

TRANSFORM

THE FUTURE OF ORF

Board of Commissioners Meeting

December 4, 2025



Agenda

1. Call to Order
2. Approval of Previous Board Meeting Minutes – Thursday, September 17, 2025
3. Public Comments
4. CEO & Staff Report
5. NAA BOC Chair Report
6. Committee Reports
7. Old Business
 - 2026 Board Calendar (Action)
8. New Business
 - Acceptance of FY25 Annual Financial Audit (Action)
 - Intersection Change Order Resolution (Action)
 - Consolidated Rental Car Facility Bond Resolutions (Action)
 - Food/Beverage/Retail Concessions Program Awards (Information)
 - Hampton Roads Transatlantic Air Service Coalition (Information)
 - Port Infrastructure Development Program Grant Request (Information)
9. Adjournment
 - Next meeting: March 26, 2026 – Preliminary Budget Approval

2. Approval of Meeting Minutes

Norfolk Airport Authority
Board of Commissioners Meeting

3. Public Comments

Norfolk Airport Authority
Board of Commissioners Meeting

4. CEO & Staff Report

Norfolk Airport Authority
Board of Commissioners Meeting

New Executive Employee

- Kanama Bivins
Chief Financial Officer
 - Comes to us from NASA Langley where she most recently served as its CFO and was responsible for managing its financial resources
 - She was also Acting Associate Director of the research center where she managed its daily operations



Featured Employee

- Bruce Tingle, Sr. Manager – Director of Finance
 - Three years with the Authority
 - Was with KPMG before joining the Authority
 - Bruce is responsible for our annual audit and all day-to-day financial activities at the airport including AR/AP, procurement and purchasing, and financial analysis





Air Service

December 4, 2025



MARCOM – The Oscar's for Airports!

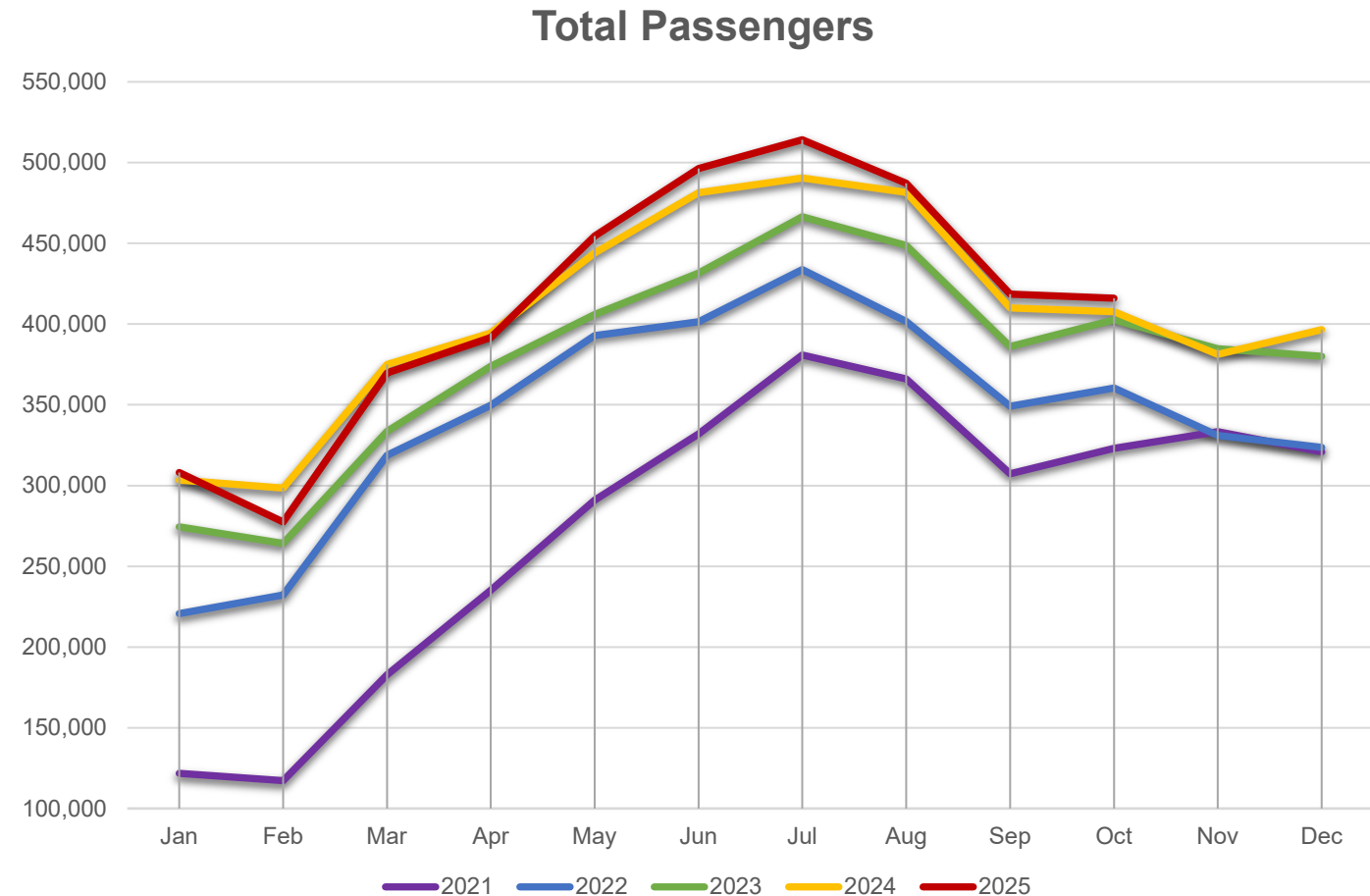


December 4, 2025



Our Market Continues to be Strong

- JUL 2025 was the busiest month in the history of the airport
- YTD CY2025 is up 1.2%



JetBlue Announcement

JetBlue Announces Five New Routes from San Juan, Expanding Its Position as Puerto Rico’s Largest Airline

12/03/2025

New nonstop service to Philadelphia, Jacksonville, Norfolk, Richmond and Buffalo launches in March 2026; flights on sale now

To celebrate the launch, limited time introductory fares available from \$99 one-way

SAN JUAN, Puerto Rico--(BUSINESS WIRE)-- JetBlue (Nasdaq: JBLU), Puerto Rico’s largest airline, today announced a major expansion of its San Juan (SJU) focus city with the launch of five new nonstop routes to Philadelphia (PHL); Jacksonville Florida (JAX); Norfolk, Virginia (ORF); Richmond, Virginia (RIC); and Buffalo, New York (BUF). Beginning in spring 2026, the airline will operate year-round service to all five markets, reinforcing JetBlue’s longstanding investment in Puerto Rico and deepening its 23-year commitment to the island.

With these new routes available for purchase now, JetBlue is offering fares as low as \$99 one-way available on jetblue.com.¹

“Puerto Rico has shaped JetBlue’s identity for more than two decades,” said Marty St. George, JetBlue’s president. “Our newest routes only deepen our commitment to the island and the communities that have been part of JetBlue’s story since 2002. We’re proud to continue investing in Puerto Rico and creating more travel opportunities for customers across our growing network.”

Schedule between San Juan (SJU) and Norfolk (ORF)

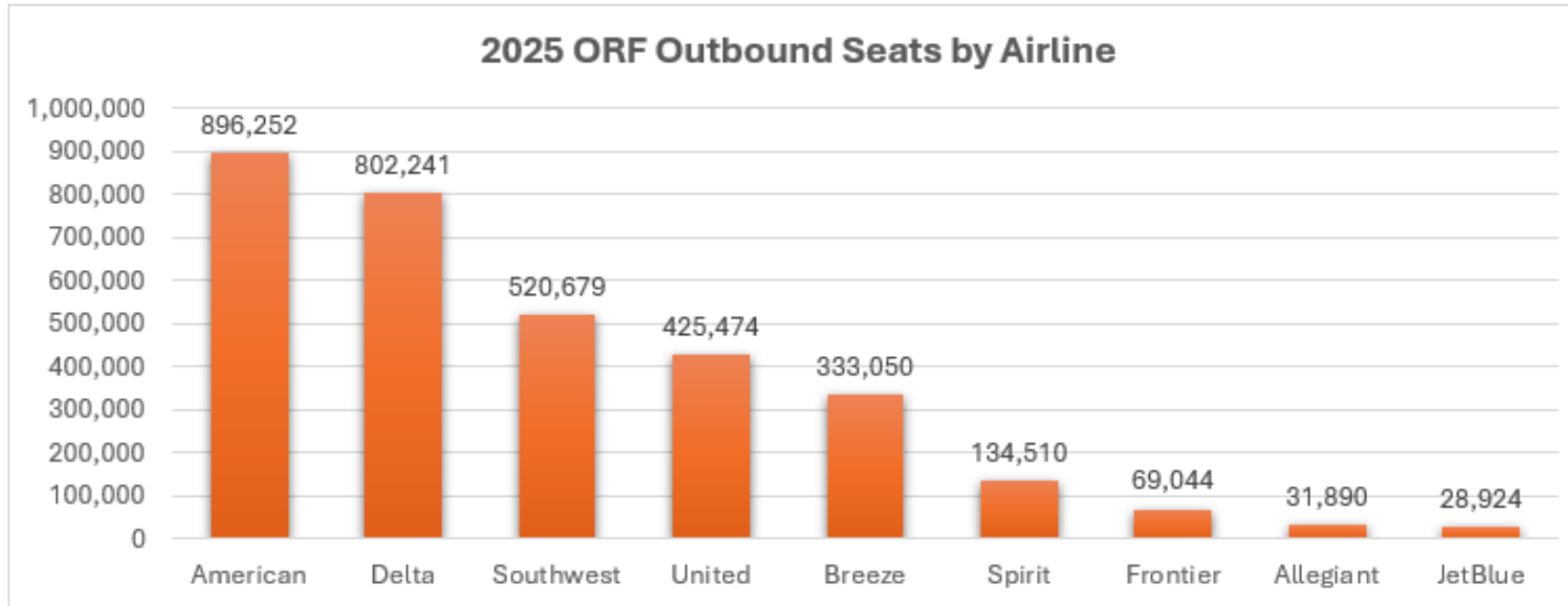
Operating Mondays, Wednesdays, Fridays, and Sundays beginning March 27, 2026²

SJU – ORF Flight #928	ORF – SJU Flight #929
9:00 AM – 12:50 PM	1:50 PM – 5:20 PM

- FLL service begins **TODAY!**
- Three new JetBlue markets in less than 12 months’ time

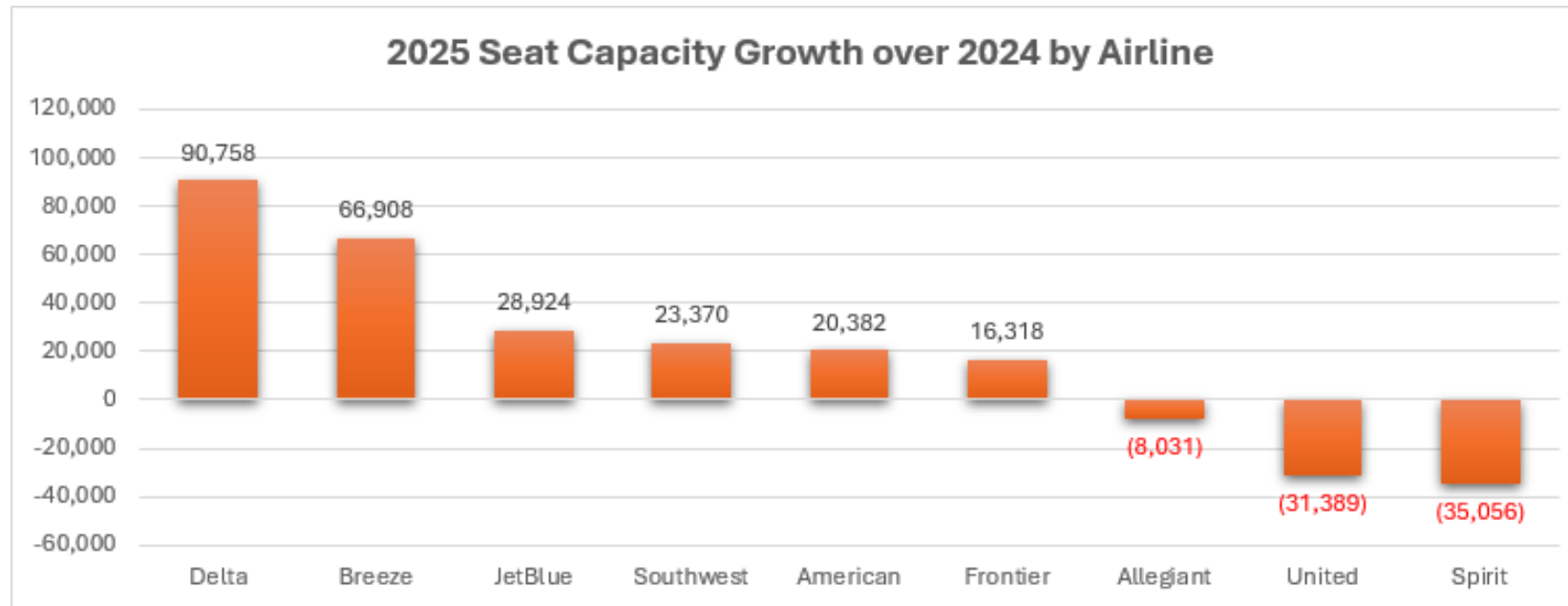
2025 Airline Capacity Market Leaders

- AA and DL have long been the #1 and #2 airlines
- WN and UA a distant #3 and #4
- Breeze (MX) capacity is impressive and nearing mainline level



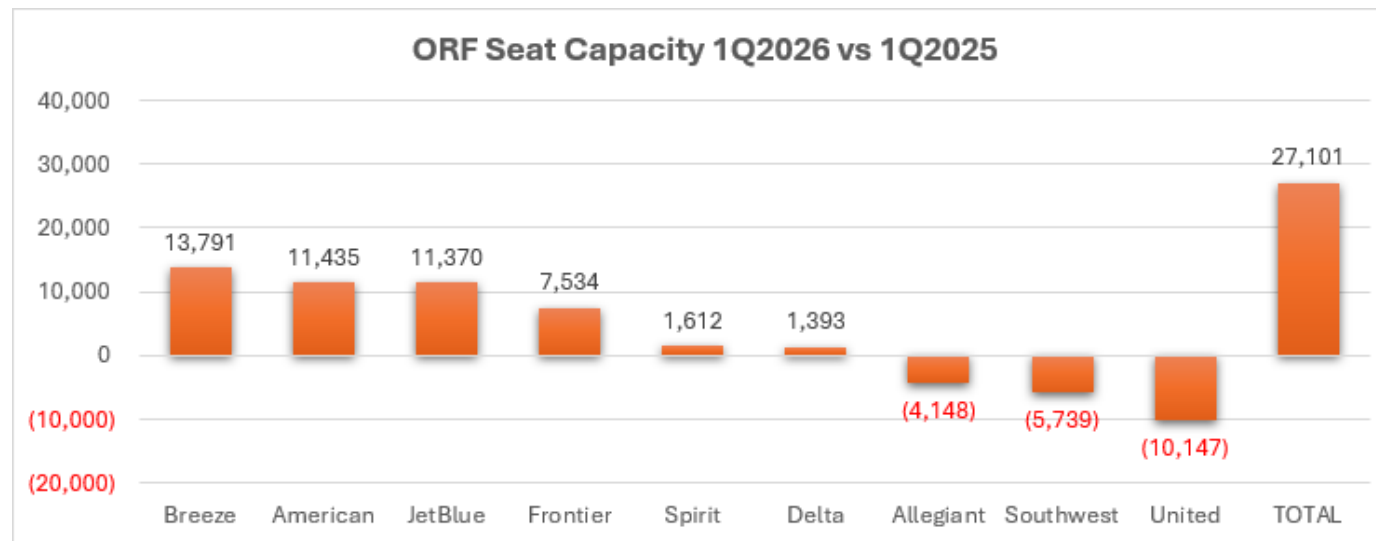
Capacity Changes by Airline 2025 v. 2024

- DL grew seats by 13% over 2024 building up ATL, DTW, MSP and JFK
- MX replaced smaller E190/195 jets with larger A220 aircraft, added 3 new nonstop destinations, and added seats in 15 of 18 existing routes

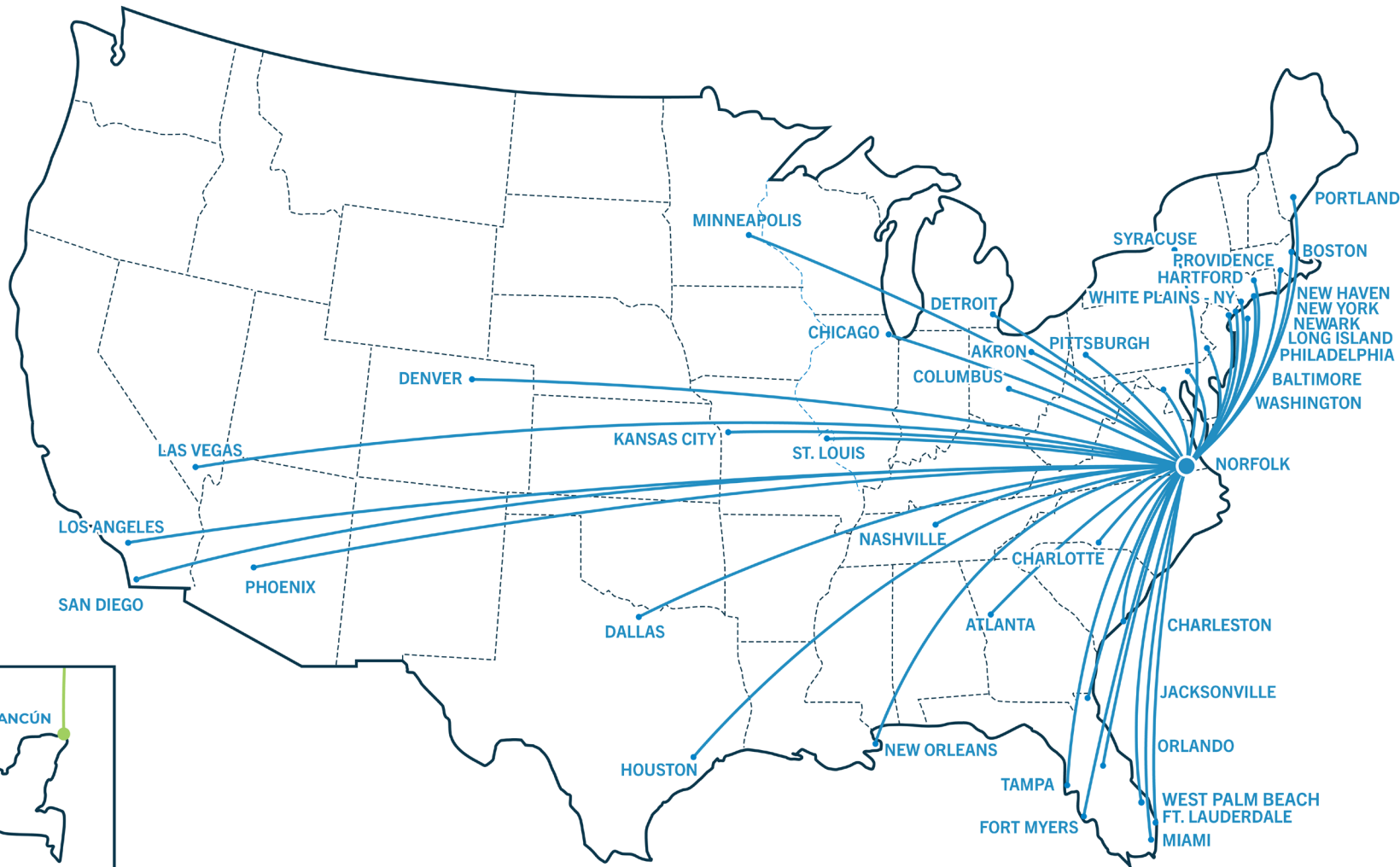


Q126 seat capacity is favorable versus Q125

- Largely due to new MX routes, expansion of MX route seasonality and new JetBlue service
- AA increasing capacity in 6 of 8 destinations
- MX launches weekly nonstop international service to Cancun 1/10/26



45 Nonstop Destinations Served



Origin Airport Code	Total Nonstop Markets	2024 Passengers
CVG	57	8,596,821
CHS	55	6,095,173
SMF	53	12,721,567
IND	52	10,091,726
SAT	49	10,578,904
JAX	49	7,385,004
CMH	48	8,523,317
BDL	47	6,535,322
OAK	47	9,131,697
SNA	45	10,503,527
ORF	45	4,864,752
ANC	44	4,671,750
PBI	42	8,170,224
CLE	41	9,538,349
SJC	41	10,916,049
MKE	35	6,043,654
MEM	35	4,755,063
OMA	35	5,064,254
BUR	35	6,225,282
ABQ	32	5,206,206
ONT	30	6,856,857
OGG	29	5,941,563
BOI	28	4,844,999
RNO	24	4,618,948

November 2025

TRANSFORM
THE FUTURE OF ORF



NORFOLK AIRPORT AUTHORITY

15

Our Air Service Needs – Domestic

2024 Top 50 Domestic Destinations													
Pax Rank	Destination Airport City	Airport Code	PDEW	Passengers	Avg Fared Fare	Fared Yield	Pax Rank	Destination Airport City	Airport Code	PDEW	Passengers	Avg Fared Fare	Fared Yield
1	Orlando, FL	MCO	335.6	245,675	\$ 104.37	\$ 21.18	26	Charlotte, NC	CLT	65.3	47,818	\$ 229.92	\$ 34.67
2	Atlanta, GA	ATL	229.9	168,319	\$ 244.66	\$ 28.05	27	St. Louis, MO	STL	54.8	40,090	\$ 217.52	\$ 20.97
3	Tampa, FL	TPA	180.4	132,071	\$ 114.87	\$ 16.90	28	Hartford, CT	BDL	54.7	40,011	\$ 107.74	\$ 34.20
4	Fort Lauderdale, FL	FLL	177.8	130,179	\$ 95.29	\$ 17.76	29	Austin, TX	AUS	54.5	39,905	\$ 270.42	\$ 13.88
5	Dallas/Ft. Worth, TX	DFW	175.7	128,648	\$ 256.78	\$ 14.58	30	Minneapolis/St. Paul, MN	MSP	52.0	38,072	\$ 277.79	\$ 20.84
6	San Diego, CA	SAN	163.5	119,649	\$ 297.12	\$ 9.90	31	San Francisco, CA	SFO	51.6	37,756	\$ 372.00	\$ 10.77
7	Chicago, IL	ORD	158.6	116,082	\$ 197.79	\$ 30.26	32	Baltimore, MD	BWI	49.3	36,066	\$ 164.48	\$ 8.28
8	New York, NY	LGA	157.7	115,420	\$ 146.98	\$ 30.14	33	San Juan, PR	SJU	47.1	34,451	\$ 236.81	\$ 9.37
9	Denver, CO	DEN	146.6	107,286	\$ 241.79	\$ 13.17	34	Honolulu, HI	HNL	46.1	33,772	\$ 607.64	\$ 7.79
10	New York, NY	JFK	137.4	100,541	\$ 134.18	\$ 18.80	35	Kansas City, MO	MCI	45.9	33,603	\$ 258.29	\$ 19.20
11	Las Vegas, NV	LAS	131.0	95,926	\$ 257.62	\$ 11.19	36	Salt Lake City, UT	SLC	45.7	33,452	\$ 361.53	\$ 10.64
12	Newark, NJ	EWR	127.1	93,071	\$ 142.99	\$ 15.12	37	Indianapolis, IN	IND	43.0	31,495	\$ 207.62	\$ 26.16
13	Los Angeles, CA	LAX	123.5	90,402	\$ 295.36	\$ 11.76	38	Philadelphia, PA	PHL	42.9	31,396	\$ 250.17	\$ 38.86
14	Jacksonville, FL	JAX	120.7	88,366	\$ 139.03	\$ 23.13	39	Charleston, SC	CHS	40.6	29,746	\$ 138.98	\$ 25.73
15	Houston, TX	IAH	117.9	86,329	\$ 222.84	\$ 13.93	40	Pensacola, FL	PNS	40.0	29,284	\$ 228.70	\$ 16.26
16	Boston, MA	BOS	108.5	79,412	\$ 190.27	\$ 30.54	41	Pittsburgh, PA	PIT	38.4	28,081	\$ 149.63	\$ 40.78
17	Nashville, TN	BNA	107.0	78,302	\$ 197.51	\$ 28.98	42	Cincinnati, OH	CVG	37.8	27,689	\$ 170.22	\$ 28.08
18	Miami, FL	MIA	92.9	68,010	\$ 226.27	\$ 15.73	43	Fort Myers, FL	RSW	36.3	26,573	\$ 169.95	\$ 13.07
19	New Orleans, LA	MSY	92.3	67,539	\$ 159.25	\$ 15.87	44	Columbus, OH	CMH	36.3	26,558	\$ 147.22	\$ 30.37
20	Seattle, WA	SEA	89.7	65,689	\$ 346.40	\$ 13.31	45	Houston, TX	HOU	35.3	25,857	\$ 196.35	\$ 5.52
21	Chicago, IL	MDW	83.3	61,009	\$ 162.84	\$ 8.34	46	Sanford, FL	SFB	34.8	25,487	\$ 35.71	\$ 0.45
22	Phoenix, AZ	PHX	82.6	60,481	\$ 320.41	\$ 10.71	47	Memphis, TN	MEM	34.3	25,110	\$ 229.89	\$ 18.68
23	Providence, RI	PVD	81.0	59,293	\$ 113.91	\$ 31.89	48	Portland, OR	PDX	33.2	24,304	\$ 353.64	\$ 9.15
24	Detroit, MI	DTW	77.8	56,956	\$ 266.37	\$ 33.54	49	Sacramento, CA	SMF	32.6	23,887	\$ 345.70	\$ 8.43
25	San Antonio, TX	SAT	69.9	51,151	\$ 246.30	\$ 12.28	50	West Palm Beach, FL	PBI	32.6	23,833	\$ 244.56	\$ 11.18

Note: Highlighted markets are the top unserved non-stop destinations

Our Air Service Needs – International

2024 Top 25 International Destinations						
Pax Rank	Destination Airport City	Airport Code	PDEW	Passengers	Avg Fared Fare	Fared Yield
1	Cancun, Mexico	CUN	31.5	23,093	\$ 288.07	\$ 8.36
2	Montego Bay, Jamaica	MBJ	27.2	19,889	\$ 336.31	\$ 7.81
3	London, UK	LHR	22.2	16,237	\$ 668.79	\$ 16.81
4	Punta Cana, DR	PUJ	19.9	14,569	\$ 365.53	\$ 7.28
5	Manila, Philippines	MNL	15.5	11,379	\$ 1,014.34	\$ 12.71
6	Toronto, ON	YYZ	12.0	8,810	\$ 268.02	\$ 39.15
7	Paris, France	CDG	10.9	7,951	\$ 767.09	\$ 12.56
8	Frankfurt, Germany	FRA	10.3	7,574	\$ 648.15	\$ 9.92
9	Tokyo, Japan	HND	10.1	7,415	\$ 1,006.16	\$ 12.88
10	Rome, Italy	FCO	10.1	7,412	\$ 805.97	\$ 11.75
11	Nassau, Bahamas	NAS	9.1	6,629	\$ 323.31	\$ 8.54
12	Aruba, Aruba	AUA	8.4	6,151	\$ 366.25	\$ 5.66
13	San Jose, Costa Rica	SJO	7.8	5,702	\$ 379.30	\$ 6.45
14	Liberia, Costa Rica	LIR	7.0	5,121	\$ 420.95	\$ 6.35
15	San Jose Del Cabo, Mexico	SJD	6.9	5,056	\$ 382.25	\$ 5.56
16	Amsterdam, Netherlands	AMS	6.8	5,014	\$ 766.86	\$ 13.41
17	Athens, Greece	ATH	6.8	4,988	\$ 895.65	\$ 12.29
18	Montreal, QC	YUL	6.5	4,790	\$ 283.45	\$ 38.54
19	Manama, Bahrain	BAH	6.0	4,423	\$ 1,069.66	\$ 9.50
20	Mexico City, Mexico	MEX	6.0	4,404	\$ 367.18	\$ 7.74
21	Munich/Augsburg, Germany	MUC	6.0	4,391	\$ 837.18	\$ 9.96
22	Vancouver, BC	YVR	5.5	4,036	\$ 477.02	\$ 13.39
23	Seoul, Republic of Korea	ICN	5.3	3,905	\$ 1,082.28	\$ 7.71
24	Madrid, Spain	MAD	5.1	3,756	\$ 739.03	\$ 10.13
25	Turks and Caicos	PLS	5.1	3,750	\$ 416.42	\$ 6.62

Top Unserved U.S. Transatlantic Markets

- **Kansas City** – 218,513 passengers (298.5 PDEW)
- **Jacksonville** – 181,213 (247.6)
- **San Antonio** – 181,172 (247.5)
- **Columbus** – 177,095 (241.9)
- **Fort Lauderdale** – 152,528 (208.4)
- **Charleston** – 123,682 (169.0)
- **Norfolk** – 123,495 (168.7)
- **Sacramento** – 119,791 (163.6)
- **Richmond** – 95,352 (130.3)
- **Louisville** – 95,299 (130.2)

Source: U.S. DOT T-100 data for 12 months ended September 30, 2024

We're in the game for international service!



- **Build a Hampton Roads Coalition**
- **Collective efforts are essential**
 - Local governments and CVBs
 - Businesses and development agencies
 - General Assembly
 - Norfolk Airport Authority
- Regional leadership and support, including a mechanism to collect and disperse **financial incentives** airports cannot provide alone

Start your trips at ORF



- Passengers Daily Each Way (PDEW)

1. London (22.4)
2. Frankfurt (11.2)
3. Paris (11.2)
4. Rome (10.1)
5. Amsterdam (8.2)
6. Athens (7.3)
7. Munich (7.0)

These seven markets alone would add up to **270+** passengers *per flight* for twice-a-week service

Every seat sold is measured

- Driving or flying on a separate ticket to another gateway weakens ORF's figures
- **Front-of-the-cabin** bookings are crucial
- **Once we get service, we can't afford to lose it!**



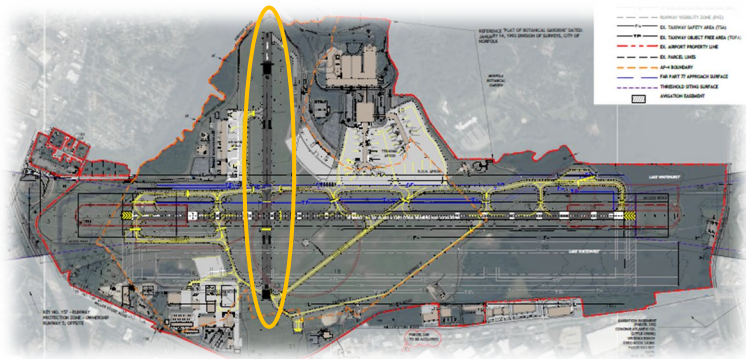
Capital Development Program

December 4, 2025



Recently Completed Capital Projects

R/W 14/32 Closure



- Runway NOTAM closed on July 15, 2025
- Opens up approx. 100ac of off-airport land for redevelopment

Moving Walkways



- Completed AUG 2025
- Cost: \$2.5M

Shoreline Replacement



- Over 1,250-ft of shoreline replaced
- Completed OCT 2025
- Cost: \$2.8M

On-going Capital Projects

Interior Wayfinding



- 99 percent complete
- Estimated Cost: \$3.0M

Alpha Expansion



- Completion: MAR 2026
- Estimated cost: \$25M

CBP FIS Facility



- Completion: JAN 2026
- Estimated cost: \$25M

Recently Started Capital Projects

Entrance Intersection



- Construction started JUL 2025
- Estimated cost: \$22M
 - Awarded \$14.7M in BIL ATP funds

CONRAC



- Overall structure 438,000 sf
- Increased capacity
 - 1,488 total spaces
- Anticipated opening November 1, 2027

Departures Terminal



- CMaR under contract Summer 2025
- Construction start Summer of 2026
- Construction complete end of 2028

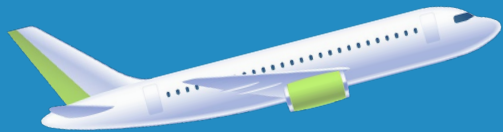


Arrivals
↓
Garages

Departures
↓

Daily Lot
↓
Rental Cars

ORE



Business/Commercial

December 4, 2025



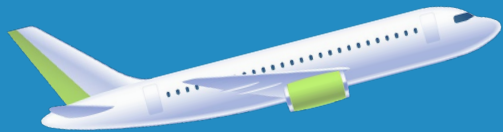
Airport Hotel

- We have retained HP&D Advisory to assist with developing a “way forward” for the airport hotel development
- Models to be investigated will include:
 1. Initiating a new private sector hotel developer search via an RFP process
 2. An off-balance sheet tax-exempt model where the hotel project is Authority-driven but private sector influenced and ultimately owned by a non-profit entity while any tax-exempt debt remains outstanding
 3. An on-balance sheet model that has the Authority (or a subsidiary thereof) as the owner and overseeing the full project with private sector guidance as needed
- Once an approach is determined we will advise the Board

HeliService – Coastal Virginia Offshore Wind

- CVOW is an offshore wind project being developed by Dominion Energy roughly 23 NM off Virginia Beach
 - When complete, it will be the largest offshore wind farm in the U.S. with 176 wind turbines
- HeliService USA is under agreement with Dominion Energy to begin operational flights this year
- HeliService USA has chosen ORF as its base of operations to support this contract and will be building a new hangar
- Based on HeliService USA's experience, they believe CVOW will have a need for at least 3 helicopters for the long-term operations and maintenance of the wind farm (25 yrs +) and will build a facility to accommodate their needs





Finance/Administration

December 4, 2025



Bond Ratings

- Good news, our recent bond ratings remain positive!

Moody's Ratings: No adverse rating impact on Norfolk Airport Authority, VA's bonds following the proposal to release CFC revenues from the security pledge

< ⬇

Related Entities

Read Next

Events

Podcast

Assessment Announcement | 1 min read | 24 Nov 2025 | Moody's Ratings

New York, November 24, 2025 -- Moody's Ratings (Moody's) announced today that the CFC revenue release from the security pledge of Norfolk Airport Authority, VA's Series 2019 and 2021A general airport revenue bonds issued under the Master Indenture of Trust would not, in and of itself and as of this point in time, result in a reduction, placement on review for possible downgrade or withdrawal of our current rating of A2 stable.

S&P Global

Ratings

RatingsDirect®

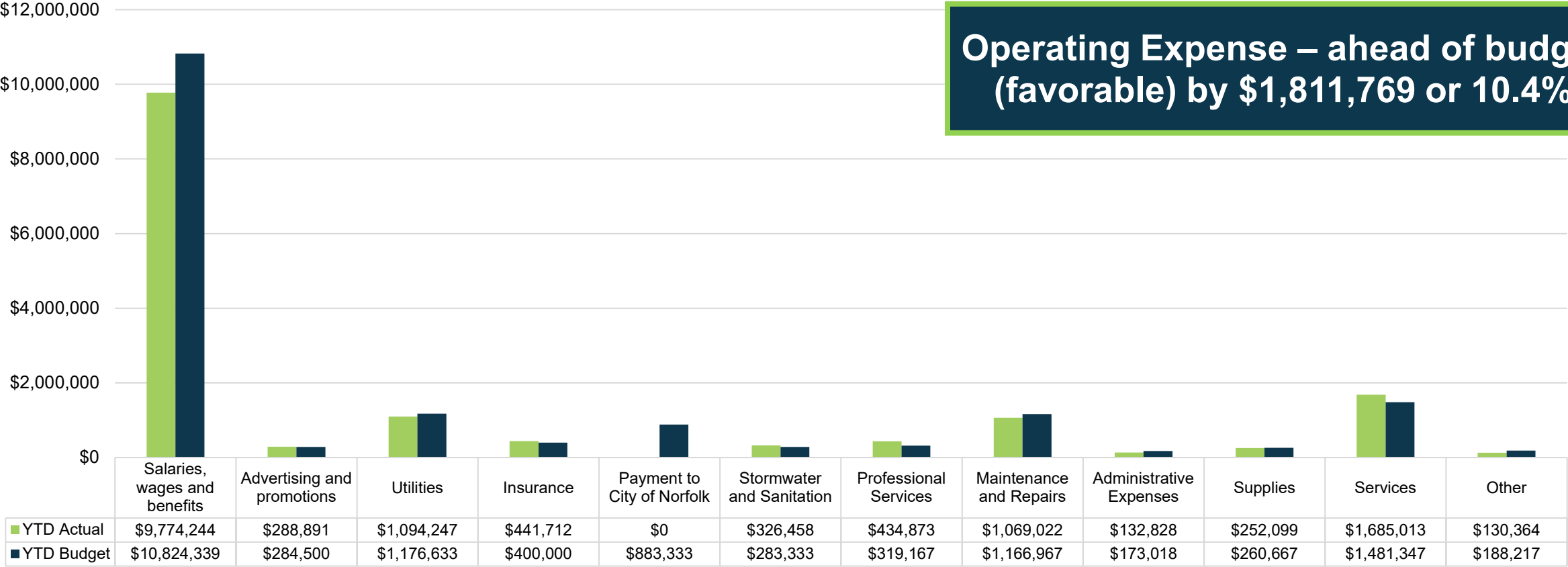
Research Update:

Norfolk Airport Authority, VA Airport Revenue Bond 'A' Rating Affirmed

November 21, 2025

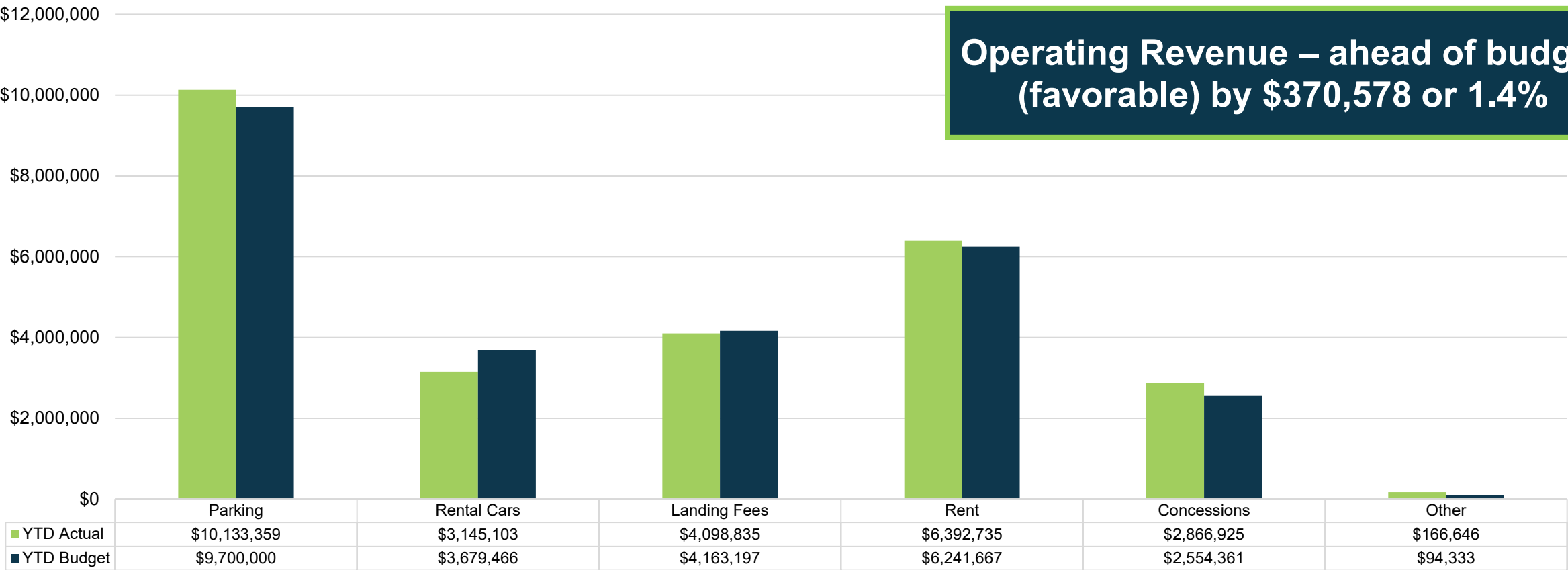
October 2025 Operating Expenses

Year to Date Budgeted vs Year to Date Actual - Operating Expenses



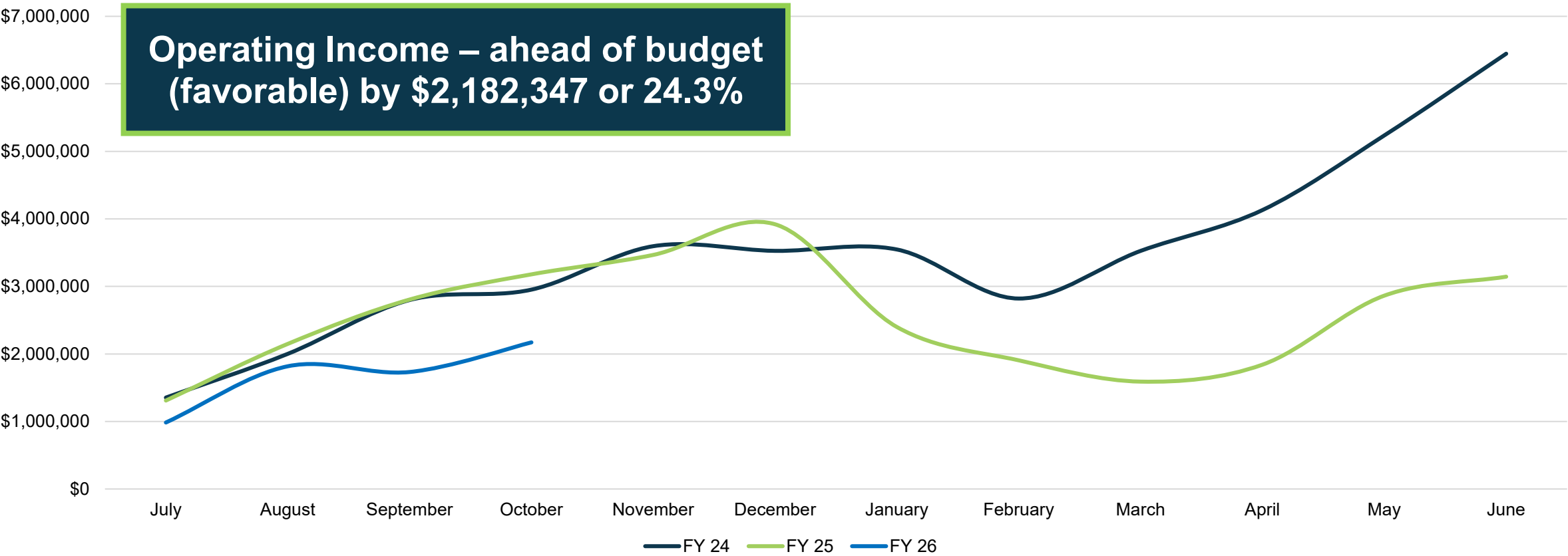
October 2025 Operating Revenues

Year to Date Budgeted vs Year to Date Actual - Operating Revenue



Year to Date Operating Income

Year to Date Operating Income Ahead of Budget - Current Year vs Last Year



5. Chair Report

Norfolk Airport Authority
Board of Commissioners Meeting

6. Committee Reports

Norfolk Airport Authority
Board of Commissioners Meeting

7. Old Business

Norfolk Airport Authority
Board of Commissioners Meeting

2026 Board Calendar

Current – 6x per year

- January 22
- March 26
 - Preliminary Budget Approval
- May 21
 - Final Budget Approval / Election of Officers
- July 23
- September 24
 - Annual Investment Report
- December 3
 - Annual Audit Acceptance

Revised – 4x per year

- March 26 (Q1)
 - Preliminary Budget Approval
- May 21 (Q2)
 - Final Budget Approval / Election of Officers
- September 24 (Q3)
 - Annual Investment Report
- December 3 (Q4)
 - Annual Audit Acceptance

8. New Business

Norfolk Airport Authority
Board of Commissioners Meeting

New Business

- Acceptance of FY25 Annual Financial Audit (Action)
- Intersection Change Order Resolution (Action)
- Consolidated Rental Car Facility Bond Resolutions (Action)
- Food/Beverage/Retail Concessions Program Awards (Information)
- Hampton Roads Transatlantic Air Service Coalition (Information)
- Port Infrastructure Development Program Grant Request (Information)



FY25 Annual Financial Audit

December 4, 2025



Norfolk Airport Authority **Audit Executive Summary**

December 4, 2025

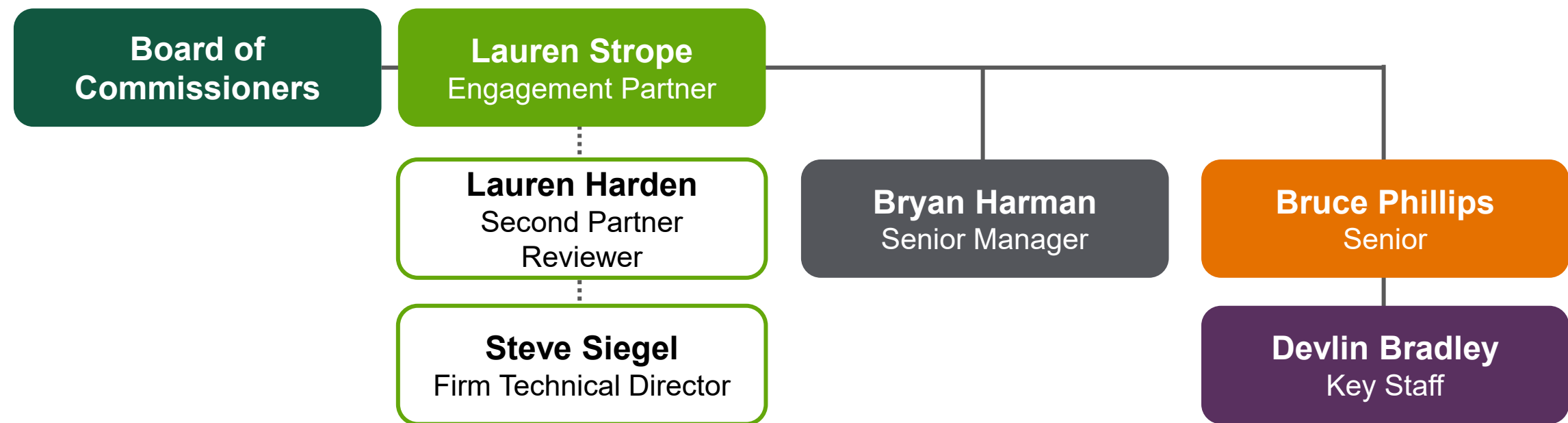
Agenda

- ▶ Client Service Team
- ▶ Results of the Audit
- ▶ Internal Control and Compliance – Single Audit
- ▶ Internal Control and Compliance – PFC Audit
- ▶ Internal Control Communication
- ▶ Qualitative Aspects of Accounting Practices
- ▶ Independence Considerations
- ▶ Other Required Communications
- ▶ Other Matters
- ▶ Upcoming Financial Reporting Changes

This information is intended solely for the use of Board of Commissioners charged with governance of the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties.



Client Service Team

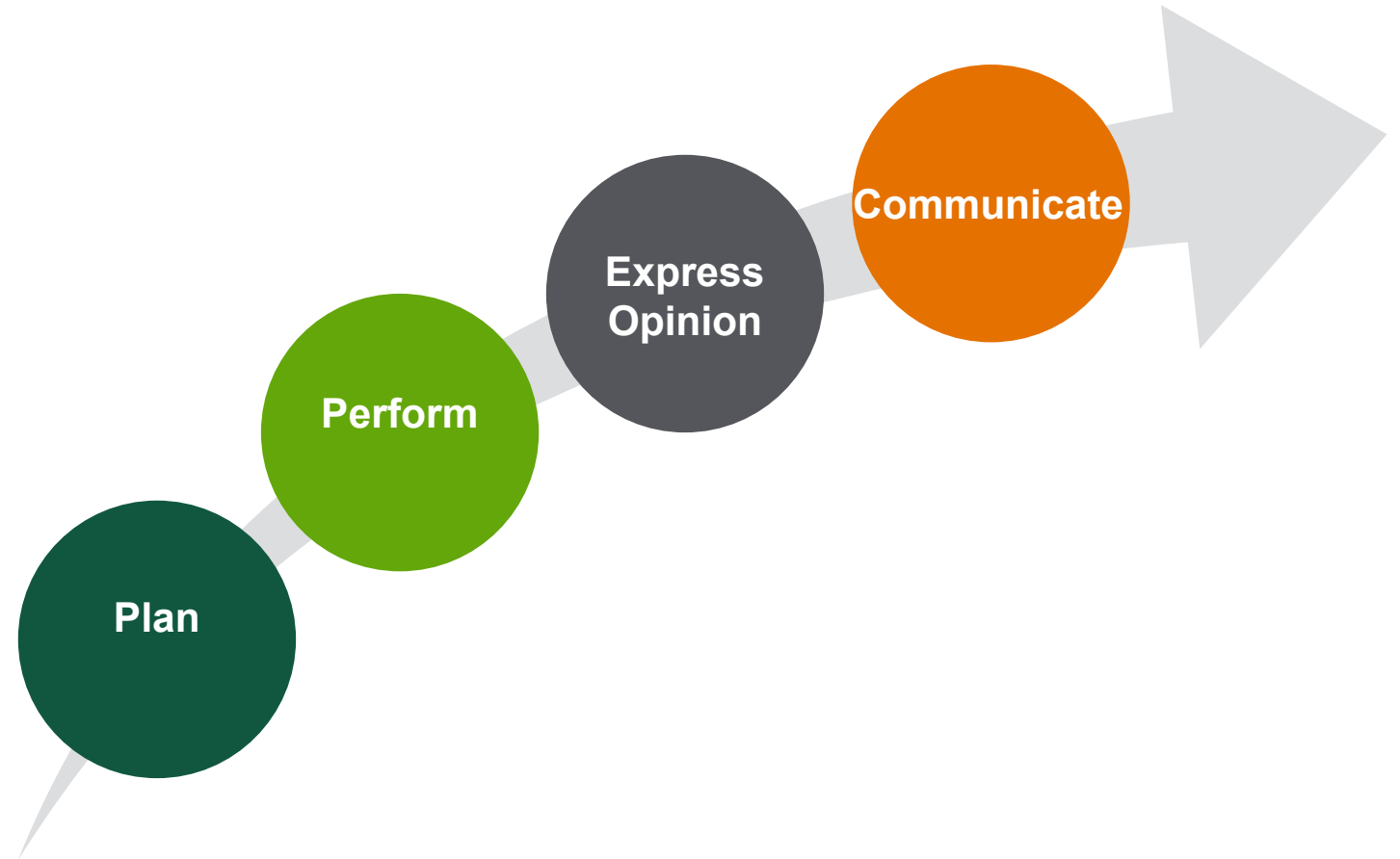


Results of the Audit

We have audited the financial statements of Norfolk Airport Authority (the “Authority”) for the year ended June 30, 2025, and we have issued our report thereon dated November 7, 2025. We have issued an unmodified opinion on the financial statements.

We have issued the following opinions/reports:

- Financial Statements
- Internal Control Over Financial Reporting
- Passenger Facility Charge Compliance



Internal Control and Compliance

Single Audit

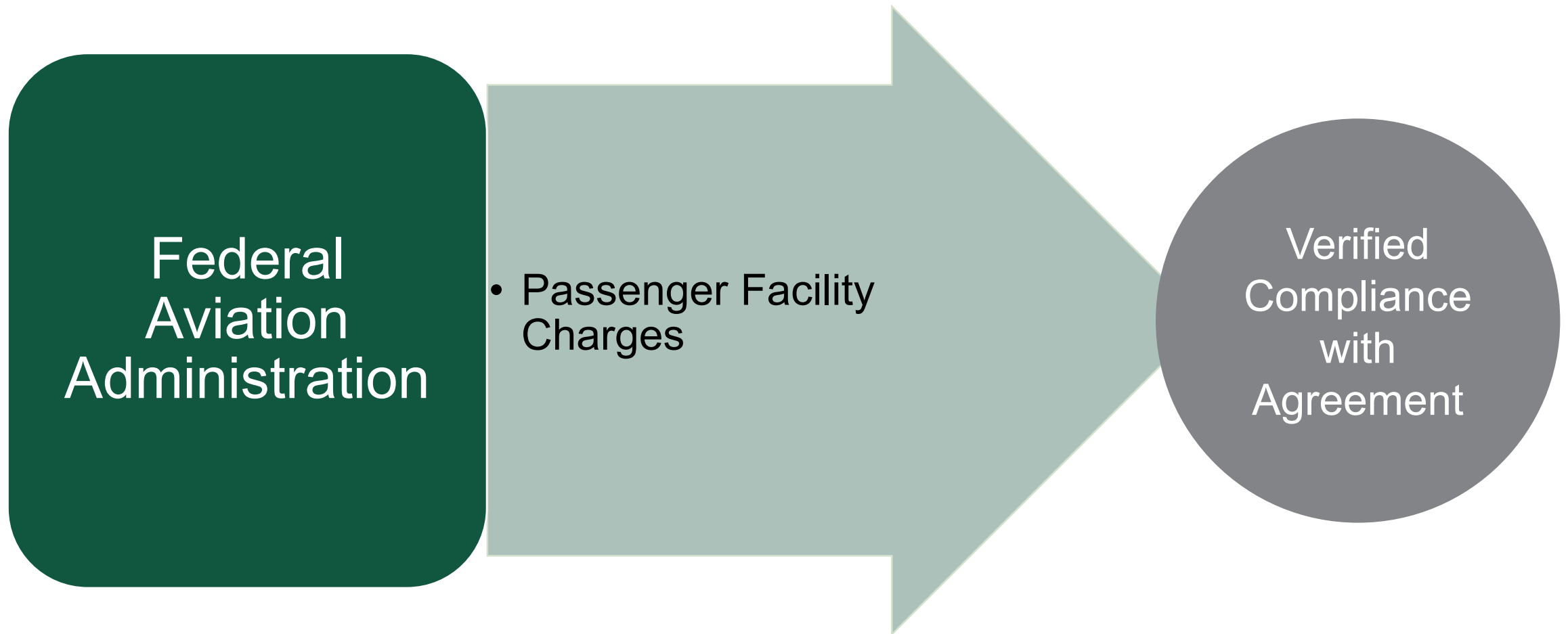
Federal Major Program

- Airport Improvement Program (Federal Assistance Listing Number 20.106)
- No findings have been noted from the single audit procedures performed

We are unable to issue the compliance report until the final version of the 2025 OMB supplement is released

Internal Control and Compliance

PFC Compliance



Internal Control Communication

In planning and performing our audit, we considered 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 opinion on the financial statements and the Passenger Facility Charges Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

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.



Internal Control Communication

Material Weakness

- ▶ 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 Authority's financial statements will not be prevented, or detected and corrected, on a timely basis.

Significant Deficiency

- ▶ 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.

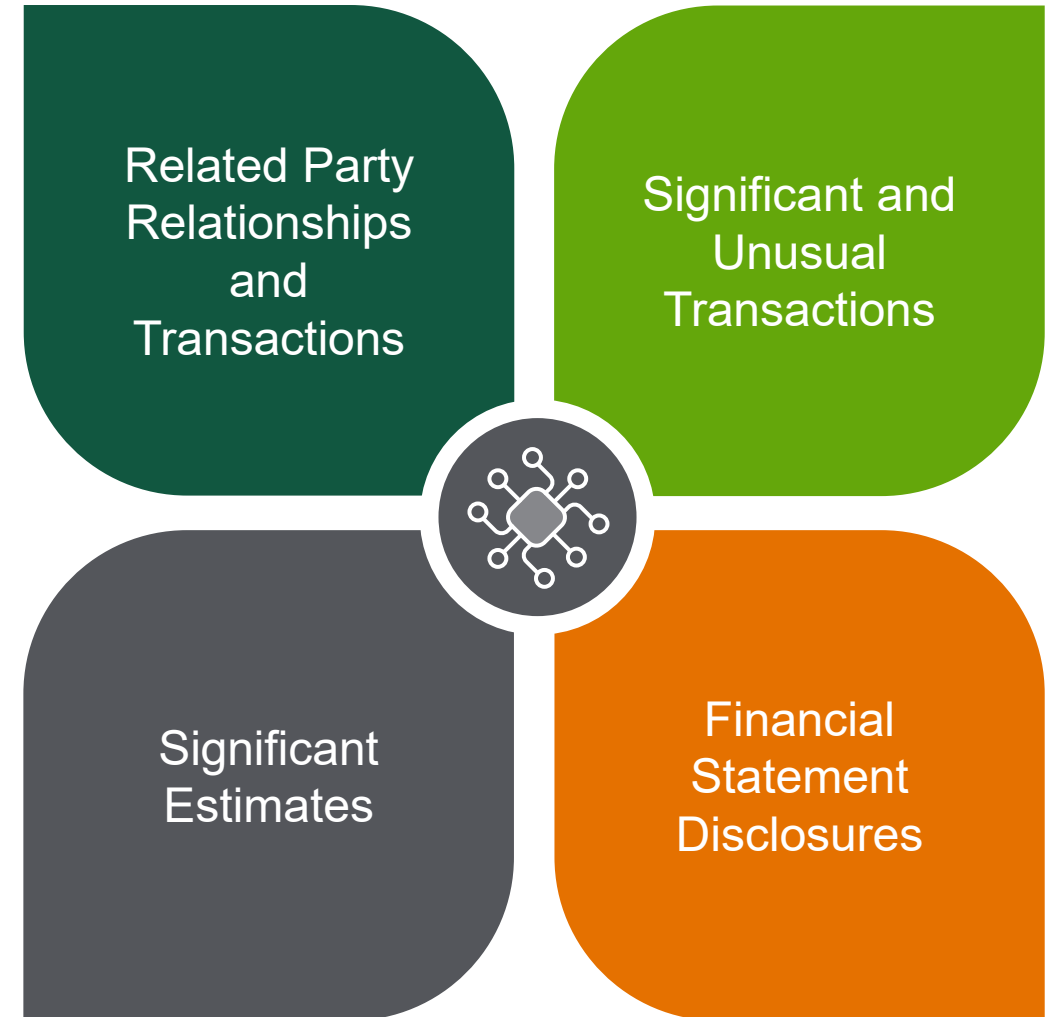
We did not note any deficiencies that we believe to be material weaknesses.



Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

As described in Note 1, the Authority changed accounting policies related to compensated absences by adopting GASB Statement No. 101, *Compensated Absences*.

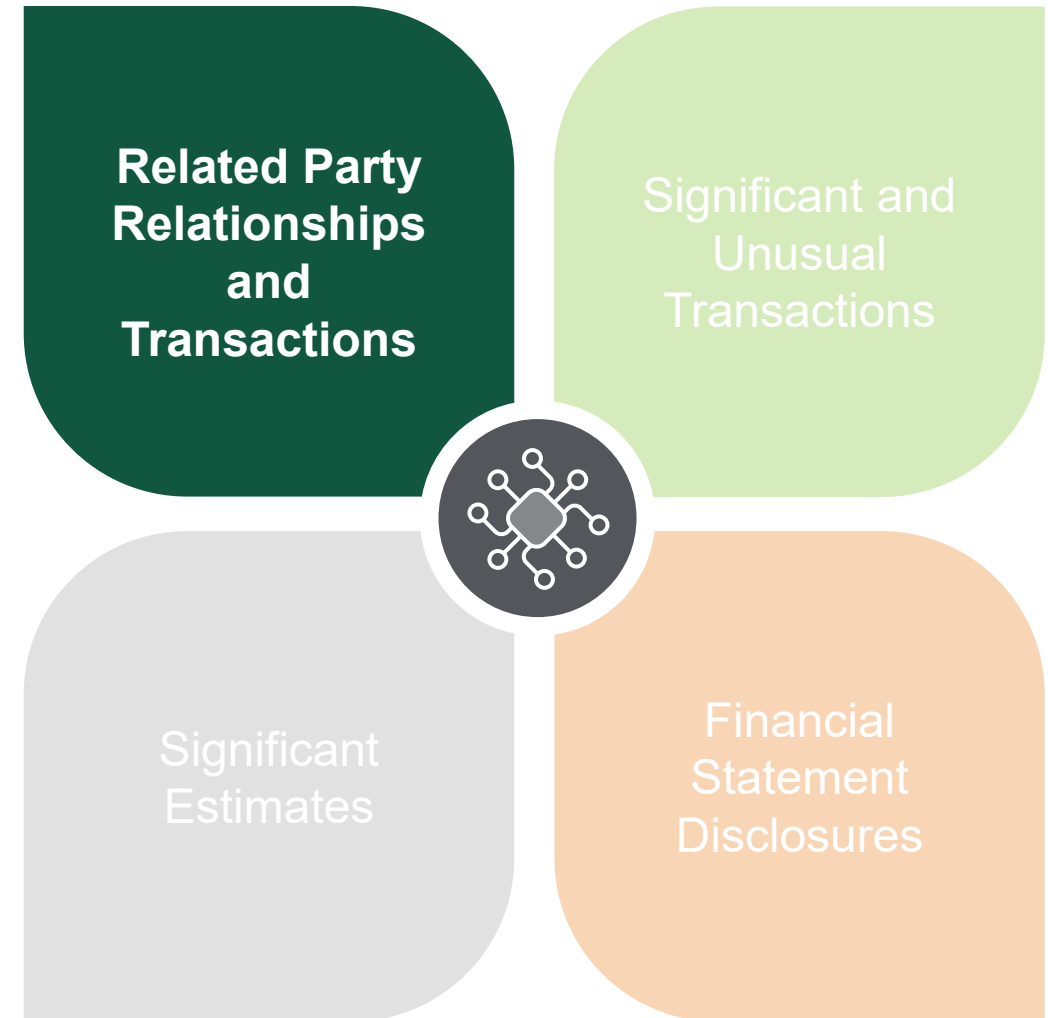


Qualitative Aspects of Accounting Practices

As part of our audit, we evaluated the Authority's identification of, accounting for, and disclosure of the Authority's relationships and transactions with related parties as required by professional standards.

We noted none of the following:

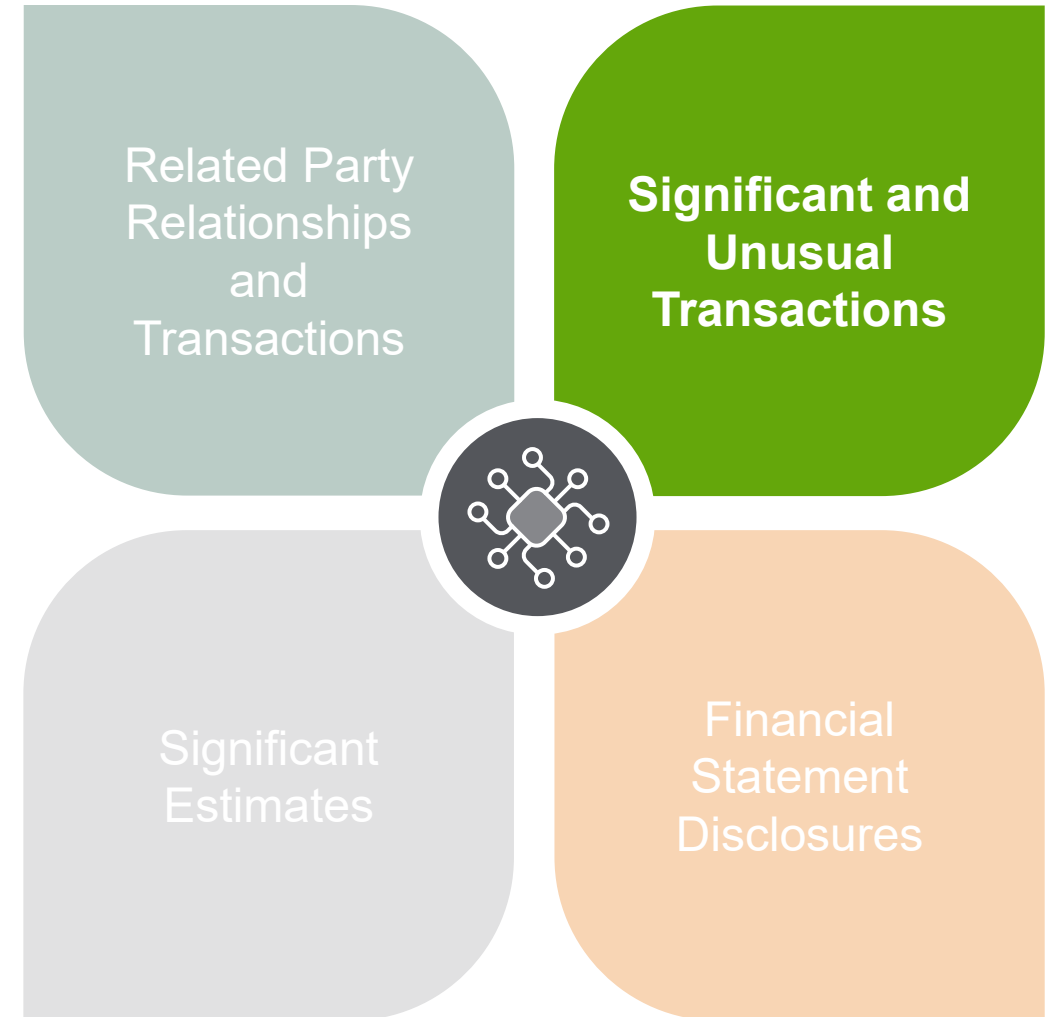
- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related party transactions that have not been approved in accordance with the Authority's policies or procedures or for which exceptions to the Authority's policies or procedures were granted;
- Significant related party transactions that appeared to lack a business purpose;
- Noncompliance with applicable laws or regulations prohibiting or restricting specific types of related party transactions; and
- Difficulties in identifying the party that ultimately controls the Authority.



Qualitative Aspects of Accounting Practices

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

For purposes of this presentation, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the Authority or that otherwise appear to be unusual due to their timing, size, or nature. We noted no significant unusual transactions during our audit other than the cyber security incident.

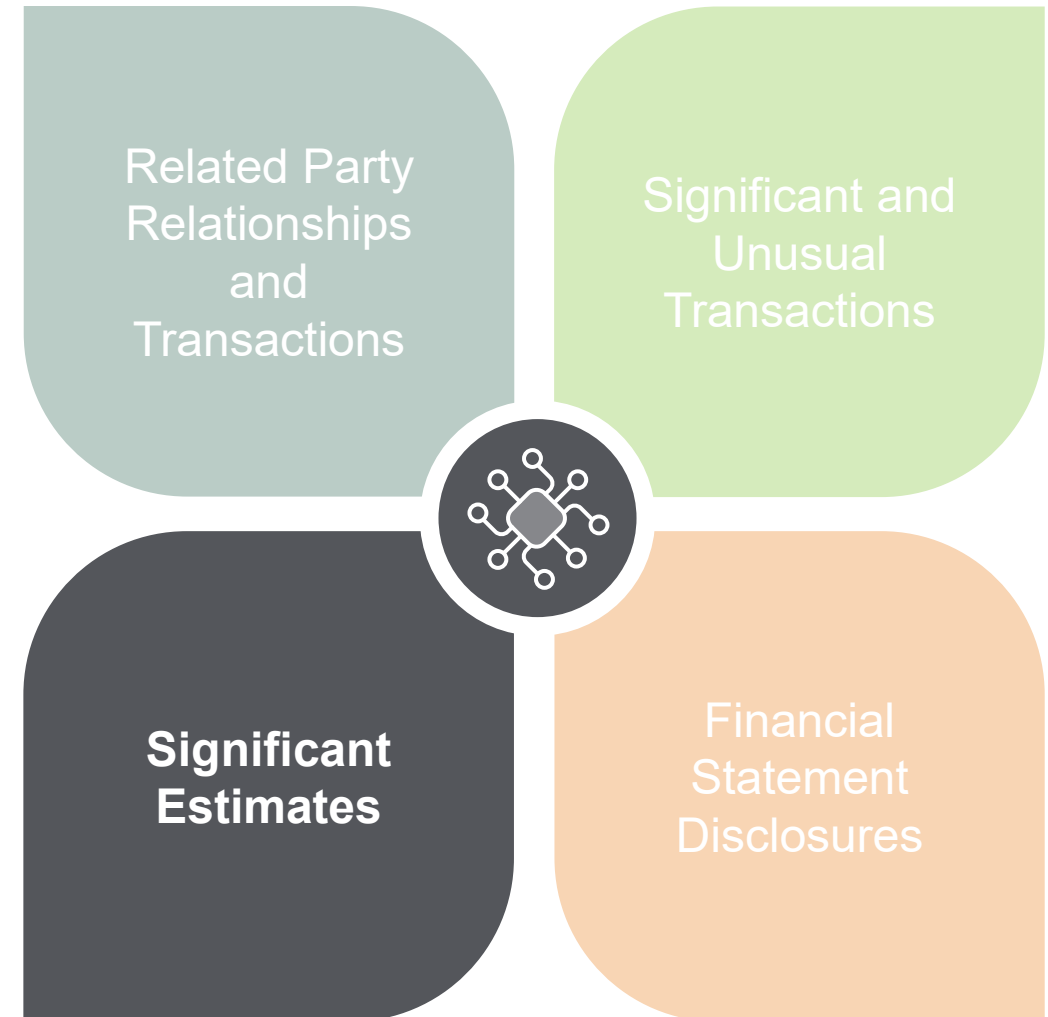


Qualitative Aspects of Accounting Practices

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Some of the estimates affecting the financial statements were:

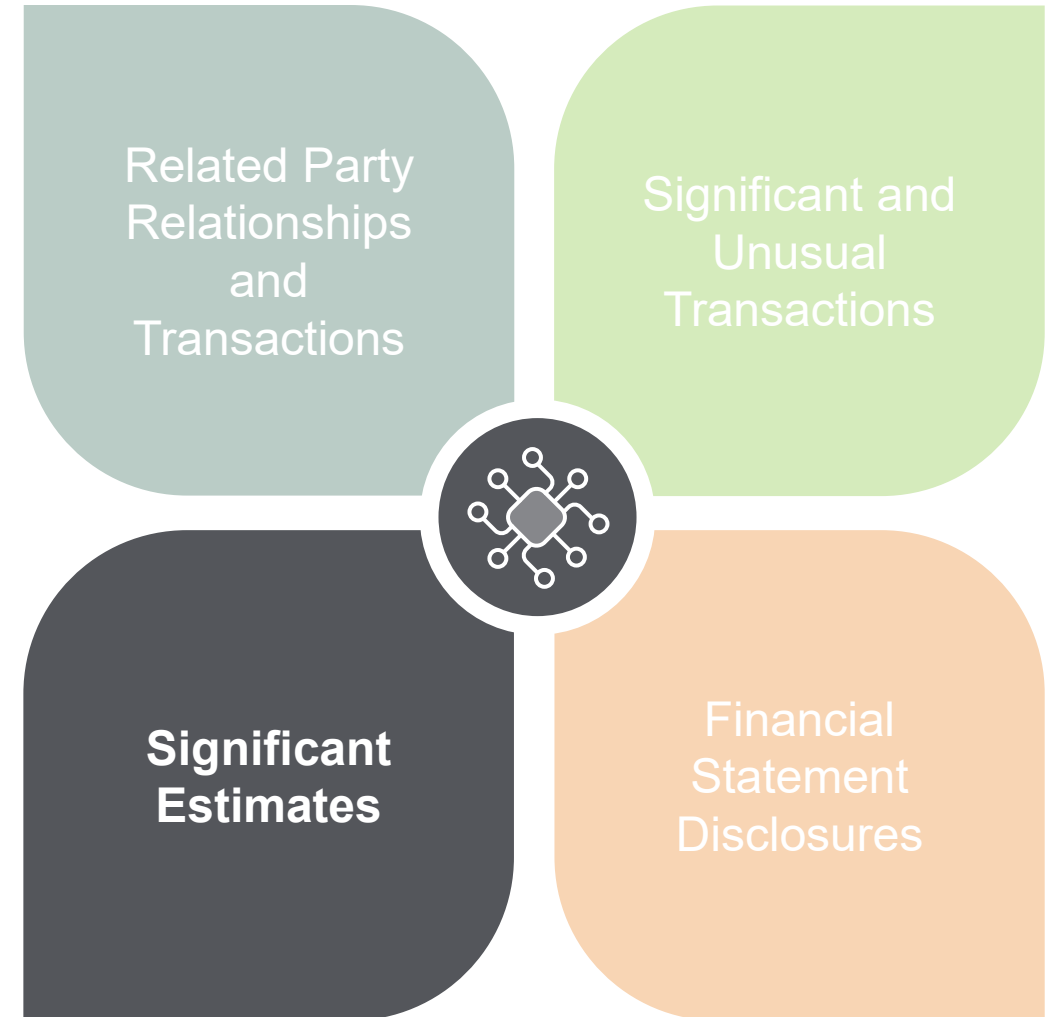
- Allowance for doubtful accounts
- Depreciation expense
- Compensated absences
- Pension plan liabilities and deferrals
- Other Postemployment benefits and deferrals
- Discount rates used for lease and subscription assets and liabilities
- Fair value of investments



Qualitative Aspects of Accounting Practices

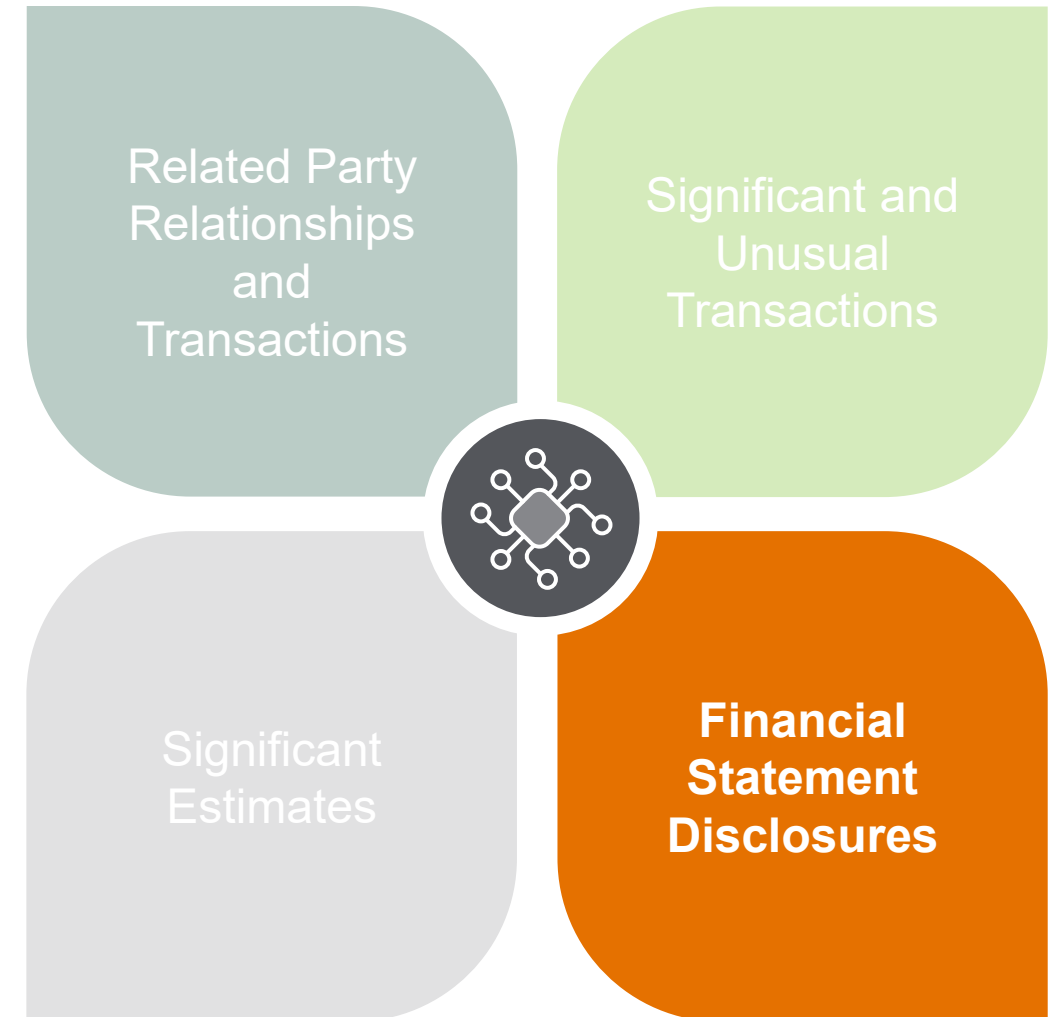
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Management's estimate of the identified above estimates are based on the analysis of historical collection trends; estimated useful life of the asset, payroll, and paid time off estimates; actuarial valuations and the estimated economic and useful life and the incremental borrowing rate of leases and subscriptions is based on an analysis of lease or subscription terms and conditions. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.



Qualitative Aspects of Accounting Practices

The financial statement disclosures are neutral, consistent, and clear.



Independence Considerations

Nonattest Services

- ▶ Our Firm assisted the Authority in the roll-forward, printing and assembly of the basic financial statements and with the completion of the appropriate sections of the Data Collection Form.
- ▶ Our Firm provided forensic assistance related to the Cybersecurity event.
- ▶ For all nonattest services we perform, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, and accept overall responsibility for the results of the services.



Independence Conclusion

- ▶ We are not aware of any other circumstances or relationships that create threats to auditor independence.
- ▶ We are independent of the Authority and have met our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.



Other Required Communications

Difficulties Encountered

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

Includes disagreements on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Auditor Consultations

We noted no matters that are difficult or contentious for which the auditor consulted outside the engagement team.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 7, 2025.



Other Required Communications

Management Consultations

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. To our knowledge, there were no such consultations with other accountants.

Other Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Fraud and Illegal Acts

As of the date of this presentation, no fraud, illegal acts, or violations of laws and regulations noted.

Going Concern

No events or conditions noted that indicate substantial doubt about the Authority’s ability to continue as a going concern.



Other Matters

Required Supplementary Information

We applied certain limited procedures to the required supplementary information (“RSI”) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI. We were engaged to report on the other supplementary information which accompanies the financial statements, but which is not RSI.



Supplementary Information

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



Upcoming Financial Reporting Changes

These standards will be effective for the Authority in the upcoming years and may have a significant impact on the Authority's financial reporting.

We would be happy to discuss with management the potential impacts on the Authority's financial statements and how we may be able to assist in the implementation efforts.

- ▶ GASB 103 – Financial Reporting Model Improvements
- ▶ GASB 104 - Disclosure of Certain Capital Assets



Questions

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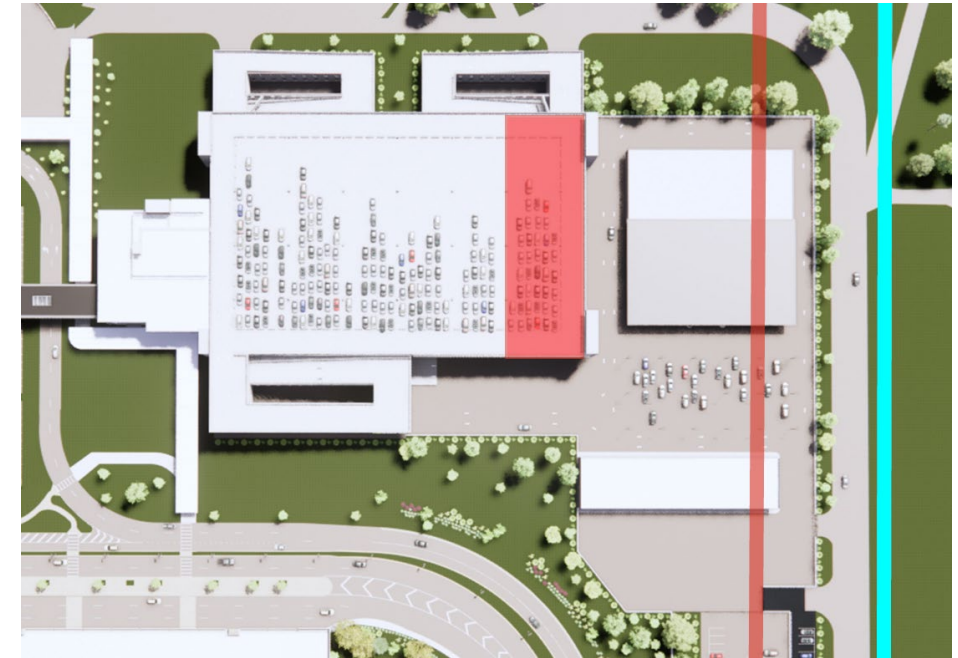
Intersection Change Order

December 4, 2025



Intersection Change Order

- Intersection was bid prior to completion of ConRAC design in order to receive \$17.5M in Federal Discretionary Funds
- ConRAC design shifted site east onto existing 60" storm drain (red)
- Cost to relocate storm drain (cyan) and reroute intersection around ConRAC \$6M
- This is over 25% of \$21.7M intersection contract and requires Board approval per Virginia Public Procurement Act

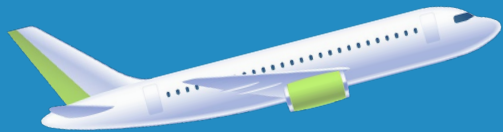


Change Order Notes

- Change Order calculated with as-bid unit prices for 95% of the costs
- Cost has been reviewed by the Authority with assistance from design team and was found to be fair and reasonable
- Intersection is part of the Westside Development Program
 - Intersection
 - ConRAC
 - Runway 14/32 Closure
 - Robin Hood Road Realignment
- Total Board approved budget for program is \$222M
- Including this change order total cost of program is currently \$211M

Motion to Authorize Change Order

- It is hereby moved that, in order to continue the construction of the Main Intersection Improvement project in an efficient and timely manner, the Board authorize Staff to proceed with change order expenses as required to accommodate the final size and location of the ConRAC/QTA Facility provided that such expenses do not exceed 30% of the original contact.



Consolidated Rental Car Facility Bond Resolution

December 4, 2025



Consolidated Rental Car Facility Bond Resolutions

1. Customer Facility Charge (CFC) Revenues Resolution
 - No related documents
2. Resolution Releasing CFC Revenues and Approving Seventh Supplemental Indenture
 - a. Request of President and Chief Executive Officer for Release of CFC Revenues
 - b. Seventh Supplemental Indenture of Trust
3. Resolution Approving CFC Bonds Series 2026
 - a. Master CFC Trust Indenture
 - b. Bond Purchase Agreement (from Underwriters' Counsel)
 - c. Preliminary Official Statement
 - d. Continuing Disclosure Certificate

Consolidated Rental Car Facility Bond Resolutions

- The Customer Facility Charge (CFC) Revenues Resolution
- *This Resolution confirms, ratifies, and authorizes the implementation and collection of CFCs in connection with vehicle rentals at the Airport from RACs, in the amount of \$10.00 per contract day with no limit regarding the number of contract days charged per the rental car contract for construction of the Consolidated Rental Car Facility*

Consolidated Rental Car Facility Bond Resolutions

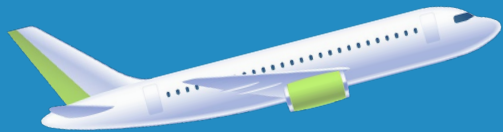
- Resolution Releasing CFC Revenues and Approving Seventh Supplemental Indenture
 - a. Request of President and Chief Executive Officer for Release of CFC Revenues
 - b. Seventh Supplemental Indenture of Trust
- *This Resolution releases Customer Facility Charges Revenues from the revenues pledged under the 2001 Master Indenture and become “Released Revenues” pursuant to Section 505 of the 2001 Master Indenture*

Consolidated Rental Car Facility Bond Resolutions

- Resolution Approving CFC Bonds Series 2026
 - a. Master CFC Trust Indenture
 - b. Bond Purchase Agreement (from Underwriters' Counsel)
 - c. Preliminary Official Statement
 - d. Continuing Disclosure Certificate
- *This Resolution authorizes and approves the financing plan for the CFC Project, including the issuance of its Senior Customer Facility Charge Revenue Bonds, Series 2026, in one or more series, on a tax-exempt and/or taxable basis, in an aggregate principal amount of not to exceed \$200,000,000, as follows:*

Consolidated Rental Car Facility Bond Resolutions

- *Taxable:*
 - *Max Principal: \$150,000,000*
 - *Latest Maturity: 7/1/2056*
 - *Max Interest Rate: 7.50%*
- *Tax-Exempt:*
 - *Max Principal: \$40,000,000*
 - *Latest Maturity: 7/1/2056*
 - *Max Interest Rate: 6.50%*
- We are working with the City to comply with the Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) requirements:
 - This involves a public hearing and subsequent approval by an “applicable elected representative” prior to the issuance of Tax-exempt private activity bonds



Food/Beverage/Retail Concessions Program Awards

December 4, 2025

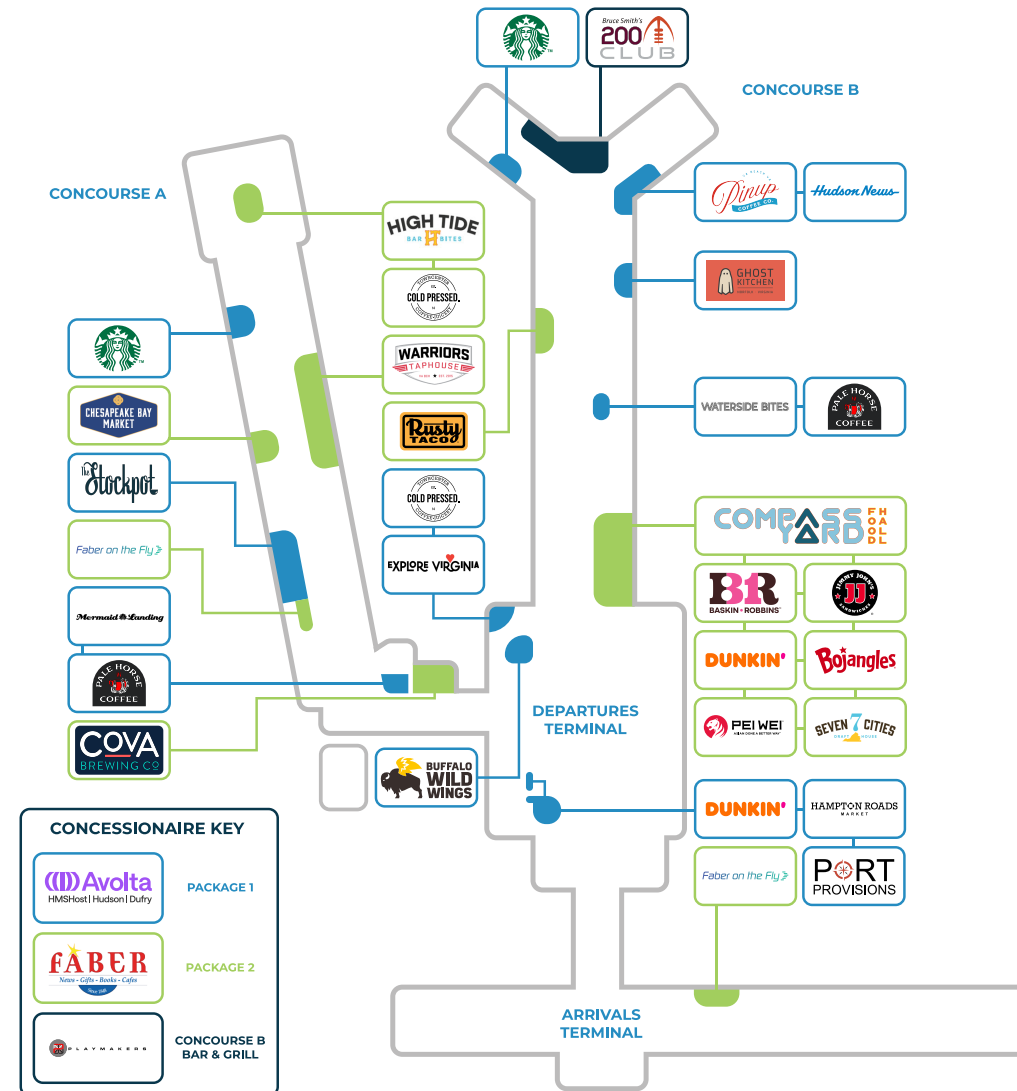


New ORF Concessions

- The new program is being awarded to two concessionaires:
 - Promotes competition and options for the Authority and its customers
 - Enhances exposure to different national brands available
 - Increases local and national options for the customer
 - Concessionaires are partnering with local operators and local product and service providers to achieve a 40% local participation
 - The new program implements a strict “street + 10%” pricing policy
 - Concessionaires will fully fund their tenant improvements estimated to be approximately \$22M over the new two years
- The concession program will go through a complete transformation with all concessions being upgraded or replaced in multiple phases

New Offerings

- The food and beverage program will consist of a mix of full-service sit-down restaurants to include “grab and go” sections; fast food in a food hall setting; “grab and go” food and non-alcoholic drinks in retail spaces; and an enhanced vending program including a 24 hour and expanded autonomous coffee/drink/snack options
- The retail program will include products sources from local suppliers as well as a full array of products travelers expect to see in an airport





Hampton Roads Transatlantic Air Service Coalition

December 4, 2025



Hampton Roads Transatlantic Air Service Coalition

WHEREAS, Air travel is a vital cog in the Commonwealth's economic engine, generating an estimated impact of nearly \$2.7 billion last year alone between portions of southeastern Virginia plus northeastern North Carolina; and

WHEREAS, Competition is extremely fierce for a limited number of airlines capable of operating nonstop service between Europe and non-hub U.S. airports, with many communities offering millions of dollars to support nonstop bids; and

WHEREAS, Federal regulations forbid U.S. airports from directly offering the necessary monetary support to entice such air carriers to operate transatlantic nonstop flights to undersized aviation markets such as Hampton Roads; and

WHEREAS, The introduction of transatlantic air service is widely desired among users of Norfolk International Airport for both business and leisure purposes;

WHEREAS, The Hampton Roads Alliance is the leading regional economic development organization for the region led by the region's most influential business leaders, local governments, and top academic institutions,

WHEREAS, The Hampton Roads Executive Roundtable, an organization made up of over 30 business and academic leaders, was established in 2023 to synchronize economic development strategy, advocacy, and initiatives for the region,

WHEREAS, The Norfolk Airport Authority manages and controls the operations and maintenance of the Norfolk International Airport, now therefore be it

RESOLVED, That the Hampton Roads Alliance, in partnership with the Hampton Roads Executive Roundtable, hereby agree on the establishment of the Hampton Roads Transatlantic Air Service Coalition (HRTASC); and

RESOLVED, That HRTASC shall function as a special committee of the Hampton Roads Alliance and be empowered to solicit funds from different sources (e.g.

businesses, government grants, community organizations), and manage those dollars for the above-stated specific, public interest mission; and

RESOLVED, That HRTASC's leadership shall be comprised as a seven-member board with four seats filled by appointees of the Hampton Roads Alliance and three seats filled by appointees of the Hampton Roads Executive Roundtable; and

RESOLVED, That the Norfolk Airport Authority and its agents may serve HRTASC solely in an advisory manner; and

RESOLVED, That HRTASC shall store any collected capital commitments from willing participants in interest-bearing accounts until a majority board vote authorizes their release as a minimum revenue guarantee and/or other purposes necessary to secure desired transatlantic air service to Norfolk International Airport; and

RESOLVED, That HRTASC shall maintain sole discretion on the type, level and length of specific support to be offered in the pursuit of transatlantic air service opportunities that may arise, with consultation from the Norfolk Airport Authority; and

RESOLVED, That HRTASC shall serve as the contracted entity for any such support agreements with air carriers, and will provide regular financial performance reports to its contributing parties, including updates on disbursements and year-end statements; and

RESOLVED, That any private or governmental entity that contributes money to HRTASC agrees to obligate those dollars to the control of HRTASC under contract for a predetermined period of time; if desired air service is obtained and no additional funds are needed, any remaining dollars may be returned to their respective contributor prorated to its funding commitment.



Port Infrastructure Development Program Grant Request

December 4, 2025

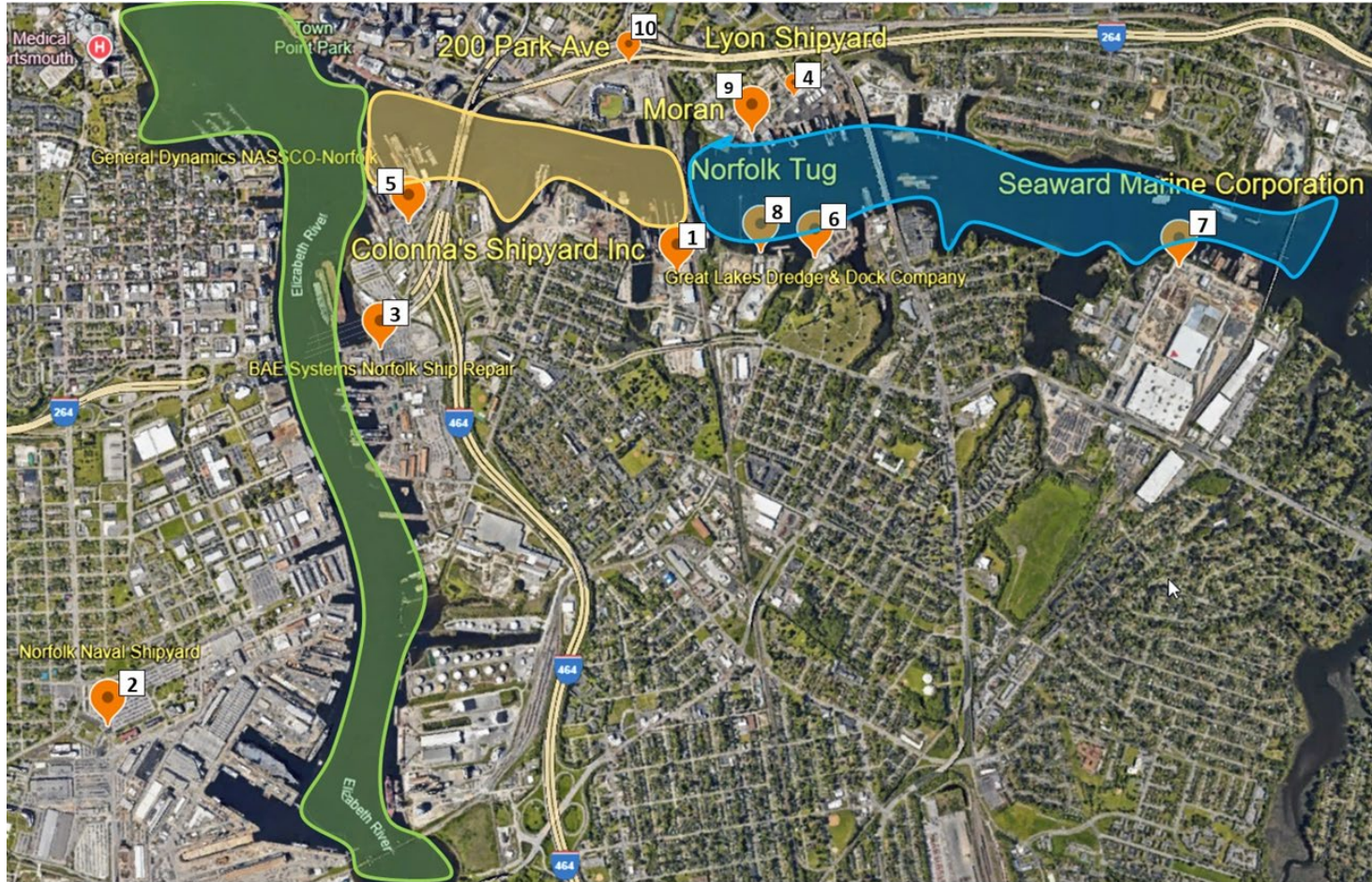




Eastern Branch Consortium Request

- We have been approached by a member of the Eastern Branch Consortium to consider becoming a sponsor of a Port Infrastructure Development Program (PIDP) grant for a major dredging project due to the uniqueness of our Charter
- Stakeholders include:
 - **Corporate Entities:** Seaward Marine Corporation, Norfolk Tug, C&M Industries, Lyon Shipyard, Coastal Design & Construction, Inc., Norfolk Tides Baseball Club, Colonna's Shipyard, Inc., Moran Towing, American Marine Group
 - **Government:** City of Norfolk, State of Virginia
 - **Trade Groups:** Virginia Maritime Association, Hampton Roads Alliance

Project Scope



1. Dredge 560,000 cubic yards of river bottom, completing Phase I
2. Construction timeline: <10 months
3. Dredging permit appx. 95% complete as of 2Q2025 (under 408, WRDA)
4. O&M undertaken by US Army Corps of Engineers (under 204(f), WRDA)
5. Dredge an additional ~350,000 cubic yards of river bottom, completing Phase II

Project Cost and Timeline

- Cost:

- Scenario A Project Cost: 560,000 cubic yards @ \$100/yard = \$56,000,000.00
- Scenario B/C Project Cost : \$39,200,000.00
 - *if fully/partially Authorized and Appropriated through US Army Corps of Engineers Work Plan

- Timeline:

- For Scenario A (all private funding): Earliest Completion 1H2027
- For Scenario B (all public funding): Earliest Completion 1H2033
- For Scenario C (EBC Proposal w/ FY27 Auth.): Earliest Completion 2H2028

Beneficiaries and Beneficial Outcomes

1. Immediate \$20,000,000.00 reduction in USN maintenance costs, per contract
2. Immediate 40% increased drydock capacity in the Mid Atlantic for USN, USCG, MARAD, Commercial, MSC, US Army, NOAA
3. >3:1 dollar-per-dollar impact for drydock infrastructure expenditure
4. Increased investment from existing landowners/operators
5. Increased productive capacity for shipbuilding, ship repair, transportation, and marine construction
6. Increased white- and blue-collar employment at affected firms
7. Increased competition in the shipbuilding, ship repair, transportation, marine construction, and infrastructure industries



9. Adjournment

Next Meeting:

Thursday, March 26, 2026

Lunch: 12:30pm

Meeting: 1:00pm