

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014



ST. JOSEPH COUNTY AIRPORT AUTHORITY

A COMPONENT UNIT OF ST. JOSEPH COUNTY, INDIANA

FILED

10/01/2015

ST. JOSEPH COUNTY AIRPORT AUTHORITY
A COMPONENT UNIT OF ST. JOSEPH COUNTY, INDIANA'
SOUTH BEND, INDIANA

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2014**

Prepared by the
Department of Administration and Finance

INTRODUCTORY

SECTION

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014**

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June 30, 2015

To the Members of the Board:

The Comprehensive Annual Financial Report of the St. Joseph County Airport Authority for the fiscal year ended December 31, 2014, is submitted herewith. This report was prepared by the Department of Administration and Finance of the St. Joseph County Airport Authority in conjunction with H. J. Umbaugh and Associates, the Auditor's Office of St. Joseph County, Indiana, and the Indiana State Board of Accounts.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Airport Authority. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Airport Authority; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Airport Authority's financial affairs have been included.

The guidelines recommended by the Government Finance Officers Association of the United States and Canada have been followed in the preparation of this report. The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially to the high standards of public financial reporting, including generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board. It is our belief that the accompanying 2014 Comprehensive Annual Financial Report meets program standards, and it will be submitted to the Government Finance Officers Association for their review. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). One should read this letter of transmittal in conjunction with the MD&A that is located immediately following the report of the independent auditor in the Financial Section of this report.

THE REPORTING ENTITY

The St. Joseph County Airport Authority (the "Airport Authority") is a municipal corporation established January 1, 1974, by the St. Joseph County, Indiana, Council, under authority granted by Indiana Statute (I.C. 1971 19-6-2 as amended by Chapter 3.5, commonly known as Public Law 304 and superseded by I.C. 8-22-3). The Authority, a component unit of St. Joseph County, has jurisdiction over a special district and was established for the general purpose of acquiring, maintaining, operating, and financing airports and landing fields in St. Joseph 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 Airport Authority administers South Bend Airport in South Bend, Indiana. The Airport Authority has no stockholders or equity holders and all revenues and other receipts must be disbursed in accordance with such statute. The Authority has no component units.

The Airport Authority's bi-partisan Board consists of four members who are appointed by the St. Joseph County Commissioners.

PROFILE OF SOUTH BEND AIRPORT

The South Bend Airport is located in North Central Indiana, approximately four (4) miles west of downtown South Bend and two (2) miles south of the Michigan border.

The Airport was owned and operated by St. Joseph County from 1938 until January 1, 1974, when the St. Joseph County Council created the St. Joseph County Airport Authority District. The name of the Airport was also changed on January 1, 1974, from the St. Joseph County Airport to the Michiana Regional Airport to reflect its new regional character (Michigan and Indiana).

In 1993, Michiana Regional Airport was renamed Michiana Regional Transportation Center by the Airport Authority Board. The impetus for the change was the relocation of South Shore rail service to the airport. In 1999, the facility became South Bend Regional Airport to more clearly identify its location for national and international travelers. In 2011, the name was changed to the South Bend Airport. Finally in 2014, the name became the South Bend International Airport following approval by U. S. Customs and Border Protection for the Airport to proceed with construction of a Federal Inspection Station (FIS). The FIS will allow the introduction of international passengers and freight at the Airport. The South Bend International Airport is the only small airport in the United States featuring air, interstate rail, and interstate bus services at one multi-modal terminal location.

The twenty-second year of South Shore Railroad service to the Airport was cause for optimism in that the Airport is attempting to draw "train to plane" passengers from the Northwestern Indiana population. The South Shore is an inter-urban electric rail service with a western terminus of downtown Chicago, Illinois.

The South Bend International Airport has the typical airport tenant mixture, such as: rental cars, restaurateur, parking operator (Republic Parking System), etc. Hertz, Avis, Budget, National, Alamo, and Enterprise rental car agencies all occupy terminal building space along with South Bend Chocolate Company, which operates the restaurant, the gift shop, and the lounge, as well as all coin-operated concessions in the terminal building. A full complement of ground transportation is available (including six (6) taxi cab companies and Transpo the city bus line). The Airport also serves as the only intercity bus terminal for the South Bend area housing the Greyhound Bus Line, Indiana Highways, and Hoosier Ride.

In addition to the intercity buses, Coach USA Lines, a commuter service operating between South Bend and Chicago's O'Hare and Midway Airports, also occupies space in the terminal.

Other airport businesses include: AAA Federal Credit Union ATM, Performance Plus (custodial service), Transportation Security Administration (screen point security), and Clear Channel/Interspace Airport Advertising.

Atlantic Aviation, Inc. serves the Airport as a full service Fixed Base Operator. Atlantic Aviation, Inc. also sells 100 low lead and Jet A fuel.

Federal Express and United Parcel Service base aircraft at the South Bend International Airport. They are located in separate cargo areas. Federal Express operates their facility on the west cargo ramp. The northeast cargo ramp is used by United Parcel Service.

The South Bend International Airport is a full service commercial airport categorized as a Non-Hub by the Federal Aviation Administration. It consists of two active commercial service runways: Runway 9R/27L, which is 8,400 feet long and 150 feet wide, consisting of concrete construction with an asphalt overlay. Runway 18/36 is 7,100 feet long and 150 feet wide and is a flexible pavement (asphalt) runway. The design aircraft for both 9R/27L and 18/36 is the Boeing 727-200. A third runway, 9L/27R, which is 4,300 feet long and 75 feet wide, is designated for use by General Aviation aircraft up to 60,000 pounds in weight.

The Airport is served on site by an Automated Weather Observation System (AWOS). The General Aviation District Office #18 is also located at the Airport. The Air Traffic Control Tower is operational from 6:00 a.m. to 1:00 a.m. seven days a week.

Two Thousand and Fourteen (2014), which marked the forty-first operational year of the St. Joseph County Airport Authority, was a productive and challenging year, and one which has seen the continued utilization of the multi-modal terminal complex, continued physical growth of the Airport, and continued efforts to improve air service for the South Bend area.

It is estimated that the Airport provides an economic impact to the community in excess of \$1.7 Billion per year. Based upon expected future increases in passenger traffic and capital development, this impact should continue to grow for the foreseeable future.

ECONOMIC CONDITION – SOUTH BEND INTERNATIONAL AIRPORT
ST. JOSEPH COUNTY

The financial outlook of the Airport is dependent upon several factors including the number of passengers using the terminal facility, the landed weight of commercial aircraft, the amount of general aviation aircraft activity, and the rental of land and buildings including rentals from cargo operations.

A strong national and local economy, competitive fares, and convenient passenger services are all important factors in the success of the Airport.

St. Joseph County was established in 1830. Its economy was once highly dependent upon a few large manufacturing operations such as the Studebaker and the Bendix Corporations.

In recent years, while there is still significant manufacturing activity in the area, the County has seen a shift to a much more diversified economy which now also features a large number of service-related businesses including a regional health care industry, a thriving educational services sector, and significant employment in the accounting and financial services industry. The composition of the County's 6,300 businesses and workforce of almost 129,000 closely matches that of the U.S. economy overall, thus providing a stable local economic environment.

The County is home to the University of Notre Dame, the largest employer in the county and one of the nation's leading private universities, and several other private colleges including: Bethel College, Holy Cross College, and Saint Mary's College. Indiana University has a campus in South Bend and also supports a Purdue University extension in this area.

The location in the county of many colleges, along with the Studebaker National Museum in South Bend, creates a significant tourist industry, ranking fourth in the State of Indiana for tourism revenue.

St. Joseph County has an environment conducive to new business development.

The County workforce has a level of education higher than the national average and the cost of living in the County is significantly lower than the national average.

The County features an excellent transportation infrastructure. Interstate 80-90 crosses the County and provides connecting traffic from Chicago to Detroit, Cleveland, and beyond. Recent improvements in U.S. 31 have significantly reduced the travel time between South Bend and Indianapolis, the State's capital.

St. Joseph County is also on the cutting edge of technology. An important development in this area was the establishment of the St. Joseph Valley Metronet. This lightning-fast loop of fiber-optic cable is more than 50 miles long. A high-speed data network with virtually limitless bandwidth, the Metronet unites local businesses, education and government and provides affordable access to a large number of national carriers and internet service providers. Also,

the City of South Bend, in conjunction with the University of Notre Dame, is actively involved in becoming one of the major nanotechnology research and development centers in the United States. The Midwest Institute for Nanoelectronics Discovery (MIND) is one of four (4) centers funded by the Semiconductor Research Corporation's Nanoelectronics Research initiative (NRI). MIND aims to develop a new class of semiconductor materials that are more advanced than today's computer chip technologies.

MAJOR AIRPORT INITIATIVES

Planned Projects

In 2014, the Airport Authority continued its land acquisition program which began in 1974. It is primarily aimed at the relocation of Lincoln Way West, which has allowed for the southerly extension of Runway 36 and the acquisition of up to 140 acres of land to accommodate future aviation-related development. The total cost of the projects, when fully complete, will be approximately \$30 million with the majority of the funding coming from Passenger Facility Charge (PFC) revenues and the remainder coming from Airport Improvement Program (AIP) Funds.

In 2014, construction began for a complete renovation of the HVAC system in the main Terminal using Geothermal Technology. The Airport Authority also planned the construction of a Federal Inspection Station (FIS) which will lead to international air service in the future.

These projects will be funded through a combination of AIP funds, Grants, and local funds.

The AIP program features 90 percent contribution administered by the FAA, 5 percent contributed by the State of Indiana, and 5 percent contributed by the Airport Authority.

The Airport Authority currently has approval from the Federal Aviation Administration (FAA) to impose a PFC charge of \$4.50 per enplaning passenger. This charge was increased in 2011 from \$3.00 to accommodate the debt service requirements of the Airport Authority's Bond issues.

Airport Facility and Service Improvements

Two Thousand and Fourteen (2014) saw continued improvements to the airport infrastructure, thereby increasing both the safety and functionality of the facility.

Other 2014 activities included continued improvement to the Airport's marketing outreach to the community. A major focus was placed on the improvement of customer service to the public, which included the relocation in 2013 of the Information Center in the Terminal to a more accessible and visible location.

Special Accomplishments

The Safety Department celebrated its seventeenth year of service as a Public Safety Department. The South Bend International Airport is fortunate to have a triple-trained department which continues to provide aircraft and building rescue, firefighting support, emergency medical services, and law enforcement activities.

In 2014, the Safety Department continued to use its state-of-the-art fire training facility. The Indiana Department of Environmental Management approved the facility, which is being used by the Safety Department not only for its own training, but also for local and national airport-sponsored fire training exercises.

The Airport's Maintenance Department has long been known for its proficiency in snow and ice removal and continued that tradition in 2014.

The Operations Department, which was formed in 2002, continued to provide support and coordination for the Airport. This function, which includes the monitoring of access control systems and airfield and terminal operations, has become even more critical because of post September 11 security concerns.

The Safety, Maintenance, and Operations Departments work closely to insure optimal regulatory compliance including excellent ratings on yearly FAA and State inspections.

The South Bend International Airport will continue to be involved in the Blackthorn Business Park initiative sponsored by the City of South Bend, which will be a major force in the economic development of the area.

Also, the Authority is proud to have completed the twenty-eighth year as grantee for the Foreign Trade Zone No. 125. The FTZ is an important economic tool for both importers and exporters in the region. While the Airport Authority has delegated the day-to-day operation of the FTZ to another entity, it continues to be involved with the Michiana Foreign Trade Zone's progress.

Employees

The following employees worked together in 2014 to further improve the image and efficiency of the South Bend International Airport:

Alexander Ashby
Brian Bauman
Katherine Berndt
Richard Buzalski
Brian L. Cassady
Joshua M. Chapo
Michael A. Clymer
Julie Curtis
Michael A. Daigle
Mitzi A. Garner
Ty H. Garton
Leonard J. Genchoff
Donald E. Gilbert
Karen A. Gorbitz.
Charles W. Gray
Michael A. Guljas
Scott E. Hancz
Oliver Henderson
Christina Hernandez
Robert Herron
Richard C. High
Michael Hogberg
Chad Hooten
Alan J. Hunt
Scott A. Ingole
Clifford A. Jenkins
David A. Joachim
Steven Johnson
Lisa Jump
Daniel J. Kopczynski
Kerianne Linn
Bruce MacLachlan
Michael J. Markiewicz
Karla Martin
Kevin A. Matuszak
Corey M. McAlvey
Brian A. McMillen
Jeffrey J. Miller
Christopher Monjeau

Michael A. Muzzey
Ronald A. Nye
Tim O'Donnell
Michael J. Ornat
Rosemarie Owsianowski
Caitlin Oxley
Kevin M. Plonka
Tina M. Rathburn
Jeremy Ryan
Mitchell J. Sadler
Reginald M. Sanders
Sandra A. Schick
Aaron Skibo
James J. Stankiewicz
Bettie. S. Steen
Carl S. Stopczynski
Kevin J. Szucsits
James M. Temple
Talaya Thompson
Anthony Van Overberghe
Maureen Wall
Jay Wardlaw
Carol A. Whitteberry
Matthew L. Willis
Lauren M. Winger

Temporary Employees:

Angela Bukur
Madeline Gibbs
Justin Helgoth
Michael Kazmierczak
Yoshua Reed
Bradley Sikorski
Chad Van Overberghe

FINANCIAL INFORMATION

Internal Control Structure and Budgetary Controls

In developing and implementing the Airport Authority's accounting system, consideration has been given to the adequacy of internal accounting controls, designing them to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

We believe that operating within this framework; the Airport Authority's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The accounts of the Airport Authority are maintained in four (4) main funds (Aviation, Construction, Cumulative Building, and Bond and Interest) as required by state statute for budgetary purposes. Annual budgets are adopted and monthly budget reports are prepared on a cash basis. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations for purchase orders or contracts are carried over and added to the subsequent year's budget. For external financial reporting purposes, the Airport Authority consolidates its financial activity into an enterprise fund which recognizes expenses when incurred. Thus, this component unit financial report has been prepared using the accrual method of accounting.

The annual operating budget of the Airport Authority is prepared by the staff and reviewed and approved by the Airport Authority Board via Resolution. It is then adopted by Ordinance by the St. Joseph County Council. The budget is then reviewed by the State Department of Local Government Finance. Prior to adoption by the County Council, the budget is advertised and public hearings are conducted to obtain taxpayer comments.

In 2010 a change was made to the Authority's policy on the capitalization of assets, increasing the threshold for the definition of a Capital Asset from \$5,000 to \$20,000 in value.

Audit Function

The records of the St. Joseph County Airport Authority are audited annually at the close of each calendar year by the Indiana State Board of Accounts which also audits federal projects annually. The State Board of Accounts reports its findings regarding federal projects to the Federal Aviation Administration. All financial data is available to the public.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the St. Joseph County Airport Authority for its comprehensive annual financial report (C.A.F.R.) for the fiscal year ended December 31, 2013. This was the twenty-fifth consecutive year that the Airport Authority has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized comprehensive annual 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 Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

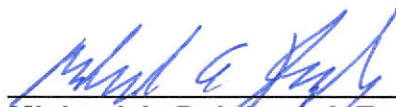
Appreciation is expressed to the Board of the St. Joseph County Airport Authority for its support of the Airport Authority Staff during the preparation of this report.

We would also like to thank and acknowledge, Susan Lardino, Dawn Anderson, and the Indianapolis office of the Indiana State Board of Accounts (SBA), and Martha Harper, Area Supervisor, and auditors John Rucano and Sarah Nagy of the area SBA office for their very significant input and encouragement and also Dan Hedden, Kevin Watson, and William Prybylla of H. J. Umbaugh & Associates who assisted in the compilation of financial statements and the accumulation of statistical information for this CAFR.

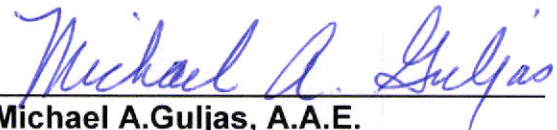
Also, the preparation of this report would not have been possible without the help of the St. Joseph County Auditor, Michael Hamann, Deputy Auditor, Teresa Shuter, and the staff at the Auditor's office.

The Airport Authority Department of Administration and Finance deserves our sincere appreciation for its assistance, especially Lauren Winger, Accounting Manager, for her significant contribution to and coordination of the financial statements and the Management, Discussion and Analysis and Statistical Section; Administrative Assistant, Sandy Schick, who spent many hours processing this report; to Karen Gorbitz, Staff Accountant, for her research work and preparing data for the statistical section; and to Mitzi Garner, Purchasing-Accounting Assistant, for her input. Other administrative staff team members contributing to this report are: Michael Daigle, Executive Director, Lisa Jump, H.R. Manager; and Kerianne Linn, Properties Manager. Finally, we would like to acknowledge the assistance of staff members from other Authority Departments: Tim O'Donnell, Julie Curtis, Michael Omat, Cliff Jenkins, and Jeff Miller.

Respectfully submitted,

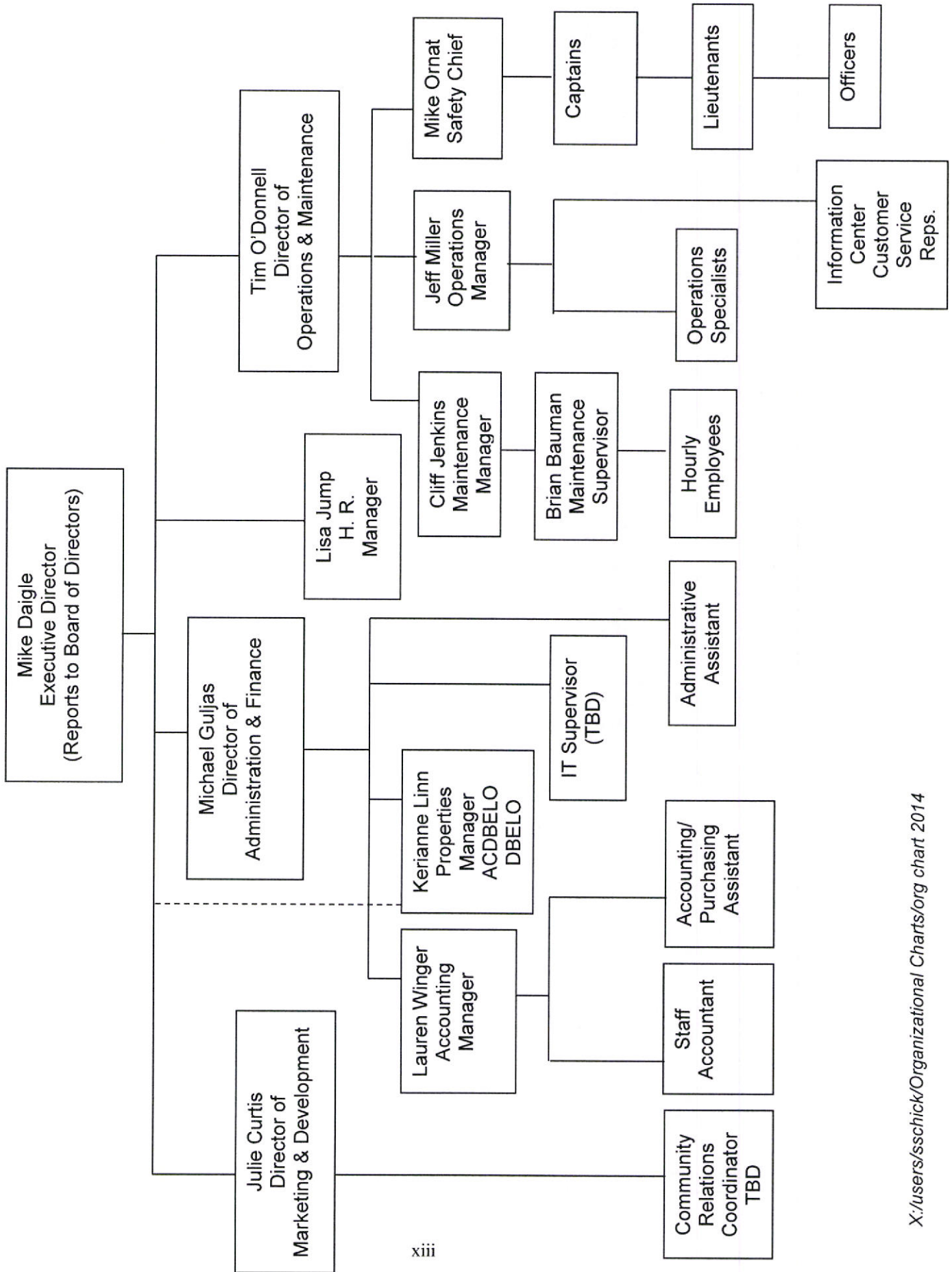


Michael A. Daigle, A.A.E.
Executive Director



Michael A. Guljas, A.A.E.
Director of Administration and Finance

ST. JOSEPH COUNTY AIRPORT AUTHORITY ORGANIZATION CHART



**ST. JOSEPH COUNTY AIRPORT AUTHORITY
SOUTH BEND INTERNATIONAL AIRPORT**

2014 OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Year Appointed</u>	<u>Current Term Expires</u>
President of The Airport Authority District	Mr. Thomas S. Botkin	2006	12-31-17
Vice President	Mr. Abraham Marcus	2010	12-31-16
Treasurer	Mr. David R. Sage	1991	12-31-16
Secretary	Dr. Jay Asdell	2013	12-31-17
Executive Director	Mr. Michael A. Daigle, A.A.E.		



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
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Presented to

**St. Joseph County
Airport Authority, Indiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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FINANCIAL SECTION

FINANCIAL SECTION



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE ST. JOSEPH COUNTY AIRPORT
AUTHORITY, ST. JOSEPH COUNTY, INDIANA

Report on the Financial Statements

We have audited the accompanying financial statements of the St. Joseph County Airport Authority (Airport Authority), a component unit of St. Joseph County, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Airport Authority's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 Airport Authority's internal control. Accordingly, we express no such opinion. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Airport Authority, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Schedule of Funding Progress, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport Authority's basic financial statements. The accompanying Budgetary Comparison Schedule, Budget/GAAP Reconciliation, Schedule of Expenditures of Passenger Facility Charges, and the Introductory and Statistical Sections are presented for purposes of additional analysis and are not required parts of the basic financial statements.

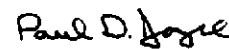
The Budgetary Comparison Schedule, Budget/GAAP Reconciliation, and Schedule of Expenditures of Passenger Facility Charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Budgetary Comparison Schedule, Budget/GAAP Reconciliation, and Schedule of Expenditures of Passenger Facility Charges are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2015, on our consideration of the Airport 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 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 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 Airport Authority's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

June 18, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) provides an introduction to the major activities affecting the operations of the South Bend International Airport Authority (Airport) and an introduction and overview of the financial performance and statements of the St. Joseph County Airport Authority (Airport Authority) for the fiscal year ended December 31, 2014. The information contained in this MD&A should be considered in conjunction with the information contained in the Letter of Transmittal included in the Introduction Section and various historical summaries of activities and financial performance included in the Statistical and Compliance Sections of this report.

Following this MD&A are the basic financial statements of the Authority together with the notes thereto, which are essential to a full understanding of the data contained in the financial statements. In addition to the basic financial statements and accompanying notes, this section also presents certain **Required Supplementary Information (R.S.I.)**. The R.S.I. is followed by **Supplemental Financial Information**, which includes budgetary comparison schedules, a reconciliation of our budget to Generally Accepted Accounting Principles (G.A.A.P.), and a schedule of expenditures of Passenger Facilities Charges.

AIRPORT ACTIVITIES & HIGHLIGHTS

As of December 31, 2014, the Airport provided non-stop flights to 10 cities: Atlanta, Chicago, Detroit, Las Vegas, Minneapolis, New York City/Newark, Orlando/Sanford, Phoenix-Mesa, Punta Gorda, and Tampa Bay/St. Petersburg with connections world-wide. The Airport's multi-modal terminal serves almost one million air, rail, and bus passengers each year. Three (3) major passenger carriers (Allegiant, Delta, and United) were all represented either by the carrier itself or through a regional partner. In some cases, more than one company contracted with the national carrier for this purpose.

In addition, thanks to the multi-modal nature of the Airport, the facility continues to house the South Shore inter-urban electric rail service, which provides travel between South Bend and downtown Chicago. Also, several interstate bus lines operate with the Airport as a terminus, including Coach USA (service to Chicago airports) and Greyhound Bus Lines (nationwide).

In 2014 South Bend's total enplanements and deplanements reflected a decrease of 4.3% versus 2013.

Severe weather and the attendant flight cancellations early in 2014 were seen as a contributing factor to the decrease.

As part of its effort to improve air service, the Airport continued its proactive policy of working with existing and potential carriers to explore additional hub opportunities in both the east and west. The Executive Director and the Director of Marketing and Development, working closely with an air service consultant, made numerous contacts, and submitted proposals throughout the year to both established and start-up airlines.

In 2005, Allegiant Air inaugurated non-stop service to Las Vegas and Sanford/Orlando, Florida. This was followed by the successful initiation of non-stop service in 2006 to the Tampa Bay,

Florida area by the carrier. Allegiant's passenger growth continued in 2010 when it expanded its air service to include non-stop flights to Phoenix/Mesa. In 2012 both Allegiant Air and Frontier

Airlines initiated non-stop service to Punta Gorda, Florida, and to Denver, Colorado, respectively. In the fall of 2013 Frontier discontinued service to Denver, however load factors were very high and the Airport is hopeful that another carrier will assume this route in the future.

In October 2014, United Airlines initiated non-stop service to the New York City area (Newark). This service will allow travelers to complete a roundtrip flight between South Bend and New York within the same day and is seen as an important connection to the financial center of the country.

Total commercial aircraft flight operations were down in 2014 as the airlines operated higher passenger loads per flight. Also due to interest in the University of Notre Dame's football program, most carriers operated at full capacity on home game weekends.

The Airport offers a lower than average rate structure to the airlines, thus making the Airport an attractive choice from a cost standpoint. We believe that from a passenger standpoint, the added convenience of using the less congested facilities of a smaller airport during this period of enhanced security, plus competitive fares and the savings on time, gas, parking, and tolls compared to some larger neighboring airports, will place the Airport in an increasingly favorable position in the national airport system in the future.

The South Shore rail passenger traffic decreased by 2.55% in 2014. Although the passenger count declined, the combination of low rail fares, high gasoline prices for auto travel, and the convenience of service to downtown Chicago were seen as the major reasons for continued interest in this service.

Also, Coach USA's passenger count increased by 20.15% compared to the 2013 levels.

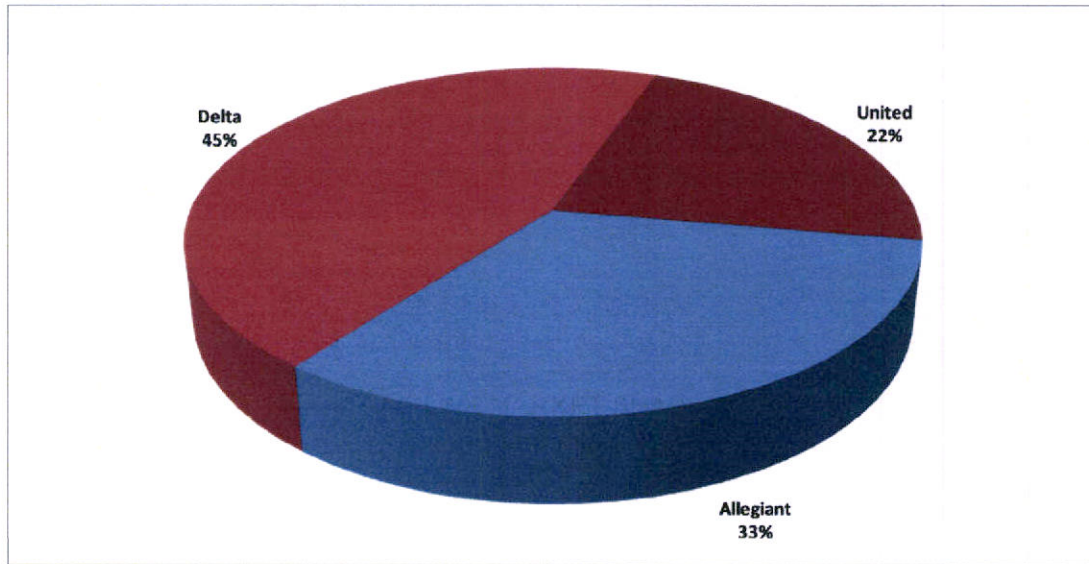
Another important component of business at the Airport is airfreight. United Parcel Service and Federal Express based aircraft at the facility and also maintained regional sorting facilities on site. Total cargo tonnage increased 5.70% in 2014 compared to 2013.

Finally, a review of our facilities would not be complete without a mention of our General Aviation facilities. Sixty-one privately or corporate-owned aircraft were based in South Bend in 2014 along with a full service Fixed Base Operator (F.B.O.) (Atlantic Aviation). General Aviation activities represented the majority of operations at the Airport. The availability of a first-class General Aviation facility is a key factor in drawing new business to a community.

**COMPARATIVE INFORMATION ON TRANSPORTATION SERVICES
AT THE SOUTH BEND AIRPORT 2014 vs. 2013**

	<u>2014</u>	<u>2013</u>	<u>Change</u>
<u>Total Airline Passengers</u> (Enplaned and Deplaned)	602,255	629,287	-4.30%
<u>Commuter Bus Passengers</u>	37,315	31,058	20.15%
<u>Train Passengers</u>	<u>251,426</u>	<u>257,997</u>	-2.55%
<u>Total Air, Bus, Rail Passengers</u>	<u>890,996</u>	<u>918,342</u>	-2.98%
<u>Aircraft Operations (Take Off and Landing)</u>			
Air Carriers	12,146	13,176	-7.82%
Freight	1,454	1,406	3.41%
General Aviation	<u>19,903</u>	<u>18,540</u>	7.35%
Total Operations	<u>33,503</u>	<u>33,122</u>	1.15%
<u>Total Landed Weight</u>	456,986,311	485,587,970	-5.89%
<u>Total Cargo (Lbs.)</u>	26,913,586	25,463,415	5.70%

**AIRLINE MARKET SHARE
Enplanements
2014**



Airline Market Share Comparison

	<u>2014</u>	<u>2013</u>	<u>Difference</u>	<u>Change %</u>
Allegiant	96,629	92,021	4,608	5.01%
Delta	133,862	126,204	7,658	6.07%
Frontier	-	17,035	-17,035	-100.00%
United	66,256	73,363	-7,107	-9.69%
Totals	<u>296,747</u>	<u>308,623</u>	<u>-11,876</u>	<u>-3.85%</u>

FINANCIAL HIGHLIGHTS

NET POSITION

Total Assets increased in 2014 by \$444 thousand or .48% over 2013.

Total Liabilities increased by \$121 thousand compared to 2013 or .86%. The primary reason for the increase is an increase in contracts payable.

Net Position increased by a total \$323 thousand or .41%. This amount consists of \$156 thousand of changes in net position and \$167 thousand for a prior period restatement.

NET POSITION

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
Current and Other Assets	\$ 13,889,947	\$ 11,769,921
Capital Assets	79,218,603	80,870,760
Deferred Outflows	<u>191,555</u>	<u>215,011</u>
 Total Assets	 <u>93,300,105</u>	 <u>92,855,692</u>
 <u>LIABILITIES</u>		
Long-Term Liabilities Outstanding	11,710,970	12,587,727
Other Liabilities	<u>2,552,878</u>	<u>1,554,647</u>
 Total Liabilities	 <u>14,263,848</u>	 <u>14,142,374</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	67,518,947	68,517,836
Restricted	2,936,374	2,559,077
Unrestricted	<u>8,580,936</u>	<u>7,636,405</u>
 Total Net Position	 <u>\$ 79,036,257</u>	 <u>\$ 78,713,318</u>

REVENUE

Total operating and non-operating revenues decreased by .03% over 2013 revenues. These increases do not include changes in Capital Contributions and Passenger Facility Charge (P.F.C.) Revenue.

Total Operating Revenue increased by 5.81% compared to 2013 levels.

Airport Service Revenue increased by 5.8% and consisted of Airfield, Terminal, Concessions, Parking, Fixed Base Operations, and Building and Land Rental Revenues.

The Airfield category, which was composed primarily of landing fees (\$1.11 per thousand pounds of aircraft landed weight) and fuel flowage fees, increased by .59%.

Terminal Rental Revenue received from the airlines increased by 14.91% in 2014.

Terminal Non-Aviation Rental Revenue increased by 21.57% in 2014.

Concession Revenue increased by 6.37% and Parking Revenue decreased by 1.13%.

Fixed Base Operations Revenue, a component of General Aviation activity, increased 1.38%. Other Building and Land Rental on the airfield increased by 32.49%.

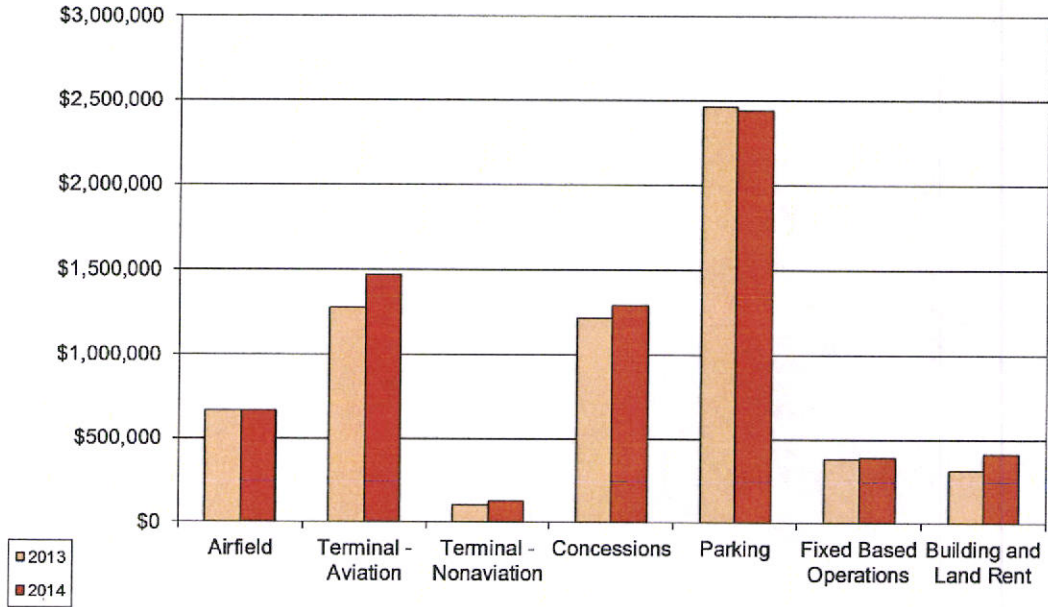
Non-Operating Revenues decreased by 9.99% due primarily to a decrease in Federal Operating Grants.

Property Management Revenue decreased by .87%.

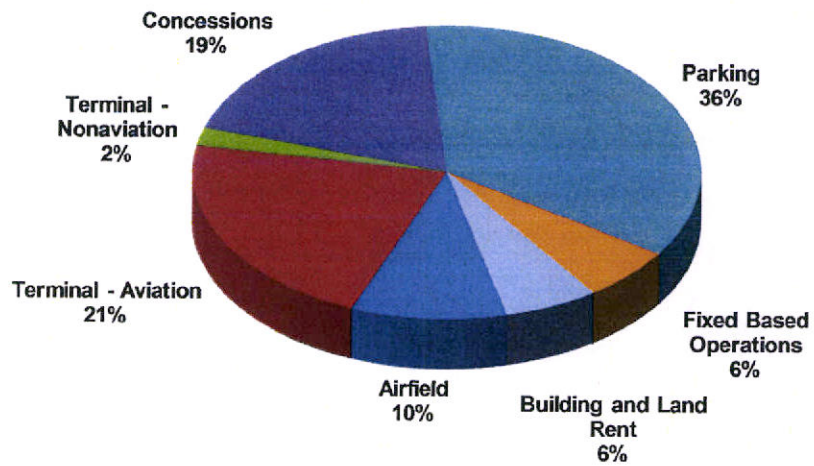
Capital Contributions increased due to more Airport Improvement Program (A.I.P.) Grants in 2014 compared to 2013.

Passenger Facility Charge (P.F.C.) Revenues decreased in 2014 by 4.06%, as a result of a decrease in passenger traffic.

AIRPORT AUTHORITY SERVICE REVENUES 2013 VS 2014



AIRPORT AUTHORITY SERVICE REVENUES 2014



EXPENSES

Total Operating and Non-Operating Expenses decreased in 2014 by 11.99% compared to 2013. A large component of this decrease is attributable to a decrease in Other Services and Charges.

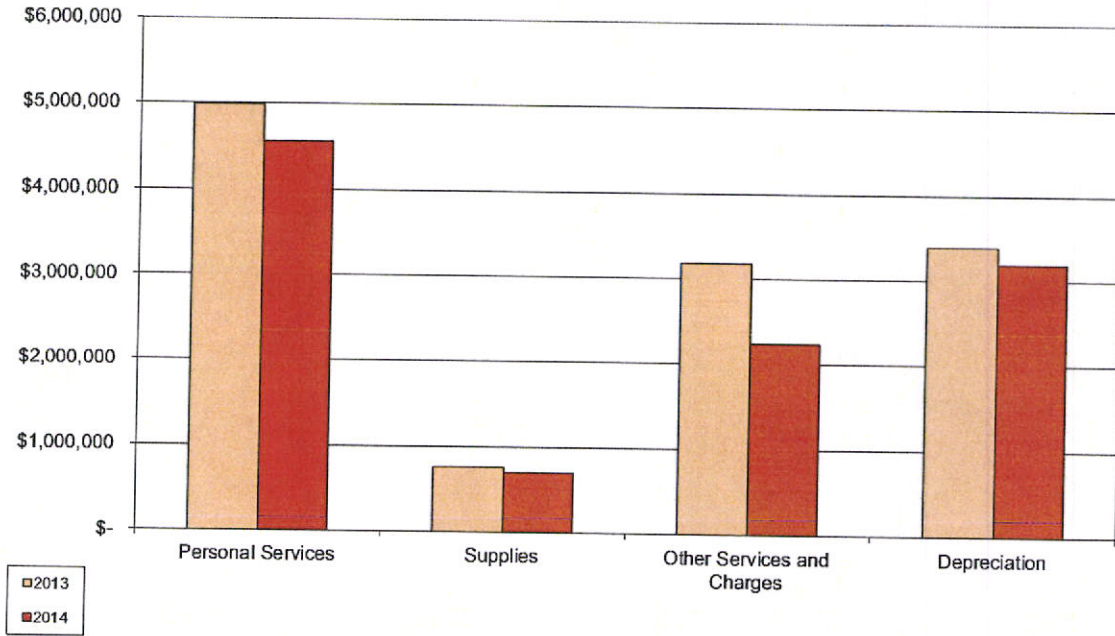
Personal Services decreased by 8.61% due to a decrease in payroll expenses resulting from a reduction in staffing levels.

Other Services and Charges decreased by 29.66%. This decrease can be primarily attributed to the expiration of Air Service Development program expenses to support airline flights to Denver that were incurred in 2013.

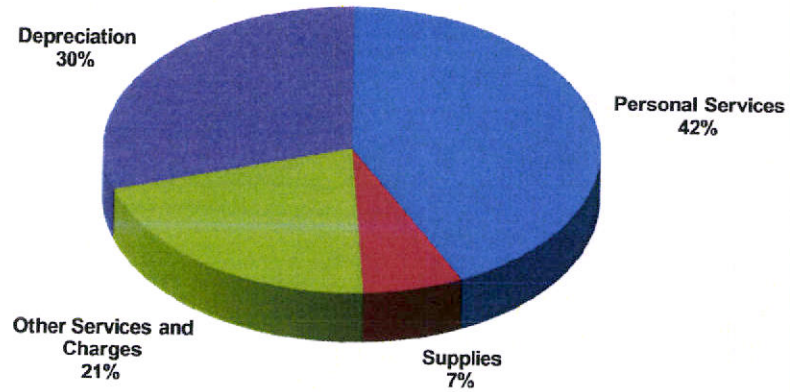
Non-Operating Expenses increased in 2014 by 9.98%. 2014 expenses included disposal of capital assets resulting in a \$69,948 loss.

Property Management Expenses increased by 7.4% in 2014 due to more repairs to office buildings owned by the Authority.

**OPERATING EXPENSES
2013 vs. 2014**



**OPERATING EXPENSES
2014**



SUMMARY OF OPERATIONS AND CHANGES IN NET POSITION

	2014	2013	Increase/(Decrease)	
			Amount	Percent
Operating Revenues:				
Airport Service Revenues				
Airfield	\$ 669,881	\$ 665,933	\$ 3,948	0.59
Terminal - Aviation	1,466,228	1,276,000	190,228	14.91
Terminal - Nonaviation	128,179	105,434	22,745	21.57
Concessions	1,288,817	1,211,590	77,227	6.37
Parking	2,435,889	2,463,750	(27,861)	(1.13)
Fixed Based Operations	386,809	381,546	5,263	1.38
Building and Land Rent	409,037	308,721	100,316	32.49
Airport Service Revenues - Total	6,784,840	6,412,974	371,866	5.80
Other	4,000	3,000	1,000	33.33
Total Operating Revenues	6,788,840	6,415,974	372,866	5.81
Operating Expenses:				
Personal Services	4,554,567	4,983,555	(428,988)	(8.61)
Supplies	702,877	756,976	(54,099)	(7.15)
Other Services and Charges	2,243,370	3,189,233	(945,863)	(29.66)
Depreciation	3,198,452	3,398,840	(200,388)	(5.90)
Total Operating Expenses	10,699,266	12,328,604	(1,629,338)	(13.22)
Net Income (Loss) - Operations	(3,910,426)	(5,912,630)	2,002,204	(33.86)
Nonoperating Revenues:				
Property Taxes	2,208,451	2,242,282	(33,831)	(1.51)
Other Tax Distributions	493,925	461,683	32,242	6.98
Interest and Investment Revenue	12,203	15,634	(3,431)	(21.95)
Property Management Revenue	242,757	244,898	(2,141)	(0.87)
Federal Operating Grant	238,490	692,138	(453,648)	(65.54)
Gain on Disposal of Assets	56,402	-	56,402	-
Other Revenue	84,670	50,545	34,125	67.51
Total Nonoperating Revenues	3,336,898	3,707,180	(370,282)	(9.99)
Nonoperating Expenses:				
Interest Expense	487,856	503,345	(15,489)	(3.08)
Property Management Expense	199,801	186,036	13,765	7.40
Loss on Disposal of Capital Assets	69,948	-	69,948	-
Amortization Expense	575	-	575	-
Total Nonoperating Expenses	758,180	689,381	68,799	9.98
Net Income (Loss) Before Contributions	(1,331,708)	(2,894,831)	1,563,123	(54.00)
Capital Contributions	1,752,133	35,157	1,716,976	4,883.74
Passenger Facility Charge Revenue	1,287,426	1,341,898	(54,472)	(4.06)
Capital Assets Donated to County Government	(1,552,241)	(5,004,377)	3,452,136	(68.98)
Sub-Totals	1,487,318	(3,627,322)	5,114,640	(141.00)
Change in Net Position	155,610	(6,522,153)	6,677,763	(102.39)
Total Net Position - Beginning	78,713,318	85,235,471	(6,522,153)	(7.65)
Total Net Position - Adjustments	167,329	-	167,329	-
Total Net Position - Ending	\$ 79,036,257	\$ 78,713,318	\$ 322,939	0.41

SUMMARY OF CASH FLOW ACTIVITIES

The following is a summary of the major sources and uses of Cash and Cash Equivalents for the past two years.

	<u>2014</u>	<u>2013</u>
Cash Flows		
Operating Activities	\$ (1,591,167)	\$ (1,634,057)
Noncapital Financing Activities	3,016,458	3,384,125
Capital and Related Financing Activities	(30,437)	(878,225)
Investing Activities	<u>9,908</u>	<u>9,488</u>
Net Increase (Decrease)		
Cash and Cash Equivalents	\$ 1,404,762	\$ 881,331
Cash and Cash Equivalents		
Beginning of Year	<u>10,176,100</u>	<u>9,294,769</u>
End of Year	<u>\$ 11,580,862</u>	<u>\$ 10,176,100</u>

The Authority's available Cash and Cash Equivalents increased from \$10.18 million at the end of 2013 to \$11.58 million at the end of 2014.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

CAPITAL ASSETS

The St. Joseph County Airport Authority's investment in Capital Assets as of December 31, 2014, was \$79.22 million (net of Accumulated Depreciation). This investment in Capital Assets includes land, buildings, roadways, airfield and equipment. In total, this represents a \$1.65 million decrease from 2013.

Major Capital Asset events during the current fiscal year included the following:

During 2014, the Airport Authority District disbursed \$1.96 million for major capital activities. This includes costs for a Geothermal HVAC terminal project, a roadway relocation, land acquisitions, customer service center, equipment and other capital assets.

Capital Asset acquisitions are capitalized at cost. Acquisitions are funded using a variety of financing mechanisms, including federal grants with matching state grants and Airport funds, property taxes, debt issuances, and Airport revenues. Additional information on the Authority's

Capital Assets and commitments can be found in the Notes to the Financial Statements in Section III C and D.

PASSENGER FACILITY CHARGE (P.F.C.)

Effective July 1, 2011, \$1.50 was added to the existing Passenger Facility Charge (P.F.C.) of \$3.00 per enplaned passenger with the approval of the Federal Aviation Administration (FAA) and the St. Joseph County Airport Authority Board. The P.F.C. receipts are intended to be used to repay the debt service on the 2011 and 2012 Bond issues and for any other purposes allowed by the FAA and the Airport Authority Board. The St. Joseph County Airport Authority is authorized to receive a maximum of \$40,172,802. As of December 31, 2014, the Airport Authority had received a total of \$22,867,596. For further details, please refer to the Schedule of Expenditures of Passenger Facility Charges, which is included later in this financial section.

LONG TERM DEBT AND CREDIT RATINGS

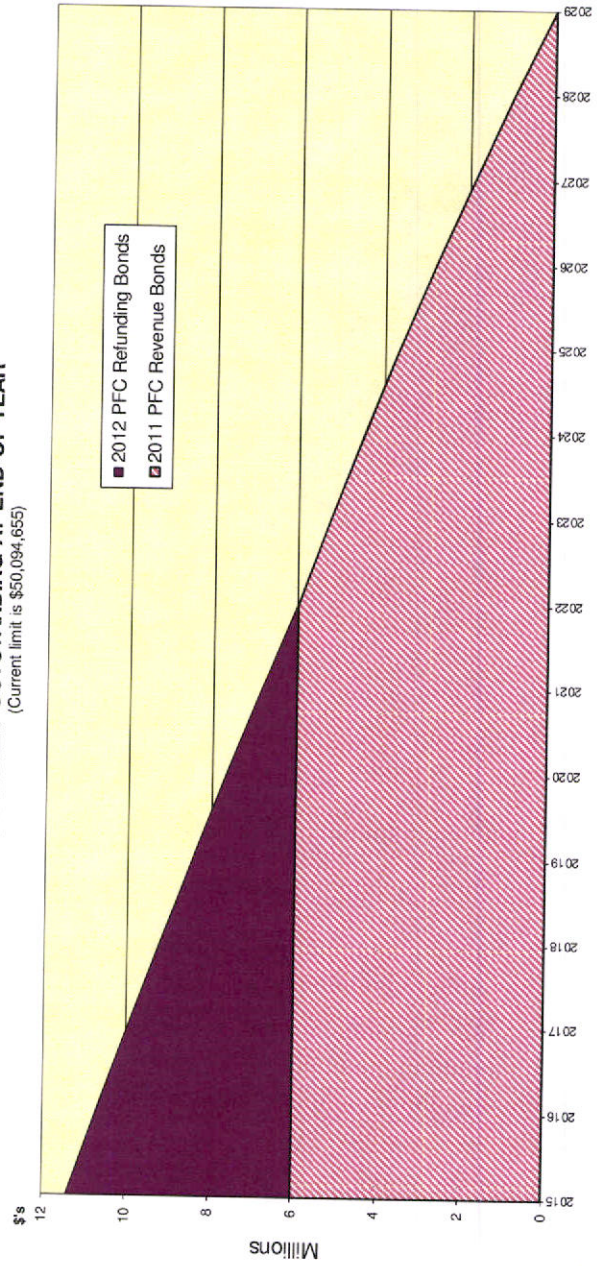
The Airport Authority has \$11.415 million in Outstanding Long-Term Debt plus \$700 thousand in Outstanding Short-Term Debt as of December 31, 2014. Long-Term and Short-Term Debt consisted of 2011 General Obligation Bonds and 2012 General Obligation Refunding Revenue Bonds. The 2011 Bonds (\$6 million) mature in 2030 and interest rates range from 4.3% to 5.0%. The 2012 Bonds (\$6.115 million) mature on January 1, 2023 at interest rates ranging from 2.0% to 3.5%. Both principal and interest are payable from the revenues derived from the proceeds of an approved Passenger Facility Charge (P.F.C.) on each enplanement at South Bend Airport.

The General Obligation Debt limit for the Airport Authority is 2% of the adjusted value of taxable property in St. Joseph County. Per Indiana Statute, the adjusted value is defined as being equal to one third (1/3) of the actual valuation of property in the County. The current adjusted value is \$2,504,732,747. The debt limit is \$50,094,655 and the total outstanding General Obligation Debt is \$12,115,000.

The Authority's General Obligation Debt is rated A+ by Standard and Poors (for both the 2011 and 2012 Bonds). The rating for South Bend reflects the General Obligation Security for these Bonds. Also noted is the fact that the Authority benefits from a relatively diverse revenue stream including: parking, terminal revenues, concessions, and general property taxes. Details regarding Long-Term Debt are included in the Notes to the Financial Statements in Section III E.1.

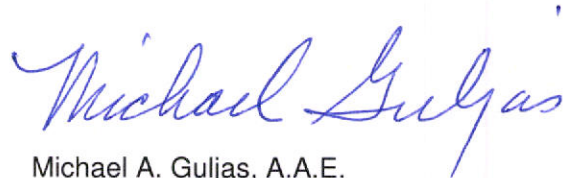
TOTAL DEBT OUTSTANDING AT END OF YEAR

(Current limit is \$50,094,655)



REQUEST FOR INFORMATION

This Comprehensive Annual Financial Report is designed to provide detailed information on the Authority's operations and to all of those with an interest in the Authority's financial affairs. Questions concerning any of the information provided in this report or any request for additional information should be addressed to the Chief Financial Officer by e-mail (Mguljas@sbnair.com) This report may be downloaded from: <http://www.flysbn.com>



Michael A. Guljas, A.A.E.
Chief Financial Officer

ST. JOSEPH COUNTY AIRPORT AUTHORITY

STATEMENT ON NET POSITION

As of December 31, 2014

Assets

Current Assets:

Unrestricted:

Cash and cash equivalents	\$ 7,905,082
Accounts receivable (net of allowance)	603,731
Taxes receivable	310,296
Intergovernmental receivable	1,049,514
Prepaid items	126,653
Other current assets	<u>45,285</u>
 Total unrestricted current assets	 <u>10,040,561</u>

Restricted:

Cash and cash equivalents:

Construction fund	235,966
Passenger facility charge fund	1,582,885
Bond and interest fund	171,374
Debt Service Reserve Fund	87,728
Cumulative building fund	920,781
Rainy day fund	278,861
Cash with fiscal agent	352,832
Excess levy fund	215
Other funds	45,138
Accounts receivable - passenger facility charge	140,786
Taxes receivable	<u>32,820</u>

Total restricted current assets 3,849,386

Total current assets 13,889,947

Noncurrent Assets:

Capital assets:

Land, improvements to land and construction in progress	37,642,949
Other capital assets (net of accumulated depreciation)	<u>41,575,654</u>

Total capital assets 79,218,603

Total assets 93,108,550

Deferred outflows of resources

Deferred amount on refunding	<u>191,555</u>
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Total Assets and Deferred Outflows \$ 93,300,105

(The Notes to the Financial Statements
are an Integral Part of this Statement)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

STATEMENT ON NET POSITION

As of December 31, 2014

Liabilities	
Current liabilities:	
Unrestricted:	
Accounts payable	\$ 186,559
Accrued payroll payable	149,876
Deferred revenue	3,066
Compensated absences	212,771
Retainage payable	195,459
Other current liabilities	67,673
	<hr/>
Total unrestricted current liabilities	815,404
	<hr/>
Restricted:	
General obligation bonds payable	700,000
Contracts payable	1,037,474
	<hr/>
Total restricted current liabilities	1,737,474
	<hr/>
Total current liabilities	2,552,878
	<hr/>
Noncurrent liabilities:	
Unrestricted:	
Compensated absences	116,701
Other postemployment benefits payable	167,092
	<hr/>
Total noncurrent unrestricted liabilities	283,793
	<hr/>
Restricted:	
General obligation bonds payable (net of unamortized premiums)	11,427,177
	<hr/>
Total noncurrent liabilities	11,710,970
	<hr/>
Total liabilities	\$ 14,263,848
	<hr/>
Net Position:	
Net investment in capital assets	\$ 67,518,947
Restricted for debt service	1,982,773
Restricted for capital assets	953,601
Unrestricted	8,580,936
	<hr/>
Total net position	\$ 79,036,257
	<hr/>

(The Notes to the Financial Statements
are an Integral Part of this Statement)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the 12 Months Ended December 31, 2014

Operating revenues:	
Airfield	\$ 669,881
Terminal - aviation	1,466,228
Terminal - nonaviation	128,179
Concessions	1,288,817
Parking	2,435,889
Fixed based operations	386,809
Building and land rent	409,037
Other	4,000
Total operating revenues	<u>6,788,840</u>
Operating expenses:	
Personal services	4,554,567
Supplies	702,877
Other services and charges	2,243,370
Depreciation	3,198,452
Total operating expenses	<u>10,699,266</u>
Operating loss	<u>(3,910,426)</u>
Nonoperating revenues:	
Property taxes	2,208,451
Other tax distributions	493,925
Interest and investment revenue	12,203
Property management revenue	242,757
Federal operating grant	238,490
Gain on disposal of assets	56,402
Other revenue	84,670
Total nonoperating revenues	<u>3,336,898</u>
Nonoperating expenses:	
Interest expense	487,856
Property management expense	199,801
Loss on disposal of assets	69,948
Amortization expense	575
Total nonoperating expenses	<u>758,180</u>
Loss before contributions	<u>(1,331,708)</u>
Capital contributions	1,752,133
Passenger facility charge revenue	1,287,426
Capital assets contributed to county government - See note IV.E.	<u>(1,552,241)</u>
Sub-totals	<u>1,487,318</u>
Change in net position	155,610
Total net position - beginning	78,713,318
Total net position - adjustment - Net Pension Obligation - See note III.F.	<u>167,329</u>
Total net position - ending	<u>\$ 79,036,257</u>

(The Notes to the Financial Statements
are an Integral Part of this Statement)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

For the 12 Months Ended December 31, 2014

Cash flows from operating activities:	
Receipts from customers and users	\$ 6,704,931
Payments to suppliers and contractors	(3,808,731)
Payments to employees	(4,572,037)
Other nonoperating revenue	<u>84,670</u>
Net cash provided (used) by operating activities	<u>(1,591,167)</u>
Cash flows from noncapital financing activities:	
Property management activity	75,061
Interest received on loan to renter	2,295
Principal received on loan to renter	7,664
Operating grant received	238,490
Property and county income taxes	<u>2,692,948</u>
Net cash provided (used) by noncapital financing activities	<u>3,016,458</u>
Cash flows from capital and related financing activities:	
Passenger facility charges	1,263,962
Capital contributions	1,752,133
Sale of assets	56,402
Acquisition and construction of capital assets	(1,961,471)
Interest paid on capital debt	(465,888)
Principal paid on refunded bonds	(675,000)
Bond issuance costs	<u>(575)</u>
Net cash provided (used) by capital and related financing activities	<u>(30,437)</u>
Cash flows from investing activities:	
Interest received	<u>9,908</u>
Net increase in cash and cash equivalents	1,404,762
Cash and cash equivalents, January 1	<u>10,176,100</u>
Cash and cash equivalents, December 31	<u>\$ 11,580,862</u>

(The Notes to the Financial Statements
are an Integral Part of this Statement)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

For the 12 Months Ended December 31, 2014

Reconciliation of operating income to net cash provided (used) by operating activities:

Operating income (loss) \$ (3,910,426)

Adjustments to reconcile operating income to net cash provided (used) by operating activities:

Depreciation expense 3,198,452
Other revenue 84,670

(Increase) decrease in assets:

Accounts receivable 49,575
Intergovernmental (866,601)
Prepaid items 34,218

Increase (decrease) in liabilities:

Accounts payable (30,101)
Accrued payroll payable (12,617)
Deferred revenue (133,484)
Compensated absence payable (23,365)
Other post employment benefit payable 18,512

Total adjustments 2,319,259

Net cash provided by operating activities \$ (1,591,167)

Noncash investing, capital and financing activities:

Contribution of capital assets to county government \$ 1,552,241
Disposal of capital assets 189,630
Capital assets purchased on account (1,101,465)

(The Notes to the Financial Statements
are an Integral Part of this Statement)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The St. Joseph County Airport Authority (Airport Authority) was established August 1, 1973, by the St. Joseph County Council under the provisions of Indiana Code 19-6-3.5, which has been recodified as Indiana Code 8-22-3. The Airport Authority operates under the direction of a four member board which is appointed by the Board of County Commissioners of St. Joseph County, an elected board.

Accounting principles generally accepted in the United States of America require that these basic financial statements present the Airport Authority and its significant component units. There are no significant component units which require inclusion. The Airport Authority is a component unit of St. Joseph County. A financial benefit/burden relationship exists between the County and the Airport Authority.

B. Fund Financial Statements

Enterprise fund financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position) report information on all of the Airport Authority's activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Airport Authority only has business-type activities.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Airport Authority is reported as an enterprise fund. The fund is accounted for using the capital maintenance (economic resources) measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or noncurrent) associated with its activity are included on the Airport Authority's Statement of Net Position. The operating statement represents increases (revenue) and decreases (expenses) in total net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Enterprise funds distinguish operating revenues and expenses from nonoperating items and other items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative costs, and depreciation on capital

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or other items and separately stated on the Statement of Revenues, Expenses and Changes in Net Position.

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

D. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

The Airport Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Airport Authority in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Airport Authority on or prior to December 31 of the year collected. Delinquent property taxes outstanding at year end, net of allowance for uncollectible accounts, are recorded as a receivable.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

4. Restricted Assets and Restricted Net Position

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond indentures, state or federal law, or governing body action.

The financial statements report \$2,936,374 of restricted net position, all of which is restricted by enabling legislation.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., runways, taxiways, tarmac, and similar items), are reported in the applicable financial statements.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and improvements	\$ 20,000	Straight-line	10 to 40 years
Airfield	20,000	Straight-line	15 to 20 years
Equipment	20,000	Straight-line	3 to 10 years

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

6. Compensated Absences

- a. Sick Leave – Airport Authority employees working 8-hour shifts earn sick leave at the rate of 48 hours per year. Employees working 24-hour shifts have the same benefits as employees working 8-hour shifts but earn 72 hours per year. Employees working 8-hour shifts may accumulate a maximum of 720 hours of sick leave. Employees working 24-hour shifts may accumulate a maximum of 1080 hours of sick leave. Employees have the opportunity at the beginning of each calendar year to roll that year's earned sick leave (accrued during the previous year) into their accumulated balance, to get paid for those earned hours in advance at their current rate of pay, or to split their earned sick leave time between the two options. At the termination of employment, employees are paid at their current rate of pay for a percentage of their accumulated sick leave. This percentage is based on the number of years of service and whether or not the termination of employment is a retirement.
- b. Vacation Leave – Airport Authority employees working 8-hour shifts earn vacation leave at rates from 80 to 160 hours per year based upon their number of years of service. Employees working 24-hour shifts have the same benefits as employees working 8-hour shifts but earn from 112 to 288 hours vacation leave per year. Vacation leave does not accumulate from year to year.

Vacation and sick leave is accrued when incurred.

7. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

8. Equity Classification

Equity is classified as net position and displayed in three components:

- a. Restricted net position – Consists of net position with constraints placed on its either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net position – All other net position amounts that do not meet the definition of "restricted".
- c. Net Investment in Capital Assets – Consists of investments in capital assets net of related debt.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

It is the Airport Authority's policy to first use restricted net position prior to the use of unrestricted net position when a disbursement is incurred for purposes for which both restricted and unrestricted net position are available.

E. Revenues and Expenses

Operating revenues and expenses for the Airport Authority result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

The Executive Director of the Airport Authority submits to the Airport Authority Board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the County Council to obtain taxpayer comments. The Airport Authority Board approves the budget via resolution and in October of each year, the County Council, through the passage of an ordinance, officially approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the Executive Director of the Airport Authority receives approval from the Indiana Department of Local Government Finance.

The Airport Authority's management cannot transfer budget appropriations between object classifications of a budget without approval of the Airport Authority board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the Airport Authority. The legal level of budgetary control is by object and department within the fund for the Airport Authority.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The Airport Authority does not have a deposit policy for custodial credit risk. At December 31, 2014, the Airport Authority had deposit balances in the amount of \$11,851,249. This entire balance was not exposed to custodial credit risk.

The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Receivables

The Airport Authority recognizes \$33,644 in an allowance account for the expected uncollectibility of payments due from airlines.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

C. Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 36,410,736	\$ 178,600	\$ 1,467,573	\$ 35,121,763
Construction in progress	105,585	2,583,452	167,851	2,521,186
Total capital assets, not being depreciated	<u>36,516,321</u>	<u>2,762,052</u>	<u>1,635,424</u>	<u>37,642,949</u>
Capital assets, being depreciated:				
Buildings	57,422,263	292,279	-	57,714,542
Airfield	35,904,326	-	-	35,904,326
Equipment	8,428,332	232,936	295,178	8,366,090
Totals	<u>101,754,921</u>	<u>525,215</u>	<u>295,178</u>	<u>101,984,958</u>
Less accumulated depreciation for:				
Buildings	24,984,256	1,495,099	-	26,479,355
Airfield	26,134,899	1,332,900	-	27,467,799
Equipment	6,281,327	370,453	189,630	6,462,150
Totals	<u>57,400,482</u>	<u>3,198,452</u>	<u>189,630</u>	<u>60,409,304</u>
Total capital assets, being depreciated, net	<u>44,354,439</u>	<u>(2,673,237)</u>	<u>105,548</u>	<u>41,575,654</u>
Total capital assets, net	<u>\$ 80,870,760</u>	<u>\$ 88,815</u>	<u>\$ 1,740,972</u>	<u>\$ 79,218,603</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

D. Construction Commitments to Contractors

Construction work in progress is composed of the following:

<u>Project</u>	<u>Total Expended to December 31</u>	<u>Remaining Committed</u>
Geothermal	\$ 2,065,198	\$ 6,820,690
Federal Inspection Station	426,486	280,619
Other	<u>29,502</u>	<u>153,449</u>
Totals	<u>\$ 2,521,186</u>	<u>\$ 7,254,758</u>

E. Long-Term Liabilities

1. General Obligation Bonds

The Airport Authority issues general obligation bonds to be paid by income derived from a passenger facility charge (Note IV.D.) and a tax levy to pay debt service.

These general obligation bonds are to provide funds for the acquisition and construction of major capital facilities or assets.

General obligation bonds are direct obligations and pledge the full faith and credit of the Airport Authority. General obligation bonds currently outstanding at year end are as follows:

<u>Purpose/Original Issue</u>	<u>Interest Rates</u>	<u>Balance at December 31</u>	<u>Add: Unamortized Bond Premium</u>	<u>Amount</u>
2011 General Obligation Bonds				
\$6,000,000	4.3% to 5.0%	\$ 6,000,000	\$ -	\$ 6,000,000
2012 Refunding Bonds				
\$8,030,000	2.0% to 3.5%	<u>6,115,000</u>	<u>12,177</u>	<u>6,127,177</u>
Totals		<u>\$ 12,115,000</u>	<u>\$ 12,177</u>	<u>\$ 12,127,177</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

Annual debt service requirements to maturity for general obligation bonds are as follows:

	<u>2011 GOB</u>		<u>2012 Refunding Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015		\$ 281,875	\$ 700,000	\$ 160,212
2016		281,875	715,000	143,525
2017		281,875	735,000	128,447
2018		281,875	750,000	111,328
2019		281,875	765,000	91,338
2020-2024	\$ 1,525,000	1,359,973	2,450,000	133,313
2025-2029	<u>4,475,000</u>	<u>621,005</u>	-	-
Totals	<u>\$ 6,000,000</u>	<u>\$ 3,390,353</u>	<u>\$ 6,115,000</u>	<u>\$ 768,163</u>

Note: interest is paid on January 1 and July 1.

2. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
General obligation bonds	\$ 12,790,000	\$ -	\$ 675,000	\$ 12,115,000	\$ 700,000
Compensated absences	352,837	-	23,365	329,472	212,771
Other postemployment benefits	<u>148,580</u>	<u>18,512</u>	<u>-</u>	<u>167,092</u>	<u>-</u>
Total non-current liabilities	<u>\$ 13,291,417</u>	<u>\$ 18,512</u>	<u>\$ 698,365</u>	<u>\$ 12,611,564</u>	<u>\$ 912,771</u>

Compensated absences for the Airport Authority typically have been liquidated from the Aviation Fund.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

F. Restatements and Reclassifications

For the fiscal year ended December 31, 2014, certain changes have been made to the financial statements to more appropriately reflect financial activity. The prior period adjustment reflects a change to the Public Employees' Retirement Fund (PERF), a defined benefit pension plan. The pension plan changed from an agent multiple-employer plan to a cost-sharing multiple-employer plan. Because the reporting requirements are different for this type of plan, the net pension obligation was removed from the 2014 financial statements.

	Balance as Reported <u>December 31, 2013</u>	Prior Period Adjustments/ <u>Reclassifications</u>	Restated Balance as Reported <u>January 1, 2014</u>
Business-type activities:			
Change in retirement plan type	\$ 167,329	\$ (167,329)	\$ -

IV. Other Information

A. Risk Management

The Airport Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

St Joseph County Airport Authority Healthcare Plan is a single-employer defined benefit healthcare plan administered by St. Joseph County. The plan provides medical insurance

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

benefits to eligible retirees and their spouses/dependents. IC 5-10-8 assigns the authority to establish and amend benefit provisions to the Airport Authority.

The St. Joseph County Airport Authority Healthcare Plan does not issue a publicly available financial report.

Funding Policy

The contribution requirements of plan members for the St. Joseph County Airport Authority Healthcare Plan are established by the Airport Authority Board. Currently retirees are required to pay 100% of the monthly premium for medical insurance. Retiree health coverage is implicitly more expensive than active health coverage. This higher cost of coverage creates a liability that the Airport Authority pays in higher premiums for current employees' coverage. Calculated required contributions are based on projected pay-as-you-go financing requirements. For the year ended December 31, 2014, the Airport contributed \$0 to the plan.

Annual OPEB Cost and Net OPEB Obligation

The Airport Authority's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Airport Authority's annual OPEB cost for the year 2014, the most recent actuarial study:

Annual required contribution	\$ 18,159
Interest on net OPEB obligation	6,686
Adjustment to annual required contribution	<u>(6,333)</u>
Annual OPEB cost	18,512
Contributions made	<u>-</u>
Increase (decrease) in net OPEB obligation	18,512
Net OPEB obligation, beginning of year	<u>148,580</u>
Net OPEB obligation, end of year	<u>\$ 167,092</u>

The Airport Authority's 2014 OPEB cost, the percentage of the 2014 OPEB cost contributed to the plan, and the net OPEB obligation for 2014, are as follows:

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2012	\$ 21,456	0%	\$ 127,124
12/31/2013	21,456	0%	148,580
12/31/2014	18,512	0%	167,092

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$152,929, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$152,929. The covered payroll (annual payroll of active employees covered by the plan) was \$2,672,100, and the ratio of the UAAL to covered payroll was 5.7%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2014, actuarial valuation, the projected unit credit with linear proration to decrement cost method was used. The UAAL is being amortized as a level

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

percent of pay over thirty years based on an open group. Other actuarial assumptions used in the actuarial valuation are as follows:

Inflation rate	3.0%
Investment return	4.5%
Projected Salary Increases	3.0%
Post-Retirement Benefit Increases	4.5% to 9.0%
Healthcare Cost Trend Rate	5.0% to 9.0%

C. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Airport Authority contributes to the Indiana Public Employee's Retirement Fund (PERF), a cost-sharing multiple-employer defined benefit pension plan (Cost – Sharing Plan). PERF provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board of Trustees, most requirements of the system and give the Airport Authority the authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

or the report can be viewed at <http://www.inprs.in.gov>.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

Funding Policy

PERF members are required to contribute 3% of their annual covered salary. The Airport Authority has elected to make this contribution on behalf of employees. The Airport Authority is required to contribute at an actuarially determined rate; the current rate, for calendar year 2014 is 11.20% of annual covered payroll. The rate for 2015 is also 11.20%. The contribution requirements of plan members and the Airport Authority are established and may be amended by the INPRS Board of Trustees. The Airport Authority's contributions to PERF for the years ended December 31, 2012, 2013 and 2014 were \$535,772; \$415,466; \$415,419 respectively.

D. Passenger Facility Charge

Effective November 1, 1994, a Passenger Facility Charge (PFC) of \$3.00 per ticket was implemented by the approval of the Federal Aviation Administration (FAA) and the Airport Authority. Effective July 1, 2011, the Passenger Facility Charge was increased to \$4.50 per ticket. The revenues are to be used to repay the debt service on the 2011 and 2012 bond issues, and for any other purposes allowed by the FAA and the Airport Authority Board. During 2014 the Airport Authority earned \$1,287,426 from 35 separate airlines. The Airport Authority is authorized to receive a maximum of \$40,172,802. As of December 31, 2014, the Airport Authority has earned a total of \$22,867,596.

E. Transfer of Capital Assets

Over the past several years, the Airport Authority has implemented multiple projects. The expansion of the North/South runway necessitated the movement of U.S. Highway 20 (Lincolnway West). The Airport Authority received federal aid and issued bonds to undertake this project. In 2014, the roadway portion of this project was contributed to the County as a \$1,552,241 contribution that is reflected as a separate line item on the Statement of Revenues, Expenses, and Changes in Net Position.

ST. JOSEPH COUNTY AIRPORT AUTHORITY

SCHEDULE OF FUNDING PROGRESS

Healthcare Plan						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
12-31-12	\$ -	\$ 187,276	\$ 187,276	0%	\$ *	*
12-31-13	-	152,929	152,929	0%	2,944,362	6.40%
12-31-14	-	**	**	**	2,672,100	5.70%

* Information not available.

** Information not available as of the time of this report.

SUPPLEMENTAL FINANCIAL INFORMATION

ST. JOSEPH COUNTY AIRPORT AUTHORITY

BUDGETARY COMPARISON SCHEDULE

For the year ended December 31, 2014

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Airfield	\$ 641,211	\$ 641,211	\$ 669,881	\$ 28,670
Terminal - aviation	1,264,200	1,264,200	1,382,319	118,119
Terminal - non-aviation	110,543	110,543	128,179	17,636
Concessionaire	1,140,760	1,140,760	1,288,817	148,057
Parking	2,476,096	2,476,096	2,435,889	(40,207)
Fixed based operations	375,077	375,077	386,809	11,732
Building and land rent	279,125	279,125	409,037	129,912
Other	125,000	125,000	4,000	(121,000)
Total revenues	6,412,012	6,412,012	6,704,931	292,919
Expenses:				
Personal services	5,891,907	5,891,907	4,572,037	(1,319,870)
Supplies	853,167	853,167	702,877	(150,290)
Other services and charges	4,086,205	4,086,205	3,105,854	(980,351)
Total operating expenses	10,831,279	10,831,279	8,380,768	(2,450,511)
Debt service:				
Other services and charges	1,142,288	1,142,288	1,141,463	(825)
Total expenses	11,973,567	11,973,567	9,522,231	(2,451,336)
Other financing sources (uses):				
Property taxes	2,198,324	2,198,324	2,199,023	699
Other tax distributions	485,454	485,454	493,925	8,471
Interest income	5,000	5,000	9,908	4,908
Federal and state grants	9,223,962	9,223,962	238,490	(8,985,472)
Capital outlay	(7,747,500)	(7,747,500)	(1,961,471)	5,786,029
Total other financing sources (uses)	4,165,240	4,165,240	979,875	(3,185,365)
Deficiency of revenues and other financing sources under expenses and other financing uses	\$ (1,396,315)	\$ (1,396,315)	\$ (1,837,425)	\$ (441,110)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

BUDGET/GAAP RECONCILIATION

For the year ended December 31, 2014

The major differences between budgetary (non-GAAP) basis and GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to when earned (GAAP).
- b. Expenses are recorded when paid in cash (budgetary) as opposed to when incurred (GAAP).
- c. Encumbrances outstanding at year-end are recorded as expenses for budgetary purposes.
- d. Capital outlays are recorded as expenses when paid (budgetary) as opposed to additions to fixed assets when costs are incurred (GAAP).
- e. Depreciation and amortization expense is not recognized in budgetary basis.
- f. Principal paid on bonds is recorded as expenses when paid (budgetary) as opposed to a reduction of liabilities (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

Deficiency of revenues and other financing sources under expenses and other financing uses (budgetary basis)	\$ (1,837,425)
Adjustments:	
Capital expenses	1,961,471
Depreciation	(3,198,452)
Amortization of Deferred Amount on Refunding and Bond Premium	(21,968)
Debt payments	675,000
Capital Contributions	1,752,133
Passenger Facility Charge Revenue	1,287,426
Other Non-Operating Revenue	84,670
Capital assets contributed to county government	(1,552,241)
Other taxes	9,428
Interest received on loan transactions	2,295
Property management activity (net revenue)	42,956
Gain on disposal of asset	56,402
Loss on disposal of asset	(69,948)
Change in operating revenues receivable	83,909
Change in intergovernmental receivable	866,601
Change in wages and benefits payable	17,470
Changes in payables and prepaid items	<u>(4,117)</u>
Change in net position (GAAP basis)	<u>\$ 155,610</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY

SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES

For the year ended December 31, 2014

Cash balance, January 1	\$ 1,545,408
Receipts:	
Passenger facility charge collections	1,263,962
Interest	<u>1,096</u>
Total receipts	1,265,058
Disbursements:	
Transfer to bond and interest fund	<u>1,227,581</u>
Cash balance, December 31	<u><u>\$ 1,582,885</u></u>

STATISTICAL SECTION

STATISTICAL SECTION OVERVIEW

This part of the St. Joseph County Airport Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the Authority's overall financial health.

Contents	Page
Financial Trends	44
These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.	
Revenue Capacity	47
These schedules contain information to help the reader assess the Authority's most significant local revenue sources.	
Debt Capacity	51
These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.	
Demographic and Economic Information	56
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.	
Operating Information	62
These schedules contain information and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

ST. JOSEPH COUNTY AIRPORT AUTHORITY
 SCHEDULE OF REVENUES
 LAST TEN YEARS
 (G.A.A.P. BASIS)

REVENUE CATEGORY:	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Operating Revenue:										
Airport Service Revenue:										
Airfield	\$ 669,881	\$ 665,933	\$ 605,636	\$ 606,890	\$ 605,210	\$ 601,768	\$ 688,895	\$ 644,949	\$ 656,071	\$ 575,730
Terminal Aviation	1,466,228	1,276,000	1,277,222	1,250,254	1,225,171	1,219,103	1,272,818	1,168,619	1,325,257	1,107,419
Terminal - Non Aviation	128,179	105,434	108,390	128,043	111,226	129,513	146,078	142,275	130,016	158,929
Concessions	1,288,817	1,211,590	1,097,687	1,093,471	1,069,131	1,056,991	1,087,047	1,234,600	1,152,570	1,176,014
Parking	2,435,889	2,463,750	2,198,722	2,191,557	2,207,040	2,037,467	2,547,340	2,474,598	2,390,249	2,140,480
Fixed Base Operations	386,809	381,546	358,468	347,090	408,748	407,000	383,730	494,342	227,714	336,559
Building and Land Rent	409,037	308,721	247,731	134,509	243,613	321,511	226,897	241,895	157,287	245,010
Total Airport Service Revenue	6,784,840	6,412,974	5,893,856	5,751,814	5,870,139	5,773,353	6,352,805	6,401,278	6,039,164	5,740,141
Other	4,000	3,000	12,367	12,625	12,039	10,619	116,289	14,620	99,788	18,507
Total Operating Revenue	6,788,840	6,415,974	5,906,223	5,764,439	5,882,178	5,783,972	6,469,094	6,415,898	6,138,952	5,758,648
Nonoperating Revenue:										
Property Taxes	2,208,451	2,242,282	2,320,303	1,765,272	2,997,689	2,702,107	2,909,741	2,681,849	2,782,173	3,504,509
Other Tax Distributions	493,925	461,683	446,283	535,170	620,426	836,637	618,671	495,964	524,731	-
Interest Income	12,203	15,634	18,986	16,139	15,517	61,882	277,387	733,312	420,128	334,694
Other Grants	-	-	-	-	-	-	-	-	-	-
Property Management Revenue	242,757	244,898	227,126	257,154	273,942	328,987	295,774	242,955	257,168	483,473
Federal operating grant	238,490	692,138	101,303	144,568	148,565	-	-	-	-	-
Operating Grant	56,402	-	-	-	-	-	65,717	-	-	34,135
Gain on Disposal of Fixed Assets	84,670	50,545	32,921	41,072	101,332	122,378	405,017	190,112	200,561	30,108
Other	-	-	-	-	-	-	-	-	-	-
Total Nonoperating Revenue	3,336,898	3,707,180	3,146,922	2,759,375	4,157,471	4,051,991	4,572,307	4,344,192	4,333,878	4,386,919
Total Revenue	\$ 10,125,738	\$ 10,123,154	\$ 9,053,145	\$ 8,523,814	\$ 10,039,649	\$ 9,835,963	\$ 11,041,401	\$ 10,760,090	\$ 10,472,830	\$ 10,145,567

ST. JOSEPH COUNTY AIRPORT AUTHORITY
SCHEDULE OF EXPENSES AND CHANGES IN NET POSITION
LAST TEN YEARS
(G.A.A.P. BASIS)

EXPENSE CATEGORY:	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Operating Expenses:										
Personal Services	\$ 4,554,567	\$ 4,983,555	\$ 5,050,210	\$ 4,871,475	\$ 4,884,509	\$ 4,810,162	\$ 4,884,616	\$ 4,698,058	\$ 4,282,845	\$ 4,189,818
Supplies	702,877	756,976	623,858	642,682	586,715	808,565	732,590	706,584	597,088	624,271
Other Services and Charges	2,243,370	3,189,233	2,454,909	2,880,312	2,116,199	3,134,908	3,074,743	2,602,485	2,021,793	2,618,130
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-
Depreciation	3,198,452	3,398,840	3,347,686	3,611,684	3,667,220	3,630,659	3,090,620	2,957,397	2,945,583	2,969,658
Total Operating Expenses	<u>10,699,266</u>	<u>12,328,604</u>	<u>11,476,663</u>	<u>12,006,153</u>	<u>11,254,643</u>	<u>12,384,294</u>	<u>11,782,569</u>	<u>10,964,524</u>	<u>9,847,309</u>	<u>10,401,877</u>
Nonoperating Expenses:										
Interest Expense	487,856	503,345	631,215	607,514	614,347	675,362	727,662	774,487	170,824	199,594
Amortization Expenses	575	-	1,277	9,083	14,628	14,628	14,628	14,628	14,628	6,970
Property Management Expense	199,801	186,036	192,996	200,666	222,493	257,044	209,198	285,856	227,526	432,674
Loss on Change in Capital Asset Policy	69,948	-	-	-	590,321	-	-	-	-	-
Loss on Disposal/Capital Assets	-	-	152,751	-	392,349	-	-	-	61,363	-
Bond Issuance Costs	-	-	158,849	-	-	-	-	-	-	-
Total Nonoperating Expenses	<u>758,180</u>	<u>689,381</u>	<u>1,137,088</u>	<u>817,263</u>	<u>1,834,138</u>	<u>947,034</u>	<u>951,488</u>	<u>1,074,971</u>	<u>474,341</u>	<u>639,238</u>
Total Expenses	<u>\$11,457,446</u>	<u>\$13,017,985</u>	<u>\$12,613,751</u>	<u>\$12,823,416</u>	<u>\$13,088,781</u>	<u>\$13,331,328</u>	<u>\$12,734,057</u>	<u>\$12,039,495</u>	<u>\$10,321,650</u>	<u>\$11,041,115</u>
Income Before Contributions	<u>\$ (1,331,708)</u>	<u>\$ (2,894,831)</u>	<u>\$ (3,560,606)</u>	<u>\$ (4,299,602)</u>	<u>\$ (3,049,132)</u>	<u>\$ (3,495,365)</u>	<u>\$ (1,692,656)</u>	<u>\$ (1,279,405)</u>	<u>\$ 151,180</u>	<u>\$ (895,548)</u>
Capital Contributions	1,752,133	35,157	3,274,595	3,909,443	7,313,647	834,428	4,036,643	3,125,639	2,828,377	2,890,293
Transfer of Capital Assets	(1,552,241)	(5,004,377)	-	-	(8,999,393)	-	-	-	(225,754)	-
Passenger Facility Charge	1,287,426	1,341,898	1,227,862	1,007,280	835,884	820,664	960,513	1,083,989	1,060,891	913,894
Total Other Revenue/(Expenses)	<u>155,610</u>	<u>(6,522,153)</u>	<u>941,851</u>	<u>617,121</u>	<u>(3,898,994)</u>	<u>(1,840,273)</u>	<u>3,304,500</u>	<u>2,930,223</u>	<u>3,814,694</u>	<u>2,908,639</u>
Net Position Adjustment	<u>167,329</u>	<u>-</u>	<u>(578,962)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Change in Net Position	<u>\$ 322,939</u>	<u>\$ (6,522,153)</u>	<u>\$ 362,889</u>	<u>\$ 617,121</u>	<u>\$ (3,898,994)</u>	<u>\$ (1,840,273)</u>	<u>\$ 3,304,500</u>	<u>\$ 2,930,223</u>	<u>\$ 3,814,694</u>	<u>\$ 2,908,639</u>
Net Position at Year End										
Net Investment in Capital Assets Restricted for Debt Service	\$67,518,947	\$68,517,836	\$77,501,806	\$76,480,093	\$76,503,028	\$78,662,042	\$79,687,866	\$76,431,514	\$74,590,274	\$67,030,110
Restricted for Capital Assets Unrestricted	1,982,773	1,834,219	1,634,185	3,097,096	2,653,237	2,933,036	2,803,293	3,459,495	3,421,415	3,279,547
	953,601	724,858	482,348	224,348	929,722	742,198	96,259	528,757	580,113	888,626
	8,580,936	7,636,405	5,617,132	5,070,740	4,169,474	5,817,179	7,407,310	6,270,462	5,168,203	8,747,028
Total Net Position	<u>\$79,036,257</u>	<u>\$78,713,318</u>	<u>\$85,235,471</u>	<u>\$84,872,582</u>	<u>\$84,255,461</u>	<u>\$88,154,455</u>	<u>\$89,994,728</u>	<u>\$86,690,228</u>	<u>\$83,760,005</u>	<u>\$79,945,311</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY
CHANGES IN CASH AND CASH EQUIVALENTS
FOR YEARS ENDED DECEMBER 31
(G.A.A.P. BASIS)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Cash Flows From Operating Activities										
Cash Received From Customers and Users	\$ 6,704,931	\$ 6,242,577	\$ 6,026,572	\$ 5,873,333	\$ 5,966,212	\$ 5,885,644	\$ 6,779,251	\$ 6,304,894	\$ 5,959,038	\$ 5,701,701
Cash Paid to Suppliers and Contractors	(3,808,731)	(3,003,828)	(3,061,178)	(3,484,695)	(2,565,804)	(3,192,577)	(3,850,097)	(3,215,578)	(2,957,093)	(3,012,713)
Cash Paid to Employees	(4,572,037)	(4,923,351)	(4,982,833)	(4,659,189)	(5,015,994)	(4,701,127)	(4,900,605)	(4,601,055)	(4,212,974)	(4,190,903)
Other Cash Received	84,670	50,545	32,921	41,072	101,332	122,378	256,898	238,355	395,621	-
Net Cash Provided By Operating Activities	<u>(1,591,167)</u>	<u>(1,634,057)</u>	<u>(1,984,518)</u>	<u>(2,229,479)</u>	<u>(1,514,254)</u>	<u>(1,885,682)</u>	<u>(1,714,553)</u>	<u>(1,273,384)</u>	<u>(815,408)</u>	<u>(1,501,915)</u>
Cash Flows From Noncapital Financing Activities										
Loan Principal Repayments	-	-	-	9,472	-	-	-	-	-	229,640
Loan Interest Repayments	-	-	-	(174,814)	-	-	-	-	-	3,377
Loan to Renter	-	-	-	-	-	-	-	-	-	-
Principal From Loan	7,664	17,756	16,893	-	-	-	-	-	-	-
Interest From Loan	2,295	6,146	7,009	4,471	-	-	-	-	-	-
Federal and State Grants	-	-	-	-	-	250,000	-	-	-	-
Operating Grant Received	238,490	692,138	101,303	144,568	-	-	-	-	-	-
Property and County Income Taxes	2,692,948	2,612,977	2,683,777	2,631,008	3,345,266	5,427,794	1,421,755	3,177,813	3,306,904	4,496,507
Property Management Activity	75,061	55,108	616	76,840	106,023	35,220	-	-	-	10,246
Other Nonoperating Receipts	-	-	-	-	-	-	-	-	-	30,108
Net Cash Provided By Noncapital Financing Activities	<u>3,016,458</u>	<u>3,384,125</u>	<u>2,809,598</u>	<u>2,691,545</u>	<u>3,451,289</u>	<u>5,713,014</u>	<u>1,421,755</u>	<u>3,177,813</u>	<u>3,306,904</u>	<u>4,769,878</u>
Cash Flows From Capital and Related Financing Activities										
Proceeds From Bond	-	-	8,030,000	5,940,000	-	-	-	-	-	-
Passenger Facility Charges	1,263,962	1,350,256	1,238,594	974,465	830,988	820,664	960,513	1,111,775	1,044,598	941,002
Capital Contributions	1,752,133	35,157	2,713,795	5,183,670	5,590,147	834,428	4,036,643	3,768,140	5,069,832	5,042,177
Acquisition and Construction of Capital Assets	(1,961,471)	(1,119,650)	(6,266,479)	(5,075,015)	(9,935,902)	(3,081,985)	(5,944,930)	(7,651,783)	(9,150,964)	(6,684,959)
Principal Paid on Capital Debt	(675,000)	(655,000)	(585,000)	(675,000)	(1,245,000)	(1,375,000)	(1,275,000)	(1,200,000)	(1,125,000)	(1,040,000)
Interest Paid on Capital Debt	(465,888)	(488,988)	(527,684)	(545,850)	(599,663)	(658,588)	(710,888)	(757,713)	(801,006)	(840,720)
Interest paid on refunded bonds	-	-	(113,601)	-	-	-	-	-	-	-
Call premium on refunded bonds	-	-	(107,750)	-	-	-	-	-	-	-
Principal paid on refunded bonds	-	-	(10,775,000)	-	-	-	-	-	-	-
Premium received on bond issue	-	-	16,393	-	-	-	-	-	-	-
Proceeds from Sales of Capital Assets	56,402	-	-	-	-	-	170,457	-	-	82,656
Refund of Capital Asset Disbursements	-	-	-	-	-	-	363,400	-	230,643	-
Bond Issue Costs	(575)	-	(158,849)	(84,287)	-	-	-	-	-	-
Net Cash Used by Capital and Related Financing Activities	<u>(30,437)</u>	<u>(878,225)</u>	<u>(6,535,581)</u>	<u>5,717,983</u>	<u>(5,359,430)</u>	<u>(3,460,481)</u>	<u>(2,399,805)</u>	<u>(4,729,581)</u>	<u>(4,731,897)</u>	<u>(2,459,844)</u>
Cash Flows From Investing Activities										
Interest Received	9,908	9,488	11,977	11,913	15,517	61,882	277,387	733,312	898,955	606,005
Net Cash Provided by Investing Activities	<u>9,908</u>	<u>9,488</u>	<u>11,977</u>	<u>11,913</u>	<u>15,517</u>	<u>61,882</u>	<u>277,387</u>	<u>733,312</u>	<u>898,955</u>	<u>606,005</u>
Net Increase in Cash and Cash Equivalents	<u>1,404,762</u>	<u>881,331</u>	<u>(5,698,524)</u>	<u>6,191,962</u>	<u>(3,406,878)</u>	<u>428,733</u>	<u>(2,415,216)</u>	<u>(2,091,840)</u>	<u>(1,341,446)</u>	<u>1,374,124</u>
Cash and Cash Equivalents, January 1	<u>10,176,100</u>	<u>9,294,769</u>	<u>14,993,293</u>	<u>8,801,331</u>	<u>12,208,209</u>	<u>11,779,476</u>	<u>14,194,692</u>	<u>16,286,532</u>	<u>17,627,978</u>	<u>16,253,854</u>
Cash and Cash Equivalents, December 31	<u>\$ 11,580,862</u>	<u>\$ 10,176,100</u>	<u>\$ 9,294,769</u>	<u>\$ 14,993,293</u>	<u>\$ 8,801,331</u>	<u>\$ 12,208,209</u>	<u>\$ 11,779,476</u>	<u>\$ 14,194,692</u>	<u>\$ 16,286,532</u>	<u>\$ 17,627,978</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY
PRINCIPAL REVENUE SOURCES, COST PER ENPLANED PASSENGER AND
SCHEDULED AIRLINE RATES AND CHARGES
LAST 10 YEARS ENDED DECEMBER 31
(G.A.A.P. BASIS)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
PRINCIPAL REVENUE SOURCES										
AVIATION-RELATED REVENUES										
Airfield	\$ 669,881	\$ 665,933	\$ 605,636	\$ 606,890	\$ 605,210	\$ 601,768	\$ 688,895	\$ 644,949	\$ 656,071	\$ 575,730
Terminal Aviation	1,466,228	1,276,000	1,277,222	1,250,254	1,225,171	1,219,103	1,272,818	1,168,619	1,325,257	1,107,419
Fixed Base Operations	386,809	381,546	358,468	347,090	408,748	407,000	383,730	494,342	227,714	336,559
TOTAL AVIATION-RELATED REVENUES	2,522,918	2,323,479	2,241,326	2,204,234	2,239,129	2,227,871	2,345,443	2,307,910	2,209,042	2,019,708
Percent of Total Revenues	24.9%	23.0%	24.8%	25.9%	22.3%	22.4%	21.3%	21.4%	21.1%	19.9%
NON-AVIATION REVENUES										
Terminal - Non-Aviation	128,179	105,434	108,390	128,043	111,226	129,513	146,078	142,275	130,016	158,929
Concessions	1,288,817	1,211,590	1,097,687	1,093,471	1,069,131	1,056,991	1,087,047	1,234,600	1,152,570	1,176,014
Parking	2,435,889	2,463,750	2,198,722	2,191,557	2,207,040	2,037,467	2,547,340	2,474,598	2,390,249	2,140,480
Other	4,000	3,000	12,367	12,625	12,039	10,619	3,358	14,620	99,788	18,507
Building and Land Rent	409,037	308,721	247,731	134,509	243,613	321,511	226,897	241,895	157,287	245,010
TOTAL NON-AVIATION REVENUES	4,265,922	4,092,495	3,664,897	3,560,205	3,643,049	3,556,101	4,010,720	4,107,988	3,929,910	3,738,940
Percent of Total Revenues	42.1%	40.4%	40.5%	41.8%	36.3%	35.7%	36.4%	38.2%	37.5%	36.9%
NON-OPERATING REVENUES										
Property Taxes	2,208,451	2,242,282	2,320,303	1,765,272	2,997,689	2,702,107	2,909,741	2,681,849	2,782,173	3,504,509
Other Tax Distributions	493,925	461,683	446,283	535,170	620,426	836,637	618,671	495,964	524,731	-
Operating Grant	238,490	692,138	101,303	144,568	148,565	113,728	97,961	-	-	-
Interest Income	12,203	15,634	18,986	16,139	15,517	61,882	277,387	793,312	420,128	334,694
Other	84,670	50,545	32,921	41,072	101,332	122,378	405,017	190,112	200,561	30,108
Other Grants	-	-	-	-	-	-	-	-	-	-
Property Management Revenue	242,757	244,898	227,126	257,154	273,942	328,987	295,774	242,955	257,168	483,473
Gain on Disposal of Fixed Assets	56,402	-	-	-	-	-	65,717	-	-	34,135
TOTAL NON-OPERATING REVENUES	3,336,898	3,707,180	3,146,922	2,759,375	4,157,471	4,165,719	4,670,268	4,344,192	4,333,878	4,386,919
Percent of Total Revenues	33.0%	36.6%	34.8%	32.4%	41.4%	41.9%	42.4%	40.4%	41.4%	43.2%
TOTAL REVENUES	\$ 10,125,738	\$ 10,123,154	\$ 9,053,145	\$ 8,523,814	\$ 10,039,649	\$ 9,949,691	\$ 11,026,431	\$ 10,760,090	\$ 10,472,830	\$ 10,145,567
Enplaned Passengers	296,747	308,623	294,600	301,881	315,081	314,745	354,015	389,562	367,750	348,364
TOTAL REVENUE PER ENPLANED PASSENGER	\$ 34.12	\$ 32.80	\$ 30.73	\$ 28.24	\$ 31.86	\$ 31.61	\$ 31.15	\$ 27.62	\$ 28.48	\$ 29.12
CONTRACT AIRLINE RATES										
Landing Fee (Per 1,000 lbs.)	\$ 1.11	\$ 1.08	\$ 1.05	\$ 1.02	\$ 0.99	\$ 0.96	\$ 0.93	\$ 0.90	\$ 0.87	\$ 0.84
Terminal Counter Rental Rates (Per sq. foot)	37.76	36.66	35.59	34.55	33.54	32.56	31.60	30.68	29.79	28.92
Airline Cost Per Enplanement	\$ 7.20	\$ 6.29	\$ 6.39	\$ 6.15	\$ 5.81	\$ 5.79	\$ 5.54	\$ 4.66	\$ 5.39	\$ 4.83

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
 ASSESSED VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS (1)**

<u>Year</u>	<u>Real Property Assessed Value</u>	<u>Personal Property Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Total Assessed Value</u>
2014	\$ 6,344,717,735	\$ 1,169,480,507	\$ 0.0345	\$ 7,514,198,242
2013	6,533,399,996	1,137,751,791	0.0330	7,671,151,787
2012	6,882,357,309	1,117,519,859	0.0309	7,999,877,168
2011	7,291,197,519	846,299,712	0.0297	8,137,497,231
2010	7,255,034,884	1,161,736,880	0.0342	8,416,771,764
2009	7,407,382,632	998,084,354	0.0353	8,405,466,986
2008	8,914,568,570	1,050,299,685	0.0292	9,964,868,255
2007	8,866,005,036	1,099,718,445	0.0277	9,965,723,481
2006	7,711,827,652	1,500,017,115	0.0301	9,211,844,767
2005	7,630,792,983	1,605,819,866	0.0297	9,236,612,849

Notes:

(1) Source: Indiana State Department of Local Government Finance and the St. Joseph County Auditor.

ST. JOSEPH COUNTY AIRPORT AUTHORITY
PROPERTY TAX RATES - DIRECT
(PER \$100 OF ASSESSED VALUE) (1)
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Airport General</u>	<u>Airport Cum Building</u>	<u>Airport Debt Service</u>	<u>Total</u>
2014	\$ 0.0312	\$ 0.0033	\$ -	\$ 0.0345
2013	0.0297	0.0033	-	0.0330
2012	0.0277	0.0032	-	0.0309
2011	0.0264	0.0033	-	0.0297
2010	0.0249	0.0020	0.0073	0.0342
2009	0.0241	0.0092	0.0020	0.0353
2008	0.0195	0.0020	0.0077	0.0292
2007	0.0185	0.0020	0.0072	0.0277
2006	0.0197	0.0022	0.0082	0.0301
2005	0.0192	0.0022	0.0083	0.0297

Notes:

(1) Source: St. Joseph County Auditor

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Year	Certified Levy (1)	Collections During Year		Collections in Subsequent Years		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Subsequent Years	Amount	Percentage of Levy
2014	\$ 2,592,399	\$ 2,208,451	85.2%	(2)	(2)	\$ 2,208,449	85.2%
2013	2,531,480	2,151,294	85.0%	(2)	(2)	2,151,292	85.0%
2012	2,471,962	2,198,324	88.9%	(2)	(2)	2,198,322	88.9%
2011	2,416,836	2,126,937	88.0%	(2)	(2)	2,126,935	88.0%
2010	2,878,535	(2)	(2)	(2)	(2)	(2)	(2)
2009	2,967,130	(2)	(2)	(2)	(2)	(2)	(2)
2008	2,909,741	(2)	(2)	(2)	(2)	(2)	(2)
2007	2,812,446	(2)	(2)	(2)	(2)	(2)	(2)
2006	(2)	(2)	(2)	(2)	(2)	(2)	(2)
2005	(2)	(2)	(2)	(2)	(2)	(2)	(2)

Sources:

- (1) Budget order approved by Indiana Department of Local Government Finance.
- (2) Information not available at the time of the report.

**COMPUTATION OF LEGAL DEBT MARGIN
LAST 10 FISCAL YEARS (1)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Adjusted Value (2)	\$ 2,504,732,747	\$ 2,557,050,596	\$ 2,666,625,723	\$ 2,712,499,077	\$ 2,805,590,588	\$ 2,801,822,329	\$ 3,321,622,752	\$ 3,321,907,827	\$ 3,070,614,922	\$ 3,078,870,950
Debt Limit Percentage	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Debt Limit	\$ 50,094,655	\$ 51,141,012	\$ 53,332,514	\$ 54,249,982	\$ 56,111,812	\$ 56,036,447	\$ 66,432,455	\$ 66,438,157	\$ 61,412,298	\$ 61,577,419
Less Bonds Outstanding	12,115,000	12,790,000	13,445,000	16,775,000	11,450,000	12,695,000	14,070,000	15,345,000	16,545,000	17,670,000
Subtotals	\$ 37,979,655	\$ 38,351,012	\$ 39,887,514	\$ 37,474,982	\$ 44,661,812	\$ 43,341,447	\$ 52,362,455	\$ 51,093,157	\$ 44,867,298	\$ 43,907,419
Amount Available in Debt Service Fund	171,374	171,489	171,118	1,284,052	534,027	497,709	64,279	589,636	655,517	622,147
Legal Debt Margin	\$ 37,808,281	\$ 38,179,523	\$ 39,716,396	\$ 36,190,930	\$ 44,127,785	\$ 42,843,738	\$ 52,298,176	\$ 50,503,521	\$ 44,211,781	\$ 43,285,272

Notes:

(1) The General Obligation Debt Limit for the Airport Authority is two percent (2%) of the Adjusted Value of Taxable property in St. Joseph County.

(2) Per Indiana Statute, the adjusted value is now defined as being equal to one-third (1/3) of the actual assessed value.

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
RATIO OF ANNUAL DEBT SERVICE FOR BONDED DEBT
TO TOTAL GENERAL EXPENDITURES (1) (2)**

Year	Principal	Interest	Total Debt Service	Total Expenses	Less Depreciation	Add Principal	Total General Expenditures	Ratio of Debt Service to Total General Expenditures
2014	\$ 675,000	\$ 465,888	\$ 1,140,888	\$ 11,457,446	\$ 3,198,452	\$ 675,000	\$ 8,933,994	12.8%
2013	655,000	488,988	1,143,988	13,017,985	3,398,840	655,000	10,274,145	11.1%
2012	585,000	527,684	1,112,684	12,613,751	3,347,686	585,000	9,851,065	11.3%
2011	675,000	545,850	1,220,850	12,823,416	3,611,684	675,000	9,886,732	12.3%
2010	1,245,000	598,792	1,843,792	13,088,781	3,667,220	1,245,000	10,666,561	17.3%
2009	1,375,000	658,588	2,033,588	13,331,328	3,630,659	1,375,000	11,075,669	18.4%
2008	1,275,000	710,888	1,985,888	12,734,057	3,090,620	1,275,000	10,918,437	18.2%
2007	1,200,000	757,713	1,957,713	12,039,495	2,957,397	1,200,000	10,282,098	19.0%
2006	1,125,000	801,006	1,926,006	10,321,650	2,945,583	1,125,000	8,501,067	22.7%
2005	1,040,000	840,720	1,880,720	11,041,115	2,969,658	1,040,000	9,111,457	20.6%

Notes:

(1) General expenditures do not include capital outlays.

(2) Interest is net of interest capitalized.

ST. JOSEPH COUNTY AIRPORT AUTHORITY
RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Assessed Value (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Percentage of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2014	266,709	\$ 7,514,198,242	\$ 12,115,000	\$ 171,374	\$ 11,943,626	0.1589%	44.78
2013	266,709	7,671,151,787	12,790,000	171,489	12,618,511	0.1645%	47.31
2012	266,931	7,999,877,168	13,445,000	171,118	13,273,882	0.1659%	49.73
2011	266,931	8,137,497,231	16,775,000	1,284,052	15,490,948	0.1904%	58.04
2010	266,931	8,416,771,764	11,450,000	534,027	10,915,973	0.1297%	40.89
2009	265,559	8,405,466,986	12,695,000	497,709	12,197,291	0.1451%	45.93
2008	265,559	9,964,868,255	14,070,000	64,279	14,005,721	0.1406%	52.74
2007	265,559	9,965,723,481	15,345,000	589,636	14,755,364	0.1481%	55.56
2006	265,559	9,211,844,767	16,545,000	655,517	15,889,483	0.1725%	59.83
2005	265,559	9,236,612,849	17,670,000	622,147	17,047,853	0.1846%	64.20

Notes:

- (1) Source: U. S. Department of Census and the Indiana Department of Workforce Development Services 2000 population estimate applicable to years 2005 through 2009, 2010 population estimate applicable to 2010 to 2012, and 2013 population estimate applicable to years 2013 to 2014.
- (2) Source: Indiana State Department of Local Government Finance.
- (3) Includes funds held by fiscal agent on December 31 payable January 1 of the following year.

ST. JOSEPH COUNTY AIRPORT AUTHORITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

The following schedule shows the outstanding bonded indebtedness of St. Joseph County and the taxing units within and overlapping its jurisdiction as of May 26, 2015 as reported by the respective taxing units.

<u>Issuer</u>	<u>Total Debt</u>		<u>Percent</u> <u>Allocable to</u> <u>County*</u>	<u>Amount</u> <u>Allocable to</u> <u>County</u>
Property Tax Supported Debt:				
St. Joseph County	\$21,629,292	(1)	100.00%	\$21,629,292
John Glenn Community School Corporation	19,196,140	(2)	60.92%	11,694,288
School City of Mishawaka	47,579,752	(3)	100.00%	47,579,752
New Prairie United School Corporation	39,465,000	(4)	33.98%	13,410,207
Penn-Harris-Madison School Corporation	49,187,573	(5)	100.00%	49,187,573
South Bend Community School Corporation	145,573,853	(6)	100.00%	145,573,853
Union-North United School Corporation	7,330,000	(7)	45.51%	3,335,883
St. Joseph County Public Library	6,925,000	(8)	100.00%	6,925,000
Mishawaka-Penn-Harris Public Library	2,425,000	(9)	100.00%	2,425,000
New Carlisle-Olive Township Public Library	2,345,000	(10)	100.00%	2,345,000
City of Mishawaka	3,200,016	(11)	100.00%	3,200,016
Town of New Carlisle	790,000	(12)	100.00%	790,000
Town of North Liberty	120,000	(13)	100.00%	120,000
City of South Bend	7,048,879	(14)	100.00%	7,048,879
South Bend Redevelopment Authority	39,475,000	(15)	100.00%	39,475,000
Town of Walkerton	1,998,303	(16)	100.00%	1,998,303
Clay Township	1,194,030	(17)	100.00%	1,194,030
German Township	340,000	(18)	100.00%	340,000
Penn Township	1,202,362	(19)	100.00%	1,202,362
Union Township	75,000	(20)	100.00%	75,000
Total Property Tax Supported Debt				<u>\$359,474,438</u>
Property Tax Backed Debt:				
St. Joseph County Airport Authority	\$12,115,000	(21)	100.00%	<u>\$12,115,000</u>
Tax Increment Financing Debt - Property Tax Backed:				
St. Joseph County Redevelopment District	\$9,405,000	(22)	100.00%	\$9,405,000
South Bend Redevelopment Authority	50,170,000	(23)	100.00%	50,170,000
South Bend Redevelopment District	3,010,000	(24)	100.00%	<u>3,010,000</u>
Total Tax Increment Financing Debt - Property Tax Backed				<u>\$62,585,000</u>

*Based upon the 2014 payable 2015 net assessed valuation of the respective taxing units.

(Continued on next page)

ST. JOSEPH COUNTY AIRPORT AUTHORITY

(Cont'd)

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

<u>Issuer</u>	<u>Total Debt</u>	<u>Percent Allocable to County*</u>	<u>Amount Allocable to County</u>
Tax Increment Financing Revenue Debt:			
South Bend Redevelopment Authority	4,863,764 (25)	100.00%	<u>\$4,863,764</u>
County Option Income Tax Revenue Debt:			
City of South Bend	\$19,871,949 (26)	100.00%	<u>\$19,871,949</u>
County Economic Development Income Tax Revenue Debt:			
St. Joseph County	\$9,155,000 (27)	100.00%	\$9,155,000
City of South Bend	1,665,000 (28)	100.00%	<u>1,665,000</u>
Total County Economic Development Tax Revenue Debt			<u>\$10,820,000</u>
Hotel-Motel Tax Supported Debt:			
South Bend Redevelopment Authority	\$3,465,000 (29)	100.00%	<u>\$3,465,000</u>
Revenue Supported Debt:			
Town of Lakeville	\$538,800 (30)	100.00%	\$538,800
City of Mishawaka	84,990,637 (31)	100.00%	84,990,637
Town of New Carlisle	1,820,000 (32)	100.00%	1,820,000
Town of North Liberty	3,444,290 (33)	100.00%	3,444,290
City of South Bend	120,500,000 (34)	100.00%	120,500,000
Town of Walkerton	4,075,000 (35)	100.00%	<u>4,075,000</u>
Total Revenue Supported Debt			<u>\$215,368,727</u>

*Based upon the 2014 payable 2015 net assessed valuation of the respective taxing units.

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	St. Joseph County Personal Income (In Thousands) (1)	St. Joseph County Per Capita Income (1)	St. Joseph County Unemployment (2)	St. Joseph County Labor Force (2)	Area In Square Miles (3)
2014					
2013	\$	(4) 10,131,944	6.7%	128,906	461
2012		37,989	8.8%	124,349	461
2011		38,152	9.7%	124,968	461
2010		36,289	10.1%	128,868	461
2009		33,322	11.4%	127,611	461
2008		34,712	11.6%	128,714	461
2007		35,363	6.6%	132,758	461
2006		34,636	5.1%	134,771	461
2005		33,739	5.1%	136,217	461
		8,519,179	5.2%	135,084	461

Notes:

- (1) Source: U.S. Department of Commerce, Bureau of Economic Analysis
- (2) Source: Indiana Department of Workforce Development Services
- (3) Source: Michiana Area Council of Governments
- (4) Information not available for 2014

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
PRINCIPAL EMPLOYERS (8)
CURRENT YEAR**

2014

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
University of Notre Dame	Higher education	5,920 (1)	1	4.59%
South Bend Community School Corp.	Public education	3,686 (2)	2	2.86%
Beacon Health System (formerly Memorial Hospital & Health System)	Acute care health services	3,300 (3)	3	2.56%
St. Joseph's Regional Medical Center	Acute care health services	2,250	5	1.75%
St. Joseph County	County government	1,303 (4)	6	1.01%
Indiana University at South Bend	Higher education	1,277	7	0.99%
City of South Bend	City government	1,243 (5)	8	0.96%
Penn-Harris-Madison School Corp.	Public education	1,113 (6)	9	0.86%
Schurz Communications	News and information company	1,000 (7)	10	0.78%
AM General Corporation	Mfr. military vehicles, other	1,000	11	0.78%
Totals		22,092		17.14%

Notes:

- (1) Includes permanent, adjunct, part-time and full-time faculty, but not student workers or graduate assistants.
- (2) Includes 1,544 certified and 2,142 non-certified personnel.
- (3) Represents total employment in St. Joseph County.
- (4) Includes full-time and part-time employees.
- (5) Includes 1,100 full-time and 143 part-time employees.
- (6) Includes 539 certified and 574 non-certified personnel.
- (7) Per the St. Joseph County Chamber of Commerce
- (8) The number of employees shown are as reported by company personnel unless otherwise noted. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.
- (9) St. Joseph County total workforce in 2014 was 128,906.

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
PRINCIPAL PROPERTY TAXPAYERS (3)
DECEMBER 31, 2014**

	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (1)	Taxable Assessed Value	Percentage of Total Taxable Assessed Value (4)	
Taxpayer:						
Edward Rose of Indiana	\$ 136,531,590	1	1.82%	\$ 109,625,500	1.19%	
American Electric Power Company	122,146,170	2	1.63%	99,859,990	1.08%	
I/N Tek - I/N Kote	108,330,371	3	1.44%	111,413,990	1.21%	
AM General Corporation, LLC	83,956,900	4	1.12%	40,418,400	0.44%	
AT&T	82,662,980	5	1.10%	108,957,430	1.18%	
University of Notre Dame (2)	57,280,861	6	0.76%	22,539,470	0.24%	
Northern Indiana Public Service Company	54,831,660	7	0.73%	45,731,100	0.50%	
Honeywell International, Inc.	51,266,270	8	0.68%	49,614,440	0.54%	
Schottenstein Stores Corporation	47,501,670	9	0.63%	22,392,100	0.24%	
Wal-Mart Stores East, Inc.	37,881,470	10	0.50%	26,021,810	0.28%	
Totals	\$ 782,389,942		10.41%	\$ 636,574,230	6.89%	

Notes:

(1) The total 2014 net assessed valuation of the St. Joseph County Airport Authority is \$7,514,198,242, according to the 2014 Certified Budget Order.

(2) Assessed values shown are net of all tax-exempt property.

(3) Source: St. Joseph County Auditor and H.J. Umbaugh and Associates.

(4) 2004 Payable 2005 Valuation \$9,236,612,849.

ST. JOSEPH COUNTY AIRPORT AUTHORITY
OPERATIONAL STATISTICS INCLUDING PASSENGER ENPLANEMENTS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Airline Passengers (1)</u>			<u>Cargo in Pounds (2)</u>			<u>Flight Operations (2)(3)</u>			<u>Number of Airlines (4)</u>
	<u>Enplaned</u>	<u>Deplaned</u>	<u>On</u>	<u>On</u>	<u>Off</u>	<u>Passenger Carriers</u>	<u>Cargo</u>	<u>General Aviation</u>		
2014	296,747	295,140	11,631,285	15,282,301	12,146	1,454	19,903	3		
2013	308,623	309,773	11,331,403	14,132,012	13,176	1,406	18,540	4		
2012	294,600	294,430	11,428,777	14,278,561	12,778	1,324	19,731	5		
2011	301,881	297,246	11,100,994	12,863,645	13,682	1,374	18,364	13		
2010	315,081	311,516	10,482,119	13,226,108	14,636	1,354	17,505	8		
2009	314,745	310,332	9,502,502	11,707,558	15,720	1,526	19,782	9		
2008	354,015	350,403	16,357,020	19,138,828	19,919	2,638	21,093	13		
2007	389,562	389,722	20,049,901	21,034,841	20,050	2,868	25,405	13		
2006	367,750	361,869	18,837,867	22,377,252	20,704	2,940	33,218	13		
2005	348,364	345,311	15,728,245	19,755,496	22,038	3,334	38,883	13		

Notes:

- (1) Source: St. Joseph County Airport Authority Airlines.
- (2) Source: Federal Aviation Administration.
- (3) An operation is defined as a take off or landing.
- (4) This represents the number of companies with regularly scheduled service. In some cases, more than one company contracted with a national carrier to provide service to a particular hub.

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
INSURANCE IN FORCE ON DECEMBER 31, 2014 (1)**

<u>Name of Carrier</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Description of Coverage</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
Ace Property & Casualty	AAPNO 219921A	7-01-14 to 7-01-15	General Liability	\$10,000,000	\$30,713.00
Auto Owners	42-365-347-00	7-01-14 to 7-01-15	Business Auto Liability PD-Licensed Vehicles	\$1,000,000 Liability/\$1,000/Ded/Comprehensive \$1,000/Ded/Collision \$5,000 Medical \$1,000,000 Uninsured Motorist	13,265.00
Companion	WC7-Z21-969486-03	7-01-14 to 7-01-15	Workers Compensation	\$1 million Policy Limit	47,108.00
ACE	G27110101001	7-01-14 to 7-01-15	Executive Risk Directors' & Officers' Liability Employment Practices Liability Fiduciary Liability and Crime	\$5,000,000 Limit Liability \$5,000,000 \$5,000,000 \$1,000,000 & \$500,000	24,256.00
Liberty Mutual Ins. Co.	YU2L9L457292013	7-01-14 to 7-01-15	Property Fire, DIC, & In-Transit and All Licensed Vehicles Equipment Breakdown	Value \$93,395,200 \$10,000 Deductible per Incident Extra Expense - \$250,000 Earthquake \$5,000,000	103,955.00
CNA Security Co/Western Surety	7035344IN00 70399235N00 70297587N00	8-22-08 to 10-08-15	Notary Public	Notary Bonds	150.00
CAN	713374549	7-01-14 to 7-01-15	Surety Policy - Treasurer	\$60,000	425.00
					<u>\$219,872.00</u>

ST. JOSEPH COUNTY AIRPORT AUTHORITY
 FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS (1)

	Full-time Equivalent Employees as of December 31, 2014									
<u>FUNCTION</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Administration	10	11	11	10	10	10	10	10	9	9
Operations	9	6	6	5	7	8	8	8	8	8
Maintenance										
Terminal	7	8	8	9	9	10	10	10	10	10
Airfield	12	12	12	13	13	13	13	13	14	14
Public Safety	13	14	16	17	17	17	17	17	17	17
<u>TOTAL</u>	<u>51</u>	<u>51</u>	<u>53</u>	<u>54</u>	<u>56</u>	<u>58</u>	<u>58</u>	<u>58</u>	<u>58</u>	<u>58</u>

Note: (1) Source: St. Joseph County Airport Authority

ST. JOSEPH COUNTY AIRPORT AUTHORITY
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS (1) (2)

FUNCTION	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Operations										
Field Condition Reports	547	525	510	506	491	516	684	668	N/A	N/A
Notice to Airmen (NOTAMs)	180	162	157	159	154	165	271	246	N/A	N/A
Field Checks	1,148	1,124	1,126	1,125	1,122	1,405	1,685	1,568	N/A	N/A
Terminal Checks	1,110	960	950	952	924	1,068	1,156	1,129	N/A	N/A
Perimeter Checks	1,901	1,823	1,819	1,816	1,738	2,104	2,198	2,132	N/A	N/A
Maintenance										
Terminal										
Square Footage Maintained	275,524	275,524	275,524	275,571	196,484	150,584	150,584	150,584	N/A	N/A
Work Orders Processed	1,051	1,027	1,020	1,080	685	623	571	525	N/A	N/A
Airfield										
Vehicles - Hours of Operation										
Blowers	150	704	652	699	708	332	665	537	N/A	N/A
Brooms	1,611	3,198	3,170	2,917	2,960	1,538	2,507	1,570	N/A	N/A
Loaders	671	1,412	1,314	1,185	1,216	709	1,227	298	N/A	N/A
Plows	546	651	672	670	662	444	544	600	N/A	N/A
Total Snow Equipment - Hours	2,978	5,965	5,808	5,471	5,546	3,023	4,943	3,005	N/A	N/A
Public Safety										
Aircraft and Other Fire Calls	28	43	44	27	23	22	41	37	N/A	N/A
Medical Responses	38	36	32	29	43	30	26	34	N/A	N/A
Arrests	8	15	8	11	10	18	10	14	N/A	N/A
Various Additional Reports	302	366	283	244	23	16	43	19	N/A	N/A
Airport Ordinance Violations	293	412	439	583	482	482	429	344	N/A	N/A
State Citations/Tickets	2	11	8	13	12	16	17	15	N/A	N/A
Approximate Calls for Service	1,310	1,350	1,280	1,200	1,250	1,250	1,200	1,180	N/A	N/A

Notes: (1) Information is not available for years 2005 through 2006.
(2) Source: St. Joseph County Airport Authority

**ST. JOSEPH COUNTY AIRPORT AUTHORITY
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS (1) (2)**

Function	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Operations										
Pick-Up Trucks	1	2	2	2	2	2	2	2	N/A	N/A
SUV	1	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maintenance										
Terminal										
Pick-Up Trucks	4	4	4	4	4	4	4	4	N/A	N/A
Cargo Van	1	1	1	1	1	1	1	1	N/A	N/A
Loaders	1	1	1	1	1	1	1	1	N/A	N/A
Street Sweepers	1	1	1	1	1	1	1	1	N/A	N/A
Airfield										
Blowers/Jet Air Blowers	4	4	4	4	4	4	4	4	N/A	N/A
Brooms	5	5	5	5	5	5	5	3	N/A	N/A
Loaders	2	2	2	2	2	2	2	2	N/A	N/A
Back Hoe Loader	1	1	1	1	1	1	1	1	N/A	N/A
Plows	3	3	3	3	3	3	3	3	N/A	N/A
Pick-Up Trucks	5	5	5	5	5	5	5	5	N/A	N/A
Mowers	4	4	4	4	4	4	4	4	N/A	N/A
Lighting Trucks	1	1	1	1	1	1	1	1	N/A	N/A
Sweepers	1	1	1	1	1	1	1	1	N/A	N/A
Paint Truck	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Public Safety										
Stations	1	1	1	1	1	1	1	1	N/A	N/A
Patrol Units	3	4	4	4	4	4	4	4	N/A	N/A
ARFF Vehicles	3	4	4	4	4	4	4	3	N/A	N/A
Buses	1	1	1	1	1	1	1	1	N/A	N/A

Notes: (1) Informations is not available for years 2005 through 2006
(2) Source: St. Joseph County Airport Authority

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