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July 3, 2024

Board of Directors  
Fort Wayne-Allen County Airport Authority  
Allen County, Indiana

We have reviewed the audit report of Fort Wayne-Allen County Airport Authority which was opined upon by Cherry Bekaert, LLP, Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Report of Independent Auditor*, the financial statements included in the report present fairly the financial condition of the Fort Wayne-Allen County Airport Authority as of December 31, 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Cherry Bekaert, LLP, prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

# FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

FORT WAYNE, INDIANA



## ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2023

Prepared by:

Douglas W. Robertson  
Controller

Janice R. Lewis  
Accounting

Nikki E. Davis  
Accounting

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**FORT WAYNE-ALLEN COUNTY  
AIRPORT AUTHORITY**

FORT WAYNE INTERNATIONAL AIRPORT  
SMITH FIELD AIRPORT

**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY  
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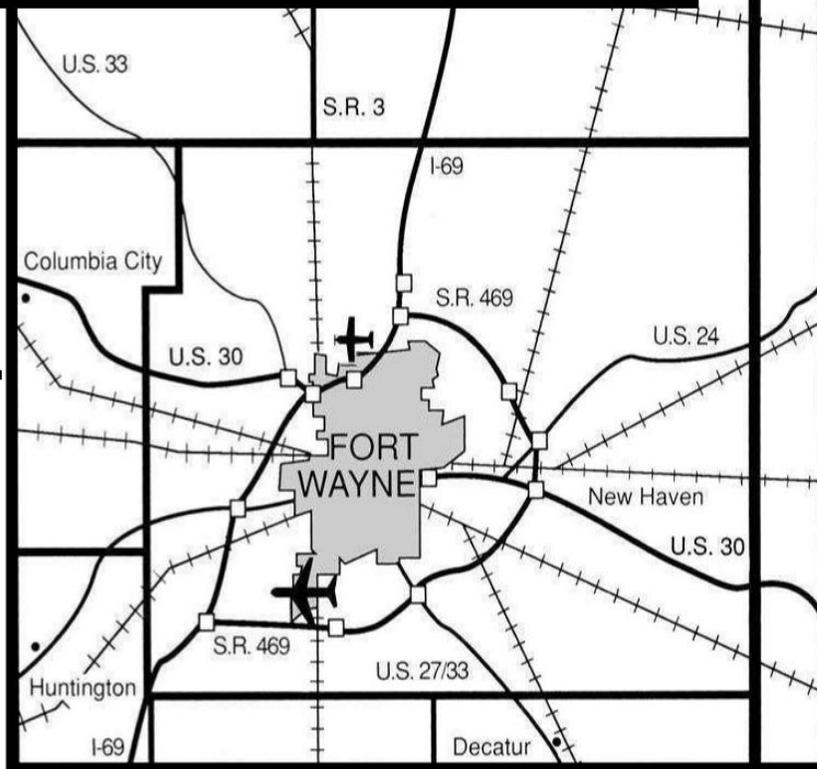
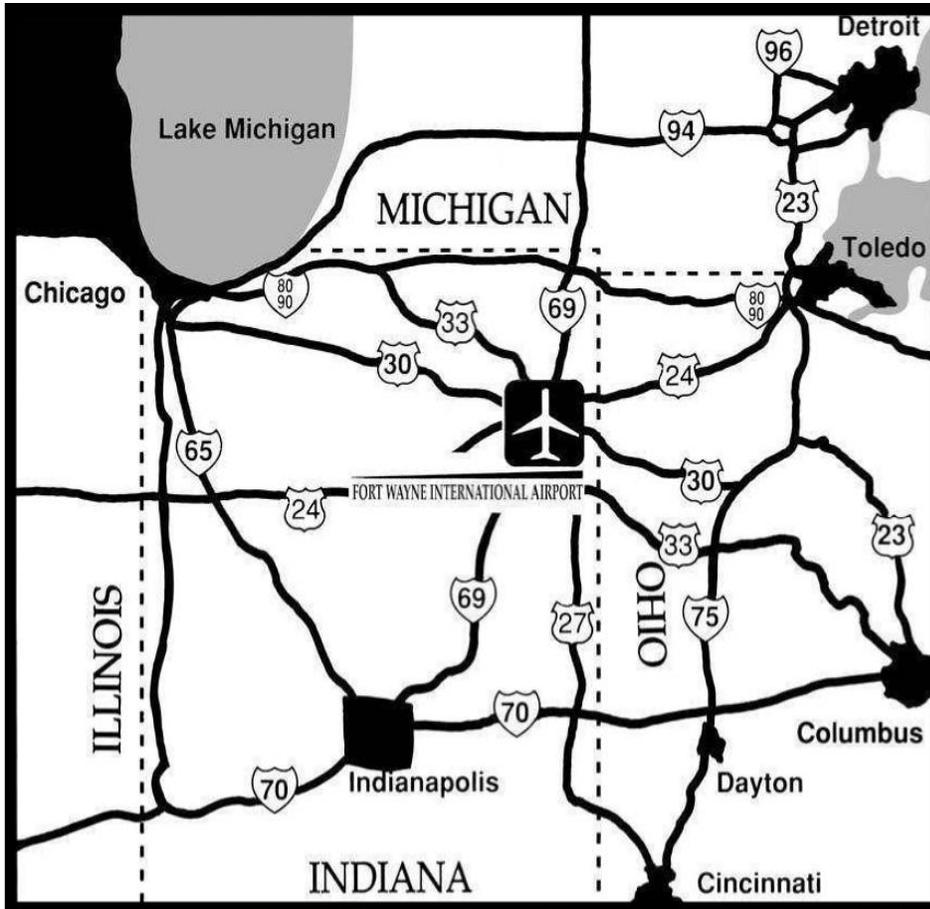
Fort Wayne International Airport (FWA)



Smith Field Airport (SMD)

# **INTRODUCTORY SECTION**

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**FORT  
WAYNE  
INTERNATIONAL  
AIRPORT**



**SMITH FIELD**

# Fort Wayne-Allen County Airport Authority Board and Executive Director



Richard B. Sturges, Jr.  
President



Gregg C. Sengstack  
Vice President



Timothy J. Haffner  
Secretary



Réna Bradley  
Board Member



Jerome F. Henry, Jr.  
Board Member



Kimberly Grannan  
Board Member



Scott D. Hinderman, A.A.E.  
Executive Director of Airports



June 17, 2024

To the Members of the Board, and Citizens of Fort Wayne and Allen County:

The Annual Comprehensive Financial Report of the Fort Wayne-Alten County Airport Authority (the Authority) for the fiscal year ended December 31, 2023, is submitted with this letter. This report was prepared by the Authority's financial staff.

The financial statements, note disclosures, and other supplementary information are the representations of management. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that has been established for this purpose. Internal control is designed to provide reasonable, but not absolute, assurance that the financial statements are free of material misstatements. Reasonable assurance recognizes that the cost of internal control should not exceed the anticipated benefits of such control.

Cherry Bekaert LLP, Certified Public Accountants, have issued an unmodified opinion on the Authority's financial statements for the year ended December 31, 2023. The report of the independent auditor is located at the front of the financial section on pages 11 through 13 of this report.

Management's discussion and analysis (MD&A) can be found immediately following the report of independent auditor in the financial section of this report. The MD&A includes financial highlights, overview of the financial statements, condensed financial information and analysis, and capital asset and long-term debt activity. MD&A complements this letter of transmittal and should be read in conjunction with it.

**Profile of the Government** – The Authority is an Indiana Municipal Corporation established July 1, 1985 under authority granted by Indiana Statute (IC 8-22-3-1). As detailed in the statute, the Authority was established for the general purpose of acquiring, maintaining, operating, and financing airports in and bordering on Allen County, Indiana. The Authority is empowered to, among other things, issue general obligation and revenue bonds and levy taxes in accordance with statutory provisions. The Authority manages an airport system in Allen County, Indiana composed of Fort Wayne International Airport, a non-hub primary commercial service airport, located in southwest Allen County, and Smith Field Airport, a general aviation airport, located in the north central part of the county.

The Authority's Board consists of six members. Three are appointed by the Mayor of the City of Fort Wayne and three are appointed by the Allen County Commissioners. The appointments are non-authoritative in nature. That is, there is no continuing linkage between the appointing authority and the board member. Board members cannot be removed without cause, and Indiana law provides an impeachment procedure to be utilized in the event that there is reasonable cause for removal of a board member.

The Allen County Council adopts the Authority's annual budget and the tax levy to support it. The annual budget of the Authority is prepared by the staff and approved by the Board before it is sent to the Allen County Council for adoption. After it is adopted by the Allen County Council, the budget is reviewed and approved by the State Department of Local Government Finance.

Also, issuance of general obligation bonds must be approved by the County Council and revenue bonds must be approved by the County Commissioners. Although the Authority is fiscally dependent on the County, it is not considered a component unit of Allen County because there is no benefit or burden relationship as defined by the Government Accounting Standards Board.

Budgetary control is maintained at the major expense category level by the encumbrance of purchase orders against available legally adopted appropriations. Open purchase orders or encumbrances at the end of the fiscal year are automatically added to the subsequent year's budget under state law. For budget purposes, expenses are recognized in the year encumbered. For financial statement purposes, expenses are recognized when incurred.

**Local Economy** – In 2023, the Fort Wayne Metropolitan Statistical Area (MSA) (Allen, Whitley, and Wells counties) registered a not seasonally adjusted unemployment rate of 3.1%, compared to 3.3 for the state of Indiana, and 3.6 for the nation. Over the course of the year, monthly unemployment rate in the region ranged from 2.5 to 3.4, indicating no major fluctuations. The Fort Wayne MSA labor force of 221,866 is represented by 215,049 employed workers and 6,817 unemployed individuals seeking work. In 2023, metro Fort Wayne's labor force grew 0.8% from the prior year. This mirrors the state's growth (0.8%), but both fell short of the national labor force growth (1.7%).

The 4-quarter average annual wage (final year-end figures are not yet available from the Bureau of Labor Statistics), for the metro in 2023 was \$56,947, representing 3.2% growth over 2022. This trends with national growth over the same year at 3.3%. Among the metro areas more than 200,000 jobs, health care (approx. 40,000), manufacturing (approx. 38,000), retail (approx. 24,000) are the top three employing industries and together account for nearly half of all jobs in the Fort Wayne MSA with health care and manufacturing paying above the average annual wage for the MSA overall.

Fort Wayne International Airport (FWA) experienced ten years of consecutive growth in enplanements, from 2010 to 2019, and then saw a drastic decrease in 2020 of 45.1% due to the COVID-19 pandemic. FWA experienced a quicker recovery than predicted as enplanements increased 82.5% since then, from 218,343 in 2020 to 398,487 in 2023, which is a new annual enplanement record for FWA.

The Authority has established financial policies that it abides by some of which have had a significant impact on the current period's financial statements. First, grant funding is considered to be earned as the related approved capital improvement expenditures or expenses are incurred. Secondly, as a cash flow policy, when an expense is incurred for a purpose in which either restricted or unrestricted net position is available for use, restricted resources will be applied first, then unrestricted resources will be used as they are needed.

During 2023, FWA received several construction related grants for the East Terminal Expansion/Renovation Project. This project is the completion of the program that started construction in 2021 on the West Expansion/Renovation. In 2017, the airport did a Terminal Area Concept Plan (TACP) that conducted a comprehensive review of the entire facility. The TACP was approved by the FAA and the airport proceeded with the program planning. The TACP identified issues with the current terminal. The major issues identified were gate capacity, baggage handling inefficiencies, inadequate security checkpoint, circulation space, and the terminal building encroaching on an aircraft taxiway. Also, all major systems (electrical, mechanical, security, and fire protection) were end of useful life. The scope of the East Terminal Project includes relocating the terminal restaurant to the second level to be able to bring the security checkpoint into current design standards. Relocating three aircraft gates to satisfy FAA building and taxiway separation issues. Upgrades electrical, mechanical, security, and fire protection systems. Enhance security exit-lane technology to adapt to TSA regulatory changes, replace baggage claim devices, and many other added accessibility features are also included.

In January 2023, FWA was granted an Airport Improvement Grant for Phase 2 of the East Terminal Expansion/Renovation Project in the amount of \$14,790,000. This grant was an allocation out of the Bipartisan Infrastructure Law (BIL) – Airport Terminal Program Grant (ATP). In addition, FWA was granted an Airport Improvement Grant for Phase 3 of the East Terminal Expansion/Renovation Project in July 2023. This grant was also an allocation of BIL-ATP and the grant amount was \$8,000,000. Both aforementioned grants covered 95% of allocable project costs. FWA received accompanying Aviation Grant Agreements from the Indiana Department of Transportation for 2.5% of the remaining costs, or \$389,210 and \$210,526 respectively.

Also, an Airport Development Grant from the State of Indiana was received in August 2023 in the amount of \$5,000,000. The purpose of this grant is to further support costs associated with the East Terminal Expansion/Renovation Project.

The airlines' cost per enplaned passenger decreased from \$8.66 in 2022 to \$8.35 in 2023. This decrease was caused mostly by the increase in enplaned passengers during 2023, as well as a slight decrease in total landed weight.

The local economy is well diversified with several major industries located within Allen County and the Fort Wayne region: health care, defense/aerospace engineering, financial services, automotive manufacturing, luggage and handbag manufacturing, educational institutions of higher learning, warehouse and retail distribution.

The schedule on page 83 of this report details additional information regarding diversity in the local economy, as the area is not dependent on the fortunes of a single employer. The ten largest employers in Allen County make up only 19.2% of total employment. On page 75, it can be discerned that local government is not dependent on a single taxpayer or group of taxpayers for its revenue base. The top ten taxpayers in Allen County provide only 6.6% of taxable assessed valuation for 2023. The number of building permits issued by the Allen County Building department for single-family and duplex residential building construction increased from 1,439 in 2022 to 1,493 in 2023, an increase of 3.7%. The 2021 amount of 1,697 was Allen County's largest number of building permits issued since 2005.

Tax abatements are a valuable incentive to attract new businesses into the Fort Wayne-Allen County area. Its major impact, however, is to stimulate reinvestment by existing businesses by phasing in the amount of taxes they must pay on new investments in real and personal property. The types of businesses targeted are those in manufacturing, warehousing, distribution, commercial and/or service industries. Indiana Code 6-1.1-12 allows communities within the state to offer real and/or personal property tax abatements to be phased in over a period of up to ten years. Abatement percentages are on a declining percentage per year. Long term benefits of tax abatements include job retention, job growth, increased infrastructure, and future increased tax revenues. The schedule on page 58 of this report details the amount of taxes that have been abated that are applicable to the Authority for the year ended December 31, 2023.

**Long-term Financial Planning** – The Authority has included in its capital improvement plan provisions to upgrade facilities at Smith Field, the Authority's general aviation airport, and Fort Wayne International. The Authority anticipates financing these capital improvements with a variety of funding mechanisms including the issuance of bonds, passenger facility charges, federal and state grants, cumulative building tax revenues, and local airport revenues.

Included in the capital improvement plan are provisions to make substantial improvements to the infrastructure and facilities at Smith Field: completion of a taxiway connector, construct a new hangar ramp and taxi lane, construct a new 12-unit hangar, update to the airport master plan, and acquisition of land for runway approaches. These substantial improvements are needed for safety reasons and to increase the attractiveness and utilization of Smith Field Airport. The Authority will finance most of the projects above with federal and state grants.

At FWA, the Authority has substantially completed the west expansion and renovation of the terminal building, as well as the design phase of the east expansion and renovation of the terminal building. The notice to proceed was given for the construction of the east project in May 2023. Design costs totaled \$5.2 million. The projected construction cost of the east expansion and renovation project is approximately \$74 million. The Authority is planning on \$49.3 million to be received from federal and state grants, \$8.0 million from airlines rates and charges for terminal rent, and \$7.4 million from passenger facility charges. The remaining amount of the east terminal expansion and renovation costs will be paid from the Authority's cash reserves. The Authority also has planned a relocation of a taxiway, rehabilitation of multiple taxiways, rehabilitation of the west apron and installation of taxiway lighting, and the rehabilitation of runway lighting. Reconstructing the taxiways will enhance safety on the airfield. The terminal apron improvements will improve ramp utilization and safety.

FWA boasts 13 non-stop destinations on four airlines, with connections to over 350 destinations with just one-stop. The FWA Airport ended the year with 398,487 enplanements, a new record and an increase of 9.8% over 2022's enplanements. The airport ended the year with a 1.4% decrease in flights compared to 2022. This is mostly due to the fact that air travel demand is increasing, but the aviation industry as a whole, continues to navigate the effects of the pandemic on air travel that has resulted in staff shortages.

**Awards and Acknowledgements** – Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fort Wayne-Allen County Airport Authority for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the thirty-fourth (1989 – 2022) consecutive year that the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report for the year ending December 31, 2023 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Without the strong commitment of the Authority Board to the highest standards of financial reporting, disclosure, and professionalism, this report would not have been possible. Our sincerest appreciation is expressed to all of you. The preparation of this report would not have been possible without the efficient and dedicated services of the accounting staff, Janice R. Lewis and Nikki E. Davis. We would like to express our appreciation to the accounting staff, and others who assisted and contributed to the preparation of this report.

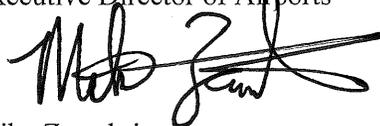
We acknowledge:

Cherry Bekaert LLP, Independent Auditor, and Nick Jordan, Allen County Auditor.

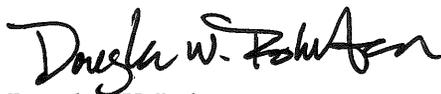
Respectfully submitted,  
FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY



Scott D. Hinderman, A.A.E.  
Executive Director of Airports



Mike Zawahri  
Director of Administration & Finance



Douglas W. Robertson  
Controller



Government Finance Officers Association

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**Fort Wayne-Allen County  
Airport Authority, Indiana**

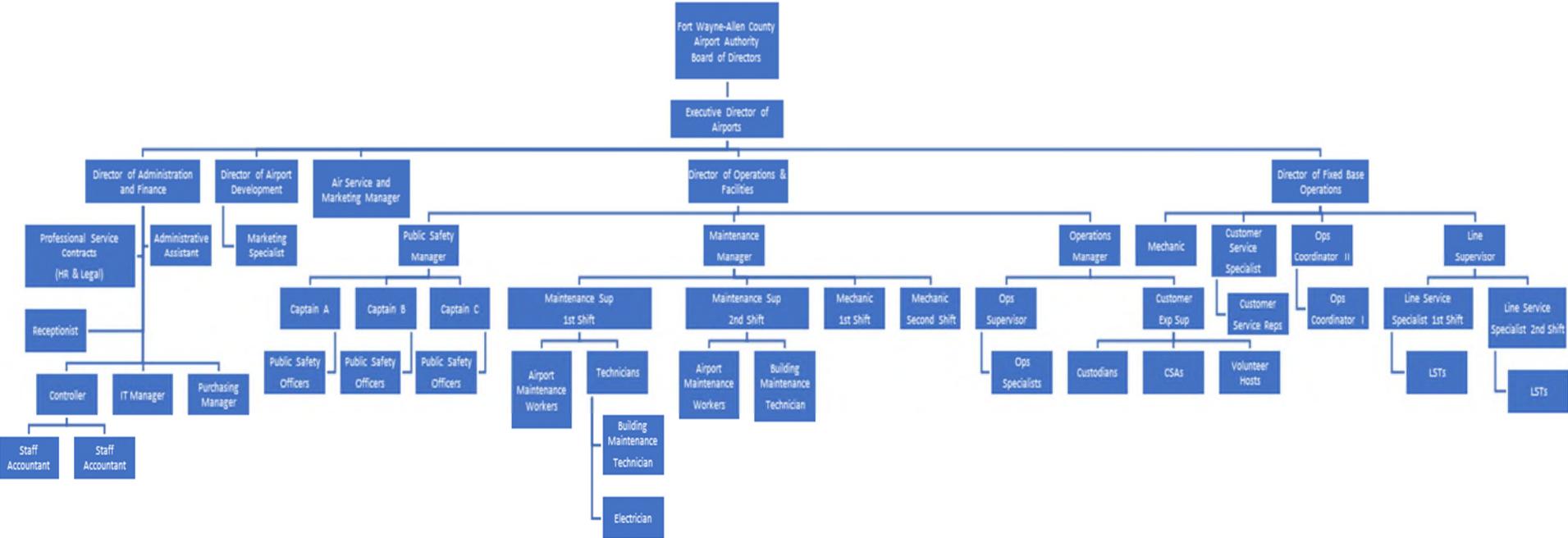
For its Annual Comprehensive  
Financial Report  
for the Fiscal Year Ended

**December 31, 2022**

*Christopher P. Morrill*

Executive Director/CEO

# Fort Wayne-Allen County Airport Authority Organization Chart



**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY**  
**Principal Officials and Management**

<b>NAME</b>	<b>TITLE</b>	<b>YEARS OF SERVICE</b>
Richard B. Sturges, Jr.	President	17
Gregg C. Sengstack	Vice President	5
Timothy J. Haffner	Secretary	30
Jerome F. Henry, Jr.	Member	17
Kimberly Grannan	Member	4
Réna Bradley	Member	3
<b>STAFF</b>		
Scott D. Hinderman, AAE	Executive Director of Airports	16
Mike Zawahri	Director of Administration and Finance	<1
Joe G. Marana, AAE	Director of Operations and Facilities	12
<b>ATTORNEYS</b>		
Rothberg Law Firm		33
<b>CERTIFIED PUBLIC ACCOUNTANTS</b>		
Cherry Bekaert LLP		3



## Report of Independent Auditor

To the Members of the Board  
Fort Wayne-Allen County Airport Authority  
Fort Wayne, Indiana

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of the Fort Wayne-Allen County Airport Authority (the "Authority"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2023, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the pension and other postemployment benefits trend information, and the notes to the Required Supplemental Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Passenger Facility Charge Revenues and Expenditures as required by the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration, and other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, schedule of passenger facility charges revenues and expenditures, and the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Cherry Bekaert LLP*

Tampa, Florida  
June 17, 2024

**FINANCIAL  
SECTION**

# **Fort Wayne-Allen County Airport Authority**

## **Management's Discussion and Analysis**

### **December 31, 2023**

The management of the Fort Wayne-Allen County Airport Authority (the Authority) provides the following narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2023. Please read it in conjunction with the letter of transmittal to the Authority Board, located on pages 3 through 6.

#### ***Financial Highlights***

The Authority's net position increased approximately \$22.1 million during 2023. Net investment in capital assets increased by 13.6% or \$19.8 million mostly due to completion of the west terminal renovation and expansion project. The restricted and unrestricted components of net position had slight increases of 5.2% and 2.2% respectively.

Current assets increased approximately 9.9% or \$9.0 million primarily due to increases in cash and investments due to increased fuel sales, receipts of federal and state grant funds, and increased interest earnings on investments.

Noncurrent assets increased by 4.6% or \$9.3 million due to the work in process for the east terminal expansion and renovation project. Also, the west terminal expansion and renovation project was completed and placed into service during 2023. This increase to capital assets was offset by the decrease in restricted cash as the 2021 bonds proceeds were being spent down related to construction of the west terminal expansion and renovation project.

Total liabilities decreased by 7.3% or approximately \$3.1 million due to a decrease in accounts payable balances at year-end related to construction invoices for the terminal projects.

#### ***Economic Factors***

Although the COVID-19 pandemic's dynamic nature led to many uncertainties, including the degree of spread, severity, and duration of the pandemic, the Fort Wayne International Airport (FWA) continued to experience a resurgence in demand for air travel during 2023. Along with this, however, has come a steady increase in flight cancellations due to labor shortages. Seat capacity overall was down 1.9% compared to 2022. Even though there were less seats in our market during 2023, FWA experienced a 9.8% increase in the number of passenger enplanements over the last year, resulting in total 2023 enplanements of 398,487. A significant increase in business and leisure travel caused this increase in traffic. FWA staff anticipates surpassing the 2023 enplanement level in 2024.

The West Terminal Expansion and Renovation Project, which was funded in part by Series 2021 Bonds, is substantially complete, and airport activity has now fully recovered at FWA. As such, the Authority is now focused on construction of the East Terminal Expansion and Renovation Project. This project doubles the size of the Authority's capital improvement plan (CIP), though the updated CIP does not assume any additional bond issuance in the next five years. This phase will include relocating gates 2-4 to the second level with new passenger boarding bridges, new food and beverage and retail concessions located on the second level, expanded security checkpoint for the TSA, and renovation of baggage claim and rental car counters. The projected construction cost of the east expansion and renovation project is approximately \$74 million. The Authority is planning on \$49.3 million to be received from federal and state grants, \$8.0 million from airlines

# Fort Wayne-Allen County Airport Authority

## Management's Discussion and Analysis

### December 31, 2023

rates and charges for terminal rent, and \$7.4 million from passenger facility charges. The remaining amount of the east terminal expansion and renovation costs will be paid from the Authority's cash reserves.

The Authority's tax base, which is coterminous with Allen County, is broad and diverse. The County has a population of 394,545 and the City of Fort Wayne is Indiana's second most populous city. The County is characterized by population growth exceeding the State and U.S. averages over the last decade, average income levels, and a broad-based economy with some concentration in manufacturing tied to production facilities for General Motors, BF Goodrich, and BAE Systems. The tax base continues to grow at a strong pace: assessed value rose at a 6.4% 10-yr CAGR through 2023, more than double the equivalent pace of Consumer Price Index (CPI) inflation. Continued growth in population and property tax base are expected, supporting both demand for air service and rising tax revenues going forward.

#### *Overview of the Financial Statements*

The Authority's financial report consists of three financial statements: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund. Revenues are recognized when earned, and expenses are recognized when incurred. Capital expenditures are capitalized as assets and are depreciated over their estimated useful lives. Land, certain intangible assets, and construction in progress are capitalized but not depreciated.

**Statement of Net Position** - This Statement presents information on the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position represents the difference among all other elements in the Statement. Net position is displayed in three components: net investment in capital assets; restricted; and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

**Statement of Revenues, Expenses, and Changes in Net Position** - This is the operating statement for the Authority. Revenues and expenses are categorized as either operating or nonoperating. On this statement, property and other taxes, and passenger and customer facility charges are reported as non-operating revenues; and capital grants are reported as capital contributions.

**Statement of Cash Flows** - This Statement is used to report the classification of cash receipts and payments according to whether they stem from operating, noncapital financing, capital and related financing, or investing activities. The Authority reports cash flows from operating activities using the direct method. Using the direct method, the Authority reports cash flows from operating activities directly by showing major classes of operating cash receipts and payments (for example, receipts from customers, payments to suppliers, payments to employees, etc.). A reconciliation of operating income to net cash flow from operating activities is also required and is located on the second page of this statement.

**Notes to Financial Statements** - The Notes provide additional information that is essential to a full understanding of the data provided in the Authority's financial statements. The notes to the financial statements can be found on pages 28 through 58 of this report.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's pension plan and retiree healthcare

# Fort Wayne-Allen County Airport Authority

## Management's Discussion and Analysis

### December 31, 2023

plan. Required supplementary information can be found on pages 59 through 63 of this report.

#### *Condensed Financial Information*

**Net Position** - The Authority's net position increased \$22.1 million or 9.4% from 2022 to 2023. The growth in net position is attributed primarily to a \$18.3 million increase in total assets compared to the \$3.1 million decrease in total liabilities. Net investment in capital assets increased \$19.8 million primarily due to substantial completion of the West Terminal Expansion/Renovation Project. As noted previously, increases, or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Current assets increased approximately \$9.0 million primarily due to increases in cash and investments from increased fuel sales, parking revenues, increased interest earnings on investments, and a \$5.1 million increase in federal and state grants receivable. Restricted cash decreased by \$7.3 million as the Authority continued to spend the bond proceeds and cumulative building funds towards the West Terminal Expansion/Renovation Project.

Total liabilities decreased by \$3.1 million mainly due to bond payments made in 2023, which reduced total long-term debt obligations.

Deferred outflows of resources increased 15.5% due to increases in deferred amounts related to pensions and OPEB, while deferred inflows of resources decreased by 6.4%. This decrease to deferred inflows is a result of amounts related to pensions and OPEB as well as lease rental revenues.

The Authority's net investment in capital assets (e.g., land, buildings and improvements, infrastructure items, intangibles, equipment and right-to-use) is the largest component (64.6%) of net position. These capital assets are used to provide services to customers. Consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources required to repay this debt must be provided annually from other sources such as operating and nonoperating revenues, since the capital assets themselves cannot be liquidated to pay these liabilities.

In addition, 4.5% of the Authority's net position represents resources that are subject to external restrictions on how they may be used. The restricted balances represent debt service cash, restricted by state law, that can only be used to pay debt service on the 2021 bonds; passenger facility charges that are restricted by Federal regulations; cumulative building cash and investments that are restricted by State law; and security deposits held for tenants and other users of Airport facilities. The remaining balance (30.9%) or \$79.2 million is the unrestricted component of net position, which may be used to meet the Authority's ongoing obligation to its citizens, customers, and creditors within FAA operating guidelines.

**Fort Wayne-Allen County Airport Authority**  
**Management's Discussion and Analysis**  
**December 31, 2023**

A summary of the Authority's 2023 net position compared to 2022 follows:

**Authority's Net Position**

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
<b>Assets</b>				
<b>Current Assets</b>	\$ 99,790,638	\$ 90,783,073	\$ 9,007,565	9.9
<b>Noncurrent Assets</b>				
Other noncurrent assets	8,319,938	15,972,392	(7,652,454)	-47.9
Capital assets, net	193,901,908	176,962,901	16,939,007	9.6
Total assets	<u>302,012,484</u>	<u>283,718,366</u>	<u>18,294,118</u>	6.4
<b>Deferred Outflows of Resources</b>				
	<u>1,331,703</u>	<u>1,152,577</u>	<u>179,126</u>	15.5
Total assets and deferred outflows of resources	<u>\$ 303,344,187</u>	<u>\$ 284,870,943</u>	<u>\$ 18,473,244</u>	6.5
<b>Liabilities</b>				
<b>Current Liabilities</b>	\$ 7,456,909	\$ 9,903,063	\$ (2,446,154)	-24.7
<b>Noncurrent Liabilities</b>				
Other noncurrent liabilities	5,170,854	4,460,023	710,831	15.9
Bonds and other long-term debt	26,332,269	27,666,473	(1,334,204)	-4.8
Total liabilities	<u>38,960,032</u>	<u>42,029,559</u>	<u>(3,069,527)</u>	-7.3
<b>Deferred Inflows of Resources</b>	<u>8,227,173</u>	<u>8,788,276</u>	<u>(561,103)</u>	-6.4
<b>Net Position</b>				
Net investment in capital assets	165,360,794	145,536,188	19,824,606	13.6
Restricted	11,561,601	10,994,196	567,405	5.2
Unrestricted	<u>79,234,587</u>	<u>77,522,724</u>	<u>1,711,863</u>	2.2
Total net position	<u>\$ 256,156,982</u>	<u>\$ 234,053,108</u>	<u>\$ 22,103,874</u>	9.4

# Fort Wayne-Allen County Airport Authority

## Management's Discussion and Analysis

### December 31, 2023

#### Changes in Net Position

Total revenues increased \$2.9 million (or 7.4%) from 2022 to 2023. Operating revenues increased by 22.1% and nonoperating revenues decreased by 14.0%. The largest increase in operating revenues were from fixed base operations (FBO) fuel sales and parking. These combined for a total increase of \$4.9 million. The FBO experienced a record year for fuel sales primarily due to Grissom Air Force Base relocating a fleet of their KC-135 aircraft to FWA as their home airport in Kokomo, Indiana underwent a runway construction project during the summer of 2023. Fort Wayne Airport (FWA) experienced a 9.8% increase in enplaned passengers during 2023 compared to 2022. In the buildings and grounds operating revenue category FWA received \$1.5 million in insurance recoveries due to a large windstorm that damaged several buildings on airport property. Total enplaned passengers during 2023 was 398,487 which was a record year of enplanements for FWA.

During 2023, FWA also experienced increases in interest income and property tax revenues. As interest rates improved greatly in 2023 compared to 2022, the Authority was able to maximize its investment earnings. The Authority's Board passed a resolution in 2022 to invest \$20 million into a new investment portfolio account to be used for the construction of the East Terminal Renovation and Expansion Project. Total interest income increased 243.1% or \$1.6 million in 2023. Property tax revenues increased due to increased assessed property values, and also an increase for the Authority's levy for debt service. These increases were offset by a decrease in federal operating grants which were being received in 2022 as a result of the COVID-19 Pandemic, which resulted in a total nonoperating revenue decrease of \$2.9 million.

Total operating expenses increased \$4.7 million (or 16.9%). Fixed base operation expenses accounted for more than half of the total increase as a result of the cost of fuel purchases related to the relocation of Grissom Air Force Base aircraft to FWA. The other major component that contributed to the overall increase in operating expenses was the increase of depreciation expense due to the West Terminal Expansion/Renovation Project being substantially completed in May 2023. Expenses for the remaining cost centers all had slight increases or decreases when comparing 2023 to 2022.

Capital contributions continue to assist the Authority in making many capital improvements at both Fort Wayne International and Smith Field Airports. The Authority received \$12.3 million in federal and state airport improvement grants during 2023. Most of the capital contributions were for the renovation/expansion of the terminal, and for the design and construction of a new consolidated in-line baggage system from the Transportation Security Administration, all at FWA. Some federal and state grants also financed reconstruction of a taxiway at Smith Field.

# Fort Wayne-Allen County Airport Authority

## Management's Discussion and Analysis

### December 31, 2023

A summary of the Authority's 2023 changes in net position compared to 2022 follows below:

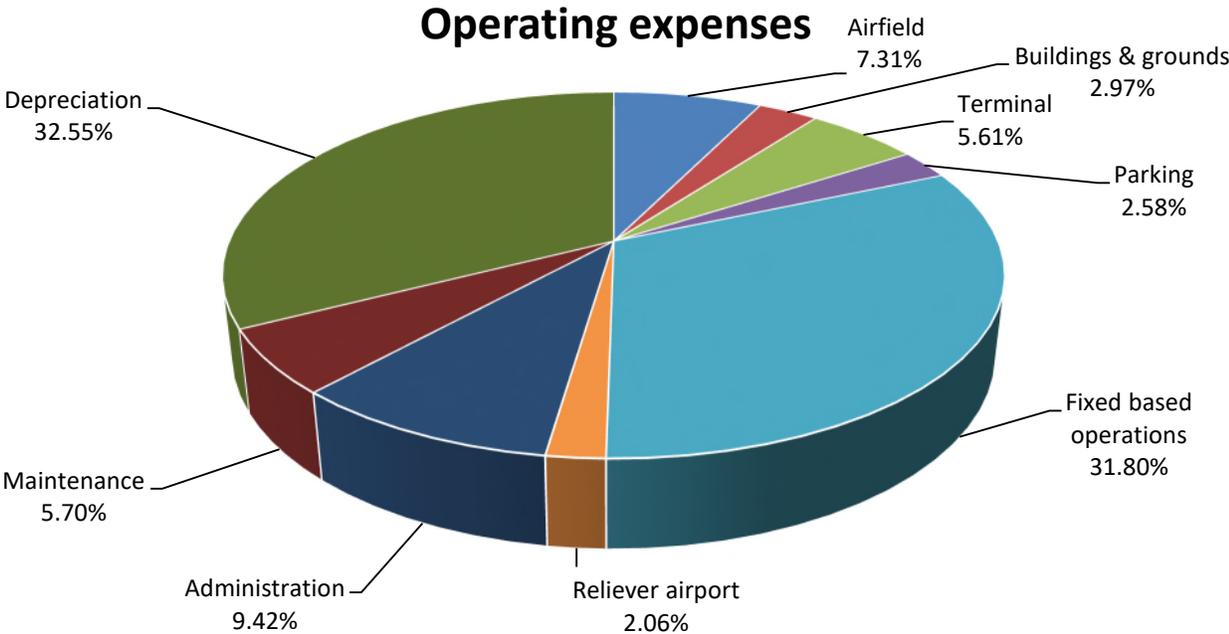
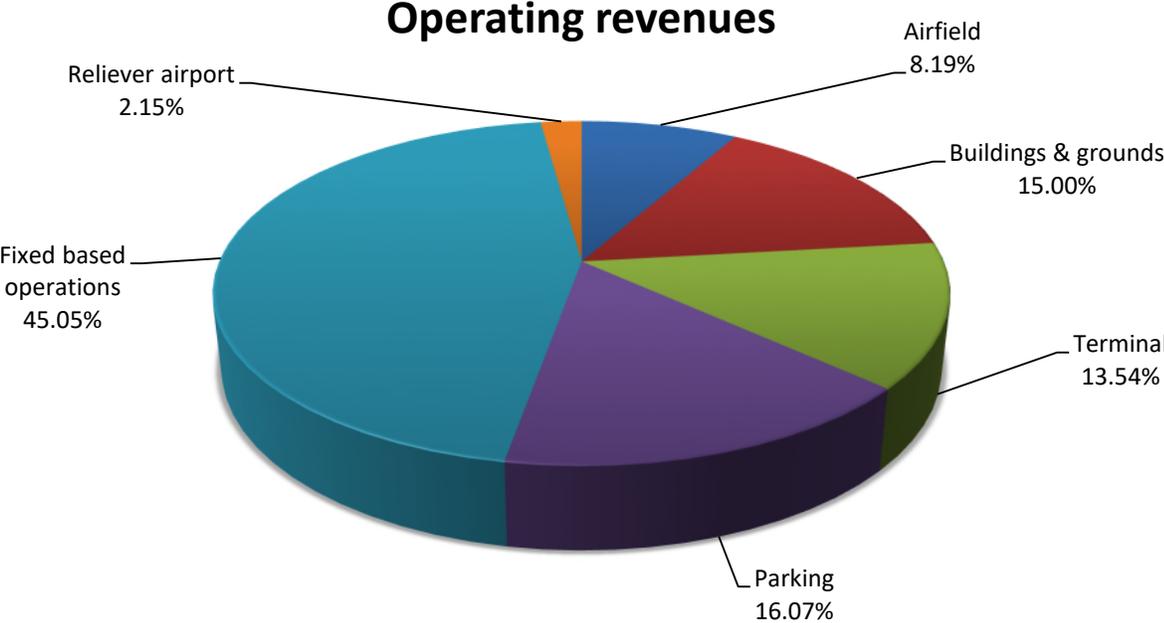
<b>Authority's Changes in Net Position</b>				
	<b>2023</b>	<b>2022</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
<b>Operating Revenues</b>				
Airfield	\$ 2,362,372	\$ 2,012,022	\$ 350,350	17.4
Buildings and grounds	4,325,757	4,736,395	(410,638)	-8.7
Terminal	3,905,753	3,470,713	435,040	12.5
Parking	4,634,012	4,183,168	450,844	10.8
Fixed base operations	12,996,886	8,570,295	4,426,591	51.7
Reliever airport	618,887	646,958	(28,071)	-4.3
Total operating revenues	<u>28,843,667</u>	<u>23,619,551</u>	<u>5,224,116</u>	22.1
<b>Nonoperating Revenues</b>				
Property and other taxes	9,073,549	7,470,100	1,603,449	21.5
Federal Operating Grant	-	5,980,902	(5,980,902)	-100.0
Passenger facility charges	1,645,548	1,519,105	126,443	8.3
Customer facility charges	504,660	438,370	66,290	15.1
Interest income	2,285,760	666,133	1,619,627	243.1
Miscellaneous	673,308	100,324	572,984	571.1
(Loss)/gain on capital asset disposal	(124,563)	164,035	(288,598)	-175.9
Total nonoperating revenues	<u>14,058,262</u>	<u>16,338,969</u>	<u>(2,280,707)</u>	-14.0
Total revenues	<u>42,901,929</u>	<u>39,958,520</u>	<u>2,943,409</u>	7.4
<b>Operating Expenses</b>				
Airfield	2,380,321	2,490,097	(109,776)	-4.4
Buildings and grounds	965,395	1,001,065	(35,670)	-3.6
Terminal	1,825,703	1,526,384	299,319	19.6
Parking	838,511	617,449	221,062	35.8
Fixed base operations	10,348,937	6,814,278	3,534,659	51.9
Reliever airport	671,331	671,606	(275)	0.0
Administration	3,067,374	3,744,943	(677,569)	-18.1
Maintenance	1,854,213	1,805,636	48,577	2.7
Depreciation and amortization	10,595,216	9,172,444	1,422,772	15.5
Total operating expenses	<u>32,547,001</u>	<u>27,843,902</u>	<u>4,703,099</u>	16.9
<b>Nonoperating Expenses</b>				
Total expenses	<u>599,448</u>	<u>873,696</u>	<u>(274,248)</u>	-31.4
Total expenses	<u>33,146,449</u>	<u>28,717,598</u>	<u>4,428,851</u>	15.4
<b>Income Before Capital Contributions</b>	9,755,480	11,240,922	(1,485,442)	-13.2
<b>Capital Contributions</b>				
Federal and state grants	<u>12,348,394</u>	<u>12,135,202</u>	<u>213,192</u>	1.8
<b>Increase in Net Position</b>	22,103,874	23,376,124	(1,272,250)	-5.4
<b>Net Position, Beginning of Year</b>	<u>234,053,108</u>	<u>210,676,984</u>	<u>23,376,124</u>	11.1
<b>Net Position, End of Year</b>	<u>\$ 256,156,982</u>	<u>\$ 234,053,108</u>	<u>\$ 22,103,874</u>	9.4

# Fort Wayne-Allen County Airport Authority

## Management's Discussion and Analysis

### December 31, 2023

The following charts show the major sources and percentages of operating revenues and expenses for the year ended December 31, 2023:



# **Fort Wayne-Allen County Airport Authority**

## **Management's Discussion and Analysis**

### **December 31, 2023**

#### ***Capital Asset Activity***

During 2023, the Authority expended approximately \$29.5 million for capital improvements. The Authority completed the following projects at FWA: \$10.9 million in construction costs for the substantial completion of the West Terminal Expansion/Renovation Project, \$8.6 million in design and construction costs for the start of the East Terminal Expansion/Renovation Project, \$.5 million in roof replacements of the Public Safety Building and 2 large hangars, \$4.0 million for the construction of a new corporate hangar located in the general aviation area of the airport campus, \$.2 million for a new airfield lighting control system, and \$2.3 million to complete the restoration of Hangar 2003 that was damaged by a wind storm in 2022. A new snowplow with brush multi-hog tractor was purchased for the terminal apron to do snow removal was purchased for \$.02 million, \$.03 million was spent for five new various airport vehicles, and several other smaller capital improvements were completed. At Smith Field, the Authority spent \$1.5 million for design and construction of Taxiway A improvements, \$.01 million for easement acquisitions for obstruction mitigation, and \$.04 million for an obstruction survey and mapping. A substantial amount of these projects were financed with federal and state grants, and passenger facility charges.

For additional information on capital asset activity, see note 5.

#### ***Long-Term Debt Activity***

In April 2021, the Authority issued \$12.4 million in general obligation bonds and \$15.4 million in tax-exempt private activity general obligation bonds for the purpose of construction of the west terminal renovation/expansion project. Both bonds received a rating of Aa2 by Moody's and AA from Kroll Bond Rating Agency. In March 2024, Kroll Bond Rating Agency affirmed the bond rating of AA. Debt service payments for both bonds began in 2021 and will be paid in full in June 2039. Both bonds are payable from an ad valorem property tax levied on taxable property in the Fort Wayne-Allen County Airport District which are coterminous with Allen County, Indiana.

The Authority has a legal debt limit of \$160.3 million which represents 2% of the adjusted value of Allen County property. The adjusted value is one-third of the assessed value as certified by the State Department of Local Government Finance. Since the Authority has general obligation debts outstanding in the amount of \$26.2 million, the legal debt margin is \$134.0 million as of December 31, 2023. Bonds issued by a building corporation do not count against the legal debt limit.

For additional information on bonds and other long-term debt, see note 11.

#### ***Currently Known Facts***

The Authority's property tax rates include a debt service levy in addition to the operating and cumulative building fund. In 2024, the operating, debt service and cumulative building tax rates are .0229, .0074, and .0030, respectively. The rates are per \$100 of assessed value and will be applied on an assessed value of \$24,041,619,270. These rates compare to the 2023 rates for operating, debt service and cumulative building of .0242, .0075 and .0030, respectively.

**Fort Wayne-Allen County Airport Authority**  
**Management's Discussion and Analysis**  
**December 31, 2023**

***Requests for Information***

This financial report is designed to provide the Authority's taxpayers, citizens, investors, creditors and customers with a general overview of the Authority's finances, and to show the Authority's accountability for the funds it receives and expends. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administration and Finance, 3801 W. Ferguson Road, Suite 209, Fort Wayne, Indiana 46809-3194.

# Fort Wayne-Allen County Airport Authority

## Statement of Net Position

For the Year Ended December 31, 2023

### Assets

#### Current Assets

Unrestricted assets	
Cash and cash equivalents (note 2)	\$ 40,452,956
Investments (note 2)	45,466,468
Accounts receivable, net of allowance	288,895
Unbilled revenue	464,192
Property tax receivables, net of allowance (note 1)	118,867
Other receivables	427,001
Inventory (note 4)	429,548
Prepaid items	351,355
Total unrestricted assets	<u>87,999,282</u>
Restricted assets	
Cash and cash equivalents (notes 2 and 3)	285,340
Passenger facility charge receivable	238,799
Federal and state grants receivable	8,932,967
Property tax receivable, net of allowance (note 1)	39,666
Lease receivable (note 6)	2,294,584
Total restricted assets	<u>11,791,356</u>
Total current assets	<u>99,790,638</u>

#### Noncurrent Assets

Restricted assets	
Cash and cash equivalents (notes 2 and 3)	2,625,165
Property tax receivables, net of allowance (note 1)	14,736
Lease receivable, net of current (note 6)	5,668,755
Other receivables	11,282
Total restricted assets	<u>8,319,938</u>
Capital assets not being depreciated	38,395,783
Capital assets, net of accumulated depreciation (note 5)	155,506,125
Total noncurrent assets	<u>202,221,846</u>
Total Assets	<u>302,012,484</u>

#### Deferred Outflows of Resources

Deferred outflow of resources related to pensions (note 9)	1,249,725
Deferred outflow of resources related to OPEB (note 10)	81,978
Total deferred outflows of resources	<u>1,331,703</u>

# Fort Wayne-Allen County Airport Authority

## Statement of Net Position (Continued)

For the Year Ended December 31, 2023

### Liabilities, Deferred Inflows of Resources and Net Position

#### Current Liabilities

Payable from unrestricted	
Accounts payable	\$ 4,715,631
Accrued liabilities	316,004
Accrued compensated absences	292,566
Advance rent	166,101
Current portion of total OPEB liability	27,208
Total unrestricted	<u>5,517,510</u>
Payable from restricted	
Accounts payable	266,857
Current portion of bonds payable (note 11)	1,250,000
Accrued interest on bonds payable	333,653
Lease liability (note 6)	20,525
SBITA liability, (note 7)	68,364
Total restricted	<u>1,939,399</u>
Total current liabilities	<u>7,456,909</u>

#### Noncurrent Liabilities

Net pension liability (note 9)	2,855,231
Total OPEB liability, net of current (note 10)	1,084,326
Accrued compensated absences	1,020,604
Bonds payable, net (note 11)	26,332,269
Lease liability, net of current (note 6)	20,638
SBITA liability, net of current (note 7)	190,055
Total noncurrent liabilities	<u>31,503,123</u>
Total liabilities	<u>38,960,032</u>

#### Deferred Inflows of Resources

Deferred inflows of resources related to pensions (note 9)	21,880
Deferred inflows of resources related to OPEB (note 10)	463,993
Deferred inflows of resources related to leases (note 6)	7,741,300
Total deferred inflows of resources	<u>8,227,173</u>

#### Net Position

Net investment in capital assets	165,360,794
Restricted for	
Capital projects	11,561,601
Unrestricted	<u>79,234,587</u>
Total net position	<u>\$ 256,156,982</u>

**Fort Wayne-Allen County Airport Authority**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended December 31, 2023**

<b>Operating Revenues</b>	
Airfield	\$ 2,362,372
Buildings and grounds	4,325,757
Terminal	3,905,753
Parking	4,634,012
Fixed based operations	12,996,886
Reliever airport	618,887
<b>Total operating revenues</b>	<u>28,843,667</u>
<b>Operating Expenses</b>	
Airfield	2,380,321
Buildings and grounds	965,395
Terminal	1,825,703
Parking	838,511
Fixed based operations	10,348,937
Reliever airport	671,331
Administration	3,067,374
Maintenance	1,854,213
Depreciation	10,595,216
<b>Total operating expenses</b>	<u>32,547,001</u>
<b>Operating Loss</b>	<u>(3,703,334)</u>
<b>Nonoperating Revenues (Expenses)</b>	
Property and other taxes	9,073,549
Passenger facility charge	1,645,548
Customer facility charge	504,660
Interest income	2,285,760
Interest expense	(599,448)
Miscellaneous	20,000
Unrealized gain on investments	653,308
Loss on disposal of capital assets	(124,563)
<b>Net nonoperating revenues (expenses)</b>	<u>13,458,814</u>
<b>Income Before Capital Contributions</b>	9,755,480
<b>Capital Contributions</b>	
Federal and state grants	<u>12,348,394</u>
<b>Net Position</b>	
Increase in net position	22,103,874
<b>Total Net Position, Beginning of Year</b>	<u>234,053,108</u>
<b>Total Net Position, End of Year</b>	<u>\$ 256,156,982</u>

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

# Fort Wayne-Allen County Airport Authority

## Statement of Cash Flows

For the Year Ended December 31, 2023

### Cash Flows From Operating Activities

Receipts from customers	\$ 34,075,833
Payments to suppliers	(18,927,103)
Payments to employees	(5,525,956)
Payments of benefits on behalf of employees	(2,124,002)
Refunds and return of customer deposits	(33,957)
Net cash provided by operating activities	<u>7,464,815</u>

### Cash Flows From Noncapital Financing Activities

Receipts of property and other taxes	6,627,175
Net cash provided by noncapital financing activities	<u>6,627,175</u>

### Cash Flows From Capital and Related Financing Activities

Receipts of property and other taxes	2,452,262
Acquisition and construction of capital assets	(30,454,950)
Sale of capital assets	82,437
Principal paid on bonds and other long-term debt	(1,195,000)
Interest paid on bonds and other long-term debt	(678,912)
Capital grant receipts	7,209,731
Passenger facility charge receipts	1,624,336
Customer facility charge receipts	504,660
Net cash used in capital and related financing activities	<u>(20,455,436)</u>

### Cash Flows From Investing Activities

Purchase of investment securities	(41,020,802)
Proceeds from sale and maturities of investment securities	39,000,000
Interest received on investments	2,106,324
Net cash provided by investing activities	<u>85,522</u>

**Net Decrease in Cash and Cash Equivalents** (6,277,924)

**Cash and Cash Equivalents, Beginning of Year** 49,641,385

**Cash and Cash Equivalents, End of Year** \$ 43,363,461

**Fort Wayne-Allen County Airport Authority**  
**Statement of Cash Flows (continued)**  
**For the Year Ended December 31, 2023**

**Provided by Operating Activities**

Operating loss	\$ (3,703,334)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation and amortization	10,595,216
Changes in assets and liabilities	
Accounts receivable and unbilled revenue	118,417
Other assets	(74,407)
Accounts payable	77,149
Accrued liabilities	306,448
Net pension liability	380,104
Deferred outflows/inflows of resources	(403,928)
Net OPEB	169,150
	169,150
Net cash provided by operating activities	\$ 7,464,815

**Noncash Capital and Related Financing Activities**

Capital and related financing activities	
Capital assets included in accounts payable	\$ (4,351,734)
Capital contributions from federal and state grants	5,158,663

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

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
**December 31, 2023**

**Note 1: Organization and Summary of Significant Accounting Policies**

***Organization***

The Fort Wayne-Allen County Airport Authority (the Authority) is a municipal corporation established July 1, 1985, under authority granted by Indiana statute (1961 Acts, Chapter 283, IC 1979 19-6-2, superseded by IC 8-22-3-1). The Authority was established for the general purpose of acquiring, maintaining, operating, and financing airports and landing fields in and bordering on Allen County, Indiana, and in connection therewith is authorized, among other things, to issue general obligation and revenue bonds and to levy taxes in accordance with the provisions of the statute. The Authority administers an airport system composed of Fort Wayne International Airport (FWA), a non-hub primary commercial service airport, and Smith Field, a general aviation airport. The Authority has no stockholders or equity holders and all revenues and other receipts must be disbursed in accordance with such statute.

***Use of Estimates in Preparation of Financial Statements***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

***Reporting Entity***

As required by U.S. GAAP, these financial statements present the Authority.

The Authority's Board consists of six members, three appointed by the Mayor of the City of Fort Wayne, and three by the Allen County Commissioners.

***Basis of Accounting and Reporting***

The financial statements consist of a single enterprise fund, which is accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Authority reports revenues and expenses as operating or nonoperating. Operating revenues and expenses result from providing services in the Authority's ongoing operations. The Authority classifies revenues from airlines, concessions, car rental companies, parking, and building and ground lessees as operating revenues. All expenses relating to operating the Authority such as personnel and administrative expenses, supplies, repairs to property and equipment, charges for professional and other contractual services, utilities, and depreciation and amortization expense on capital assets are reported as operating expenses.

# **Fort Wayne-Allen County Airport Authority**

## **Notes to the Financial Statements**

### **December 31, 2023**

All other revenues such as revenues from grants, property and other taxes, passenger facility charges, customer facility charges, and interest income are considered nonoperating revenues. Interest expense is reported as nonoperating expense.

When both restricted and unrestricted resources are available for use, the Authority's policy is to use restricted resources first, then unrestricted resources as they are needed.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority follows GASB pronouncements for proprietary funds.

#### ***GASB Statement No. 96, Subscription-Based Information Technology Arrangements***

During 2023, the Authority implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* (GASB Statement No. 96). Under this Statement, it requires the government to recognize a right-to-use subscription asset-an intangible asset – and a corresponding subscription liability. The adoption of GASB Statement No. 96 did not result in any change to the Authority's beginning net position. As of January 1, 2023, the implementation of GASB Statement No. 96 resulted in a subscription liability and a right-to-use subscription asset of approximately \$337 thousand. The SBITA agreements have been recognized and measured using the facts and circumstances that existed at the beginning of the year. Refer to Note 7 for additional disclosures on these balances, as well as for disclosures relating to SBITA agreements that are exempt from inclusion in the measurement of the above balances.

#### ***Future Adoption of Accounting Standards***

GASB has issued several other pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the Airport:

- GASB Statement No. 100, Accounting Changes and Error Corrections
- GASB Statement No. 101, Compensated Absences
- GASB Statement No. 102, Certain Risk Disclosures
- GASB Statement No. 103, Financial Reporting Model Improvements

# **Fort Wayne-Allen County Airport Authority**

## **Notes to the Financial Statements**

### **December 31, 2023**

#### ***Cash and Cash Equivalents***

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents, which are stated at cost, consist of short-term government money market funds.

#### ***Investments***

Indiana statutes authorize the Authority to invest in United States obligations and issues of federal agencies, secured repurchase agreements, certificates of deposit, money market deposit accounts, passbook savings accounts, and negotiable order of withdrawal (NOW) accounts.

The Authority invests exclusively in short-term non-negotiable certificates of deposit that are stated at cost, money market deposit accounts, or treasury securities.

#### ***Unbilled Revenue***

The Authority accrues revenue for rentals and fees earned but not yet billed as of year-end.

#### ***Inventories***

At year-end, the Authority had supplies inventory on hand. Inventories are valued at cost using the first-in-first-out method.

#### ***Capital Assets***

On July 1, 1985, under an intergovernmental joint agreement between Allen County and the City of Fort Wayne, and pursuant to Indiana Statute 8-22-3-1, the Authority was established and thereupon assumed all assets and obligations of the City's airport operations. Prior to that date, the airport operated as an agency of the City under the Board of Aviation.

Capital assets, which include property, equipment, infrastructure (e.g., taxiways, runways, roads, terminal apron), and intangible assets are defined by the Authority as assets with an initial cost of \$5,000 or more and estimated useful life of two or more years. These assets are recorded at historical cost.

Capital assets are reported at historical cost, net of accumulated depreciation and amortization. Maintenance and repairs that do not add value to the assets or materially extend assets lives are not capitalized. When capital assets are disposed of, the related cost and accumulated depreciation and amortization are removed from the respective accounts and any gain or loss on disposition is credited or charged to expense. Runways, taxiways, parking areas, sewers and other similar items are written off when fully depreciated or amortized unless clearly identified as still being in use. Except for inexhaustible capital assets such as land, land improvements, aviation easements, and construction in progress, all capital assets, including infrastructure assets, right-to-use lease assets, and right-to-use

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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subscription assets are depreciated or amortized using the straight-line method over the estimated useful lives of the assets as follows:

	<b>Years</b>
Buildings and improvements	5-30
Infrastructure items	10-50
Intangibles	3-10
Equipment	3-20
Right to use	Period dependent on lease term

***Compensated Absences***

All full-time employees receive compensation for vacations, holidays, illness, and certain other qualifying absences. The number of days compensated for the various categories of absence is generally based on length of service. Vacation that has been earned but not paid has been accrued in the financial statements. Accumulated unused sick leave benefits are only paid out upon retirement. The maximum accumulation per employee is 1,460 hours for Public Safety employees and 1,040 hours for all other employees.

The Authority accrues accumulated unused sick leave benefits for employees with at least 10 years of service regardless of age and employees age 50 or older regardless of length of service. Based upon historical information, it was determined that these employees would most likely meet the conditions necessary to receive their sick leave benefits.

***Deferred Outflows and Inflows of Resources***

In addition to assets, liabilities and net position, the Statement of Net Position contains a separate section for deferred outflows of resources and a separate section for deferred inflows of resources. A deferred outflow of resources represent a consumption of net assets that is applies to future periods. A deferred inflow of resources represent an acquisition of net assets that applies to future periods.

***Net Position***

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net position has three components: Net investment in capital assets; restricted, and unrestricted. Net investment in capital assets consist of capital assets net of accumulated depreciation and amortization and reduced by outstanding debt related to the acquisition, construction, or improvement of those assets. Deferred outflows and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The Authority’s restricted assets are expendable. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

# **Fort Wayne-Allen County Airport Authority**

## **Notes to the Financial Statements**

### **December 31, 2023**

#### ***Capital Project Funds***

Certain expenditures for airport capital improvements receive significant federal funding through the Airport Improvement Program of the Federal Aviation Administration (FAA), and the Department of the Army, National Guard Bureau, Department of Defense. Funds are also received for airport development from the State of Indiana and the Transportation Security Administration (TSA). The Authority funds the remaining balance of such expenditures. Capital funding provided under government grants is considered earned as the related approved capital improvement expenditures are disbursed.

#### ***Passenger Facility Charge (PFC) Revenue***

The Authority received approval from the FAA to impose and use a PFC of \$3 per enplaned passenger beginning July 1, 1993

Subsequently, the Authority received approval from the FAA to increase the PFC from \$3 to \$4.50 per enplaned passenger beginning December 1, 2005. All projects for PFC applications prior to 2023 have been completed. In addition, on November 22, 2023, the following projects were approved:

- (1) West Terminal Building Renovation/Expansion – Construction
- (2) East Terminal Building Renovation/Expansion – Design
- (3) East Terminal Building Renovation/Expansion Phase 2 – Construction
- (4) East Terminal Building Renovation/Expansion Phase 3 – Construction
- (5) Snow Removal Vehicle with Plow & Broom Attachment

PFC's are collected by the airlines and are recognized as earned and included in nonoperating revenues by the Authority. The approval received in 2023 allows the Authority to impose and use \$9,529,721 in PFC's for the projects listed above, bringing the grand total of all PFC approved applications to \$44,786,287. As of December 31, 2023, the Airport Authority is estimating full collection of the approved amount will occur by January 2030.

#### ***Customer Facility Charge (Rental Cars)***

In 2011, The Authority's Board approved to collect a customer facility charge (CFC) from all car rental companies that operate on the Airport. Effective July 1, 2014, the Board approved an increase in the CFC from \$1.50 per day to \$2.25 per car rental transaction per day. The Board also increased the period of collection from a rental for up to four days to a rental for up to ten days. Effective January 1, 2019, the Board approved an increase in the CFC from \$2.25 per day to \$2.50 per car rental transaction per day. CFC revenues will be used to construct a new car rental parking area and car rental parking area maintenance on the Airport. CFCs are recognized as non-operating revenue by the Authority.

**Fort Wayne-Allen County Airport Authority**  
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***Lease Receivables and Deferred Inflows***

All leases with maximum possible terms exceeding one year are recognized as both a right-to-use asset and a lease liability on the Statement of Net Position, with certain exceptions. Rental income is generally recognized over the respective lease terms.

***Property Taxes***

The following summarizes the property tax calendar for the current year:

Lien date	March 1, 2022
Levy date	January 1, 2023
Tax bills mailed	April 1 and October 1, 2023
First installment payment due	May 10, 2023
Second installment payment due	November 10, 2023
Authority collection dates	June and December 2023
Tax sale - 2022 delinquent property taxes	August 2025

Property taxes levied are collected by the Allen County Treasurer and periodically remitted to the Authority.

Property taxes are accrued when levied, and receivables (current and noncurrent) aggregated \$202,584 with an allowance of \$29,315 for delinquent taxes, at December 31, 2023.

Property taxes in the Cumulative Building Fund are classified as restricted by the Department of Local Government Finance and there are restrictions on how they can be used and must receive separate appropriation approvals.

***Risk Management***

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance to protect against all these risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage. There was no reduction in insurance coverage during 2023.

***Budgetary Compliance***

The State of Indiana requires the Authority to legally adopt a budget annually. The basis of budgetary adoption and compliance is primarily cash basis accounting. Open purchase orders are added to budgetary expenditures at year-end to measure compliance. Additionally, open purchase orders are automatically

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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added to the following year's budget without the necessity of the additional appropriation legal process. All remaining unencumbered appropriations lapse at year-end.

The legal level of budgetary control is by major expense category. Budgeted amounts may be transferred within major expense categories solely upon approval from the Authority's Board. However, any revision that alters the total appropriation of any major expense category must, in addition, be approved by the State Department of Local Government Finance. During the year, several appropriation transfers were made to ensure that expenditures did not exceed budgeted appropriations.

***Pensions***

The Authority participates in a cost-sharing multiple-employer defined benefit pension plan, the Public Employees' Retirement Fund (PERF) of the Indiana Public Retirement System. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of PERF and additions to and deductions from PERF's fiduciary net position have been determined on the same basis as they are reported by PERF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Non-Trusted Single Employer Other Postemployment Benefit Plan***

The Authority has a single-employer other postemployment benefit (OPEB) plan, Fort Wayne-Allen County Airport Authority Postretirement Benefit Plan, (the OPEB Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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**Note 2: Cash, Cash Equivalents and Investments**

Cash, cash equivalents and investments included in the statement of net position on December 31, 2023 consist of the following:

	<b>Amount</b>
Cash and cash equivalents	
Current	\$ 40,452,956
Current, restricted	285,340
Noncurrent, restricted	2,625,165
	43,363,461
 Investments	
Current	45,466,468
	45,466,468
 Total	\$ 88,829,929

Deposits and investments with financial institutions on December 31, 2023 are as follows:

Cash deposits	\$ 43,544,357
Certificates of Deposit	25,020,802
Investment portfolio	20,445,666
	\$ 89,010,825

The Authority's investment policy authorizes investments in savings accounts, intergovernmental investment pools, short-term non-negotiable certificates of deposit that are stated at cost, money market deposit accounts, and treasury securities.

Investments are reported at fair value other than those using the Net Asset Value (NAV) or amortized costs. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations, other than those measured using the NAV as a practical expedient, are made based upon a hierarchy that prioritized the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access.

# Fort Wayne-Allen County Airport Authority

## Notes to the Financial Statements

### December 31, 2023

- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 inputs must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.
- Amortized Cost – Certificates of Deposit and money market funds are recorded at amortized cost.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. While the Authority believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

At December 31, 2023, the Authority had the following investments:

	Maturities	12/31/2023	Fair Value Measurement Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level					
United States Treasury Bills	January 2024	\$ 2,556,356	\$ -	\$ 2,556,356	\$ -
Federated Hermes Government Obligation	N/A	569,760	-	569,760	-
United States Treasury Notes	February 2024 - July 2025	17,319,550	-	17,319,550	-
Total investments by fair value level		\$ 20,445,666	\$ -	\$ 20,445,666	\$ -
Investments at amortized cost					
Certificates of Deposit	146 Day Average	25,020,802			
Total Investments		\$ 45,466,468			

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority’s investment policy to minimize interest rate risk is to abide by the Indiana Code, which limits investments to securities with a stated maturity of not more than two years. This maturity limitation reduces the Authority’s exposure to declines in fair values related to increases in interest rates.

**Fort Wayne-Allen County Airport Authority**  
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Certificates of Deposit had weighted average days to maturity (WAM) of 146 days at December 31, 2023. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risks associated with investments, the Authority's policy is to follow IC 5-13-9-2.5, which limits investments to money market funds rated AAA by Standard and Poor's Corporation or Aaa by Moody's Investors Service, Inc., repurchase agreements fully collateralized by U.S. Government securities, and U.S. Treasury obligations (or other U.S. Agency obligations). As of December 31, 2022, the Authority's investments met these criteria.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's deposit policy for custodial credit risk requires compliance with provisions of Indiana Code (IC) 5-13-9. The Authority's cash deposits and investments are insured by the Federal Deposit Insurance Corporation (FDIC) at each bank for a combined total of up to \$250,000.

Deposits in excess of \$250,000 for cash deposits and investments at each bank are insured by the Indiana Public Deposits Insurance Fund (IPDIF). The IPDIF is a multiple financial institution collateral pool as provided under IC 5-13-12-1. Authority deposits totaling \$2,000,000 are insured by the FDIC. Remaining deposits are insured by the IPDIF.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. A portion of the Authority's bank deposits that are invested overnight in repurchase agreements are uninsured and held in the financial institution's name. The Authority's policy is to follow IC 5-13-9-2.5, which requires that repurchase agreements be collateralized with U.S. Government securities.

Foreign currency risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. All Authority deposits and investments are denominated in U.S. currency.

Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. The Authority's policy is to follow IC 5-13-9-5 which requires investments to be made only in depositories on the State of Indiana's approved depository list and have a maximum maturity date of 2 years.

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
**December 31, 2023**

**Note 3: Restricted Assets**

***Cash and Cash Equivalents***

Cash and cash equivalents are restricted as follows:

	<b>Amount</b>
Pursuant to the FWACAA General Obligation Bonds of 2021	\$ 120,277
Pursuant to the FWACAA Tax Exempt Private Activity General Obligation Bonds of 2021	148,271
Pursuant to the Aviation Safety and Capacity Expansion Act of 1990, Federal Aviation Regulation Part 158 Passenger Facility Charge Account	142,840
Pursuant to Cumulative Building Fund Account established in 2001	2,089,760
Donations	142,500
Security deposits	266,857
Total	\$ 2,910,505

***General Obligation Bonds of 2021***

Pursuant to the Bond Ordinance, the GO Bond proceeds were deposited into the Bond Proceeds Fund which are to be used to pay expenses associated with the Project and the issuance costs. Any proceeds remaining in the Bond Proceeds Fund after project completion not required for unpaid obligations shall be used to pay debt service on the GO Bonds or otherwise used as permitted by law.

A GO Bond Fund was also established which is used to pay the debt service on the GO Bonds. The net GO Bond premium was deposited into the GO Bond Fund at closing and was used to pay debt service on the GO Bonds in budget years 2021, 2022, and a portion of 2023.

The Authority levies a property tax for the payment of principal and interest on these bonds. The levy became effective for taxes collected during 2021.

***Tax-Exempt Private Activity General Obligation Bonds of 2021***

Pursuant to the Bond Ordinance, the Private Activity GO Bond proceeds were deposited into the Bond Proceeds Fund which are to be used to pay expenses associated with the Project and the issuance costs. Any proceeds remaining in the Bond Proceeds Fund after project completion not required for unpaid obligations shall be used to pay debt service on the Private Activity GO Bonds or otherwise used as permitted by law.

**Fort Wayne-Allen County Airport Authority**  
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A Private Activity GO Bond Fund was established which is used to pay the debt service on the Private Activity GO Bonds.

The Authority levies a property tax for the payment of principal and interest on these bonds. The levy became effective for taxes collected during 2021.

**Note 4: Inventories**

Inventory of supplies and materials at December 31 consists of the following:

	<b>Amount</b>
Supply inventories held for consumption	\$ 138,135
Fixed based operator inventories held for sale	291,413
Total inventories	\$ 429,548

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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**Note 5: Capital Assets**

Capital asset activity for the year ended December 31 consists of the following:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Capital assets, not being depreciated				
Land	\$ 23,082,109	\$ 615,992	\$ 436,369	\$ 23,261,732
Intangibles - easements	606,623	7,457	-	614,080
Work in progress	<u>59,990,399</u>	<u>29,139,750</u>	<u>74,610,178</u>	<u>14,519,971</u>
Total capital assets, not being depreciated	83,679,131	29,763,199	75,046,547	38,395,783
Capital assets, being depreciated				
Buildings and improvements	87,339,232	68,520,679	396,640	155,463,271
Infrastructure items	201,551,708	1,832,518	-	203,384,226
Intangibles - other	3,299,758	-	-	3,299,758
Equipment	13,601,741	2,359,194	198,659	15,762,276
Right to use assets-equipment	81,912	-	-	81,912
Right to use assets-software	<u>-</u>	<u>336,753</u>	<u>-</u>	<u>336,753</u>
Total capital assets, being depreciated	<u>305,874,351</u>	<u>73,049,144</u>	<u>595,299</u>	<u>378,328,196</u>
Less accumulated depreciation for				
Buildings and improvements	64,625,785	3,972,986	188,230	68,410,541
Infrastructure items	136,704,969	5,538,839	-	142,243,808
Intangibles	2,911,417	92,604	-	3,004,021
Equipment	8,327,932	889,679	175,496	9,042,115
Right to use assets-equipment	20,478	20,478	-	40,956
Right to use assets-software	<u>-</u>	<u>80,630</u>	<u>-</u>	<u>80,630</u>
Total accumulated depreciation	<u>212,590,581</u>	<u>10,595,216</u>	<u>363,726</u>	<u>222,822,071</u>
Net capital assets	<u>\$ 176,962,901</u>	<u>\$ 92,217,127</u>	<u>\$ 75,278,120</u>	<u>\$ 193,901,908</u>

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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**Note 6: Leases**

***Lessor Airport Tenant Agreements***

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for regulated leases and short-term leases. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

The discount rate used to measure the lease receivable was the Authority's incremental borrowing rate, and the lease receivable was measured at the present value of the lease payments expected to be received during the lease term. The variable components, such as usage-based payments, rental income not based on CPI or other market indices, and payments based on a percentage of the lessee's gross revenue, are not included in the lease receivable calculation.

***Leases Arrangements as Lessor***

During 2023, the Authority entered new leases that totaled \$2,911,740. For the year 2023, the Authority reported lease revenue of \$3,158,696 and interest revenue of \$90,099 related to lease payments received. These leases are summarized as follows:

	<b>Beginning Lease</b>	<b>Lease Receivables</b>		<b>Receivable</b>	<b>Annual Lease</b>	<b>Ending Lease</b>
	<b>Receivable</b>	<b>New in 2023</b>	<b>Interest</b>	<b>Reduction</b>	<b>Revenue</b>	<b>Receivable</b>
Buildings	\$ 5,061,128	\$ 2,877,351	\$ 68,212	\$ 2,374,003	\$ 2,442,215	\$ 5,564,476
Hangars	1,365,884	34,389	12,244	251,130	263,374	\$ 1,149,143
Land	1,783,283	-	18,643	533,563	552,206	\$ 1,249,720
	<u>\$ 8,210,295</u>	<u>\$ 2,911,740</u>	<u>\$ 99,099</u>	<u>\$ 3,158,696</u>	<u>\$ 3,257,795</u>	<u>\$ 7,963,339</u>

For year ended December 31, 2023, the Authority's balance in lease receivables totaled \$7,938,479 for building assets on the Statement of Net Position. The lease receivable balance was reduced, and interest income recognized for \$2,374,003 and \$68,212, respectively. In addition, the lease receivables were discounted to the net present value determined at approximately the year-end 2023 using the Lessor's incremental borrowing rate.

**Fort Wayne-Allen County Airport Authority**  
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Future minimum lease payments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 1,865,864	\$ 88,075	\$ 1,953,939
2025	1,583,449	47,598	1,631,047
2026	636,289	26,237	662,526
2027	654,377	16,637	671,014
2028	262,854	9,127	271,981
2029-2033	417,032	18,506	435,538
2034-2038	144,611	4,109	148,720
Total	<u>\$ 5,564,476</u>	<u>\$ 210,289</u>	<u>\$ 5,774,765</u>

For year ended December 31, 2023, the Authority's balance in lease receivables totaled \$1,400,273 for hangar assets on the Statement of Net Position. The lease receivable balance was reduced, and interest income recognized for \$251,130 and \$12,244, respectively. In addition, the lease receivables were discounted to the net present value determined at approximately the year-end 2023 using the Lessor's incremental borrowing rate.

Future minimum lease payments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 304,658	\$ 10,146	\$ 314,804
2025	311,391	7,570	318,961
2026	151,500	5,635	157,135
2027	105,338	4,541	109,879
2028	68,591	3,489	72,080
2029-2033	70,483	13,446	83,929
2034-2038	86,963	7,429	94,392
2039-2043	46,205	1,356	47,561
2044-2048	4,014	65	4,079
Total	<u>\$ 1,149,143</u>	<u>\$ 53,677</u>	<u>\$ 1,202,820</u>

For year ended December 31, 2023, the Authority's balance in lease receivables totaled \$1,783,283 for land assets on the Statement of Net Position. The lease receivable balance was reduced, and interest income recognized for \$533,563 and \$18,643, respectively. In addition, the lease receivables were discounted to the net present value determined at approximately the year-end 2023 using the Lessor's incremental borrowing rate.

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
**December 31, 2023**

Future minimum lease payments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 124,062	\$ 16,852	\$ 140,914
2025	126,632	15,582	142,214
2026	132,121	14,266	146,387
2027	118,435	12,911	131,346
2028	40,897	12,016	52,913
2029-2033	226,278	50,395	276,673
2034-2038	115,694	36,938	152,632
2039-2043	134,149	26,102	160,251
2044-2048	155,191	13,571	168,762
2049-2053	76,261	1,523	77,784
Total	<u>\$ 1,249,720</u>	<u>\$ 200,156</u>	<u>\$ 1,449,876</u>

***Regulated Leases***

Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings and, as such, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. For example, the U.S. Department of Transportation and Federal Aviation Administration regulate aviation leases between airports and air carriers and other aeronautical users. Regulated Leases include the following:

**Airline Use and Lease Agreement Signatory Airlines**

The rights, services, and privileges, including the lease of preferentially assigned gates, an airline has in connection with the use of the airport and its facilities is addressed in the Airline Use and Lease Agreement (AULA). By definition, an AULA is considered a regulated lease and does not recognize a receivable and corresponded deferred inflow of resources.

The Authority and certain airlines entered the current AULA effective January 1, 2022. The 2022 AULA has a five-year term with an expiration date of December 31, 2026. The Authority entered an AULA with three (3) passenger airlines and recognized terminal space rent, landing fee, apron fee, and boarding security revenue of \$727,812, \$745,937, \$88,202, and \$147,563, respectively.

Due to the variable nature of the above revenues from year to year, expected future minimum payments are indeterminable.

The three signatory airlines include Allegiant Air, LLC, Delta Air Lines, Inc., and United Airlines.

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Future minimum lease payments (terminal rent - exclusive space) are as follows:

2024	158,840
2025	158,840
2026	158,840
Total	\$ 476,520

***Short-Term Leases***

Short-term leases are certain leases that, at the commencement of the lease term, has maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. As such, the Authority does not recognize a lease receivable and a deferred inflow of resources for short-term leases.

**Common Use Hangars**

On various dates, the Authority entered into month-to-month hangar lease agreements with multiple tenants for the use of common hangar space located at the Fort Wayne International Airport. In 2023, these agreements included \$823,922 in hangar annual revenue.

**SMD T-Hangars**

On various dates, the Authority entered month-to-month T-hangar lease agreements with multiple tenants for the use of T-hangars located at Smith Field Airport. In 2023, these agreements included \$112,250 in T-hangar annual revenue.

**FWA T-Hangars**

On various dates, the Authority entered month-to-month T-hangar lease agreements with multiple tenants for the use of T-hangars located at the Fort Wayne International Airport. In 2023, these agreements included \$75,474 in T-hangar annual revenue.

***Lessee Airport Agreements***

The Authority, as a lessee, recognizes a lease liability and a right-to-use (RTU) asset at the commencement of the lease term. The lease liability is measured at the present value of the lease payments expected to be paid during the lease term. The RTU asset should be measured at the value of the lease liability in addition to any payments paid at or before the commencement of the lease term that relate to future periods.

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For year ended December 31, 2023, the Authority recorded \$41,163 balances for a lease liability and RTU asset. The lease liability balance was reduced, and interest expense recognized for \$20,412 and \$288, respectively. In addition, the lease liability was discounted to the net present value determined at approximately the year-end 2023 using the Lessor's incremental borrowing rate.

Future minimum lease payments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 20,525	\$ 175	\$ 20,700
2025	20,638	62	20,700
<b>Total</b>	<b>\$ 41,163</b>	<b>\$ 237</b>	<b>\$ 41,400</b>

**Note 7: Subscription-Based Information Technology Arrangements (SBITA)**

The Authority recognizes a subscription liability and a right-to-use (RTU) subscription asset at the commencement of the subscription term. The discount rate used to measure the subscription liability was the Authority's incremental borrowing rate, and the subscription liability is measured at the present value of the subscription payments expected to be paid during the subscription term. The RTU subscription asset should be measured at the value of the subscription liability in addition to any payments paid at or before the commencement of the subscription term that relate to future periods. These leases are summarized as follows:

<b>SBITA Description</b>	<b>Beginning SBITA Asset</b>	<b>Implied Interest</b>	<b>SBITA Liability Reduction</b>	<b>Annual SBITA Liability</b>	<b>Ending SBITA Liability</b>
Right-to-use asset - software - Terminal Systems International	\$ 59,528	\$ 970	\$ 14,500	\$ 15,470	\$ 45,028
Right-to-use asset - software - Lexipol	5,730	-	1,207	1,207	4,523
Right-to-use asset - software - LNRS Data Services	9,875	25	9,875	9,900	-
Right-to-use asset - software - Veoci	60,272	-	14,997	14,997	45,275
Right-to-use asset - software - N-Able Technologies	78,923	936	15,586	16,522	63,337
Right-to-use asset - software - PDQ	6,026	93	1,171	1,264	4,855
Right-to-use asset - software - Revver	19,659	269	3,851	4,120	15,808
Right-to-use asset - software - ARGUS International	11,473	276	2,084	2,360	9,389
Right-to-use asset - software - UC View	8,433	187	1,613	1,800	6,820
Right-to-use asset - software - UKG	76,834	1,724	13,450	15,174	63,384
	<b>\$ 336,753</b>	<b>\$ 4,480</b>	<b>\$ 78,334</b>	<b>\$ 82,814</b>	<b>\$ 258,419</b>

At January 1, 2023, the Authority recorded \$258,419 of a subscription liability and RTU subscription asset. The subscription liability balance was reduced, and interest expense recognized for \$78,334 and \$4,480, respectively. In addition, the subscription liability was discounted to the net present value determined at approximately the year-end 2023 using the Authority's incremental borrowing rate.

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Future minimum lease payments are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 68,364	\$ 5,342	\$ 73,706
2025	71,330	3,488	74,818
2026	73,941	1,580	75,521
2027	44,784	495	45,279
Total	\$ 258,419	\$ 10,905	\$ 269,324

***Short-Term Software Subscriptions***

Short-term software subscriptions are certain agreements that, at the commencement of the agreement term, has a maximum possible term under the agreement of 12 months (or less), including any options to extend, regardless of their probability of being exercised. As such, the Authority does not recognize a SBITA liability nor a RTU subscription asset for short-term software subscription agreements.

On various dates, the Authority entered into short-term software subscription arrangements with multiple vendors for the use of software. In 2023, these agreements included \$71,567 in software subscription expense.

***Subscription Based Information Technology Arrangements Not Recognized***

The Authority elected to apply the capitalization threshold of \$5,000 in determining if each software agreement was applicable to requirements of GASB Statement 96. As such, the Authority does not recognize a SBITA liability nor a RTU subscription asset for software subscription agreements valued at less than \$5,000.

On various dates, the Authority entered into software subscription arrangements with a total value of less than \$5,000 for the use of software. In 2023, these agreements included \$2,289 in software subscription expense.

**Fort Wayne-Allen County Airport Authority**  
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**Note 8: Property Taxes**

The applicable property tax rates and related levies in 2023 are as follows:

	Rate per \$100	Property Tax Levies
Operating	\$ 0.0242	\$ 5,288,776
Debt service	0.0075	1,639,083
Cumulative building	0.0030	655,633
Total	\$ 0.0347	\$ 7,583,492

**Note 9: Pension Plan**

***Plan Description***

Employees of the Authority are provided with pensions through the PERF, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS). Indiana Statutes (IC 5-10.2 and 5-10.3) govern most requirements of the defined benefit plan and give the Authority the authority to contribute to the plan. The contribution requirements of the Authority are established and may be amended by the INPRS Board. The INPRS issues a publicly available annual comprehensive financial report that can be obtained by writing to the Indiana Public Retirement System, One North Capital, Suite 001, Indianapolis, Indiana 46204, or it can be obtained at <http://www.in.gov/inprs/annualreports.htm>.

***Benefits Provided***

PERF provides retirement, disability, and death benefits. Retirement benefits are determined as 1.1 percent of the employee's highest 5-year average compensation times the employee's years of service. Employees with 10 years of service are eligible to retire at age 65. Employees with 15 years of service are eligible to retire at age 60. Employees are eligible for disability benefits with a minimum of five years of length of service. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. An employee's death entitles the beneficiary to receive the monthly life benefit under the assumption that the member retired on the later of age 50 or the day before the date of death and elected the joint and full survivor option (Eligibility for pre-retirement death benefits requires 15 or more years of vesting service if death occurs in service. If death occurs after separating from service, age 50 with 15 or more years of vesting service).

**Fort Wayne-Allen County Airport Authority**  
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**Contributions**

Per Indiana Code 5-10.2, contribution requirements of PERF employers are established and may be amended by the INPRS. Employees are not required to contribute to the plan. The Authority's contractually required contribution rate for the year ended December 31, 2023, was 11.2 percent of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$560,699 for the year ended December 31, 2023.

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

At December 31, 2023, the Authority reported a liability of \$2,855,231 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on wages reported by the Authority relative to the collective wages for all employees. At June 30, 2023, the Authority's proportion was .08090 percent, which was an increase of .00242 from its proportion of .07848 percent measured as of June 30, 2022.

For the year ended December 31, 2023, the Authority recognized pension expense of \$589,433. At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resoures</b>
Differences between expected and actual experience	\$ 58,417	\$ -
Net difference between projected and actual investment earnings earnings on pension plan investments	654,427	-
Change of assumptions	155,701	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	104,199	21,880
Authority contributions subsequent to the measurement date	276,981	-
Total	\$ 1,249,725	\$ 21,880

**Fort Wayne-Allen County Airport Authority**  
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The \$276,981 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2024	\$	330,441
2025		90,052
2026		441,233
2027		89,138
2028		-
Thereafter		-

**Actuarial Assumptions**

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	2.65 – 8.65% based on service
Investment rate of return	
Funding	6.25%, compounded annually (net of administrative and investment expenses)

Cost of living increases:	No COLA was granted for the 2023-2025 biennium. Thereafter, the following COLAs, compounded annually, were assumed:
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Beginning on January 1, 2026	0.4%
Beginning on January 1, 2034	0.5%
Beginning on January 1, 2039	0.6%

The actuarial assumptions and methods used in the June 30, 2023 valuation of the Public Employees' Defined Benefit Account were adopted by the INPRS Board in April 2022. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019 and were first used in the June 30, 2020 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in June 2022. In 2019, the PERF Defined Benefit was modified pursuant to HEA 1059. Previously, statute generally required PERF members to have 15 years of service to qualify for a survivor benefit prior to retirement. Statute now allows a qualifying spouse/dependent to receive a benefit if the deceased member had a minimum of 10 years of creditable service.

# Fort Wayne-Allen County Airport Authority

## Notes to the Financial Statements

### December 31, 2023

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. To determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real market rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range, along with reasonable alpha assumptions from manager selection, ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs but may change with a fundamental shift in the underlying market factors or significant asset allocation change.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation (1)	Long Term Expected Real Rate of Return
Public equity	20.0%	3.7%
Private markets	15.0%	6.4%
Fixed income – ex inflation-linked	20.0%	2.2%
Fixed income – inflation-linked	15.0%	0.5%
Commodities	10.0%	1.1%
Real estate	10.0%	3.4%
Absolute return	5.0%	1.6%
Risk parity	20.0%	5.9%
Cash and cash overlay	N/A	-

(1) The defined benefit plans target allocation for total exposure is 115%. For the long-term expected rate of return calculation, an additional -15% is allocated to the cash and cash overlay global asset class.

### **Discount Rate**

The Total Pension Liability (TPL) for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the nonemployer contributing entity) would be made as stipulated by Indiana statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's Fiduciary Net Position were projected to be available to make all projected future benefit payments of current plan members, therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the TPL for each plan.

**Fort Wayne-Allen County Airport Authority**  
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***Sensitivity of Net Pension Liability to Changes in the Discount Rate***

The following presents the Authority’s proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.25 percent), or one percentage point higher (7.25 percent) than the current rate:

	<b>1% Decrease (5.25%)</b>	<b>Current Discount Rate (6.25%)</b>	<b>1% Increase (7.25%)</b>
Authority’s proportionate share of the net pension liability	\$4,653,120	\$2,855,231	\$1,356,146

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan’s fiduciary net position is available in the separately issued INPRS financial report.

***Payable to the Pension Plan***

At December 31, 2023, all required contributions had been paid to the pension plan.

***Defined Contribution Plan***

The Authority’s defined contribution plan is the other component of the Authority’s pension plan that is also administered by INPRS. INPRS accumulates employee contributions and allocates investment income into a separate system wide fund for all members. Upon retirement, employees may elect a lump sum distribution of all or part of the savings account. Employees who leave employment before qualifying for benefits under the defined benefit component receive a refund of this savings account.

Plan provisions, including contribution requirements, are established by the Indiana State Legislature, and may be amended only by this body. Effective January 1, 2018, funds previously known as an Annuity Savings Account (ASA), were recategorized as a Defined Contribution (DC) fund based on Internal Revenue Service Private Letter Rulings PLR-193-2016 and PLR-110249-18. Employees are required to contribute 3 percent of their annual salary to a defined contribution account. Since 1987, the Authority has been funding the employee contribution requirement. During 2023, the Authority contributed \$143,053 on behalf of the employees. This amount represents pension expense for the Authority during the year. Plan provisions do not require employer contributions. The Authority did not have any outstanding liabilities at year-end for this pension plan.

**Fort Wayne-Allen County Airport Authority**  
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**Note 10: Other Postemployment Benefits (OPEB)**

***Non-Trusted Plan - Single-Employer Defined Benefit Other Postemployment Benefit Plan***

***Plan Description***

The Authority contributes to the OPEB Plan, a single-employer defined benefit other postemployment benefit (OPEB) plan covering eligible retirees and their spouses. The OPEB Plan is administered by the Fort Wayne-Allen County Airport Authority Board. No assets are accumulated in a trust that meets the criteria of U.S. GAAP, as defined by Note 1.

***Benefits Provided***

The OPEB Plan provides medical and dental benefits to eligible retirees and their spouses. Eligible employees must be at least 60 years of age with 10 years of continuous full-time employment. Coverage ends at Medicare eligibility date. The Retiree Health Plan does not issue a publicly available financial report. Benefits are provided through a third-party insurer, and seventy percent of the medical benefits and the full cost of dental benefits are covered by the OPEB Plan. Life insurance benefits are not provided to retirees.

***Actuarial Assumptions***

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per annum
Discount rate	4.31% per annum
Health care cost trend rates	Medical costs were trended at 9.0% in the first year, graded down to 5.0% for years beginning January 1, 2034 and later. Dental costs were trended at 4.0% for all years.

Mortality rates were based on the Pub-2010 Total Data Set Mortality projected forward with generational mortality improvement using Scale MP-2021.

The employees covered by the benefit terms at December 31, 2023 are:

	<u>2023</u>
Inactive employees or beneficiaries currently receiving benefit payments	1
Covered spouses of living retirees	0
Active employees	<u>69</u>
	<u><u>70</u></u>

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**Contributions**

The Authority's governing body has the authority to establish and amend the contribution requirements of the Authority and active employees. The governing body establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

For the year ended December 31, 2023, the Authority contributed \$4,307 to the OPEB Plan. Employees are not required to contribute to the OPEB Plan.

**Total OPEB Liability**

The Authority's total OPEB liability of \$1,111,534 was measured as of December 31, 2023 for the year ended December 31, 2023 and was determined by actuarial valuations as of those dates.

Changes in the total OPEB liability are:

	<b>2023</b>
<b>Total OPEB Liability</b>	
Service cost	\$ 140,820
Interest	46,299
Differences between expected and actual experience	(13,662)
Changes of assumptions	-
Benefit payments	(4,307)
	<hr/>
<b>Total Change in Net OPEB Liability</b>	169,150
	<hr/>
<b>Total OPEB Liability - Beginning</b>	942,384
	<hr/>
<b>Total OPEB Liability - Ending</b>	\$ 1,111,534
	<hr/>
<b>Covered Payroll</b>	\$4,775,657
	<hr/>
<b>Total OPEB Liability as a Percentage of Covered Payroll</b>	23.27%

**Fort Wayne-Allen County Airport Authority**  
**Notes to the Financial Statements**  
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***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates***

The total OPEB liability of the Authority has been calculated using a discount rate of 4.31 percent per annum. The following presents the total OPEB liability using a discount rate 1 percent higher and 1 percent lower than the current discount rate:

	<b>1% Decrease 3.31%</b>	<b>Current Discount Rate 4.31%</b>	<b>1% Increase 5.31%</b>
Authority's total OPEB liability	\$ 1,182,278	\$ 1,111,534	\$ 1,044,778

The total OPEB liability of the Authority has been calculated using health care cost trend rates of 9 percent decreasing to 5 percent over 10 years. The following presents the total OPEB liability using health care cost trend rates 1 percent higher and 1 percent lower than the current health care cost trend rates:

	<b>1% Decrease (8% Decreasing to 4%)</b>	<b>Current (9% Decreasing to 5%)</b>	<b>1% Increase (10% Decreasing to 6%)</b>
Total OPEB liability	\$ 1,004,391	\$ 1,111,534	\$ 1,238,325

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

For the year ended December 31, 2023, the Authority recognized OPEB expense of \$133,554. At December 31, 202, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Liability experience gains	\$ -	\$ 415,769
Changes in assumptions	81,978	48,224
Total	\$ 81,978	\$ 463,993

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:

2024	\$	(53,564)
2025		(53,564)
2026		(53,564)
2027		(50,729)
2028		(45,224)
Thereafter		(125,370)

**Note 11: Bonds and Other Long-Term Liabilities**

Bonds consist of:

Fort Wayne-Allen County Airport Authority		
General Obligation Bonds of 2021		
Principal payable semi annually on January 15, 2024 to July 15, 2039 in payments ranging from \$560,000 in 2024 to \$875,000 in 2039.		
Interest at 1.82% due semi-annually on January 15 and July 15		
	\$	11,700,000
Premium on bonds		
	\$	834,177
Less: current portion		
		(560,000)
	\$	11,974,177
Fort Wayne-Allen County Airport Authority		
Tax-Exempt Private Activity General Obligation Bonds of 2021		
Principal payable semi annually on January 15, 2024 to July 15, 2039 in payments ranging from \$690,000 in 2024 to \$1,105,000 in 2039.		
Interest at 1.93% due semi-annually on January 15 and July 15		
	\$	14,535,000
Premium on bonds		
	\$	513,092
Less: current portion		
		(690,000)
	\$	14,358,092
Total	\$	26,332,269

# **Fort Wayne-Allen County Airport Authority**

## **Notes to the Financial Statements**

### **December 31, 2023**

The Authority has a legal debt limit of \$160,277,462 which represents 2 percent of the adjusted value of Allen County property. Adjusted value is calculated by multiplying one-third times assessed value as certified by the State Department of Local Government Finance. Since the Authority has \$26,235,000 of general obligation debt outstanding, the legal debt margin of the Authority is \$134,042,462 as of December 31, 2023.

#### ***General Obligation Bonds of 2021***

The Fort Wayne-Allen County Airport Authority issued General Obligation Bonds that closed on April 29, 2021, that sold through a competitive sale. The purpose of the bonds is to pay for improvements to public facilities at FWA, including: the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, or other facilities for use as or in connection with administrative purposes of the Airport, funding capitalized interest, and paying issuance expenses. The underwriter offered a net interest rate of 1.82%. The par amount of the bonds was \$12,365,000 which sold at a premium for total bond proceeds of \$13,030,919. Debt service payments began on July 15, 2021 with the final payment due on July 15, 2039.

#### ***Tax-Exempt Private Activity General Obligation Bonds of 2021***

The Fort Wayne-Allen County Airport Authority issued Tax-Exempt Private Activity General Obligation Bonds that closed on April 30, 2021, that sold through a competitive sale. The purpose of the bonds is to pay for improvements to public facilities at FWA, including: the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, or other facilities for use as or in connection with administrative purposes of the Airport, funding capitalized interest, and paying issuance expenses. The underwriter offered a net interest rate of 1.93%. The par amount of the bonds was \$15,385,000 which sold at a premium for total bond proceeds of \$15,731,147. Debt service payments began on July 15, 2021 with the final payment due on July 15, 2039.

**Fort Wayne-Allen County Airport Authority**  
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**Debt Service Requirements**

Annual debt service requirements to maturity for long-term debt are as follows:

Years ending December 31:

	General		Tax-Exempt Private Activity		Total	
	Obligation Bonds		General Obligation Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest
2024	560,000	317,330	690,000	339,375	\$ 1,250,000	\$ 656,705
2025	580,000	294,730	715,000	318,450	\$ 1,295,000	\$ 613,180
2026	605,000	271,230	745,000	296,775	\$ 1,350,000	\$ 568,005
2027	630,000	246,830	775,000	274,200	\$ 1,405,000	\$ 521,030
2028	655,000	221,330	805,000	250,725	\$ 1,460,000	\$ 472,055
2029-2033	3,665,000	733,505	4,530,000	929,900	\$ 8,195,000	\$ 1,663,405
2034-2038	4,130,000	317,900	5,170,000	434,700	\$ 9,300,000	\$ 752,600
2039	875,000	13,150	1,105,000	18,675	\$ 1,980,000	\$ 31,825
	<u>\$ 11,700,000</u>	<u>\$ 2,416,005</u>	<u>\$ 14,535,000</u>	<u>\$ 2,862,800</u>	<u>\$ 26,235,000</u>	<u>\$ 5,278,805</u>

**Changes in Bonds and Long-Term Liabilities**

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
<b>Long-term liabilities</b>					
Compensated absences	\$ 1,260,321	\$ 311,821	\$ (258,972)	\$ 1,313,170	\$ 292,566
Pension	2,475,127	1,740,497	(1,360,393)	2,855,231	-
OPEB	942,384	169,150	-	1,111,534	27,208
Lease Liability	61,575	-	(20,619)	40,956	20,525
SBITA Liability	-	336,753	(80,630)	256,123	68,364
<b>Bonds</b>					
2021 General obligation bonds	12,235,000	-	(535,000)	11,700,000	560,000
Premium on 2021 General obligation bonds	886,313	-	(52,136)	834,177	-
2021 Tax-exempt private activity					
general obligation bonds	15,195,000	-	(660,000)	14,535,000	690,000
Premium on 2021 Tax-exempt private activity					
general obligation bonds	545,160	-	(32,068)	513,092	-
Total bonds and long-term liabilities	<u>\$ 33,600,880</u>	<u>\$ 2,558,221</u>	<u>\$ (2,999,818)</u>	<u>\$ 33,159,283</u>	<u>\$ 1,658,663</u>

**Fort Wayne-Allen County Airport Authority**  
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**Note 12: Commitments and Contingencies**

***Capital Improvements***

At December 31, 2023, the Authority was obligated for completion of Airport taxiway and apron improvements, construction of the Project Gateway Terminal renovation/expansion project, various building roofing projects, purchase of passenger boarding bridges, a parking lot expansion project, and various smaller projects under commitments aggregating \$74,478,725. An estimated \$42,072,720 was eligible for reimbursement from the Federal Aviation Administration and the Indiana Department of Transportation related to Airport Improvement Program grants and \$5,000,000 was eligible from the State of Indiana State Budget Agency for a grant to support the construction of the East Terminal Expansion and Renovation Project.

***Litigation***

The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business. However, the Authority believes the ultimate outcome of these matters in the aggregate should not have a materially adverse effect on its financial position or results of operations.

**Note 13: Tax Abatements**

The Authority has not entered into any tax abatement agreements. However, other local governmental units entered into tax abatement agreements that reduced the Authority's revenues during 2023. The table below summarizes taxes that have been abated.

	<b>Real Property Tax</b>	<b>Personal Property Tax</b>	<b>Total Abated</b>
Allen County	\$ 73,757	\$ 123,638	\$ 197,395
Fort Wayne	76,322	35,074	111,396
Grabill	217	684	901
Huntertown	298	182	480
Monroeville	29	11	40
New Haven	9,872	11,930	21,802
Woodburn	3,724	814	4,538
	<hr/>	<hr/>	<hr/>
Total - all units	<u>\$ 164,219</u>	<u>\$ 172,333</u>	<u>\$ 336,552</u>

No amounts have been received and no amounts are receivable from other governments in association with the forgone tax revenue.

**REQUIRED SUPPLEMENTARY  
INFORMATION (UNAUDITED)**

**Schedule of the Authority's Proportionate Share of the  
Net Pension Liability  
Public Employees Retirement Fund  
Last 10 Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Authority's proportion of the net pension liability	0.08090%	0.07848%	0.07474%	0.07750%	0.07927%
Authority's proportionate share of the net pension liability	\$2,855,231	\$2,475,127	\$983,465	\$2,340,806	\$2,619,924
Authority's covered employee payroll	\$4,986,024	\$4,500,945	\$4,082,184	\$4,179,697	\$3,938,613
Authority's proportionate share of the net pension liability as a percentage of covered employee payroll (C)	57.3%	55.0%	24.1%	56.0%	66.5%
Plan fiduciary net position as a percentage of the total pension liability	80.8%	82.5%	92.5%	81.4%	80.1%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Authority's proportion of the net pension liability	0.07825%	0.08031%	0.07588%	0.07416%	0.07144%
Authority's proportionate share of the net pension liability	\$2,658,188	\$3,583,066	\$3,443,772	\$3,020,464	\$1,877,397
Authority's covered employee payroll	\$3,995,452	\$3,924,309	\$3,548,116	\$3,513,599	\$3,452,368
Authority's proportionate share of the net pension liability as a percentage of covered employee payroll (C)	66.5%	91.3%	97.1%	86.0%	54.4%
Plan fiduciary net position as a percentage of the total pension liability	78.9%	72.7%	71.2%	73.3%	81.1%

\* The amounts presented for each fiscal year were determined as of June 30 (measurement date).

**Schedule of Contributions  
Public Employees Retirement Fund  
Last 10 Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$560,699	\$505,623	\$458,695	\$468,016	\$457,449
Contributions in relation to the contractually required contribution	\$560,699	\$505,623	\$458,695	\$468,016	\$457,449
Contribution deficiency (excess)	-	-	-	-	-
Authority's covered employee payroll (C)	\$4,768,425	\$4,883,155	\$4,188,869	\$4,127,130	\$4,130,242
Contributions as a percentage of covered employee payroll	11.76%	10.35%	10.95%	11.34%	11.08%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$443,346	\$457,325	\$430,755	\$372,707	\$373,698
Contributions in relation to the contractually required contribution	\$443,346	\$457,325	\$430,755	\$372,707	\$373,698
Contribution deficiency (excess)	-	-	-	-	-
Authority's covered employee payroll (C)	\$3,992,660	\$3,984,364	\$3,926,803	\$3,385,663	\$3,580,305
Contributions as a percentage of covered employee payroll	11.10%	11.48%	10.98%	10.76%	10.44%

\* The amounts presented for each fiscal year were determined as of June 30 (measurement date).

## **Notes to Schedules**

### **Note A - Valuation Date:** 06/30/23

**Note B** - Changes of assumptions: There were no changes of assumptions in 2023 or 2022. In 2021, the interest rate/investment return assumption changed from 6.75 percent to 6.25 percent. The inflation assumption changed from 2.25 percent to 2.00 percent. The future salary scale assumption changed from 2.75 percent – 8.75 percent to 2.65 percent – 8.65 percent. There were no changes to the actuarial methods during the fiscal year. HEA 1001-2021 granted a 1 percent COLA effective January 1, 2022.

As a result of the 2014-2019 Experience Study, there were changes to many assumptions in 2020. The future salary increase assumption changed from an age-based table ranging from 2.50 percent to 4.25 percent to a service-based table ranging from 2.75 percent to 8.75 percent. The mortality assumption changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations. The retirement assumption was updated based on recent experience and was updated from an age- and service-based table to an age based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30 percent are now assumed to commence benefits immediately and 70 percent are assumed to commence benefits at unreduced retirement eligibility. Previously 33 percent of actives were assumed to commence benefits with early retirement while 67 percent were assumed to wait for unreduced retirement eligibility. The termination assumption was updated based on recent experience. For state members the tables were combined from being split by salary and sex to being one unisex service-based table. For members in political subdivisions earning more than \$20,000, the sex-distinct tables were combined to one unisex service-based table. For members in political subdivisions earning less than \$20,000, the sex-distinct age-based table was maintained and the rates were updated based on experience. The disability assumption was updated based on recent experience. The marital assumption was updated based on recent experience. 80 percent of male members and 65 percent of female members are assumed to be married or to have a dependent beneficiary. Previously, 75 percent of male members and 60 percent of female members were assumed to be married or to have a dependent beneficiary. The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

There were no changes in actuarial assumptions during 2019. In 2018, the COLA assumption was changed due to passage of Senate Enrolled Act No.373. In lieu of a 1.0% COLA beginning on January 1, 2020, INPRS now assumes that the COLA will be replaced by a thirteenth check for 2020 and 2021. The COLA assumption, thereafter, would be 0.4% beginning on January 1, 2022, changing to 0.5% beginning on January 1, 2034, and ultimately 0.6% beginning on January 1, 2039. In 2017, a second mortality table was added creating both the healthy and disabled mortality tables. Amounts reported in 2015 reflect an adjustment of retirement, termination, and disability rates to reflect recent experience. Demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation. The assumption for inflation decreased from 3 percent to 2.25 percent. The future salary increase rate decreased from a range of 3.25 percent to 4.5 percent to a range of 2.5 percent to 4.25 percent.

**Note C** – Covered employee payroll is the payroll on which contributions to a pension plan are based.

## Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios

### Last 6 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>					
Service cost	\$ 140,820	\$ 140,820	\$ 120,195	\$ 120,195	\$ 112,110
Interest	46,299	25,076	22,291	38,414	33,688
Differences between expected and actual experience	(13,662)	(357,713)	(6,379)	(199,326)	-
Changes of assumptions	-	(38,262)	-	141,166	-
Benefit payments, including refunds of employee contributions	(4,307)	(5,277)	(12,399)	(16,367)	(24,070)
<b>Net Change in Total OPEB Liability</b>	<b>169,150</b>	<b>(235,356)</b>	<b>123,708</b>	<b>84,082</b>	<b>121,728</b>
<b>Total OPEB Liability - Beginning</b>	<b>942,384</b>	<b>1,177,740</b>	<b>1,054,032</b>	<b>969,939</b>	<b>848,211</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 1,111,534</b>	<b>\$ 942,384</b>	<b>\$ 1,177,740</b>	<b>\$ 1,054,021</b>	<b>\$ 969,939</b>
<b>Covered Employee Payroll</b>	<b>\$4,775,657</b>	<b>\$4,659,178</b>	<b>\$4,027,109</b>	<b>\$3,928,887</b>	<b>\$3,701,698</b>
<b>Total OPEB Liability as a Percentage of Covered Employee Payroll</b>	<b>23.27%</b>	<b>20.23%</b>	<b>29.25%</b>	<b>26.83%</b>	<b>26.20%</b>

	<u>2018</u>
<b>Total OPEB Liability</b>	
Service cost	\$ 104,882
Interest	28,872
Differences between expected and actual experience	(34,312)
Changes of assumptions	(46,252)
Benefit payments, including refunds of employee contributions	(24,563)
<b>Net Change in Total OPEB Liability</b>	<b>28,627</b>
<b>Total OPEB Liability - Beginning</b>	<b>819,584</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 848,211</b>
<b>Covered Employee Payroll</b>	<b>\$3,611,413</b>
<b>Total OPEB Liability as a Percentage of Covered Employee Payroll</b>	<b>23.49%</b>

**Schedule of the Authority's OPEB Contributions**  
**Last 6 Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 179,987	\$ 210,980	\$ 203,959	\$ 173,267	\$ 168,755
Actual employer contributions	4,307	5,277	12,399	16,367	24,070
Contribution deficiency	175,680	205,703	191,560	156,900	144,685
Covered payroll	\$4,775,657	4,659,178	4,027,109	3,928,887	3,701,698
Contributions as a percentage of covered employee payroll	0.09%	0.11%	0.31%	0.42%	0.65%
	 <u>2018</u> 				
Actuarially determined contribution	\$ 150,298				
Actual employer contributions	24,563				
Contribution deficiency	125,735				
Covered payroll	3,611,413				
Contributions as a percentage of covered employee payroll	0.68%				

**Notes to Schedules**

The discount rate increased from 1.93 percent at the beginning of the measurement period to 4.31 percent the end of the measurement period. The difference between expected and actual experience is the largest contributor to the increase in liability at December 31, 2023. The impact of beginning to amortize this difference increased the 2023 OPEB expense.

No assets are accumulated in a trust that meets the criteria of GAAP.

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the requirements of GAAP, the Authority will present information for those years for which information is available.

**OTHER SUPPLEMENTARY  
INFORMATION**

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Debt Service Requirements to Maturity**  
**December 31, 2023**

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024.....	1,250,000	656,705	1,906,705
2025.....	1,295,000	613,180	1,908,180
2026.....	1,350,000	568,005	1,918,005
2027.....	1,405,000	521,030	1,926,030
2028.....	1,460,000	472,055	1,932,055
2029.....	1,520,000	421,280	1,941,280
2030.....	1,585,000	370,455	1,955,455
2031.....	1,645,000	325,930	1,970,930
2032.....	1,700,000	288,205	1,988,205
2033.....	1,745,000	257,535	2,002,535
2034.....	1,785,000	224,825	2,009,825
2035.....	1,820,000	188,925	2,008,925
2036.....	1,860,000	152,003	2,012,003
2037.....	1,895,000	113,303	2,008,303
2038.....	1,940,000	73,544	2,013,544
2039.....	1,980,000	31,825	2,011,825
Totals.....	<u>\$ 26,235,000</u>	<u>\$ 5,278,805</u>	<u>\$ 31,513,805</u>

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Capital Assets and Accumulated Depreciation**  
**For the Year Ended December 31, 2023**

Category	<u>Capital Assets (1)</u>			Balance at December 31, 2023
	Balance at January 1, 2023	Additions	Deletions (2)	
Land	\$ 23,082,108	\$ 615,992	\$ 436,369	\$ 23,261,731
Avigation easements	606,623	7,457	-	614,080
Runways and taxiways	160,136,920	1,655,118	-	161,792,038
Buildings	87,339,232	68,520,679	396,640	155,463,271
Roads and parking	41,414,788	177,400	-	41,592,188
Snow equipment	4,908,936	173,151	-	5,082,087
Vehicles	3,569,190	291,186	136,831	3,723,545
Other equipment	5,123,616	1,894,858	61,828	6,956,646
Right to use assets-equipment	81,912	-	-	81,912
Right to use assets-software	-	336,753	-	336,753
Software and data base	537,765	-	-	537,765
Master plans	2,761,993	-	-	2,761,993
Work in progress	59,990,399	29,139,752	74,610,181	14,519,970
<b>Total capital assets</b>	<b>\$ 389,553,482</b>	<b>\$ 102,812,346</b>	<b>\$ 75,641,849</b>	<b>\$ 416,723,979</b>

Category	<u>Accumulated Depreciation</u>			Balance at December 31, 2023
	Balance at January 1, 2023	Additions	Deletions (2)	
Runways and taxiways	\$ 112,864,546	\$ 3,914,123	\$ -	\$ 116,778,669
Buildings	64,625,785	3,973,323	188,566	68,410,542
Roads and parking	23,840,424	1,624,715	-	25,465,139
Snow equipment	3,504,523	226,810	-	3,731,333
Vehicles	1,681,493	200,771	113,330	1,768,934
Other equipment	3,141,916	461,762	61,830	3,541,848
Right to use assets-equipment	20,478	20,478	-	40,956
Right to use assets-software	-	80,630	-	80,630
Software and data base	436,861	21,275	-	458,136
Master plans	2,474,555	71,329	-	2,545,884
<b>Total depreciation</b>	<b>\$ 212,590,581</b>	<b>\$ 10,595,216</b>	<b>\$ 363,726</b>	<b>\$ 222,822,071</b>

(1) Capital assets are carried at historical cost except for assets assumed by the Authority at July 1, 198 that are carried at historical cost, net of accumulated depreciation. Assets are depreciated or amortize using the straight-line method over their useful lives

(2) Deletions consist of disposals and assets that were no longer in service or work in progress that were placed into service

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Revenues – Budget and Actual**  
**For the Year Ended December 31, 2023**

Major Revenue Categories	2023 Actual			2023 Budget As Adjusted	Variance Over (Under)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)		
Airfield	\$ 2,362,372	\$ (14,148)	\$ 2,348,224	\$ 2,087,047	\$ 261,177
Building rent and services	5,291,588	642,463	5,934,051	5,480,296	453,755
Land rent	1,011,652	-	1,011,652	787,639	224,013
Parking	4,634,012	(24,559)	4,609,453	4,429,413	180,040
Auto rental	1,439,755	(2,982)	1,436,773	917,438	519,335
Fixed based operations sales	11,950,493	(504)	11,949,989	5,285,191	6,664,798
Restaurant	303,079	(1,500)	301,579	260,000	41,579
Other income	2,524,024	(343,759)	2,180,265	23,552	2,156,713
Operating grant	-	-	-	-	-
Interest income	2,285,760	(175,004)	2,110,756	115,400	1,995,356
Property and other taxes	9,073,549	(11,626)	9,061,923	8,347,389	714,534
Total revenues	<u>40,876,284</u>	<u>68,381</u>	<u>40,944,665</u>	<u>27,733,365</u>	<u>13,211,300</u>
Capital contributions					
Federal grants	8,784,583	5,303,989	14,088,572	27,249,541	(13,160,969)
State grants	3,563,811	(259,405)	3,304,406	1,513,863	1,790,543
Passenger facility charges	1,645,548	(3,697)	1,641,851	1,615,520	26,331
Customer facility charges	504,660	25	504,685	415,235	89,450
Total capital contributions	<u>14,498,602</u>	<u>5,040,912</u>	<u>19,539,514</u>	<u>30,794,159</u>	<u>(11,254,645)</u>
<b>Total</b>	<u>\$ 55,374,886</u>	<u>\$ 5,109,293</u>	<u>\$ 60,484,179</u>	<u>\$ 58,527,524</u>	<u>\$ 1,956,655</u>

(1) Indiana state statutes require budgetary compliance accounting on a cash basis.

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Expenses – Budget and Actual**  
**For the Year Ended December 31, 2023**

Major Expense Categories	2023 Actual				2023 Actual	2023 Budget	Variance Over (Under)(2)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)	Open Purchase Orders			
Personal services							
Salaries and wages	\$ 5,413,856	\$ (72,126)	\$ 5,341,730	\$ -	\$ 5,341,730	\$ 5,745,575	\$ (403,845)
Employee benefits	2,486,527	(154,553)	2,331,974	15,716	2,347,690	2,622,645	(274,955)
Total personal services	<u>7,900,383</u>	<u>(226,679)</u>	<u>7,673,704</u>	<u>15,716</u>	<u>7,689,420</u>	<u>8,368,220</u>	<u>(678,800)</u>
Supplies	<u>9,256,048</u>	<u>(62,802)</u>	<u>9,193,246</u>	<u>411,118</u>	<u>9,604,364</u>	<u>9,650,865</u>	<u>(46,501)</u>
Contractual services							
Professional services	777,067	89,430	866,497	260,087	1,126,584	1,508,017	(381,433)
Utilities	1,133,145	(70,451)	1,062,694	8,344	1,071,038	1,233,424	(162,386)
Contracted repairs	209,025	(4,182)	204,843	212,363	417,206	458,236	(41,030)
Debt service payments	591,851	1,296,504	1,888,355	-	1,888,355	1,888,356	(1)
Other contracted services	2,808,277	(2,939)	2,805,338	517,105	3,322,443	3,700,071	(377,628)
Total contractual services	<u>5,519,365</u>	<u>1,308,362</u>	<u>6,827,727</u>	<u>997,899</u>	<u>7,825,626</u>	<u>8,788,104</u>	<u>(962,478)</u>
Capital expenditures	<u>-</u>	<u>30,093,869</u>	<u>30,093,869</u>	<u>78,354,209</u>	<u>108,448,078</u>	<u>120,448,990</u>	<u>(12,000,912)</u>
Depreciation and amortization	<u>10,595,216</u>	<u>(2,362,570)</u>	<u>8,232,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 33,271,012</u>	<u>\$ 28,750,180</u>	<u>\$ 62,021,192</u>	<u>\$ 79,778,942</u>	<u>\$ 133,567,488</u>	<u>\$ 147,256,179</u>	<u>\$ (13,688,691)</u>

(1) State of Indiana budgetary compliance requires cash expenditures plus purchase commitments not to exceed annual appropriation

(2) Balance equals funds not committed by the Authority

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2023**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number (ALN)	Federal Grantor/ Pass-Through Grantor Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation - Federal Aviation Administration (FAA)				
Airport Improvement Program (AIP)	20.106	3-18-0024-025-2022	\$ -	\$ 892,898
Airport Improvement Program (AIP)	20.106	3-18-0022-077-2021	-	977,454
Airport Improvement Program (AIP)	20.106	3-18-0022-078-2021	-	84,905
Airport Improvement Program (AIP)	20.106	3-18-0022-081-2022	-	710,998
Airport Improvement Program (AIP)	20.106	3-18-0022-082-2022	-	3,118,607
Airport Improvement Program (AIP)	20.106	3-18-0022-083-2023	-	1,129,550
Total U.S. Department of Transportation - Federal Aviation Administration (FAA)			-	6,914,412
U.S. Department of Homeland Security				
Electronic Baggage Screening Program	97.100	70T04021T7672N023	-	1,870,171
Total U.S. Department of Homeland Security			-	1,870,171
Grand Total			\$ -	\$ 8,784,583

**Notes to Schedule:**

1. The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the Fort Wayne-Allen County Airport Authority (Authority) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Authority has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. The Fort Wayne-Allen County Airport Authority had no federal loans that they were administering as of December 31, 2023.

**Fort Wayne-Allen County Airport Authority**  
**Schedule of Passenger Facility Charge Revenues and Expenditures**  
**Year Ended December 31, 2023**

Resources	Date Approved	Amount Approved For Use	Cumulative	Quarter Ended				Year Ended	Cumulative
			Total - December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	December 31, 2023	Total - December 31, 2023
Passenger facility charge revenues received			\$ 32,737,311	\$ 512,325	\$ 274,720	\$ 409,508	\$ 427,783	\$ 1,624,336	\$ 34,361,647
Interest earned			592,053	8,241	4,514	2,560	2,556	17,871	609,924
Total passenger facility charge revenue received			<u>\$ 33,329,364</u>	<u>\$ 520,566</u>	<u>\$ 279,234</u>	<u>\$ 412,068</u>	<u>\$ 430,339</u>	<u>\$ 1,642,207</u>	<u>\$ 34,971,571</u>
<b>Expenditures</b>									
Application 92-01	April 5, 1993	\$ 18,980,590	\$ 18,980,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,980,590
Application 05-03	October 21, 2005	1,579,009	1,579,009	-	-	-	-	-	1,579,009
Application 15-04	January 6, 2015	2,679,425	2,679,425	-	-	-	-	-	2,679,425
Application 16-05	October 27, 2016	8,411,957	8,411,957	-	-	-	-	-	8,411,957
Application 21-06	August 26, 2021	3,605,585	-	-	2,278,349	-	899,000	3,177,349	3,177,349
Application 24-07	November 22, 2023	9,529,721	-	-	-	-	-	-	-
Total passenger facility charge revenue received		<u>\$ 44,786,287</u>	<u>\$ 31,650,981</u>	<u>\$ -</u>	<u>\$ 2,278,349</u>	<u>\$ -</u>	<u>\$ 899,000</u>	<u>\$ 3,177,349</u>	<u>\$ 34,828,330</u>

**Notes to Schedule:**

1. Revenues and expenditures on approved projects in the schedule above agree to the Passenger Facility Charge Quarterly Status Reports (PFC Reports) submitted by the Authority to the FAA.
2. Effective November 22, 2023, \$44,786,287 has been approved to be imposed and collected on behalf of the Authority and used by the Authority.
3. Applications 92-01, 05-03, 15-04, and 16-05 have been closed out with the Federal Aviation Administration.

**STATISTICAL  
SECTION**

**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY  
STATISTICAL SECTION  
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This part of the Authority’s Annual Comprehensive Financial Report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority’s overall financial health.

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These schedules contain trend information to help the reader understand how the Authority’s financial position has changed over time.	
<b>Revenue Capacity</b>	<b>73</b>
These schedules contain information to help the reader assess the Authority’s ability to generate its most significant revenues.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

**Fort Wayne-Allen County Airport Authority**  
**Annual Revenues, Expenses, and Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis)**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Revenues</b>				
Airfield	\$ 2,362,372	\$ 2,012,022	\$ 2,173,388	\$ 1,678,258
Buildings and grounds	4,325,756	4,736,395	2,307,920	2,192,382
Terminal	3,905,753	3,470,713	3,435,003	2,995,417
Parking	4,634,012	4,183,168	3,509,431	2,196,803
Fixed based operations	12,996,887	8,570,295	4,727,076	3,007,684
Reliever airport	618,887	646,958	503,873	460,659
	<u>28,843,667</u>	<u>23,619,551</u>	<u>16,656,691</u>	<u>12,531,203</u>
Interest	2,285,760	666,133	183,891	513,407
Property and other taxes	9,073,549	7,470,100	8,508,224	8,258,506
Federal operating grant	-	5,980,902	9,712,645	7,530,234
Unrealized gain/(loss) on investments	653,308	(207,642)	-	-
Miscellaneous	20,000	100,324	55,000	-
Gain (loss) on disposal of capital assets	(124,563)	164,035	65,404	3,044,805
Total revenues	<u>40,751,721</u>	<u>37,793,403</u>	<u>35,181,855</u>	<u>31,878,155</u>
<b>Expenses</b>				
Salaries	5,413,857	5,387,607	4,630,147	4,286,881
Benefits	2,486,527	2,149,031	1,490,742	1,857,388
Utilities	1,133,145	853,267	874,063	908,628
Supplies and other services	12,918,256	10,281,553	6,747,936	4,942,152
Loss on sale of investments	-	-	-	-
Depreciation	10,595,216	9,172,444	9,252,505	8,692,087
Total operating expenses	<u>32,547,001</u>	<u>27,843,902</u>	<u>22,995,393</u>	<u>20,687,136</u>
Interest	599,448	666,054	467,403	64,186
Total expenses	<u>33,146,449</u>	<u>28,509,956</u>	<u>23,462,796</u>	<u>20,751,322</u>
<b>Capital Contributions</b>				
Federal and state grants	12,348,394	12,135,202	6,396,509	13,280,005
Passenger facility charges	1,645,548	1,519,105	1,475,540	911,538
Customer facility charges	504,660	438,370	368,063	292,263
Total capital contributions	<u>14,498,602</u>	<u>14,092,677</u>	<u>8,240,112</u>	<u>14,483,806</u>
<b>Increase (Decrease) in Net Position</b>	<u>\$ 22,103,874</u>	<u>\$ 23,376,124</u>	<u>\$ 19,959,171</u>	<u>\$ 25,610,639</u>
<b>Net Position at Year-End is Composed of</b>				
Net investment in capital assets	\$ 165,360,794	\$ 145,536,188	\$ 114,678,223	\$ 129,010,169
Restricted	11,561,601	10,994,196	38,759,558	15,513,986
Unrestricted	79,234,587	77,522,724	57,239,203	46,193,658
Total net position	<u>\$ 256,156,982</u>	<u>\$ 234,053,108</u>	<u>\$ 210,676,984</u>	<u>\$ 190,717,813</u>

Source: Authority's audited financial statements.

**Fort Wayne-Allen County Airport Authority**  
**Annual Revenues, Expenses, and Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis)**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	1,985,670	\$ 1,977,473	\$ 1,858,754	\$ 1,844,989	\$ 1,565,022	\$ 1,626,929
	2,426,888	1,937,263	1,969,020	1,886,026	2,203,676	2,155,564
	3,628,881	3,589,067	3,576,821	3,422,333	2,979,260	2,803,836
	4,532,227	4,177,885	4,025,083	3,913,995	3,583,154	3,154,213
	5,017,249	5,634,972	4,171,448	4,363,804	-	-
	572,636	515,896	463,148	413,174	478,867	480,920
	<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>	<u>15,844,321</u>	<u>10,809,979</u>	<u>10,221,462</u>
	832,637	552,330	190,877	116,878	119,701	85,289
	7,548,109	7,664,720	7,396,810	7,380,016	7,017,489	6,945,662
	-	-	-	114,823	150,599	182,159
	-	-	18,783	-	-	67,614
	-	-	-	-	-	-
	792	223,410	8,168	70,687	113,796	9,966
	<u>26,545,089</u>	<u>26,273,016</u>	<u>23,678,912</u>	<u>23,526,725</u>	<u>18,211,564</u>	<u>17,512,152</u>
	4,511,254	4,196,874	4,097,992	4,263,756	3,511,281	3,629,321
	2,169,967	1,944,793	2,329,487	2,312,121	1,823,592	1,829,454
	867,192	872,222	814,105	779,796	775,818	705,862
	7,136,207	7,131,576	5,909,286	6,390,717	3,925,226	3,929,062
	-	-	-	-	10,803	-
	8,560,184	8,224,543	8,286,226	7,259,509	7,033,108	7,284,527
	<u>23,244,804</u>	<u>22,370,008</u>	<u>21,437,096</u>	<u>21,005,899</u>	<u>17,079,828</u>	<u>17,378,226</u>
	106,800	189,006	279,596	360,136	320,897	495,406
	<u>23,351,604</u>	<u>22,559,014</u>	<u>21,716,692</u>	<u>21,366,035</u>	<u>17,400,725</u>	<u>17,873,632</u>
	5,108,967	3,547,994	562,819	20,392,838	670,811	2,379,894
	1,710,955	1,603,462	1,490,578	1,505,445	1,471,790	1,333,205
	587,324	526,835	522,988	530,879	493,499	347,998
	<u>7,407,246</u>	<u>5,678,291</u>	<u>2,576,385</u>	<u>22,429,162</u>	<u>2,636,100</u>	<u>4,061,097</u>
\$	<u>10,600,731</u>	<u>9,392,293</u>	<u>4,538,605</u>	<u>24,589,852</u>	<u>3,446,939</u>	<u>3,699,617</u>
\$	114,559,839	\$ 116,756,916	\$ 112,079,293	\$ 115,312,332	\$ 95,192,723	\$ 91,128,061
	11,875,109	15,539,783	15,423,659	15,388,948	10,556,823	10,349,663
	<u>38,672,226</u>	<u>22,209,744</u>	<u>17,611,198</u>	<u>9,874,265</u>	<u>10,236,147</u>	<u>13,199,646</u>
\$	<u>165,107,174</u>	<u>154,506,443</u>	<u>145,114,150</u>	<u>140,575,545</u>	<u>115,985,693</u>	<u>114,677,370</u>

**Fort Wayne-Allen County Airport Authority**  
**Principal Revenue Sources, Cost per Enplaned Passenger,**  
**and Airline Rates and Charges**  
**Last Ten Fiscal Years**

	2023	2022	2021	2020
<b>Operating Revenues</b>				
Airfield	\$ 256,122	\$ 151,560	\$ 123,352	\$ 91,807
Passenger airline service charge revenues				
Landing fees	1,413,019	1,124,174	1,321,754	975,876
Apron fees	167,514	102,545	175,839	106,781
Terminal rent	1,502,352	1,699,103	1,670,912	1,589,378
Boarding security	243,835	217,824	201,400	201,902
Air Trade Center cargo airline service charge revenues:				
Building rent	1,667,700	1,502,972	1,219,611	1,133,041
Ground rent	13,776	20,392	19,605	21,137
Landing fees-other cargo	525,717	633,744	552,443	503,794
FBO sales	11,517,120	6,931,635	3,575,123	2,071,979
FBO services	1,479,432	1,638,660	1,152,015	935,665
Building and grounds	2,227,463	2,795,613	650,270	602,593
Terminal	416,734	233,513	287,242	356,164
Car rental	1,439,754	1,257,820	1,058,393	732,460
Restaurant	303,079	62,453	217,055	115,514
Parking	4,634,012	4,183,168	3,509,431	2,196,803
Farming	416,817	417,417	418,435	435,610
Reliever airport	619,221	646,958	503,811	460,699
Total operating revenues	<u>28,843,667</u>	<u>23,619,551</u>	<u>16,656,691</u>	<u>12,531,203</u>
<b>Non-Operating Revenues</b>				
Interest income	2,285,760	666,133	183,891	513,407
Net increase (decrease) in fair value of investments	653,308	(207,642)	-	-
Property and other taxes	9,073,549	7,470,100	8,508,224	8,258,506
FAA operating grant	-	5,980,902	9,712,645	7,530,234
Passenger facility charge	1,645,548	1,519,105	1,475,540	911,538
Customer facility charge	504,660	438,370	368,063	292,263
Miscellaneous	20,000	100,324	55,000	-
Gain (Loss) on disposal of capital assets	(124,563)	164,035	65,404	3,044,805
Total non-operating revenues	<u>14,058,262</u>	<u>16,131,327</u>	<u>20,368,767</u>	<u>20,550,753</u>
 Total revenues	 <u>\$ 42,901,929</u>	 <u>\$ 39,750,878</u>	 <u>\$ 37,025,458</u>	 <u>\$ 33,081,956</u>
 Enplaned passengers	 <u>398,487</u>	 <u>363,039</u>	 <u>341,329</u>	 <u>218,343</u>
 Passenger airline cost per enplaned passenger	 <u>\$ 8.35</u>	 <u>\$ 8.66</u>	 <u>\$ 9.87</u>	 <u>\$ 13.16</u>
<b>Signatory Airlines Rates and Charges (1)</b>				
Landing fee (per 1,000 lbs. of max. gross landed weight)	\$ 2.96	\$ 2.63	\$ 2.80	\$ 2.54
Apron fee (per 1,000 lbs of max. gross landed weight)	0.35	0.24	0.37	0.28
Annual terminal rental rate (per square foot)	30.40	33.08	31.91	31.44
<b>Revenue Funding Ratios</b>				
Parking revenue/commissions per enplaned passenger	\$ 11.63	\$ 11.52	\$ 10.28	\$ 10.06
Car rental commissions per enplaned passenger	3.61	3.46	3.10	3.35
Restaurant commissions per enplaned passenger	0.76	0.17	0.64	0.53

Notes: (1) Rates and charges are calculated based upon the Airport Use and Lease Agreement.

Source: Authority's audited financial statements, and rates and charges reports.

**Fort Wayne-Allen County Airport Authority**  
**Principal Revenue Sources, Cost per Enplaned Passenger,**  
**and Airline Rates and Charges**  
**Last Ten Fiscal Years**

2019	2018	2017	2016	2015	2014
\$ 103,741	\$ 132,774	\$ 107,546	\$ 138,319	\$ 115,251	\$ 104,058
1,254,041	1,210,589	1,161,158	1,096,860	893,817	866,621
149,232	135,485	106,122	110,912	71,327	90,953
1,612,074	1,587,950	1,612,908	1,605,536	1,226,766	1,143,955
197,038	200,747	211,419	214,716	192,457	195,000
1,406,505	1,123,302	1,055,209	933,412	1,003,856	973,549
17,237	9,337	50,000	78,064	36,274	90,016
478,657	498,625	483,928	498,898	484,628	551,585
3,618,408	4,248,590	3,003,516	3,033,142	-	-
1,398,840	1,387,560	1,167,932	949,171	-	-
568,005	512,612	481,008	939,171	827,076	789,893
309,505	318,591	320,786	291,618	266,744	268,724
1,263,731	1,262,483	1,222,049	1,114,220	1,113,880	1,019,521
246,532	219,295	209,659	196,244	179,413	159,678
4,532,227	4,177,885	4,025,083	3,913,995	3,583,154	3,154,213
435,142	292,013	382,803	316,869	336,470	332,776
572,636	514,718	463,148	413,174	478,866	480,920
<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>	<u>15,844,321</u>	<u>10,809,979</u>	<u>10,221,462</u>
832,637	552,330	190,877	116,878	119,701	85,289
-	-	18,783	-	-	67,614
7,548,109	7,664,720	7,396,810	7,380,016	7,017,489	6,945,662
-	-	-	114,823	150,599	182,159
1,710,955	1,603,462	1,490,578	1,505,445	1,471,790	1,333,205
587,324	526,835	522,988	530,879	493,499	347,998
-	-	-	-	-	-
792	223,410	8,168	70,687	113,796	9,966
<u>10,679,817</u>	<u>10,570,757</u>	<u>9,628,204</u>	<u>9,718,728</u>	<u>9,366,874</u>	<u>8,971,893</u>
<u>\$ 28,843,368</u>	<u>\$ 28,403,313</u>	<u>\$ 25,692,478</u>	<u>\$ 25,563,049</u>	<u>\$ 20,176,853</u>	<u>\$ 19,193,355</u>
<u>397,938</u>	<u>381,139</u>	<u>368,282</u>	<u>365,884</u>	<u>359,051</u>	<u>324,151</u>
<u>\$ 8.07</u>	<u>\$ 8.22</u>	<u>\$ 8.39</u>	<u>\$ 8.28</u>	<u>\$ 6.64</u>	<u>\$ 7.08</u>
\$ 2.54	\$ 2.56	\$ 2.50	\$ 2.49	\$ 2.42	\$ 2.56
0.29	0.30	0.23	0.25	0.19	0.27
32.52	32.53	32.54	32.20	27.56	25.65
\$ 11.39	\$ 10.96	\$ 10.93	\$ 10.70	\$ 9.98	\$ 9.73
3.18	3.31	3.32	3.05	3.10	3.15
0.62	0.58	0.57	0.54	0.50	0.49

**Fort Wayne-Allen County Airport Authority**  
**Allen County**  
**Principal Taxpayers**  
**Current and Nine Years Ago**

Principal Taxpayers - Name	2023			2014		
	Taxable Assessed Valuation (1)(3)	Rank	Percent of Total Taxable Assessed Valuation	Taxable Assessed Valuation (2)(3)	Rank	Percent of Total Taxable Assessed Valuation
Indiana Michigan Power Company	\$ 310,036,500	1	1.42 %	\$ 118,336,710	4	0.92 %
Parkview Health/Hospital/Ortho/Occupational	208,663,448	2	0.95	79,941,925	6	0.62
General Motors Corporation	191,546,649	3	0.88	213,667,950	1	1.65
IOM Health Systems LP	185,692,730	4	0.85	151,046,700	3	1.17
St Joseph Health System/Medical Group LLC	136,629,970	5	0.63	63,809,770	9	0.49
GGP-Glenbrook-LLC	104,855,950	6	0.48	177,825,830	2	1.38
Uniroyal Goodrich Tire/Michelin North America	101,512,840	7	0.46	61,482,790	10	0.48
Canterbury Green Apartments LLC	80,485,600	8	0.37			
Frontier North Inc/Communications Corp	63,190,120	9	0.29	90,401,010	5	0.70
Edward Rose of Indiana LLC	59,687,120	10	0.27			
Frontier Communications Online & LD				72,550,590	7	0.56
Wal-Mart Real Estate Business Trust & Stores				70,497,030	8	0.55
Total of Ten Largest Taxpayers	<u>\$ 1,442,300,927</u>		<u>6.60 %</u>	<u>\$ 1,099,560,305</u>		<u>8.51 %</u>

(1) Represents assessed valuations for taxes due and payable in 2023

(2) Represents assessed valuations for taxes due and payable in 2014

(3) Includes all real estate and personal property

Source: Allen County Auditor's Office.

**Fort Wayne-Allen County Airport Authority**  
**Tax Levies**  
**Last Ten Fiscal Years (1)**  
**(Cash Basis)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating excise tax	\$ 352,392	\$ 361,566	\$ 369,222	\$ 353,231	\$ 342,627	\$ 315,094	\$ 300,941	\$ 281,969	\$ 266,366	\$ 258,348
Aircraft excise tax	28,790	25,661	20,204	20,172	20,604	25,053	15,411	433	20,364	23,628
Operating intangibles tax	27,864	36,577	27,270	21,973	21,609	15,287	15,945	17,487	15,871	14,830
Operating property tax	4,943,700	4,638,132	4,243,319	4,240,991	4,054,823	3,825,297	3,649,111	3,478,025	3,341,285	3,261,085
Operating commercial vehicle tax	22,989	24,980	20,358	19,803	22,236	16,872	17,147	17,452	19,168	16,912
Cumulative building property tax	613,083	527,082	468,581	454,722	440,929	413,481	396,275	378,703	367,485	367,038
Cumulative building excise tax	43,685	41,243	41,025	38,118	37,009	33,950	32,534	30,691	29,191	29,097
Cumulative building commercial vehicle tax	2,850	4,172	3,030	2,371	2,334	1,647	1,854	1,903	2,101	1,905
Cumulative building intangibles tax	3,454	2,849	2,262	2,137	2,402	1,818	1,724	1,900	1,739	1,670
Local income tax	1,266,339	966,785	1,100,991	1,105,984	1,091,158	1,000,081	945,857	1,140,156	846,941	880,681
Debt service property tax	1,649,321	784,960	1,855,366	1,922,022	1,387,513	1,862,425	1,871,565	1,884,295	1,953,774	1,946,187
Debt service excise tax	109,212	56,366	146,321	143,579	106,250	134,737	135,220	132,353	134,095	133,142
Debt service commercial vehicle tax	7,125	3,894	8,068	8,049	6,895	7,215	7,704	8,192	9,650	8,715
Debt service intangibles tax	8,635	5,702	10,807	8,931	6,701	6,537	7,165	8,208	7,990	7,643
<b>Total Authority tax receipts</b>	<b>\$ 9,079,439</b>	<b>\$ 7,479,969</b>	<b>\$ 8,316,824</b>	<b>\$ 8,342,083</b>	<b>\$ 7,543,090</b>	<b>\$ 7,659,493</b>	<b>\$ 7,398,453</b>	<b>\$ 7,381,767</b>	<b>\$ 7,016,020</b>	<b>\$ 6,950,881</b>
Rate per \$100 of assessed valuation	0.0347	0.0334	0.0407	0.0421	0.0407	0.0456	0.0461	0.0464	0.0471	0.0477

(1) All tax receipts are shown on a cash basis.

**Fort Wayne-Allen County Airport Authority**  
**Allen County Property Tax**  
**Levies and Collections**  
**Last Ten Fiscal Years (1)**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Total tax levy	\$ 512,525,992	\$ 473,370,212	\$ 448,917,175	\$ 426,994,211	\$ 409,518,328	\$ 395,862,514	\$ 382,994,915	\$ 364,069,619	\$ 356,574,609	\$ 352,103,000
Current tax collections (2)	499,234,303	458,241,259	435,927,336	411,213,282	398,613,800	384,873,588	372,781,741	353,869,381	346,338,133	341,576,136
Percent of levy collected	97.4%	96.8%	97.1%	96.3%	97.3%	97.2%	97.3%	97.2%	97.1%	97.0%
Delinquent tax collections	\$ 14,105,051	\$ 12,487,970	\$ 15,048,984	\$ 10,289,876	\$ 10,590,783	\$ 9,838,596	\$ 9,583,882	\$ 9,498,141	\$ 9,761,454	\$ 9,227,603
Total tax collections	513,339,354	470,729,229	450,976,320	421,503,158	409,204,583	394,712,184	382,365,623	363,367,522	356,099,587	350,803,739
Percent of total tax collections to levy	100.2%	99.4%	100.5%	98.7%	99.9%	99.7%	99.8%	99.8%	99.9%	99.6%
Outstanding delinquent taxes	\$ 14,581,520	\$ 16,491,527	\$ 14,423,641	\$ 17,217,376	\$ 12,567,420	\$ 12,767,578	\$ 11,975,818	12,047,858	12,001,408	12,442,833
Percent of delinquent taxes to levy	2.8%	3.5%	3.2%	4.0%	3.1%	3.2%	3.1%	3.3%	3.4%	3.5%

(1) The Authority does not maintain records of tax delinquencies. All taxes are collected and distributed by the Allen County Auditor.

(2) Taxes collected in subsequent years was not available.

Source: Allen County Auditor's office

**Fort Wayne-Allen County Airport Authority**  
**Assessed Values of Property**  
**Last Ten Fiscal Years (2)**

Allen County	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2014
Total assessed value (1).....	\$ 21,854,444,835	\$ 19,139,444,624	\$ 17,833,473,281	\$ 16,655,645,969	\$ 15,591,737,704	\$ 14,586,996,908	\$ 14,075,020,435	\$ 13,650,544,767	\$ 13,295,341,671	\$ 12,913,262,282	\$ 12,913,262,282

(1) Assessed values for personal property are updated annually.

(2) Source: Allen County Auditor's Office.

**Fort Wayne-Allen County Airport Authority**  
**Property Tax Rates and Tax Levies**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years (2)**

Allen County	2023	2022	2021	2020	2019	2018	2017	2016	2015	2015	2014
Rates per \$100 of assessed valuation (1)											
Airport Authority Direct Rates											
Operating	\$ 0.0242	\$ 0.0263	\$ 0.0270	\$ 0.0278	\$ 0.0287	\$ 0.0297	\$ 0.0296	\$ 0.0294	\$ 0.0292	\$ 0.0292	\$ 0.0293
Cumulative building	0.0030	0.0030	0.0030	0.0030	0.0031	0.0032	0.0032	0.0032	0.0032	0.0032	0.0033
Debt service	0.0075	0.0041	0.0107	0.0113	0.0089	0.0127	0.0133	0.0138	0.0147	0.0147	0.0151
Total direct rates	0.0347	0.0334	0.0407	0.0421	0.0407	0.0456	0.0461	0.0464	0.0471	0.0471	0.0477
Other municipal corporations	0.1731	0.1881	0.2049	0.2288	0.2422	0.2449	0.2565	0.2552	0.2678	0.2757	0.2511
School districts	0.8632	0.9183	0.9354	0.9427	0.9373	0.9877	1.0060	0.9941	1.0214	1.0517	1.0678
Allen county	0.4682	0.5014	0.4807	0.5379	0.5087	0.5370	0.5414	0.5403	0.5447	0.5608	0.5477
City of Fort Wayne	0.7612	0.8260	0.8485	0.8702	0.8980	0.9287	0.9260	0.9208	0.9116	0.9386	0.9042
Other	0.1273	0.1280	0.1223	0.1132	0.1173	0.1216	0.1208	0.1177	0.1106	0.1139	0.1325
<b>Total</b>	<b>\$ 2.4277</b>	<b>\$ 2.5952</b>	<b>\$ 2.6325</b>	<b>\$ 2.7349</b>	<b>\$ 2.7443</b>	<b>\$ 2.8654</b>	<b>\$ 2.8968</b>	<b>\$ 2.8744</b>	<b>\$ 2.9033</b>	<b>\$ 2.9878</b>	<b>\$ 2.9511</b>
Levies											
Airport Authority	\$ 7,583,492	\$ 6,392,574	\$ 7,278,574	\$ 7,012,027	\$ 6,345,838	\$ 6,651,671	\$ 6,488,585	\$ 6,333,852	\$ 6,262,106	\$ 6,262,106	\$ 6,159,627
Other municipal corporations	37,840,395	36,001,693	36,548,458	38,113,543	37,770,534	35,721,799	36,099,239	34,834,627	35,599,250	35,599,250	32,430,660
School districts	188,654,059	175,766,378	166,820,576	157,009,422	146,148,234	144,070,605	141,591,565	135,693,583	135,803,864	135,803,864	137,885,483
Allen County	94,739,019	89,572,601	85,733,371	82,578,694	79,315,170	78,332,173	76,202,162	73,753,893	72,419,725	72,419,725	70,725,937
City of Fort Wayne	166,350,443	158,097,263	151,325,340	144,938,093	140,017,116	135,467,628	130,338,417	125,688,689	121,205,513	121,205,513	116,765,804
Other	27,818,926	24,503,308	21,818,639	18,850,409	18,291,369	17,731,101	17,008,358	16,060,738	14,707,410	14,707,410	17,110,811
<b>Total</b>	<b>\$ 522,986,334</b>	<b>\$ 490,333,817</b>	<b>\$ 469,524,958</b>	<b>\$ 448,502,188</b>	<b>\$ 427,888,261</b>	<b>\$ 417,974,977</b>	<b>\$ 407,728,326</b>	<b>\$ 392,365,382</b>	<b>\$ 385,997,868</b>	<b>\$ 385,997,868</b>	<b>\$ 381,078,322</b>

(1) School districts, the City, municipal corporations, and other rates represent countywide averages.

(2) Source: Allen County Auditor's Office

**Fort Wayne-Allen County Airport Authority**  
**Allen County**  
**Property Values and Construction**

	<b>Building Permits (1)</b>			<b>Property Value (2)</b>
	<b>Number Issued</b>	<b>Value of Buildings</b>	<b>Average Building Cost</b>	
2023	1,493	\$ 464,474,602	\$ 311,102	\$ 21,854,444,834
2022	1,439	529,140,162	367,714	19,139,444,624
2021	1,697	522,720,729	308,026	17,833,473,281
2020	1,408	367,347,443	260,900	16,655,645,969
2019	1,311	339,093,065	258,652	15,591,737,704
2018	1,174	310,985,903	264,894	14,586,996,909
2017	1,112	250,684,000	225,435	14,075,020,435
2016	873	216,435,515	247,922	13,650,544,767
2015	760	179,581,608	236,292	13,295,341,671
2014	841	185,455,385	220,518	12,913,262,282

Notes: (1) New single-family residences and duplexes

(2) Property value is the assessed value for taxes due and payable in the year stated.

Source: Stats Indiana, Allen County Building Department and Allen County Auditor's Office.

## Fort Wayne-Allen County Airport Authority

### Ratios of Outstanding Debt Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Outstanding debt per enplaned passenger										
Tax backed revenue bonds (1)										
Airport Improvement Bonds (2)	\$ 27,582,269	\$ 28,861,473	\$ 29,913,576	\$ 2,945,000	\$ 4,095,000	\$ -	\$ -	\$ -	\$ -	\$ -
First Mortgage Bonds (2)	-	-	-	-	975,000	2,850,000	4,630,000	6,330,000	7,960,000	9,525,000
Total outstanding debt	\$ 27,582,269	\$ 28,861,473	\$ 29,913,576	\$ 2,945,000	\$ 5,070,000	\$ 2,850,000	\$ 4,630,000	\$ 6,330,000	\$ 7,960,000	\$ 9,525,000
Enplaned passengers	398,487	363,039	341,329	218,343	397,938	381,139	368,282	365,884	359,051	324,151
Debt per enplaned passenger	\$ 69.22	\$ 79.50	\$ 87.64	\$ 13.49	\$ 12.74	\$ 7.48	\$ 12.57	\$ 17.30	\$ 22.17	\$ 29.38
Debt service per enplaned passenger										
Net debt service	\$ 1,279,204	\$ 1,008,271	\$ 2,255,000	\$ 2,216,193	\$ 2,007,268	\$ 2,004,488	\$ 2,005,364	\$ 2,006,895	\$ 2,006,100	\$ 3,084,337
Enplaned passengers	398,487	363,039	341,329	218,343	397,938	381,139	368,282	365,884	359,051	324,151
Debt service per enplaned passenger	\$ 3.21	\$ 2.78	\$ 6.61	\$ 10.15	\$ 5.04	\$ 5.26	\$ 5.45	\$ 5.49	\$ 5.59	\$ 9.52

Notes: Details regarding the Authority's outstanding debt can be found in the notes to the financial statements.

(1) Tax-backed bonds are revenue bonds backed by ad valorem taxes that would be levied if airport revenues are insufficient.

(2) Bond balances from 2009 to 2011 have been restated to remove unamortized deferred amount on refunding in accordance with GASB Statement 65.

Source: Authority's audited financial statements

## Fort Wayne-Allen County Airport Authority

### Allen County Demographic and Economic Statistics

Year	Population (1) (2)	Personal Income (Thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2023	394,545	N/A	N/A	2.6 %
2022	391,644	\$ 16,886,654	\$ 57,245	2.2
2021	389,163	21,249,580	54,681	3.7
2020	386,103	19,541,434	50,640	7.7
2019	379,006	18,130,068	47,398	3.1
2018	375,076	17,440,354	46,117	3.1
2017	371,803	15,471,622	43,982	3.3
2016	369,526	16,015,353	43,070	4.2
2015	367,508	15,661,141	42,391	4.6
2014	365,254	14,846,653	40,475	5.7

N/A - Not Available

(1) Source: U.S. Census Bureau: 2010 - Census figures; all other years are July 1 intercensal estimates, statistics for prior years have been updated to reflect current estimates.

(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis (BEA). Per capita personal income was computed by the BEA using midyear population estimates. Statistics for prior years have been updated to reflect current estimates.

(3) Source: U.S. Department of Labor, Bureau of Labor Statistics

**Fort Wayne-Allen County Airport Authority**  
**Allen County**  
**Principal Employers**  
**Current and Nine Years Ago**

Principal Employers - Name	2023				2014			
	Employees	Rank	Percent of Total Employment		Employees	Rank	Percent of Total Employment	
Parkview Health Systems	8,986	1	4.6	%	4,710	1	2.7	%
Fort Wayne Community Schools	5,167	3	2.6		4,230	3	2.4	
Amazon	4,650	9	2.4					
General Motors - Truck & Bus Group	4,320	2	2.2		3,909	4	2.2	
Lutheran Health Network	4,075	4	2.1		4,301	2	2.5	
The City of Fort Wayne	2,652	8	1.4		1,814	5	1.0	
Sweetwater Sound	2,011	6	1.0					
Allen County Government	1,869	5	1.0		1,605	7	0.9	
Lincoln Financial Group	1,700	7	0.9		1,970	6	1.1	
BF Goodrich	1,500	10	0.8		1,580	8	0.9	
Frontier Communications	652		0.3		1,150	10	0.7	
Purdue University Fort Wayne			0.0		1,255	9	0.7	
<b>Total of Ten Largest Employers</b>	<b>37,582</b>		<b>19.2</b>	<b>%</b>	<b>26,524</b>		<b>15.1</b>	<b>%</b>

Source: the Community Research Institute of PFW, the Bureau of Labor Statistics, and Greater Fort Wayne Inc.

# Fort Wayne-Allen County Airport Authority

## Fort Wayne International Airport Information

Airport Classification: Primary Commercial Service Airport  
 Airfield Size: 3,897 Acres Owned Fee Simple

	2023	2022	2021	2020
<b>Runway System (and Equipment)</b>				
Primary runway				
Runway 5-23 NE to SW (150' Wide) (Cat. II, ILS) Length - Feet	11,981	11,981	11,981	11,981
Secondary runways				
Runway 14-32 SE to NW (150' Wide)(Cat I, ILS) Length - Feet	8,001	8,001	8,001	8,001
Runway 09-27 East to West (75" Wide) Length - Feet	4,001	4,001	4,001	4,001
<b>Terminal Complex</b>				
Total space (square feet)	162,571	114,813	114,813	114,813
Rentable space (square feet)	119,986	104,505	104,505	104,505
Airline exclusive space (square feet)	8,850	7,780	7,780	7,780
Common space (square feet)	66,436	39,557	39,557	39,557
Restaurant space (square feet)	6,200	6,200	6,200	6,200
Car rental space (square feet)	1,536	1,536	1,536	1,536
Taxi/limousine space (square feet)	384	384	384	384
Passenger gates	9	8	8	8
Jetway boarding bridges	6	5	5	5
Regional boarding ramps	1	1	1	1
Passenger airlines	4	4	4	4
Daily departures	17	17	18	15
Car rental firms	5	5	6	5
Parking spaces	2,219	2,219	2,219	2,219
<b>Air Trade Center</b>				
Land area - acres (includes 85 in foreign trade zone)	450	450	450	450
Cargo sorting facility (square feet)	250,299	250,299	250,299	250,299
Operations building (square feet)	33,429	33,429	33,429	33,429
Maintenance building (square feet)	10,280	10,280	10,280	10,280
<b>Ancillary Services</b>				
Cargo airlines	2	2	2	2
General aviation				
Fixed base operators	1	1	1	1
Based aircraft	69	66	68	47
Military based aircraft	21	21	21	22
Airpark buildings owned	27	27	27	27
<b>Employees</b>				
Administration full-time	13	13	13	13
Administration part-time	-	-	-	-
Maintenance full-time	16	16	16	16
Maintenance seasonal	4	2	2	2
Custodial full-time	6	6	6	6
Public safety full-time	13	13	11	11
Public safety part-time	16	13	16	15
CSA part-time	13	9	12	1
Smith Field full-time	2	2	2	2
Smith Field part-time	3	3	2	2
FWA Aero center full-time	21	19	18	17
FWA Aero center part-time	1	1	1	-
Operations full-time	6	5	6	4

Source: Fort Wayne-Allen County Airport Authority Properties and Human Resource Departments

# Fort Wayne-Allen County Airport Authority

## Fort Wayne International Airport Information

2019	2018	2017	2016	2015	2014
11,981	11,981	11,981	11,981	11,981	11,981
8,001	8,001	8,001	8,001	8,001	8,001
4,001	4,001	4,001	4,001	4,001	4,001
114,813	114,813	114,813	114,813	114,813	114,813
104,505	104,505	104,505	104,505	104,505	104,505
7,780	7,780	7,780	7,780	7,780	7,780
39,557	39,557	39,557	39,557	39,557	39,557
7,858	7,858	7,858	7,858	7,858	7,858
1,536	1,536	1,536	1,536	1,536	1,536
384	384	384	384	384	384
8	8	8	8	8	8
5	5	5	5	5	4
1	1	1	1	1	1
4	4	4	4	4	5
22	23	24	24	24	21
8	8	8	8	8	8
1,962	1,962	1,962	1,962	1,962	1,962
450	450	450	450	450	450
250,299	250,299	250,299	250,299	250,299	250,299
33,429	33,429	33,429	33,429	33,429	33,429
10,280	10,280	10,280	10,280	10,280	10,280
2	2	2	2	2	2
1	1	1	1	1	1
48	48	49	49	49	50
21	22	21	21	18	18
28	28	27	27	27	27
13	13	13	13	14	15
-	-	1	-	-	1
16	14	15	18	16	17
2	3	4	6	7	5
6	5	5	5	5	6
11	11	11	11	11	11
15	19	21	20	23	19
11	11	10	10	10	11
2	3	3	2	2	2
4	3	3	3	3	3
23	21	21	19	1	-
1	1	1	1	17	-
5	5	5	4	5	4

**Fort Wayne-Allen County Airport Authority**  
**Fort Wayne International Airport**  
**Enplaned Passengers**  
**(Listed by Current Ranks)**

Airline	2023	Percent of Total 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
American Airlines/Envoy.....	155,074	38.92 %	136,690	127,485	82,679	153,141	135,907	121,289	117,417	113,550	75,445
Allegiant Air.....	121,024	30.37	117,106	98,652	70,209	93,074	83,586	77,409	82,412	83,579	80,467
SkyWest-Delta (1).....	80,690	20.25	59,123	36,053	33,820	108,426	112,235	116,214	119,924	94,903	6,662
SkyWest-United Express (1).....	40,013	10.04	30,760	27,167	18,467	42,120	43,610	42,795	41,873	38,602	39,719
Charter.....	1,686	0.42	1,353	1,185	863	1,177	1,157	1,324	---	672	1,492
Delta/Northwest Airlin/Endeavor Air...	---	---	18,007	50,787	12,305	---	---	222	68	11,286	87,357
United Express-Expressjet.....	---	---	---	---	---	---	4,644	8,831	3,426	---	---
Delta Express-Expressjet.....	---	---	---	---	---	---	---	198	696	16,420	24,870
Delta/Gojet.....	---	---	---	---	---	---	---	---	68	39	---
US Airways Express.....	---	---	---	---	---	---	---	---	---	---	8,139
<b>Total.....</b>	<b>398,487</b>	<b>100.00 %</b>	<b>363,039</b>	<b>341,329</b>	<b>218,343</b>	<b>397,938</b>	<b>381,139</b>	<b>368,282</b>	<b>365,884</b>	<b>359,051</b>	<b>324,151</b>
Percentage change.....	9.76%		6.36%	56.33%	-45.13%	4.41%	3.49%	0.66%	1.90%	10.77%	8.53%

(1) SkyWest-Delta and SkyWest-United Express were previously combined on the 2015 and 2014 annual financial reports.

Source: Compiled from airline station managers' monthly reports.

**Fort Wayne-Allen County Airport Authority**  
**Fort Wayne International Airport**  
**Airline Landed Weights (2)**  
**(Listed by Current Rank Within Category)**

<b>Scheduled Air Carriers</b>	<b>2023</b>	<b>Percent of Total 2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
American Airlines/Envoy	176,011,360	29.43 %	155,260,900	162,023,860	139,441,470
Allegiant Air	112,232,724	18.77	108,930,178	109,867,129	94,638,769
Delta Express/SkyWest	94,619,957	15.82	67,111,414	51,374,400	63,246,400
United Express/SkyWest	41,252,000	6.90	35,145,871	26,631,871	29,692,871
Delta/Northwest Airlin/Endeavor	4,300,300	0.72	19,460,400	64,103,600	29,358,000
Charter	3,901,000	0.65	2,074,500	3,110,300	1,776,000
Air Wisconsin (1)	---	---	---	4,935,000	3,384,000
United Express/Expressjet	---	---	---	---	---
Delta Airlines (1)	---	---	---	---	---
Delta Express/Expressjet (1)	---	---	---	---	---
Shuttle America (1)	---	---	---	---	---
United Express/Mesa Airlines (1)	---	---	---	---	---
Compass Airlines (1)	---	---	---	---	---
Subtotal	<u>432,317,341</u>	<u>72.28</u>	<u>387,983,263</u>	<u>422,046,160</u>	<u>361,537,510</u>
<b>Cargo Carriers</b>					
Federal Express	99,396,000	16.62	100,188,000	98,010,000	101,376,000
United Parcel Service	62,131,360	10.39	115,023,520	91,932,960	91,280,880
USA Jet Airlines	2,985,580	0.50	3,151,480	1,107,560	2,044,800
IFL Group	1,039,468	0.17	1,952,212	296,606	396,670
Kalitta Charters	215,640	0.04	188,320	70,640	416,240
Air Cargo Carriers (1)	---	---	---	26,100	---
CSA, Inc (1)	---	---	---	---	---
Northern Air Cargo	---	---	---	---	---
Lynden Air Cargo (1)	---	---	---	---	---
Subtotal	<u>165,768,048</u>	<u>27.72</u>	<u>220,503,532</u>	<u>191,443,866</u>	<u>195,514,590</u>
Grand Total	<u>598,085,389</u>	<u>100.00 %</u>	<u>608,486,795</u>	<u>613,490,026</u>	<u>557,052,100</u>
Percentage change	<u>-1.71%</u>		<u>-0.82%</u>	<u>10.13%</u>	<u>-14.08%</u>

(1) No longer serves Fort Wayne International Airport.  
(2) Expressed in pounds.  
Source: Compiled from airline station manager's monthly reports.

**Fort Wayne-Allen County Airport Authority**  
**Fort Wayne International Airport**  
**Airline Landed Weights (2)**  
**(Listed by Current Rank Within Category)**

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
186,316,050	174,452,200	153,785,750	126,537,113	87,924,409	81,721,068
89,701,484	80,508,865	64,813,679	80,620,884	81,065,899	76,136,349
124,012,957	127,924,157	127,125,300	137,127,100	105,139,000	12,201,100
50,478,871	52,209,957	47,321,742	51,084,871	50,363,957	50,370,000
---	---	329,000	141,000	13,281,100	94,610,000
1,869,300	1,081,200	2,198,480	36,000	2,617,900	4,152,992
---	---	---	13,818,000	48,833,000	12,502,000
---	7,782,226	15,181,736	5,205,935	---	---
---	---	244,400	67,000	276,600	489,700
---	---	169,100	859,000	18,705,200	27,858,600
---	---	---	74,957	---	219,579
---	---	---	---	---	134,000
---	---	---	---	---	75,177
<u>452,378,662</u>	<u>443,958,605</u>	<u>411,169,187</u>	<u>415,571,860</u>	<u>408,207,065</u>	<u>360,470,565</u>
100,782,000	99,990,000	100,188,000	100,584,000	100,188,000	100,386,000
86,520,000	85,890,000	86,310,000	87,780,000	85,680,000	85,680,000
4,060,620	3,677,180	2,098,660	5,454,740	4,987,980	6,219,800
2,458,256	1,810,988	2,443,254	1,394,374	1,094,082	9,339,478
2,150,840	2,230,100	1,041,620	2,618,240	1,479,920	8,329,220
---	26,100	52,200	---	---	---
8,500	---	---	---	---	---
---	---	340,200	797,000	116,600	694,800
---	---	---	---	---	155,000
<u>195,980,216</u>	<u>193,624,368</u>	<u>192,473,934</u>	<u>198,628,354</u>	<u>193,546,582</u>	<u>210,804,298</u>
<u>648,358,878</u>	<u>637,582,973</u>	<u>603,643,121</u>	<u>614,200,214</u>	<u>601,753,647</u>	<u>571,274,863</u>
<u>1.69%</u>	<u>5.62%</u>	<u>-1.72%</u>	<u>2.07%</u>	<u>5.34%</u>	<u>4.43%</u>

## Fort Wayne-Allen County Airport Authority Aircraft Operations (2)(3)

Fort Wayne International Airport (FWA)

Type of Operation	2023	Percent of Total	2022	2021	2020	2019	2018	2017	2016	2015	2014
		2023									
Large Air Carrier (1)	17,290	43.5 %	17,068	16,931	14,799	19,279	18,815	18,443	19,108	17,703	17,600
General Aviation	20,575	51.8	19,782	20,987	18,069	17,460	17,771	16,543	14,296	14,903	14,790
Military	1,892	4.8	2,630	2,882	2,694	2,527	1,932	2,460	2,736	2,306	2,404
Total FWA	39,757	100%	39,480	40,800	35,562	39,266	38,518	37,446	36,140	34,912	34,794
Percentage change	0.70%		-3.24%	14.73%	-9.43%	1.94%	2.86%	3.61%	3.52%	0.34%	-5.57%

(1) Aircraft that seat, or are capable of seating, 31 or more passengers.

(2) An aircraft operation can be either a landing or a take-off.

(3) Sources: Beginning in 2018, FAA Air Traffic Activity System (ATADS); Prior years' data was received from other sources. Amounts for 2018 - 2020 have been updated.

**Fort Wayne-Allen County Airport Authority**  
**Fort Wayne International Airport**  
**Scheduled Airline Service**

Carrier	Non-stop Service Destination	Service Type
Allegiant Air	Orlando/Sanford (SFB)	Jet (A319) (A320) & (7M8)
	Tampa/St. Petersburg/Clearwater (PIE)	Jet (A320)
	Phoenix/Mesa (AZA)	Jet (A320)
	Myrtle Beach (MYR)- Seasonal	Jet (A319) & (A320)
	Punta Gorda/Fort Myers (PGD)	Jet (A320) & (7M8)
	Sarasota (SRQ) - Seasonal	Jet (A320)
	Las Vegas (LAS) - Seasonal	Jet (A319) & (A320)
American Eagle		
Envoy/SkyWest	Chicago (ORD)	Jet (ER4) & (CR7)
SkyWest	Dallas/Fort Worth (DFW)	(E75)
PSA Airlines	Charlotte (CLT)	(ER4)
Delta Connection		
Endeavor	Atlanta (ATL)	Jet (CR9)
SkyWest	Minneapolis (MSP)	Jet (CR9)
United Express		
SkyWest/Air Wisconsin	Chicago (ORD)	Jet (CRJ)

Source: Diio Mi by Cirium

**Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Members of the Board  
Fort Wayne-Allen County Airport Authority  
Fort Wayne, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Fort Wayne-Allen County Airport Authority (the "Authority"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 17, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cherry Bekaert LLP*

Tampa, Florida  
June 17, 2024

## **Report of Independent Auditor on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Members of the Board  
Fort Wayne-Allen County Airport Authority  
Fort Wayne, Indiana

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited the Fort Wayne-Allen County Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2023. The Authority's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

#### ***Responsibilities of Management for Compliance***

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

#### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Tampa, Florida  
June 17, 2024

**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED DECEMBER 31, 2023

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**A. Summary of Auditor’s Results**

1.	The type of report issued on the basic financial statements:	<b>Unmodified opinion</b>
2.	Significant deficiencies in internal control disclosed by the audit of the financial statements:	<b>None reported</b>
3.	Material weaknesses in internal control disclosed by the audit of financial statements:	<b>None</b>
4.	Noncompliance, which is material to the financial statements:	<b>None</b>
5.	Significant deficiencies in internal control over major programs:	<b>None reported</b>
6.	Material weaknesses in internal control over major programs:	<b>None</b>
7.	The type of report issued on compliance for major programs:	<b>Unmodified opinion</b>
8.	Any audit findings which are required to be reported under the Uniform Guidance:	<b>None reported</b>
9.	The program tested as major programs were:	
	<b><u>Assistance Listing Number</u></b>	<b><u>Name of Federal Program and Cluster</u></b>
	20.106	Airport Improvement Program
10.	Dollar threshold used to distinguish between Type A and Type B programs:	<b>\$750,000</b>
11.	Auditee qualified as low-risk auditee?	<b>Yes</b>

**B. Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards**

None reported.

**C. Findings Required to be Reported by the Uniform Guidance**

None reported.

**D. Passenger Facility Charge Program Findings and Questioned Costs**

None reported.

**E. Status of Prior Year Findings**

None reported.

## **Report of Independent Auditor on Compliance for the Passenger Facility Charge Program and Internal Control Over Compliance Required by the Passenger Facility Charge Audit Guide for Public Agencies**

To the Members of the Board  
Fort Wayne-Allen County Airport Authority  
Fort Wayne, Indiana

### **Report on Compliance for the Passenger Facility Charge Program**

#### ***Opinion on the Passenger Facility Charge Program***

We have audited the Fort Wayne-Allen County Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration that could have a direct and material effect on each of the Authority's Passenger Facility Charge Program for the year ended December 31, 2023.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Passenger Facility Charge Program for the year ended December 31, 2023.

#### ***Basis for Opinion on the Passenger Facility Charge Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Guide. Our responsibilities under those standards and the Guide are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

#### ***Responsibilities of Management for Compliance***

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

#### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Tampa, Florida  
June 17, 2024