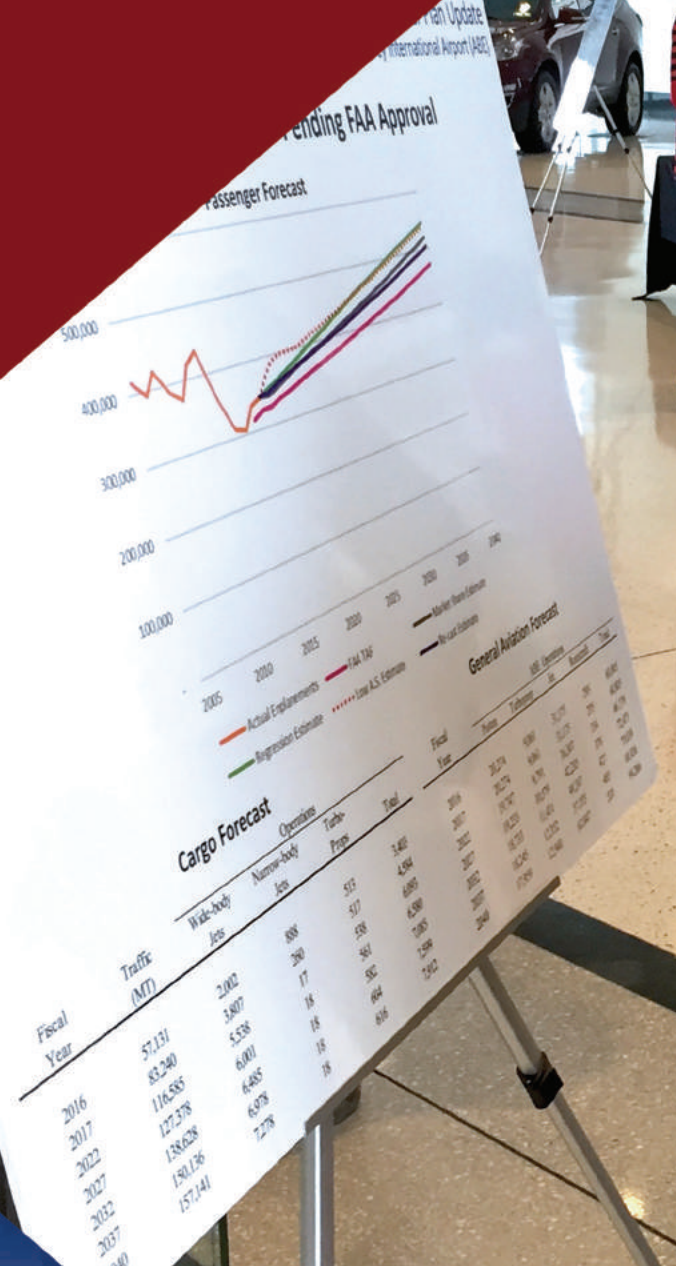
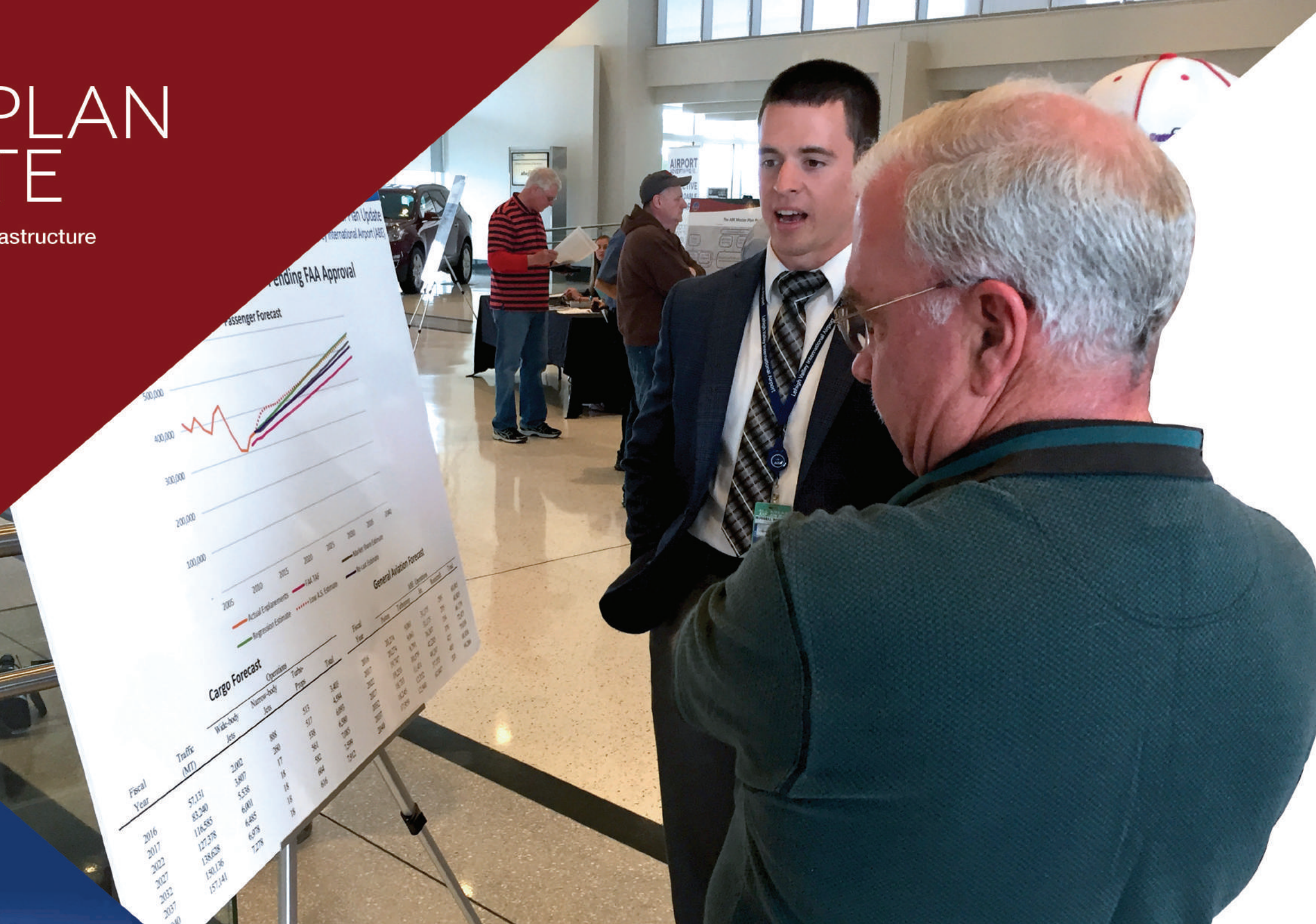
"Bert Daday Drive" will forever symbolize the many lessons we learned from him, about service, integrity, wisdom and the passion for making a difference," said J. Michael Dowd, Chairman, Lehigh-Northampton Airport Authority Board of Governors.

The Lehigh-Northampton Airport Authority Board of Governors awarded a \$5 million contract to Wilmer R. Schultz, Inc. in August, 2016.



MASTER PLAN UPDATE

Facilities, Equipment & Infrastructure



A Public Workshop at Lehigh Valley International Airport (ABE) in April, invited the community to learn more about the Master Plan Update process.

Last updated in 2004, the goal of this Master Plan includes providing the guidance to satisfy demand in a financially feasible and responsible manner, while at the same time addressing the aviation, environmental, and socioeconomic issues of the community and region as they relate to Lehigh Valley International Airport (ABE).

The Project Advisory Group (PAG) held a meeting in December to review a draft of the Alternatives Analysis which focuses on future development and how the forecasted demand (passenger traffic, general aviation and cargo) will dictate whether existing facilities are capable of accommodating growth or if proposed development is necessary to maintain the required level of service.

“This is a critical component of the process because the Airport is developing a plan based on forecasts that can sometimes change, and you don’t want to miscalculate or delay a potential expansion that should have been programmed a few years earlier,” said Ryan Meyer, Director of Planning and Programming.

The Master Plan Update is expected to be approved by Summer 2018.

Information that has been gathered throughout the entire study is available on www.flylv.com.



OPERATIONS, SAFETY AND SECURITY

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In May 2017, the Lehigh-Northampton Airport Authority (LNAA) announced the arrival of Police K-9 Officer Mikki, a Belgian Malinois.

Her addition gives the Airport Authority Police Department the ability to add another level of protection for our customers and employees. Mikki is a working dog. She is very different from other dogs that you may encounter at ABE, such as the dogs in our C.O.P.E. program.

K-9 Officer "Mikki" and her handler Officer Jake Scoble competed in the 2017 Lehigh Valley K-9 Trials in late September.

"Mikki" showed off her lightning speed by taking first place in Patrol/Fastest dog competition and was clocked at 28 mph. She did not receive a ticket for speeding!



"MIKKI" IS ON PATROL

Operations, Safety and Security

“ At first glance, you can see dramatic differences between this new OshKosh Striker and our older OshKosh vehicle; with the Striker providing our firefighters the latest advancements to aid in their response to airport emergencies. ”

— Thomas R. Stoudt —

Interim Executive Director, Lehigh-Northampton Airport Authority



Lehigh-Northampton Airport Authority (LNAA) Aircraft Rescue and Firefighting (ARFF) Division welcomed a 2017 OshKosh "Striker" 6x6 ARFF vehicle for emergency response at Lehigh Valley International Airport (ABE).

Designated Rescue 1, the new OshKosh Striker 6x6 ARFF vehicle will replace Rescue 3, another OshKosh ARFF vehicle which has been in service at ABE since 1996. The LNAA received an Airport Improvement Program grant from the Federal Aviation Administration (FAA) to complete the \$807,251 Striker acquisition.

The Striker 6x6 vehicle is fully equipped with a 3,000 gallon water storage tank, 450 pounds of potassium-based dry chemical and 420 gallons of foam. Some of the vehicle's impressive features includes a high reach extendable and low attack turret (both containing Hydro-Chem nozzles), a FLIR (forward looking infrared camera) and a piercing tool that can penetrate the skin of a commercial, general aviation or cargo aircraft.

"Airports don't have fire hydrants on the airfield, which means ARFF must rapidly transport the necessary water supply directly to an emergency and this top of the line response vehicle further enhances the safety of our passengers," said Stoudt.

THE STRIKER

Operations, Safety and Security



IT'S ONLY A DRILL: TRIENNIAL EXERCISE

Operations, Safety and Security

Lehigh Valley International Airport (ABE) hosted a full-scale disaster exercise of the Airport Emergency Plan on Saturday, April 29. Airports are required by the Federal Aviation Administration (FAA) to conduct these exercises once every three years.

Over 150 participating personnel from more than 32 different agencies responded to ABE in a real-life emergency drill, including firefighting and rescue equipment, emergency medical services and law enforcement agencies during a simulated emergency scenario involving an aircraft.

"The importance in this preparedness and planning of the drill is not only to meet the partners and get that working relationship but to go through the drill itself to see what we need to work on regarding inoperability, communications between the different disciplines," said Scott Lindenmuth, Director of Emergency Services in Lehigh County.

Nearly 80 volunteer role players were moulaged to simulate injured victims and a live fire was also used for training purposes.

"Bringing this all together is an incredible feat and a great challenge but the challenge brings with it an incredible learning experience for all the emergency responders," said John Kloss, Executive Director, Eastern Pennsylvania EMS Council.

Some of the (32) participating agencies included:
American Red Cross
Eastern PA EMS Council
Federal Aviation Administration (FAA)
Federal Bureau of Investigation (FBI)
Lehigh County Coroner
Lehigh County Emergency Management
Lehigh-Northampton Airport Authority
Lehigh Valley Health Network
Northampton County Coroner
Northampton County Emergency Management Services
Transportation Security Administration (TSA)
and many mutual aid units from area Fire, Police and EMS Departments

ORGANIZATION GOVERNANCE, CULTURE, AND PEOPLE

LNA – 2017 Annual Report



HEALTH FAIR

Organization Governance, Culture, and People



Lehigh-Northampton Airport Authority (LNAA) hosted the 3rd Annual Health Fair in the Main Terminal with 71 participants. This officially started open enrollment and provided employees the chance to re-examine their benefits package, make adjustments to retirement and supplemental insurance plans.

The Airport Authority made several changes to the insurance model for 2018 including a new Capital Blue High Deductible Health Plan rolled out to eligible Full-time non-union employees. Additionally, American Fidelity became the new provider of Optional Insurance, Health Savings Accounts (HSA) and Flexible Spending Accounts (FSA).

"This fair offered a critical opportunity for employees to go around and learn more about these benefit changes by meeting face to face with the carriers," said Donnetia Rabb, Human Resources Specialist.

Employees could register to receive substantial discounts on a Sam's Club membership, sample healthy snacks and get more healthy tips from Olivia, the Nutritionist from ShopRite.

Fantastic raffle prizes including a Fitbit, Blue Tooth Speaker, Lehigh Valley Phantoms Tickets and Spa Gift Bag were also awarded.

Lehigh-Northampton Airport Authority (LNAA) staff and volunteers collected trash, planted flowers and spruced-up all three airport operations (ABE, Queen City Airport and Braden Airpark) to commemorate Earth Day.

Earth Day is an annual event, celebrated on April 22, 2017 on which day events worldwide are held to demonstrate support for environmental protection. It was first celebrated in 1970, and is now coordinated globally by the Earth Day Network and celebrated in more than 193 countries each year.

Thank you to everyone that rolled-up their sleeves for this initiative to help save the earth.



CLEAN-UP CARAVAN

Organization Governance, Culture, and People



WINGED WARRIORS 5K ON THE RUNWAY

Organization Governance, Culture, and People



Wearing their best pair of running shoes, approximately 100 people raced down the runway at Lehigh Valley International Airport (ABE) to support those fighting cancer.

On Saturday, October 14th, 2017, Lehigh-Northampton Airport Authority (LNAA) and the Lehigh Valley office of the American Cancer Society (ACS) teamed up for the Winged Warriors 5K Run/Walk on the Runway.

"We were thrilled to combine forces with ABE, as this event offered an unforgettable stage for us to promote our mission, while continuing to raise funds and cancer awareness," said Abby Silfies, Senior Manager, Community Development, American Cancer Society, Inc.

The "lollipop" course included running or walking along the taxiways and 1/3 mile on the runway.

Proceeds from the Winged Warriors 5K Run/Walk provided financial assistance for programs and services right here in the Lehigh Valley, but will also fund research and the worldwide National Cancer Information Center.

"This truly was a once-in-a-lifetime experience for someone to actually run or walk on the runway, with all the proceeds from the event supporting the unwavering efforts of ACS to help find a cure for cancer," said J. Michael Dowd, Chairman, LNAA Board of Governors.



SNOW DAY EVENT

Organization Governance, Culture, and People



Lehigh-Northampton Airport Authority (LNAA) Operations & Safety Department hosted the inaugural "Snow Day Experience" at Lehigh Valley International Airport (ABE) in November 2017. LNAA staff and local media outlets were invited for this behind-the-scenes access to learn more about the snow and ice control plan, which included the opportunity to "ride-a-long" in several of the snow removal vehicles. This unique experience also provided education about the challenges of keeping the airport operational during a snow event.



JINGLES THROUGH THE TERMINAL

Organization Governance, Culture, and People



Beyond the sights of Christmas trees, wreaths, lights and decorations, passengers at Lehigh Valley International Airport (ABE) heard the sounds of the holiday season in December 2017.

Represented by bands and chorale groups, eleven schools from the Lehigh Valley performed in the Main Terminal and the Wilfred M. "Wiley" Post, Jr. Departure Concourse.

"Holiday music can help reduce the stress of traveling this time of year, and create the comfortable feeling of being at home," said Paula Bonstein, Manager, Customer Experience, Lehigh-Northampton Airport Authority.

Performances by:

Thomas Jefferson Elementary School, Nitschmann Middle School, Northampton Middle School, Salisbury Middle School, Easton Middle School, Dieruff High School, Emmaus High School, East Hills Middle School, Freedom High School and Lehigh Valley Charter High School for the Arts.



FESTIVAL OF TREES

Organization Governance, Culture, and People

The 21st Annual Holiday Festival of Trees is a holiday tradition that turns the Main Terminal into the perfect travel setting for passengers.

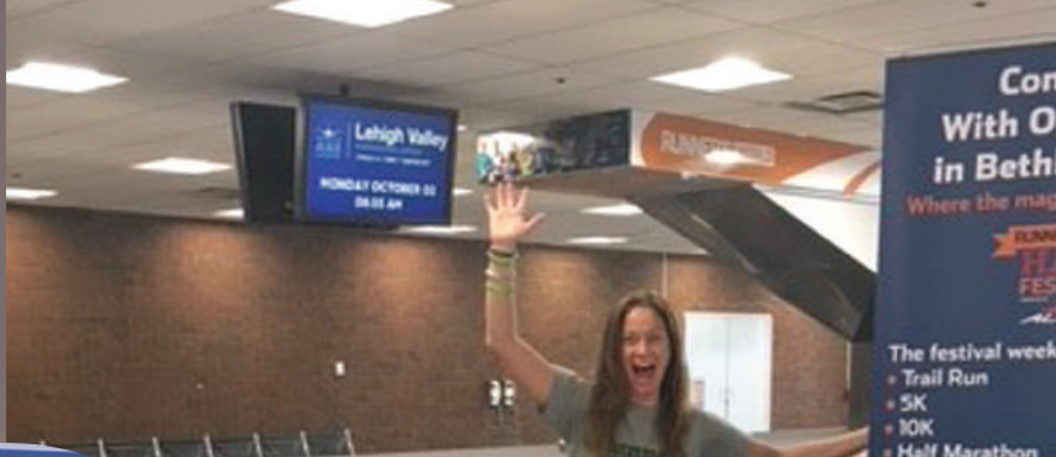
Twenty-two trees were decorated by local students from the Lehigh Valley. The schools represented were: Dieruff High School, East Hills Middle School, Easton Area Academy, East Area Middle School, Fountain Hill Elementary School, Franklin Elementary School, Freedom High School, Holy Family School, Kernsville Elementary School, Lehigh Parkway Elementary School, Lower Macungie Middle School, Mercy School for Special Learning, Moore Elementary School, Nitschmann Middle School, Northwestern Lehigh Middle School, Salisbury High School, Sheckler Elementary School, Steckel Elementary School, The Hillside School, Thomas Jefferson Elementary School, Whitehall High School, William Penn Alternative School.

These trees were donated from local tree farms: Beck's Yule Tree Farm, Beisel's Christmas Tree Hill, Hidden Pines Farm, Perfect Christmas Tree Farm, Regina Farms, Unangst Tree Farm, Walker's Tree Farm, Yenser's Tree Farm.



“ This is really an important week for the Airport Authority, as we get the opportunity to demonstrate our appreciation for the loyalty and strong support from customers throughout the year. ”

— Thomas R. Stoudt —
Interim Executive Director, Lehigh-Northampton Airport Authority



CUSTOMER APPRECIATION WEEK

Organization Governance, Culture, and People

For a third consecutive year, the Lehigh-Northampton Airport Authority (LNAA) hosted “Customer Appreciation Week” at Lehigh Valley International Airport (ABE). This week of recognition is a special way to say “thank you” to all of our passengers, tenants and stakeholders.

Travelers enjoyed delicious treats provided by the LNAA before boarding or when arriving back in the Lehigh Valley. A new addition included many of the advertising vendors setup throughout the airport with information tables and giveaway items.

Passengers also participated in an online survey, learned more about our “Thanks Again” rewards program, and of course there were visits from the C.O.P.E. Therapy dogs and their handlers.

Lehigh-Northampton Airport Authority (LNAA) depends on the commitment and dedication of employees to accomplish our everyday mission. For some, the Authority has been a "home" for many years and they have taken tremendous pride in serving the Lehigh Valley. The LNAA service recognition program rewards employees reaching 5, 10, 15, 20, 25 and 30 year employment milestones with a pin and a gift card.

Thank you for your service to the Airport Authority!



RECOGNITION OF SERVICE

Organization Governance, Culture, and People

EMPLOYEE BREAKDOWN

Organization Governance, Culture, and People



143 Full-Time Employees

167 Part-Time Employees

7 Seasonal Employees

253 Full-Time Equivalent Employees

QUEEN CITY

LNAA – 2017 Annual Report

SIGNS OF SUCCESS

Queen City

Pilots and tenants at Queen City Airport (XLL) continue to see a strong commitment for improving the existing facilities, which included a fresh coat of paint and new flooring in the back hall of the terminal building leading to the Gateway Flight School classroom.

Additionally, two new businesses have landed on the Queen City Airport sign, with arrival of Van Allen Airmotive and Vertivue Helicopter Charter.



DREAMS COME TRUE

Queen City



On Sunday August 6, 2017, Amelia Young, from Above and Beyond Assisted Living Facility in Allentown, brought seven of her residents (ages 70 to 95) that are World War II Veterans to Queen City Airport for a flight in a 1940 Stearman made possible by Ageless Aviation Dreams Foundation.

The few hours spent on the airfield were filled with stories, food, music, laughs and smiles. Each resident patiently waited their turn for the 20-minute trip in the bright blue sky, while smiles and a thumbs-up were a common sight upon landing.

“Being part of this event and seeing what the Foundation does for the Veterans brought a tear to my eye and a greater appreciation for the sacrifices these Veterans have made for us,” said Kimi Eisenhart, Operations Manager, Queen City Airport and Braden Airpark.

BRADEN AIRPARK

LNA – 2017 Annual Report

RENOVATED AND RE-ENERGIZED

Braden Airpark



Through support of Lehigh-Northampton Airport Authority (LNA) and Northampton County, nearly \$500,000 in airport improvements at Braden Airpark (N43) has created an ideal “home” for pilots and aviation business growth in Forks Township.

Since December 2017, there have been major renovations to all (4) bulk hangars, demolition of the old terminal building and additional unused structures, plus installation of a security fence and gate.

The Airport Authority also received \$325,000 from the PennDOT Bureau of Aviation to construct a new general aviation terminal. Until this project is complete, a temporary modular facility will serve as LNA Office Space / Meeting Space for General Aviation organizations.

Movie at the AIRPARK

FLY-IN DRIVE-IN

It's a bird, it's a plane...
Wait, it's **Storks!**

Nearly 600 people landed on the lawn at Braden Airpark on Saturday, August 26, 2017 for the first ever "Movie at the Airpark" presented by Lehigh-Northampton Airport Authority (LNAA). This event was free to the public.

"Watching planes takeoff from LaGuardia Airport while growing up, I believe the way to peak the imagination and show kids the possible is introducing them to the world of aviation through an opportunity like this one," said J. Michael Dowd, Chairman, LNAA Board of Governors. Viewers brought their blankets, lawn chairs and pillows to watch "Storks" on a 40 x 20" screen provided by 1824 Productions.

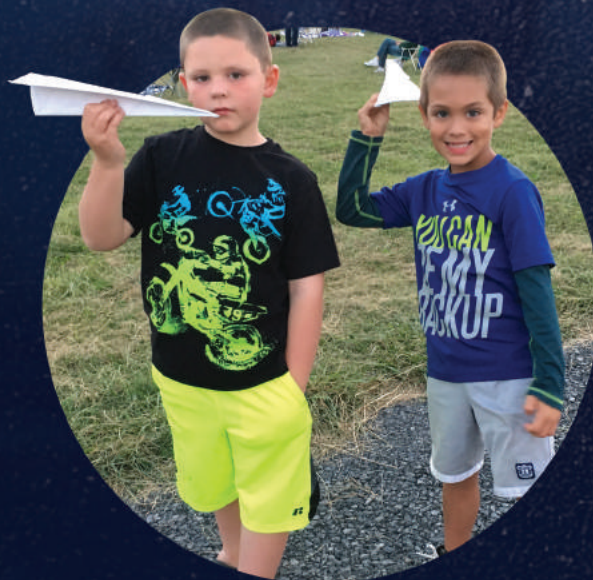
There were delicious hamburgers and hot dogs provided by EAA Chapter 70, while the Allentown Dessert Truck and Oogies Ice Cream gave everyone a "sweet" option. Preshow entertainment included a music concert by Joel Shimer Entertainment, which had people of all ages dancing on the airfield.

"From the Airport Authority standpoint, Braden Airpark remains an important piece of our organization and we are going to do everything we can to keep this remarkable community resource here," said Dowd.

LNAA also accepted donations to support the Aviation Exposure and Education Program (AEP), which is designed to provide practical experience for students with interest in aviation and aerospace related careers and aeronautical facilities and equipment.

BIG SCREEN AT BRADEN

Braden Airpark



FINANCIAL SUSTAINABILITY

LNA A – 2017 Annual Report

Current Assets

UNRESTRICTED ASSETS:

Cash and Cash Equivalents	\$5,864,908
Accounts Receivable, Net of Allowance of \$57,358	\$2,241,572
Capital Grants Receivable	\$1,678,501
Inventory & Prepaids	\$1,134,217

Total Unrestricted Assets **\$10,919,198**

RESTRICTED ASSETS:

Cash and Cash Equivalents - Debt Service & AIP Funds	\$7,116,835
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Total Current Assets **\$18,036,033**

Non-Current Assets

RESTRICTED ASSETS:

Cash and Cash Equivalents - Restricted & Designated	\$3,965,458
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CAPITAL ASSETS:

Land	\$61,906,635
Property & Aviation Easements	\$44,307,392
Construction in Progress	\$7,357,817

Total Non-Depreciable Capital Assets **\$113,571,844**

Land Improvements	\$124,732,419
Buildings, Systems, & Equipment	\$133,865,002
Capital Planning & Studies	\$1,465,752

Total Depreciable Capital Assets **\$260,063,173**

Total Capital Assets **\$373,635,017**

Less: Accumulated Depreciation **\$136,565,630**

Capital Assets Net **\$237,069,387**

Total Non-Current Assets **\$241,034,845**

Deferred Outflows of Resources

Pension Related	\$1,111,843
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Total Current Assets **\$260,182,721**

ASSETS
&
DEFERRED
OUTFLOWS
OF
RESOURCES

Financial Sustainability

LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION

Financial Sustainability

Current Liabilities

PAYABLE FROM UNRESTRICTED:

Accounts Payable-Operations	\$2,140,008
Accounts & Retainage Payable - Capital	\$6,520,944
Unearned Revenues	\$137,299
Payroll Related Liabilities	\$584,507
Notes Payable - Current Portion	\$322,645
Capital Lease - Current Portion	\$1,159,344

Total Unrestricted Liabilities \$10,864,747

CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:

Bonds Payable - Current Portion	\$2,255,000
Accrued Bond Interest Payable	\$526,365

Total Current Restricted Liabilities \$2,781,365

Total Current Liabilities \$13,646,112

Non-Current Liabilities

PAYABLE FROM UNRESTRICTED:

Unearned Revenues	\$165,655
Note Payable	\$538,431
Capital Lease, Net	\$4,825,404
Bonds Payable, Net	\$38,610,000
Net Pension Liability	\$1,348,131

Total Unrestricted Liabilities \$45,487,621

PAYABLE FROM RESTRICTED & DESIGNATED

Leasehold Deposits	\$217,967
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Total Non-Current Liabilities \$45,705,588

Deferred Inflows of Resources

Pension Related	\$256,345
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New Position

Net Investment in Capital Assets	\$189,423,358
Restricted	\$3,752,222
Unrestricted	\$7,399,096

Total Net Position \$200,574,676

Total Liabilities, Deferred Inflows of Resources and Net Position \$260,182,721

Operating Revenues

Airfield	\$5,573,968
Terminal	\$3,330,884
Concessions & Advertising	\$2,382,112
Parking & Roadways	\$4,443,155
Hangar, Building & Land Rents	\$3,116,727
Ground Handling	\$6,103,850
Fuel & Handling Sales	\$4,610,831
General Aviation	\$1,106,102

Total Operating Revenues \$30,667,629

Operating Expenses

Wages & Related Benefits	\$13,619,249
Contract Services, Advertising & Other	\$3,995,633
Materials, Supplies, Repairs & Maintenance	\$1,515,349
Utilities, Taxes & Insurance	\$2,005,634
Cost of Sale - Fuel	\$1,358,742
Depreciation & Amortization	\$9,450,087

Total Operating Expenses \$31,944,694

Operating Loss \$1,277,065

Non-Operating Revenues (Expenses)

Environmental Assessment	\$61,693
Investment Income	\$86,125
Other Income	\$95,928
Interest Expenses	\$1,054,141

Total Non-Operating Revenues (Expenses) \$933,781

Loss before Capital Contributions \$2,210,846

Capital Contributions

Passenger Facility Charges	\$1,403,545
Car Rental Customer Facility Charge	\$331,034
Federal Grants	\$2,202,200
State Grants	\$2,046,516
County Grants	\$250,000

Total Capital Contributions \$6,233,295

Increase in Net Position \$4,022,449

Total Net Position, Beginning of the Year \$196,552,227

Total Net Position, End of Year \$200,574,676

REVENUES, EXPENSES & CHANGES IN NET POSITION

Financial Sustainability

STATEMENT OF CASH FLOWS

Financial Sustainability

Cash Flows from Operating Activities	
Operating Cash Receipts from Customers	\$30,072,463
Cash Paid to Suppliers for Good & Services	\$8,116,136
Cash Paid to Employees for Services & Benefits	\$13,219,188
Net Cash Provided by Operating Activities	\$8,737,139
Cash Flows from Capital & Related Financing Activities	
Capital Grants Received	\$4,094,070
Passenger Facility Charges	\$1,403,545
Car Rental Facility Charges	\$331,034
Acquisition of Capital Assets	\$13,100,606
Principal Paid on Notes Payable	\$250,035
Interest Paid on Notes Payable	\$1,412
Proceeds from Capital Leases	\$1,918,298
Interest Paid on Capital Leases	\$182,306
Principal Paid on Capital Leases	\$883,144
Principal Paid on Bonds	\$2,200,00
Interest Paid on Bonds	\$1,077,928
Net Cash Used by Capital & Related Financing Activities	\$9,948,484
Cash Flows from Investing Activities	
Interest Received	\$86,125
Net Cash Provided by Investing Activities	\$86,125
Net Increase in Cash & Cash Equivalents	\$1,125,220
Cash & Cash Equivalents, Beginning of Year	\$18,072,421
Cash & Cash Equivalents, End of Year	\$16,947,201

Operating Loss	\$1,277,065
ADJUSTMENTS TO RECONCILE INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Depreciation & Amortization	\$9,450,087
Provisions for Bad Debt	\$1,975
Changes in Assets & Liabilities	
Accounts Receivable	\$676,226
Inventory & Prepaid Expenses	\$177,923
Net Pension Liability & Deferrals	\$509,101
Unearned Revenues	\$99,122
Accounts Payable	\$921,058
Accrued Expenses	\$109,040
Total Adjustments	\$10,014,204
Net Cash Provided by Operating Activities	\$8,737,139
Non-Cash Items from Capital and Related Financing Activities	
Accounts and Retainage Payable in Capital Assets	\$6,520,944
Cash & Cash Equivalents	
CURRENT ASSETS	
Unrestricted Assets	\$5,864,908
Restricted Assets	\$7,116,835
NON-CURRENT ASSETS	
Restricted & Designated	\$3,965,458
Total Cash & Cash Equivalents	\$16,947,201

RECONCILIATION OF OPERATING INCOME LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Financial Sustainability



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