



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B55378

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

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

July 1, 2020

Board of Directors
Fort Wayne-Allen County Airport Authority
3801 West Ferguson Road, Suite 209
Fort Wayne, IN 46809-3194

We have reviewed the audit report of Fort Wayne-Allen County Airport Authority which was opined upon by BKD, LLP, Independent Public Accountants, for the period January 1, 2019 to December 31, 2019. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Fort Wayne-Allen County Airport Authority as of December 31, 2019, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

FORT WAYNE, INDIANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2019

Prepared by:

Douglas W. Robertson
Controller

Janice R. Lewis
Accounting

Nikki E. Davis
Accounting

This Page Intentionally Left Blank



**FORT WAYNE-ALLEN COUNTY
AIRPORT AUTHORITY**

FORT WAYNE INTERNATIONAL AIRPORT
SMITH FIELD AIRPORT

**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY
TABLE OF CONTENTS**

I. INTRODUCTORY SECTION (UNAUDITED)	Page(s)
Geographic Locator Map.....	1
Board and Executive Director	2
Letter of Transmittal to Authority Board	3-6
Certificate of Achievement for Excellence in Financial Reporting.....	7
Organizational Chart	8
Principal Officials and Management	9
Airport Layout Map	10
II. FINANCIAL SECTION	
Independent Auditor’s Report	11-12
Management’s Discussion and Analysis (Unaudited).....	13-20
Financial Statements:	
Statement of Net Position	21-22
Statement of Revenues, Expenses and Changes in Net Position.....	23
Statement of Cash Flows	24-25
Notes to Financial Statements.....	26-49
Required Supplementary Information (Unaudited):	
Schedule of the Authority’s Proportionate Share of Net Pension Liability – Public	
Employees Retirement Fund.....	50
Schedule of Contributions – Public Employees Retirement Fund	51
Schedule of Changes in the Authority’s Net OPEB Liability and Related Ratios	52
Schedule of the Authority’s OPEB Contributions.....	53
Schedule of OPEB Funding Progress.....	53
Supplementary Information:	
Combining Schedules	
Combining Schedule of Net Position	54-56
Combining Schedule of Revenues, Expenses and Changes in Net Position	57
Combining Schedule of Cash Flows	58-59
Other Supplementary Information:	
Schedule of Debt Service Requirements to Maturity	60
Schedule of Capital Assets and Accumulated Depreciation	61
Schedule of Revenues-Budget and Actual.....	62
Schedule of Expenses-Budget and Actual	63
Schedule of Expenditures of Federal Awards.....	64
Schedule of Passenger Facility Charge Revenues and Expenditures.....	65
III. STATISTICAL SECTION (UNAUDITED)	
Annual Revenues, Expenses and Changes in Net Position	67-68
Principal Revenue Sources, Cost per Enplaned Passenger, and Airline Rates and Charges	69-70
Principal Taxpayers.....	71
Tax Levies and Collections	72-73
Assessed Values of Property	74
Property Tax Rates and Tax Levies – All Overlapping Governments	75
Property Values and Construction.....	76
Ratios of Outstanding Debt.....	77
Pledged Revenue Coverage.....	78
Allen County Demographic and Economic Statistics	79
Allen County Principal Employers.....	80
Fort Wayne International Airport Information.....	81-82
Enplaned Passengers	83
Airline Landed Weights	84-85
Aircraft Operations.....	86
Fort Wayne International Airport Scheduled Airline Service	87

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>.....	88
Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards required by Uniform Guidance - Independent Auditor's Report.....	90
Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control Over Compliance - Independent Auditor's Report.....	92
Schedule of Findings and Questioned Costs.....	94
Summary Schedule of Prior Audit Findings.....	96
Passenger Facility Charge Audit Summary.....	97



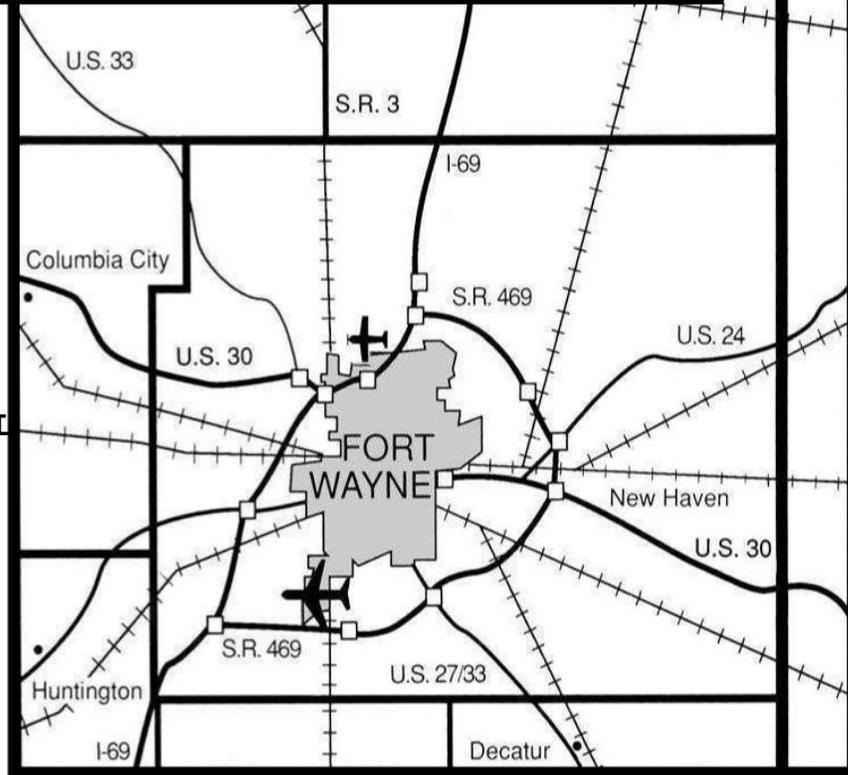
Fort Wayne International Airport (FWA)



Smith Field Airport (SMD)

INTRODUCTORY SECTION

L
O
C
A
T
I
O
N



FORT
WAYNE
INTERNATIONAL
AIRPORT



SMITH FIELD

Fort Wayne-Allen County Airport Authority Board and Executive Director



Richard B. "Barry" Sturges, Jr.,
President



Gregg C. Sengstack,
Vice President



Timothy J. Haffner, Secretary



Cornelius "Neil" B. Hayes, Member



Jerome "Jerry" Henry, Jr., Member



Kimberly Wagner, Member



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



June 24, 2020

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

The Comprehensive Annual Financial Report (CAFR) of the Fort Wayne-AlLEN County Airport Authority for the fiscal year ended December 31, 2019 is submitted with this letter. This report was prepared by the Authority's financial staff.

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

BKD, LLP, Certified Public Accountants, have issued an unmodified opinion on the Authority's financial statements for the year ended December 31, 2019. The independent auditor's report is located at the front of the financial section on pages 11 and 12 of this report.

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

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

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

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

Also, issuance of general obligation bonds must be approved by the County Council and revenue bonds must be approved by the County Commissioners. Although the Authority is fiscally dependent on the County, it is not considered a component unit of Allen County because there is no benefit or burden relationship as defined by Government Accounting Standards Board Statement 61.

The Authority's component unit, the Fort Wayne International Airport Air Trade Center Building Corporation (FWIAATCBC), is an autonomous quasi-governmental unit. Although FWIAATCBC is legally separate from the Authority, it is reported as if it were part of the Authority because its sole purpose is to finance construction projects for the Authority. Additional information on this component unit can be found in the notes to the financial statements on pages 26 and 27.

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

Local Economy – During 2019, unemployment in the Fort Wayne Metropolitan Statistical Area (MSA) (Allen, Wells, and Whitley counties) averaged 3.2 (not-seasonally adjusted) percent, with a high of 3.8 percent in January and with the lowest rate of 2.5 percent coming in April. Annual unemployment remained unchanged in comparison to 2018 as the average was also 3.2 percent. According to the Bureau of Labor Statistics, the Fort Wayne MSA's labor Force averaged 219,195 in 2019, increasing slightly from 216,904 in 2018.

In May 2019, the average annual wage for the Fort Wayne was \$46,810, according to the Bureau of Labor Statistics. While this is an increase of 3.2 percent compared to May 2018, it is well below the U.S. amount of approximately \$53,490. The average number of nonfarm jobs was 228,000 in 2019, an increase of 1.3 percent over the average in 2018.

The activity at Fort Wayne International Airport continued to reflect improvements in the local economy as the number of passenger enplanements increased from 381,139 in 2018 to 397,938 in 2019. This is the tenth consecutive year of enplanement increases and establishes the record for the Airport's largest number of enplanements. Since December 31, 2019, Fort Wayne and the surrounding region have been impacted by the effects of the worldwide COVID-19 pandemic. While January and February posted strong enplanement increases over the same months in 2019, passenger numbers fell significantly in March and April compared to the previous year due to travel restrictions in place as a result of COVID-19. Passenger enplanements dropped by 30.36% year over year through April 30, 2020. Forecasted enplanements for calendar year 2020 are projected to be at 27.3% of the record breaking 2019 level. Based on industry information, it is not anticipated that Fort Wayne International Airport will return to the 2019 level of passenger enplanements until 2024.

Both Fort Wayne International Airport and Smith Field Airport received grants from the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress in March 2020. Fort Wayne International Airport will receive \$14,538,406 and Smith Field Airport was granted \$30,000. These funds will be drawn on a reimbursement basis and may be used for any purpose for which airport revenues may be lawfully used per the FAA's Revenue Use Policy.

The airlines' cost per enplaned passenger decreased from \$8.22 in 2018 to \$8.07 in 2019. This decrease was caused by similar terminal building and airfield access control expenses and a 4.4 percent increase in enplaned passengers in 2019 compared to 2018.

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

The schedule on page 74 of this report details additional information regarding diversity in the local economy, as the area is not dependent on the fortunes of a single employer. The ten largest employers in Allen County make up only 15.9 percent of total employment. On page 69, it can be discerned that local government is not dependent on a single taxpayer or group of taxpayers for its revenue base. The top ten taxpayers in Allen County provide only 10.2 percent of taxable assessed valuation. The number of building permits issued by the Allen County Building department for single-family and duplex residential building construction increased from 1,174 in 2018 to 1,311 in 2019, an increase of 11.7 percent. This is Allen County's largest number of building permits issued since 2005.

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

Included in the capital improvement plan are provisions to make substantial improvements to the infrastructure and facilities at Smith Field: replace perimeter security fence; rehabilitate the East Ramp; acquire easements for runway protection; construct a new snow equipment building; and complete additional infrastructure and building improvements. These substantial improvements are needed for safety reasons and to increase the attractiveness and utilization of Smith Field Airport. The Authority will finance most of the projects above with federal and state grants.

At Fort Wayne International, the Authority will begin rehabilitation taxiway C in 2020 and work will be completed in 2021; the Authority also plans to relocate taxiway C2; make terminal apron improvements; and modernize the passenger terminal. Reconstructing the taxiways will enhance safety on the airfield. The terminal apron improvements will improve ramp utilization and safety. Renovating the terminal will give the Authority better utilization of its current space, solve retail space needs and improve the terminal’s traffic flow. The Authority plans to maximize the use of federal and state grants from the Airport Improvement Program for airfield projects; and use passenger facility charges to finance eligible terminal projects. In addition, the Authority intends to issue general obligation bonds to finance a portion of the terminal improvements.

The Fort Wayne-Allen County Airport Authority continues to strengthen its marketing efforts to retain existing and attract new airline service to Fort Wayne International Airport (FWA). In November 2019, FWA received non-stop service to a new destination – Sarasota, FL (SRQ) on Allegiant Air. This new service offers leisure travelers an additional non-stop destination to the sunny South. Allegiant Air has also announced that FWA will be receiving non-stop service to Las Vegas beginning in June 2020. The Authority continues to reach out and provide additional service and to increase their seat capacities at Fort Wayne International.

Awards and Acknowledgements – Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fort Wayne-Allen County Airport Authority for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the thirtieth (1989 – 2018) consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government 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.

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

We acknowledge:

BKD, LLP, Independent Auditors, and Nick Jordan, Allen County Auditor.

Respectfully submitted,

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY



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



Robin R. Strasser, CPA
Director of Administration and Finance



Douglas W. Robertson
Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

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

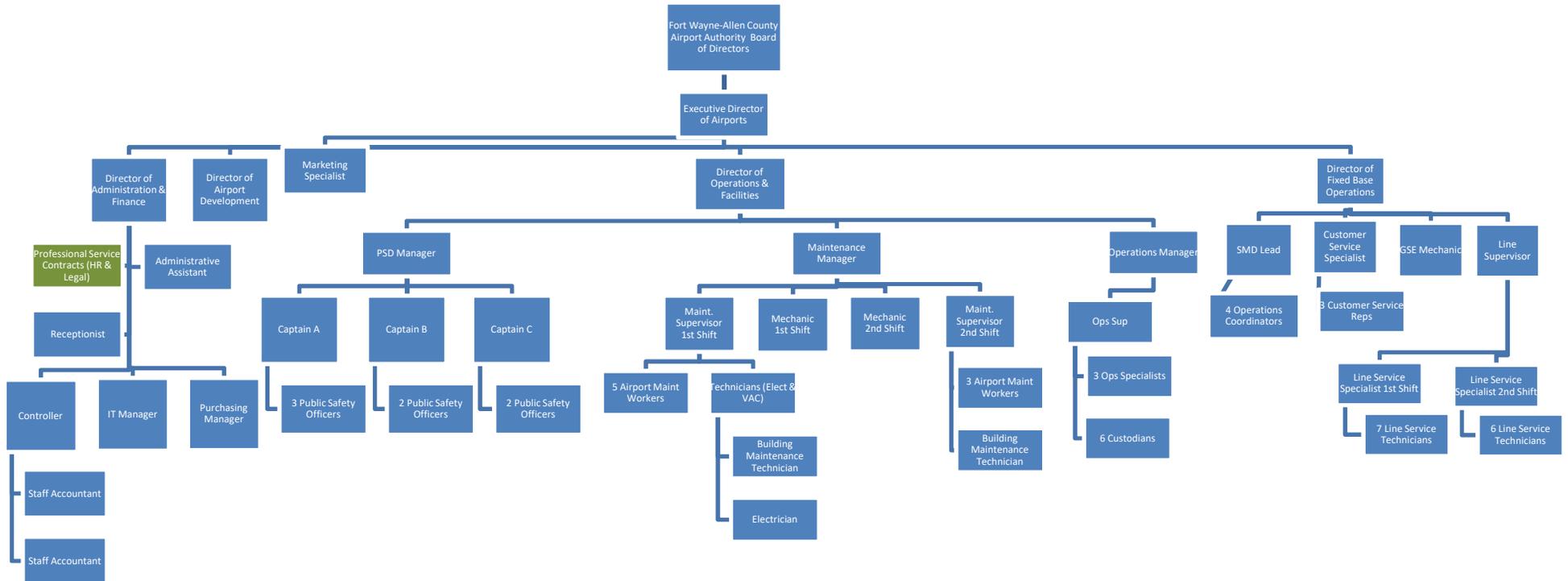
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

Fort Wayne-Allen County Airport Authority Organization Chart



FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY
Principal Officials and Management

NAME	TITLE	YEARS OF SERVICE
Richard B. "Barry" Sturges, Jr.	President	13
Gregg C. Sengstack	Vice President	1
Timothy J. Haffner	Secretary	26
Cornelius "Neil" B. Hayes	Member	17
Jerome "Jerry" F. Henry, Jr.	Member	13
Kimberly Wagner	Member	<1

STAFF

Scott D. Hinderman, AAE	Executive Director of Airports	13
Robin R. Strasser, CPA	Director of Administration and Finance/Treasurer	7
Joe G. Marana, AAE	Director of Operations and Facilities	5

ATTORNEYS

Rothberg, Logan and Warsco LLP		29
--------------------------------	--	----

CERTIFIED PUBLIC ACCOUNTANTS

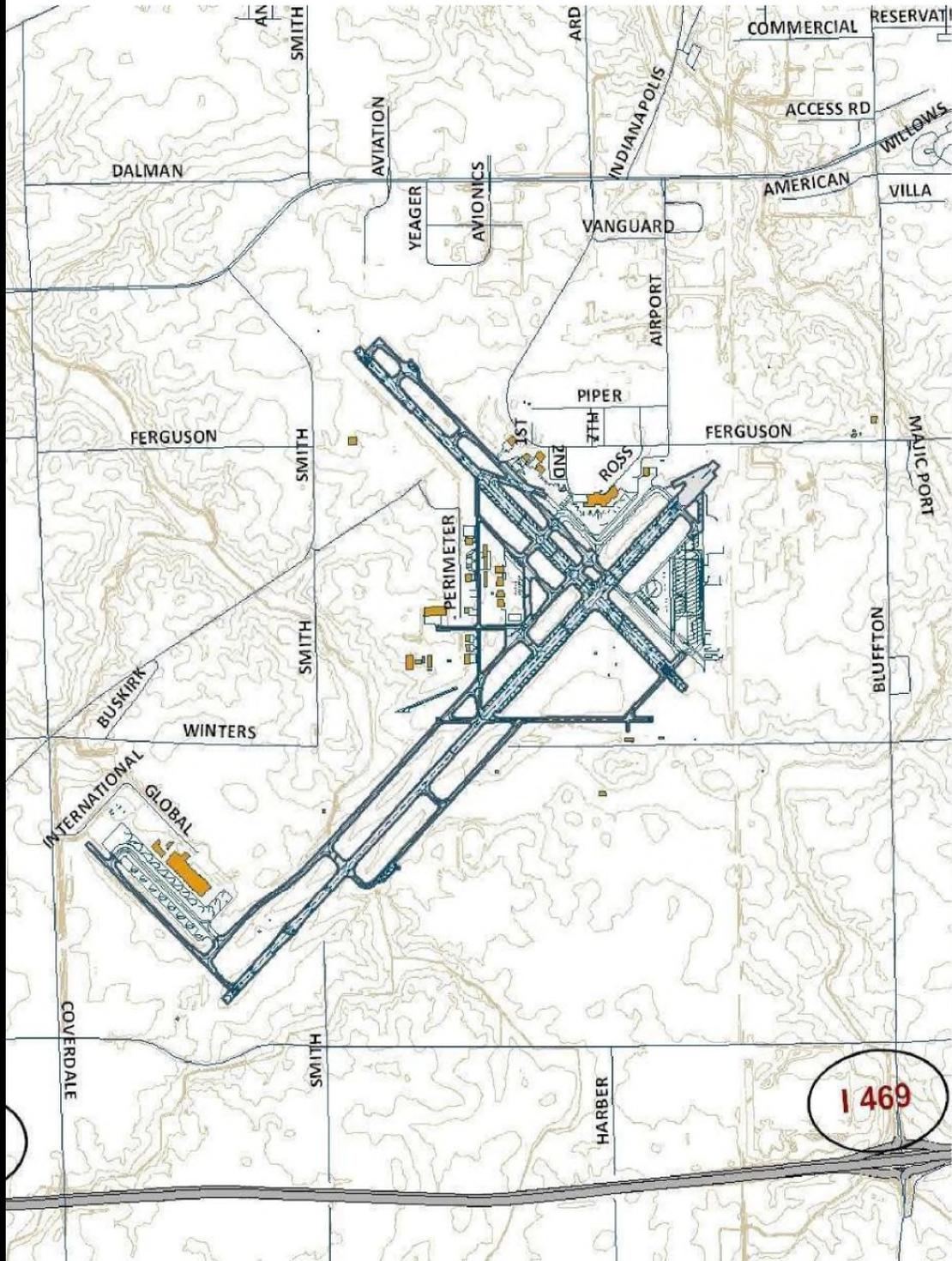
BKD, LLP		5
----------	--	---

FORT WAYNE INTERNATIONAL AIRPORT LAYOUT MAP

A
I
R
P
O
R
T

L
A
Y
O
U
T

M
A
P



**FINANCIAL
SECTION**

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Fort Wayne-Allen County Airport Authority (Authority), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statement 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 from 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 entity's internal control. Accordingly, we express no such opinion. An audit also 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fort Wayne-Allen County Airport Authority as of December 31, 2019, and the changes in financial position and cash flows 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 analysis, pension and other postemployment information 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary information, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Schedule of Passenger Facility Charges Revenues and Expenditures, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2020, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

BKD, LLP

Fort Wayne, Indiana
June 22, 2020

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

The management of the Fort Wayne-Allen County Airport Authority (the Authority) provides the following narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2019. Please read it in conjunction with the letter of transmittal to the Authority Board, located on pages 3 through 6.

Financial Highlights

The Authority's net position increased approximately \$10.6 million as a result of this year's operations. The unrestricted net position component of net position increased 74.1 percent due to an increase in current assets generated from operations and nonoperating resources.

Current assets increased approximately \$12.8 million primarily due to increases in cash and investments as well as the issuance of general obligation bonds which resulted in bond proceeds of approximately \$4.1 million.

Current liabilities increased 22.2 percent due to an increase in accounts payable related to construction.

Bonds payable increased approximately \$2.0 million. This was due primarily to the issuance of general obligation bonds in 2019 that will be payable 2020 through 2022.

Capital contributions increased \$1.6 million due to increases in federal and state grants received.

Overview of the Financial Statements

The Authority's financial report consists of three financial statements: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). The reporting entity consists of the Authority and its component unit: Fort Wayne International Airport Air Trade Center Building Corporation (FWIAATCBC). The Authority and its relationship with its component unit are more fully described in the notes to the financial statements. The Authority and the FWIAATCBC are structured as a single enterprise fund. Revenues are recognized when earned, and expenses are recognized when incurred. Capital expenditures are capitalized as assets and (except for land, land improvements, certain intangible assets, and construction in progress) are depreciated over their estimated useful lives.

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

Statement of Revenues, Expenses and Changes in Net Position - This is the operating statement for the Authority. Revenues and expenses are categorized as either operating or nonoperating based upon GASB Statement 34. On this statement, property and other taxes, and passenger and customer facility charges are reported as non-operating revenues; and capital grants are reported as capital contributions.

Statement of Cash Flows - This Statement is used to report the classification of cash receipts and payments according to whether they stem from operating, noncapital financing, capital and related financing, or investing activities. The Authority reports cash flows from operating activities using the direct method, as required by

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

GASB Statement 34. Using the direct method, the Authority reports cash flows from operating activities directly by showing major classes of operating cash receipts and payments (for example, receipts from customers, payments to suppliers, payments to employees, etc.). A reconciliation of operating income to net cash flow from operating activities is also required and is located on the second page of this statement.

Notes to Financial Statements - The Notes provide additional information that is essential to a full understanding of the data provided in the Authority's financial statements. The notes to the financial statements can be found on pages 26 through 49 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's pension plan and retiree healthcare plan. Required supplementary information can be found on pages 50 through 53 of this report.

Condensed Financial Information

Net Position - The Authority's net position increased \$10.6 million or 6.9 percent from 2018 to 2019. The growth in net position is attributed primarily to a \$12.8 million increase in current assets compared to the \$2.9 million increase in total liabilities. Unrestricted net position increased \$16.5 million due to an increase in current assets generated from operations and nonoperating resources. Also, \$5.6 million of Passenger Facility Charge (PFC) restricted cash and investments were moved to unrestricted cash as the Authority was reimbursed for the completion of several capital projects that were approved in the PFC application. As noted previously, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Current assets increased approximately \$12.8 million or 37.2 percent due to increases in cash and investments. This increase was the result of increases in cash and investments generated from operations and nonoperating resources, increases in accounts receivables, as well as the addition of approximately \$4.1 million of bond proceeds due to the issuance of general obligation bonds in 2019. There was also an increase of \$274,188 in federal and state grants receivable.

Total liabilities increased \$2.9 million or 34.0 percent mainly due to an increase of \$2.0 million in bonds payable related to the issuance of 2019 general obligation bonds, an increase of \$461,172 in accounts payable, and slight increases in net other postemployment benefits obligation and accrued compensated absences.

Deferred outflows of resources decreased \$72,686 or 16.9 percent primarily due to a decrease in deferred amounts related to pensions.

The Authority's net investment in capital assets (e.g., land, buildings and improvements, infrastructure items, and equipment) is the largest component (69.4 percent) of net position. These capital assets are used to provide services to customers. Consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources required to repay this debt must be provided annually from other sources such as operating and nonoperating revenues, since the capital assets themselves cannot be liquidated to pay these liabilities.

Fort Wayne-Allen County Airport Authority
Management's Discussion and Analysis
December 31, 2019

In addition, 7.2 percent of the Authority's net position represents resources that are subject to external restrictions on how they may be used. The restricted balances represent bond reserves that are subject to external restrictions on how they can be used under bond covenants; debt service cash, restricted by state law, that can only be used to pay debt service on the 2011 and 2019 bonds; passenger facility charges that are restricted by Federal regulations; cumulative building cash and investments that are restricted by State law; and security deposits held for tenants and other users of Airport facilities. The remaining balance (23.4 percent) of \$38,672,226 is the unrestricted component of net position, which may be used to meet the Authority's ongoing obligation to its citizens, customers, and creditors within FAA operating guidelines.

Fort Wayne-Allen County Airport Authority
Management's Discussion and Analysis
December 31, 2019

A summary of the Authority's 2019 net position compared to 2018 follows:

Authority's Net Position					
	2019	2018	Increase (Decrease)	Percent Change	
Assets					
Current Assets	\$ 47,184,517	\$ 34,397,865	\$ 12,786,652	37.2	
Noncurrent Assets					
Other noncurrent assets	9,885,185	9,172,064	713,121	7.8	
Capital assets, net	119,629,839	119,603,071	26,768	0.0	
Total assets	176,699,541	163,173,000	13,526,541	8.3	
Deferred Outflows of Resources	357,707	430,393	(72,686)	-16.9	
Total assets and deferred outflows of resources	177,057,248	163,603,393	13,453,855	8.2	
Liabilities					
Current Liabilities	4,158,885	3,402,105	756,780	22.2	
Noncurrent Liabilities					
Other noncurrent liabilities	4,331,846	4,156,632	175,214	4.2	
Bonds and other long-term debt	2,945,000	975,000	1,970,000	202.1	
Total liabilities	11,435,731	8,533,737	2,901,994	34.0	
Deferred Inflows of Resources	514,343	563,213	(48,870)	-8.7	
Net Position					
Net investment in capital assets	114,559,839	116,756,916	(2,197,077)	-1.9	
Restricted	11,875,109	15,539,783	(3,664,674)	-23.6	
Unrestricted	38,672,226	22,209,744	16,462,482	74.1	
Total net position	\$ 165,107,174	\$ 154,506,443	\$ 10,600,731	6.9	

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

Changes in Net Position – Total revenues increased \$440,055 (or 1.5 percent) from 2018 to 2019. Operating revenues increased 1.9 percent and nonoperating revenues increased 1.0 percent. Revenue from building and ground rentals, customer facility charges from rental car companies, and interest income accounted for most of the increases. Revenue from building and ground rentals had increases due to an early termination fee from a large tenant at the Air Trade Center of \$194,360, an increase of \$143,129 for re-negotiated farming ground lease, and a tenant started leasing additional ramp space at the Air Trade Center that resulted in approximately \$88,800 in additional revenue. Interest income and customer facility charges from car rentals were primarily the reasons for the increase in nonoperating revenues. A combination of higher interest rates on investments and an average increase throughout the year of \$5.5 million of principal invested accounted for the increase in interest revenue. The increase in passenger enplanements resulted in increased car rentals from companies operating at the airport, which resulted in a 11.5% increase in customer facility charges.

Total operating expenses increased \$774,220 (or 3.4 percent). Depreciation expense accounted for about half of the total increase due to an increase of total capital assets. Expenses for the airport parking lot, the airfield, and administration also increased by \$272,206, \$208,017, and \$292,906 respectively. Most of the parking lot expense increases were due to some surface repairs and the addition of valet service. A decrease of \$407,192 in expenses for the Fixed Base Operations, mainly due to a decrease in fuel sales that resulted in a lower cost of goods sold, offset most of these expenses.

Capital contributions increased approximately \$1.6 million due to increases in the amount of federal and state grants received. Most of the capital contributions in 2019 came from federal and state grants for the reconstruction of Runways 14-32 and 05-23, and for design of a new consolidated in-line baggage system from the Transportation Security Administration. Some federal and state grants also financed obstruction removal and construction of a taxiway for access to new T-hangars at Smith Field.

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

A summary of the Authority's 2019 changes in net position compared to 2018 follows below:

Authority's Changes in Net Position

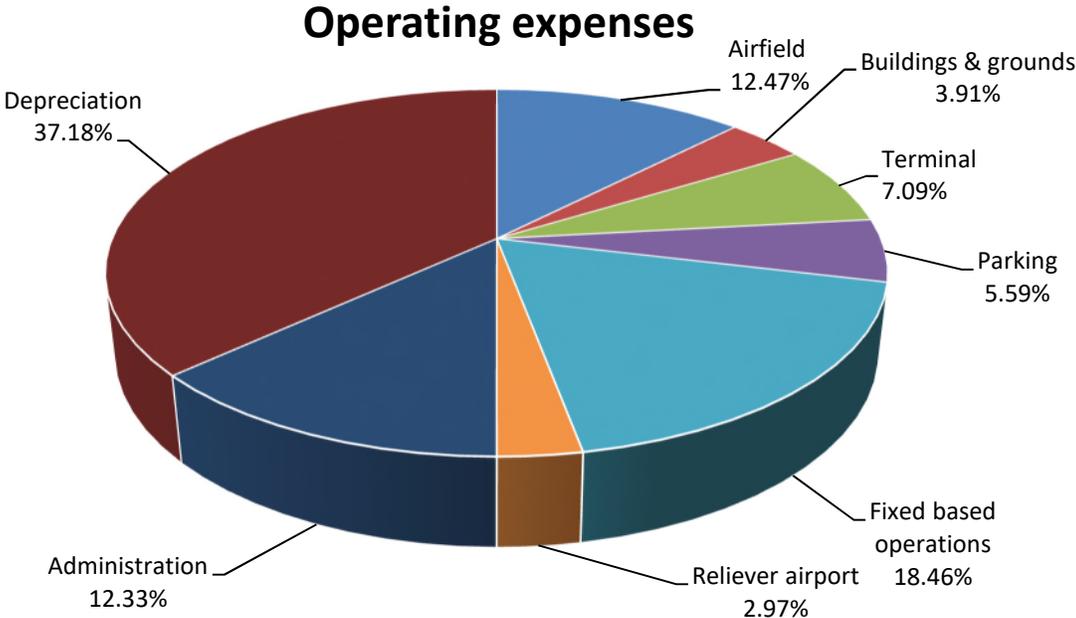
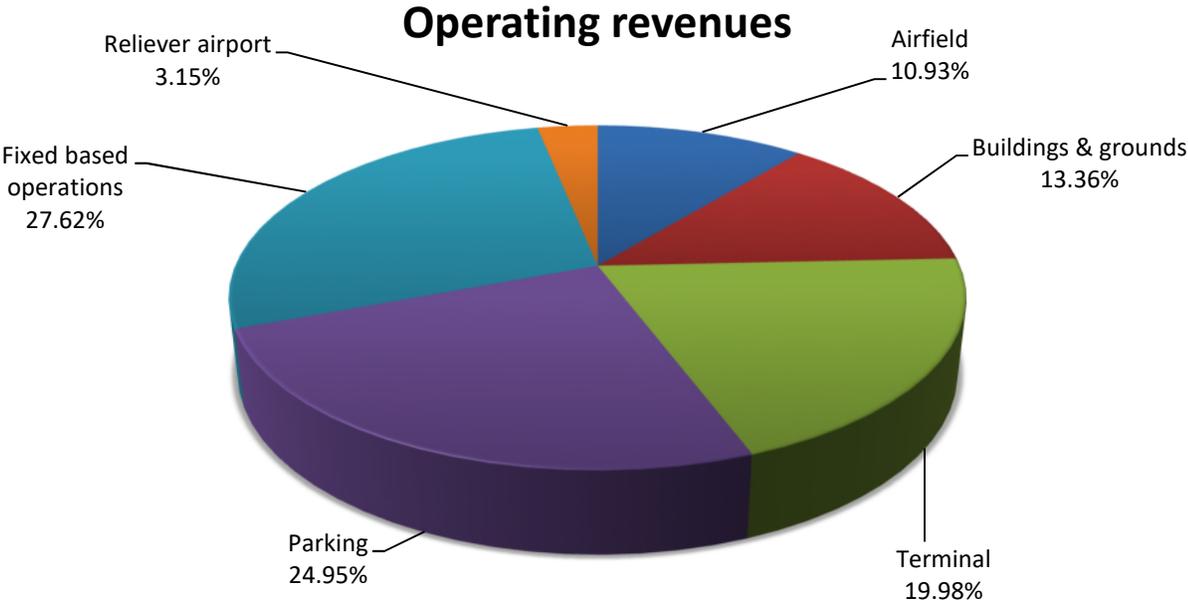
	2019	2018	Increase (Decrease)	Percent Change
Operating Revenues				
Airfield	\$ 1,985,670	\$ 1,977,473	\$ 8,197	0.4
Buildings and grounds	2,426,888	1,937,263	489,625	25.3
Terminal	3,628,881	3,589,067	39,814	1.1
Parking	4,532,227	4,177,885	354,342	8.5
Fixed base operations	5,017,249	5,634,972	(617,723)	-11.0
Reliever airport	572,636	515,896	56,740	11.0
Total operating revenues	<u>18,163,551</u>	<u>17,832,556</u>	<u>330,995</u>	1.9
Nonoperating Revenues				
Property and other taxes	7,548,109	7,664,720	(116,611)	-1.5
Passenger facility charges	1,710,955	1,603,462	107,493	6.7
Customer facility charges	587,324	526,835	60,489	11.5
Interest income	832,637	552,330	280,307	50.7
Gain on capital asset disposal	792	223,410	(222,618)	-99.6
Total nonoperating revenues	<u>10,679,817</u>	<u>10,570,757</u>	<u>109,060</u>	1.0
Total revenues	<u>28,843,368</u>	<u>28,403,313</u>	<u>440,055</u>	1.5
Operating Expenses				
Airfield	2,871,281	2,663,264	208,017	7.8
Buildings and grounds	899,655	820,460	79,195	9.7
Terminal	1,633,165	1,648,473	(15,308)	-0.9
Parking	1,286,173	1,013,967	272,206	26.8
Fixed base operations	4,250,080	4,657,272	(407,192)	-8.7
Reliever airport	683,166	674,411	8,755	1.3
Administration	3,061,100	2,768,194	292,906	10.6
Depreciation	8,560,184	8,224,543	335,641	4.1
Total operating expenses	<u>23,244,804</u>	<u>22,470,584</u>	<u>774,220</u>	3.4
Nonoperating Expenses				
Total expenses	<u>106,800</u>	<u>189,006</u>	<u>(82,206)</u>	-43.5
Total expenses	<u>23,351,604</u>	<u>22,659,590</u>	<u>692,014</u>	3.1
Income Before Capital Contributions	5,491,764	5,743,723	(251,959)	-4.4
Capital Contributions				
Federal and state grants	<u>5,108,967</u>	<u>3,547,994</u>	<u>1,560,973</u>	44.0
Increase in Net Position	10,600,731	9,291,717	1,309,014	14.1
Net Position, Beginning of Year	<u>154,506,443</u>	<u>145,214,726</u>	<u>9,291,717</u>	6.4
Net Position, End of Year	<u>\$ 165,107,174</u>	<u>\$ 154,506,443</u>	<u>\$ 10,600,731</u>	6.9

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

The following charts show the major sources and percentages of operating revenues and expenses for the year ended December 31, 2019:



Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2019

Capital Asset Activity

During 2019, the Authority expended approximately \$8.6 million for capital improvements. The Authority completed the following projects at Fort Wayne International: Phase 2 reconstruction of a portion of runway 05-23 for \$5.4 million, \$71,095 for fuel farm improvements, \$209,019 for land acquisition, \$131,460 for interior renovations for the maintenance facility, \$238,858 for the completion of a new corporate hangar and ramp at the FBO, and \$269,495 for a 5,000 gallon jet refueler truck. During the year, the Authority also started design on a terminal apron expansion project as well as a terminal building expansion project; the Authority spent \$302,778 and \$529,991, respectively, on these projects. At Smith Field, the Authority paid \$254,766 for the design and rehabilitation of taxiway A. A substantial amount of these projects was financed with federal and state grants, and passenger facility charges.

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

Long-Term Debt Activity

In February of 2011, the First Mortgage Federally Taxable Refunding Bonds were issued by the Fort Wayne International Airport Air Trade Center Building Corporation, a component unit of the Authority, to refund the 1998 First Mortgage Bonds. The primary purpose of the refunding was to eliminate certain restrictions in the bond covenant. The bonds have a rating of A by Fitch Ratings and Aa3 by Moody's. Bond ratings did not change during 2019.

In September 2019, the Authority issued \$4.1 million in general obligation bonds for the purpose of funding certain airport improvements. Upon issuance of the bonds, \$109,000 in issuance costs were expensed. The bonds are not rated.

The Authority has a legal debt limit of \$103,944,918 which represents 2 percent of the adjusted value of Allen County property. The adjusted value is one-third of the assessed value as certified by the State Department of Local Government Finance. Since the Authority has general obligation debt outstanding in the amount of \$4,095,000, the legal debt margin is \$99,849,918 as of December 31, 2019. Bonds issued by a building corporation do not count against the legal debt limit. As a result, the Authority has no debt limitations that will affect the financing of planned facilities or services.

For additional information on bonds and other long-term debt, see note 9.

Currently Known Facts

The Authority's property tax rates include a debt service levy in addition to the operating and cumulative building fund. In 2020, the operating, debt service and cumulative building tax rates are .0278, .0113, and .0030, respectively. The rates are per \$100 of assessed value and will be applied on an assessed value of \$16,655,645,969. These rates compare to the 2019 rates for operating, debt service and cumulative building of .0287, .0089 and .0031, respectively.

Requests for Information

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

Fort Wayne-Allen County Airport Authority
Statement of Net Position
December 31, 2019

Assets

Current Assets

Unrestricted assets	
Cash and cash equivalents (note 2)	\$ 16,383,289
Investments (note 2)	22,150,000
Accounts receivable, net of allowance	441,360
Unbilled revenue	436,424
Property tax receivables, net of allowance (note 1)	55,908
Other receivables	166,162
Inventory (note 4)	286,475
Prepaid items	246,943
Total unrestricted assets	<u>40,166,561</u>
Restricted assets	
Cash and cash equivalents (note 2)	5,044,456
Passenger facility charge receivable	257,716
Federal and state grants receivable	1,696,526
Property tax receivable, net of allowance (note 1)	19,258
Total restricted assets	<u>7,017,956</u>
Total current assets	<u>47,184,517</u>

Noncurrent Assets

Restricted assets	
Cash and cash equivalents, including \$9,823 held by trustee (notes 2 and 3)	427,275
Investments (notes 2 and 3)	9,350,000
Property tax receivables, net of allowance (note 1)	6,039
Other receivables	101,871
Total restricted assets	<u>9,885,185</u>
Capital assets, net (note 5)	<u>119,629,839</u>
Total noncurrent assets	<u>129,515,024</u>
Total Assets	<u>176,699,541</u>

Deferred Outflows of Resources

Deferred outflow of resources related to pensions (note 7)	333,637
Deferred outflow of resources related to OPEB (note 8)	24,070
Total deferred outflows of resources	<u>357,707</u>

Total assets and deferred outflows of resources	<u>\$ 177,057,248</u>
---	-----------------------

Fort Wayne-Allen County Airport Authority
Statement of Net Position (Continued)
December 31, 2019

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

Current Liabilities

Payable from unrestricted	
Accounts payable	\$ 1,366,228
Accrued liabilities	372,292
Advance rent	53,947
Total unrestricted	1,792,467
Payable from restricted	
Accounts payable	191,786
Current portion of bonds payable (note 9)	2,125,000
Accrued interest on bonds payable	49,632
Total restricted	2,366,418
Total current liabilities	4,158,885

Noncurrent Liabilities

Net pension liability (note 7)	2,619,924
Net other postemployment benefits obligation (note 8)	969,939
Accrued compensated absences	741,983
Bonds payable, net (note 9)	2,945,000
Total noncurrent liabilities	7,276,846
Total liabilities	11,435,731

Deferred Inflows of Resources

Deferred inflows of resources related to pensions (note 7)	450,459
Deferred inflows of resources related to OPEB (note 8)	63,884
Total deferred inflows of resources	514,343

Net Position

Net investment in capital assets	114,559,839
Restricted for	
Debt service	546,094
Capital projects	11,323,997
Other purposes	5,018
Unrestricted	38,672,226
Total net position	165,107,174
 Total liabilities, deferred inflows of resources and net position	 \$ 177,057,248

Fort Wayne-Allen County Airport Authority
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2019

Operating Revenues	
Airfield	\$ 1,985,670
Buildings and grounds	2,426,888
Terminal	3,628,881
Parking	4,532,227
Fixed based operations	5,017,249
Reliever airport	572,636
Total operating revenues	18,163,551
Operating Expenses	
Airfield	2,871,281
Buildings and grounds	899,655
Terminal	1,633,165
Parking	1,286,173
Fixed based operations	4,250,080
Reliever airport	683,166
Administration	3,061,100
Depreciation	8,560,184
Total operating expenses	23,244,804
Operating Loss	(5,081,253)
Nonoperating Revenues (Expenses)	
Property and other taxes	7,548,109
Passenger facility charge	1,710,955
Customer facility charge	587,324
Interest income	832,637
Interest expense	(106,800)
Gain on disposal of capital assets	792
Net nonoperating revenues (expenses)	10,573,017
Income Before Capital Contributions	5,491,764
Capital Contributions	
Federal and state grants	5,108,967
Net Position	
Increase in net position	10,600,731
Total Net Position, Beginning of Year	154,506,443
Total Net Position, End of Year	\$ 165,107,174

Fort Wayne-Allen County Airport Authority

Statement of Cash Flows

For the Year Ended December 31, 2019

Cash Flows From Operating Activities	
Receipts from customers	\$ 17,964,260
Payments to suppliers	(7,588,505)
Payments to employees	(4,700,470)
Payments of benefits on behalf of employees	(2,002,178)
Refunds and return of customer deposits	68,886
Bond issuance costs	(109,000)
Net cash provided by operating activities	<u>3,632,993</u>
Cash Flows From Noncapital Financing Activities	
Receipts of property and other taxes	5,563,871
Net cash provided by noncapital financing activities	<u>5,563,871</u>
Cash Flows From Capital and Related Financing Activities	
Receipts of property and other taxes	1,990,034
Acquisition and construction of capital assets	(8,281,772)
Sale of capital assets	792
Proceeds from sale of bonds	4,095,000
Principal paid on bonds and other long-term debt	(1,875,000)
Interest paid on bonds and other long-term debt	(106,800)
Capital grant receipts	4,834,779
Passenger facility charge receipts	1,677,390
Customer facility charge receipts	587,324
Net cash provided by capital and related financing activities	<u>2,921,747</u>
Cash Flows From Investing Activities	
Purchase of investment securities	(38,500,000)
Proceeds from sale and maturities of investment securities	33,000,000
Interest received on investments	840,306
Net cash used in investing activities	<u>(4,659,694)</u>
Net Increase in Cash and Cash Equivalents	7,458,917
Cash and Cash Equivalents, Beginning of Year	<u>14,396,103</u>
Cash and Cash Equivalents, End of Year	<u>\$ 21,855,020</u>

Fort Wayne-Allen County Airport Authority

Statement of Cash Flows (Continued)

For the Year Ended December 31, 2019

Reconciliation of Operating Loss to Net Cash

Provided by Operating Activities

Operating loss	\$ (5,081,253)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	8,560,184
Changes in assets and liabilities	
Accounts receivable and unbilled revenue	(216,426)
Other assets	(30,142)
Accounts payable	155,992
Accrued liabilities	137,358
Net pension liability	(38,264)
Deferred outflows of resources related to pensions and OPEB	23,816
Net OPEB	<u>121,728</u>
Net cash provided by operating activities	<u>\$ 3,632,993</u>

Noncash Capital and Related Financing Activities

Capital and related financing activities	
Capital assets included in accounts payable	\$ (1,101,211)
Capital contributions from federal and state grants	274,188

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies

Organization

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

Use of Estimates in Preparation of Financial Statements

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

Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present Fort Wayne-Allen County Airport Authority and its component unit: Fort Wayne International Airport Air Trade Center Building Corporation (FWIAATCBC).

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

The Authority's component unit, FWIAATCBC, is an autonomous quasi-governmental unit. Although FWIAATCBC is legally separate from the Authority, it is reported as if it were part of the Authority because its sole purpose is to finance construction projects for the Authority by selling tax-exempt and taxable bonds. These bonds are collateralized by lease agreements with the Authority and will be retired through lease payments from the Authority. This lease agreement constitutes the imposition of a financial burden on the Authority, and FWIAATCBC provides services exclusively to the Authority. Since FWIAATCBC is so intertwined with the Authority, its balances and transactions are blended with the Authority's balances and transactions. Because this arrangement with the blended component unit is essentially a lease agreement, and after eliminations have been made, there is no material activity and no material balances remaining. Therefore, there is no separate fund reported.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Financial information for FWIAATCBC can be obtained at the following address:

Fort Wayne International Airport Air
Trade Center Building Corporation
3801 W. Ferguson Road, Suite 209
Fort Wayne, IN 46809

Basis of Accounting and Reporting

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

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

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

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

Capital lease transactions between the Authority and the FWIAATCBC have been eliminated in the financial statements.

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

New Pronouncements

GASB Statement 87, *Leases*

This Statement provides a new framework for accounting for leases under the principle that leases are financings. No longer will leases be classified between capital and operating. Lessees will recognize an intangible asset and a corresponding liability. The requirements of this Statement are effective for financial reporting periods beginning after June 15, 2021.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

equivalents. Cash equivalents, which are stated at cost, consist of short-term government money market funds.

Investments

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

The Authority invests exclusively in short-term nonnegotiable certificates of deposit that are stated at cost. The Authority's component unit (FWIAATCBC) may invest in short-term highly liquid money-market investments and U.S. government securities that have maturities less than one year. These investments are valued at amortized cost. There is no material difference between the amortized cost and the fair value of these investments.

Unbilled Revenue

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

Inventories

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

Capital Assets

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

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

Capital assets assumed by the Authority from the City on July 1, 1985, are carried at historical cost, net of accumulated depreciation, in the accompanying financial statements and aggregated \$3,694,355 at December 31, 2019. Maintenance and repairs that do not add value to the assets or materially extend assets lives are not capitalized. When capital assets are disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to expense. Runways, taxiways, parking areas, sewers and other similar items are written off when fully depreciated unless clearly identified as still being in use. Except for inexhaustible capital assets such as land, land improvements, aviation easements and construction in progress, all capital assets, including infrastructure assets, are depreciated or amortized (intangibles) using the straight-line method over the estimated useful lives of the assets as follows:

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

	Years
Buildings and improvements	5-30
Infrastructure items	10-50
Intangibles	3-10
Equipment	3-20

Compensated Absences

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

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Authority accrues accumulated unused sick leave benefits for employees with at least 10 years of service regardless of age and employees age 50 or older regardless of length of service. Based upon historical information, it was determined that these employees would most likely meet the conditions necessary to receive their sick leave benefits.

Deferred Outflows and Inflows of Resources

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

Net Position

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Capital Grant Funds

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

Passenger Facility Charge (PFC) Revenue

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

Subsequently, the Authority received approval from the FAA to increase the PFC from \$3 to \$4.50 per enplaned passenger beginning December 1, 2005. All projects for these PFC applications have been completed. In addition, on October 27, 2016 the following projects and equipment purchases were approved:

- (1) Terminal Roofing, Phases 3 through 6
- (2) Runway 14-32 Reconstruction, Design and Phases 1, 2 and 3
- (3) Jet Bridge 4 Installation
- (4) Airfield Perimeter Fence Reinstallation, Phases 1 and 2
- (5) Bathroom Remodeling, First and Second Floors
- (6) Snow Removal Vehicle with Plow and Broom Attachments
- (7) High Speed 4 X 4 Snow Blower
- (8) Public Address System, Phase 2
- (9) Ground power Units for Gates 5 and 6
- (10) New Terminal Entrance Road

PFC's are collected by the airlines and are recognized as non-operating revenue by the Authority.

Customer Facility Charge (CFC) Revenue

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Rental Income

All leases of the Authority are accounted for as operating leases. Rental income is generally recognized as it becomes receivable over the respective lease terms. The Authority has no significant leases that would require the recording of income in accordance with GASB No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*.

Property Taxes

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

Lien date	March 1, 2018
Levy date	January 1, 2019
Tax bills mailed	April 1 and October 1, 2019
First installment payment due	May 10, 2019
Second installment payment due	November 10, 2019
Authority collection dates	June and December 2019
Tax sale - 2018 delinquent property taxes	August 2021

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

Property taxes are accrued when levied, and receivables (current and noncurrent) aggregated \$179,100 with an allowance of \$97,895 for delinquent taxes, at December 31, 2019.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance to protect against all these risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the past three years. There was no reduction in insurance coverage during 2019.

Budgetary Compliance

The State of Indiana requires the Authority to legally adopt a budget annually. The basis of budgetary adoption and compliance is primarily cash basis accounting. Open purchase orders are added to budgetary expenditures at year-end to measure compliance. Additionally, open purchase orders are automatically added to the following year's budget without the necessity of the additional appropriation legal process. All remaining unencumbered appropriations lapse at year-end.

The legal level of budgetary control is by major expense category. Budgeted amounts may be transferred within major expense categories solely upon approval from the Authority's Board. However, any revision that alters the total appropriation of any major expense category must, in addition, be approved by the

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

State Department of Local Government Finance. During the year, several appropriation transfers were made to ensure that expenditures did not exceed budgeted appropriations.

Pensions

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

Non-Trusted Single Employer Other Postemployment Benefit Plan

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

Change in Accounting Principle

During 2019, the Authority adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The adoption of this statement had no effect on the Authority's financial statements. Prior year comparative information contained herein has not been updated for adoption of GASB 88, as such retroactive restatement was deemed impractical.

The Authority also early adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement enhances the relevance and comparability of information on capital assets and the cost of borrowing for a reporting period and simplifies the accounting of interest cost incurred prior to the end of a construction period. The adoption of this statement had no effect on the Authority's previously reported net position.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 2: Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments included in the statement of net position at December 31, 2019 consist of the following:

	Amount
Cash and cash equivalents	
Current	\$ 16,383,289
Current, restricted	5,044,456
Noncurrent, restricted	427,275
	21,855,020
Investments	
Current	22,150,000
Noncurrent, restricted	9,350,000
	31,500,000
	\$ 53,355,020

Deposits and investments with financial institutions at December 31, 2019 are as follows:

Cash deposits	\$ 22,005,272
Certificates of deposits (CD's)	31,500,000
	\$ 53,505,272

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's deposit policy for custodial credit risk requires compliance with provisions of Indiana Code (IC) 5-13-9. The Authority's cash deposits and CD's are insured by the Federal Deposit Insurance Corporation (FDIC) at each bank for a combined total of up to \$250,000. Deposits in excess of \$250,000 for cash deposits and CD's at each bank are insured by the Indiana Public Deposits Insurance Fund (IPDIF). The IPDIF is a multiple financial institution collateral pool as provided under IC 5-13-12-1. Authority deposits totaling \$2,000,000 are insured by the FDIC. Remaining deposits are insured by the IPDIF.

At December 31, 2019, the Authority had the following cash equivalents (maturity of three months or less):

Short-term government money market funds	<u>\$ 9,823</u>
--	-----------------

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. FWIAATCBC, the Authority's component unit, policies are to invest primarily in U.S. Government money market funds. Although not guaranteed by the FDIC or the IPDIF, these funds invest their assets exclusively in obligations of the U.S. Treasury and other obligations guaranteed by the U.S. Treasury. A portion of the Authority's bank deposits that are invested overnight in repurchase agreements are uninsured and held in the financial institution's name. The Authority's policy

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

is to follow IC 5-13-9-2.5, which requires that repurchase agreements be collateralized with U.S. Government securities.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risks associated with investments, the Authority's policy is to follow IC 5-13-9-2.5, which limits investments to money market funds rated AAAM by Standard and Poor's Corporation or Aaa by Moody's Investors Service, Inc., repurchase agreements fully collateralized by U.S. Government securities, and U.S. Treasury obligations (or other U.S. Agency obligations). As of December 31, 2019, the Authority's investments met these criteria.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's investment policy to minimize interest rate risk is to abide by the Indiana Code, which limits investments to securities with a stated maturity of not more than two years. This maturity limitation reduces the Authority's exposure to declines in fair values related to increases in interest rates. FWIAATCBC's investment policy is to limit investments to money market funds that have a weighted average maturity of 90 days or less. These investments are available for redemption daily without penalty.

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

Note 3: Restricted Assets

Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments are restricted as follows:

	Amount
Pursuant to the FWIAATCBC First Mortgage Taxable Refunding Bonds of 2011 Trust Indenture Bond Operation and Reserve Account	\$ 9,823
Pursuant to the FWACAA General Obligation Bonds of 2019 - Bond Proceeds Account	3,959,240
Heavy Equipment Rental Excise Deposited to Levy Excess Property Tax Revenues Reserved For Debt Service	5,018 544,020
Pursuant to the Aviation Safety and Capacity Expansion Act of 1990, Federal Aviation Regulation Part 158 Passenger Facility Charge Account	541,195
Pursuant to Cumulative Building Fund Account established in 2001	9,570,648
Security deposits	191,786
Total	\$ 14,821,731

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

First Mortgage Taxable Refunding Bonds of 2011

The Trust Indenture adopted February 17, 2011 with the issuance of the First Mortgage Taxable Refunding Bonds of 2011, provided that certain accounts be maintained by the Trustee: Sinking Fund and Operation and Reserve accounts.

Sinking Fund Account - This account is used to deposit rental payments received, and to pay principal and interest as they become due.

Operation and Reserve Account - This account is used to pay necessary incidental expenses (e.g., trustee fees, accounting fees, appraisals, meetings, cost of rebate calculations, etc.) of the FWIAATCBC. If the amount in the Sinking Fund Account is less than the required amount, the trustee shall transfer funds from the Operation and Reserve Account to raise the Sinking Fund Account to the appropriate level.

The Authority levies a property tax for the payment of principal and interest on these bonds. The levy became effective for taxes collected during 2009.

General Obligation Bonds of 2019

The Authority issued the Bonds for the purpose of funding certain airport improvements. The Bonds were sold on September 19, 2019 through a competitive sale, and the Bond closing was on October 3, 2019. The Bonds were sold non-rated and non-insured. The Bond proceeds were placed into a Bond Proceeds account with a local bank and are to be used to pay for the improvements.

The Authority levies a property tax for the payment of principal and interest on these bonds. The levy became effective for taxes collected during 2020.

The Authority is in compliance with all significant financial bond covenants as of December 31, 2019.

Note 4: Inventories

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

	Amount
Supply inventories held for consumption	\$ 89,919
Fixed based operator inventories held for sale	196,556
Total inventories	\$ 286,475

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 5: Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 21,713,819	\$ 209,019	\$ -	\$ 21,922,838
Intangibles	118,357	-	-	118,357
Work in progress	<u>2,678,465</u>	<u>4,906,540</u>	<u>6,460,526</u>	<u>1,124,479</u>
Total capital assets, not being depreciated	24,510,641	5,115,559	6,460,526	23,165,674
Capital assets, being depreciated				
Buildings and improvements	86,784,657	1,966,920	129,120	88,622,457
Infrastructure items	174,191,353	6,774,611	-	180,965,964
Intangibles	3,325,328	-	-	3,325,328
Equipment	<u>12,520,086</u>	<u>1,190,388</u>	<u>81,840</u>	<u>13,628,634</u>
Total capital assets, being depreciated	<u>276,821,424</u>	<u>9,931,919</u>	<u>210,960</u>	<u>286,542,383</u>
Less accumulated depreciation for				
Buildings and improvements	56,088,862	2,681,937	129,120	58,641,679
Infrastructure items	116,223,374	4,845,120	-	121,068,494
Intangibles	2,110,843	237,544	-	2,348,387
Equipment	<u>7,305,915</u>	<u>795,583</u>	<u>81,840</u>	<u>8,019,658</u>
Total accumulated depreciation	<u>181,728,994</u>	<u>8,560,184</u>	<u>210,960</u>	<u>190,078,218</u>
Net capital assets	<u>\$ 119,603,071</u>	<u>\$ 6,487,294</u>	<u>\$ 6,460,526</u>	<u>\$ 119,629,839</u>

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 6: Property Taxes

The applicable property tax rates and related levies in 2019 are as follows:

	Rate per \$100	Property Tax Levies
Operating	\$ 0.0287	\$ 4,474,829
Debt service	0.0089	1,387,665
Cumulative building	0.0031	483,344
Total	\$ 0.0407	\$ 6,345,838

Note 7: Pension Plan

Plan Description

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

Benefits Provided

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Contributions

Per Indiana Code 5-10.2, contribution requirements of PERF employers are established and may be amended by the INPRS. Employees are not required to contribute to the plan. The Authority's contractually required contribution rate for the year ended December 31, 2019, was 11.2 percent of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$466,213 for the year ended December 31, 2019.

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

At December 31, 2019, the Authority reported a liability of \$2,619,924 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on wages reported by the Authority relative to the collective wages for all employees. At June 30, 2019, the Authority's proportion was .07927 percent, which was an increase of .0102 from its proportion of .07825 percent measured as of June 30, 2018.

For the year ended December 31, 2019, the Authority recognized pension expense of \$455,728. At December 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 69,375	\$ -
Net difference between projected and actual investment earnings earnings on pension plan investments	-	123,837
Change of assumptions	583	284,805
Changes in proportion and differences between Authority contributions and proportionate share of contributions	33,958	41,817
Authority contributions subsequent to the measurement date	229,721	-
Total	\$ 333,637	\$ 450,459

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

The \$229,721 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2020	\$ (106,622)
2021	(198,901)
2022	(31,405)
2023	(9,615)
2024	-
Thereafter	-

Actuarial Assumptions

The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.5 – 4.25%
Investment rate of return	
Funding	6.75%, net of administrative and investment expense
Accounting and reporting	6.75%, net of investment expense
Cost of living adjustments	
Fiscal Year 2020 and 2021	A service-based 13 th check will be paid
Beginning on January 1, 2022	0.4%
Beginning on January 1, 2034	0.5%
Beginning on January 1, 2039	0.6%

Mortality rates were based on the RP-2014 Total Data Set Mortality Tables, with Social Security Administration Generational Improvement Scale from 2006 based on the Social Security Administration's 2014 Trustee Report.

The actuarial assumptions and methods used in the June 30, 2019 valuation of the Public Employees' Defined Benefit Account were adopted by the INPRS Board in May 2019. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2010 through June 30, 2014 and were first used in the June 30, 2015 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018. In 2019, the PERF Defined Benefit was modified pursuant to HEA 1059. Previously, statute generally required PERF members to have 15 years of service to qualify for a survivor benefit prior to retirement. Statute now allows a qualifying spouse/dependent to receive a benefit if the deceased member had a minimum of 10 years of creditable service.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return. This range ultimately supports the long-term expected rate of return assumption of 6.75% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs but may change with a fundamental shift in the underlying market factors or significant asset allocation change. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Long Term Expected Real Rate of Return
Public equity	22.0%	4.9%
Private markets	14.0%	7.0%
Fixed income – ex inflation-linked	20.0%	2.5%
Fixed income – inflation-linked	7.0%	1.3%
Commodities	8.0%	2.0%
Real estate	7.0%	6.7%
Absolute return	10.0%	2.9%
Risk parity	12.0%	5.3%
Total	100.0%	

Discount Rate

Total pension liability for PERF was calculated using a discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employers would at the minimum be made at the actuarially determined required rates computed in accordance with current funding policy adopted by the Board, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent), or one percentage point higher (7.75 percent) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Authority's proportionate share of the net pension liability	\$4,207,633	\$2,619,924	\$1,295,654

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At December 31, 2019, all required contributions had been paid to the pension plan.

Defined Contribution Plan

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

Plan provisions, including contribution requirements, are established by the Indiana State Legislature, and may be amended only by this body. Effective January 1, 2018, funds previously known as an Annuity Savings Account (ASA), were recategorized as a Defined Contribution (DC) fund based on Internal Revenue Service Private Letter Rulings PLR-193-2016 and PLR-110249-18. Employees are required to contribute 3 percent of their annual salary to a defined contribution account. Since 1987, the Authority has been funding the employee contribution requirement. During 2018, the Authority contributed \$124,878 on behalf of the employees. This amount represents pension expense for the Authority during the year. Plan provisions do not require employer contributions. The Authority did not have any outstanding liabilities at year-end for this pension plan.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 8: Other Postemployment Benefits (OPEB)

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

Plan Description

The Authority contributes to the Fort Wayne-Allen County Airport Authority Postretirement Benefit Plan (the OPEB Plan), a single-employer defined benefit other postemployment benefit (OPEB) plan covering eligible retirees and their spouses. The OPEB Plan is administered by the Fort Wayne-Allen County Airport Authority Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

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

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Discount rate	3.64%
Health care cost trend rates	9.0% for 2019-2021, 8.0% for 2022-2024, 7% for 2025-2027, 6% for 2028-2029, and 5% for 2030 and later years.

Mortality rates were based on the RP-2014 total Dataset Mortality Table, adjusted to 2006, as appropriate with adjustments for mortality improvements based on MP-2018.

The employees covered by the benefit terms at December 31, 2019 are:

	<u>2019</u>
Inactive employees or beneficiaries currently receiving benefit payments	2
Covered spouses of living retirees	1
Active employees	<u>65</u>
	<u>68</u>

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Contributions

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

For the year ended December 31, 2019, the Authority contributed \$24,070 to the OPEB Plan. Employees are not required to contribute to the OPEB Plan.

Total OPEB Liability

The Authority's total OPEB liability of \$969,939 was measured as of December 31, 2019 for the year ended December 31, 2019 and was determined by actuarial valuations as of those dates.

Changes in the total OPEB liability are:

	2019
Total OPEB Liability	
Service cost	\$ 112,110
Interest	33,688
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(24,070)
Net Change in Total OPEB Liability	121,728
Total OPEB Liability - Beginning	848,211
Total OPEB Liability - Ending	\$ 969,939
Covered Payroll	\$3,701,698
Net OPEB Liability as a Percentage of Covered Payroll	26.20%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates

The total OPEB liability of the Authority has been calculated using a discount rate of 3.64 percent. The following presents the total OPEB liability using a discount rate 1 percent higher and 1 percent lower than the current discount rate:

	1% Decrease	Current	1% Increase
	2.64%	Discount Rate	4.64%
		3.64%	
Authority's total OPEB liability	\$ 973,252	\$ 969,939	\$ 968,092

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

The total OPEB liability of the Authority has been calculated using health care cost trend rates of 9 percent decreasing to 5 percent over 11 years. The following presents the total OPEB liability using health care cost trend rates 1 percent higher and 1 percent lower than the current health care cost trend rates:

	1% Decrease (8% Decreasing to 4%)	Current (9% Decreasing to 5%)	1% Increase (10% Decreasing to 6%)
Total OPEB liability	\$ 966,539	\$ 969,939	\$ 975,272

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

For the year ended December 31, 2019, the Authority recognized OPEB expense of \$130,230. At December 31, 2019, the Authority reported deferred inflows of resources related to OPEB from the following sources:

	<u>2019</u>
Liability experience gains	\$ 27,208
Changes in assumptions	<u>63,884</u>
Total	<u>\$ 91,092</u>

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 9: Bonds and Other Long-Term Liabilities

Bonds consist of:

First Mortgage Federally Taxable Refunding Bonds of 2011	
Fort Wayne International Airport Air Trade Center Building Corporation	
Principal payable on January 15, 2020 in the amount of \$975,000. Interest at 4.97 to 5.54% due semi-annually on January 15 and July 15	
	\$ 975,000
Less: current portion	(975,000)
	\$ -
Direct Placement General Obligation Bonds of 2019	
Fort Wayne-Allen County Airport Authority	
Principal payable semi annually on January 15, 2020 to July 15, 2022 in payments ranging from \$2,255,000 in 2021 to \$690,000 in 2022.	
Interest at 1.95% due semi-annually on January 15 and July 15	
	\$ 4,095,000
Less: current portion	(1,150,000)
	\$ 2,945,000

The Authority has a legal debt limit of \$103,944,918 which represents 2 percent of the adjusted value of Allen County property. Adjusted value is calculated by multiplying one-third times assessed value as certified by the State Department of Local Government Finance. Since the Authority has \$4,095,000 of general obligation debt outstanding, the legal debt margin of the Authority is \$99,849,918 as of December 31, 2019.

First Mortgage Federally Taxable Refunding Bonds of 2011

The Fort Wayne International Airport Air Trade Center Building Corporation (FWIAATCBC) First Mortgage Federally Taxable Bonds of 2011 (the 2011 Bonds) are secured by semiannual lease rental payments to be paid by the Authority pursuant to the terms of the Master Lease agreement between the FWIAATCBC (Lessor) and the Authority (Lessee) described below.

FWIAATCBC agreed to sell the 2011 Bonds in the original amount of \$14,710,000 to refund the 1998 First Mortgage Bonds (the 1998 Bonds). The previously issued 1998 Bonds were used to construct and equip an air freight hub, aircraft maintenance facility, air cargo sorting facilities, parking, fueling and related facilities, and personal property connected with the above.

In 1998, the Authority entered into a Master Lease with FWIAATCBC. FWIAATCBC agreed to sell bonds to finance the construction of the project described above. In addition, the Authority agreed to sublet the project through a building lease with an unrelated air cargo company. Subsequently, on

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

October 29, 2007, the air cargo company filed petitions for reorganization under the Chapter 11 Bankruptcy Code and ceased operations at Fort Wayne International Airport. Since the provisions of the Master Lease agreement require the Authority to levy taxes on all taxable property within Allen County if revenues from the building lease are insufficient, the Authority obtained approval from the Allen County Council during 2008 to levy a debt service tax on all taxable property within Allen County. However, this levy may be reduced by amounts on deposit in the Authority's lease rental reserve account that consists of net lease rentals received, if any, from future tenants of the facilities.

FWIAATCBC retains title to the facilities until the option to purchase is exercised or the lease term is ended. At such time, the facilities become the property of the Authority.

The First Mortgage Bonds are not subject to optional redemption prior to maturity, but some of the bonds are subject to mandatory sinking fund redemption. The final principal and interest payment on the First Mortgage Bonds was made on January 15, 2020.

Notes from Direct Borrowings and Direct Placements - General Obligation Bonds of 2019

The Fort Wayne-Allen County Airport Authority issued the General Obligation Bonds of 2019 for the purpose of funding certain airport improvements including an aircraft rescue and firefighting truck, solar canopies, parking lot improvements, and airfield liquid de-ice unit and tractor, together with the necessary appurtenances, related improvements and equipment and to pay issuance expenses.

The Bonds were sold on September 19, 2019 and are dated October 3, 2019, at an original amount of \$4,095,000 through a competitive sale. The Bonds were sold non-rated and non-insured. Pursuant to the Bond Ordinance, the principal and interest payments due on the Bonds are payable from an ad valorem property tax to be levied on taxable property within the Airport District. The boundaries of the District are coterminous with Allen County, Indiana.

The General Obligation Bonds are not subject to optional redemption prior to maturity. The Bonds are subject to mandatory sinking fund redemption. The Bonds mature over a period of approximately 2 years and 9 months with the final Bonds due July 15, 2022. Principal and interest will be payable semiannually on each January 15 and July 15 with principal and interest commencing on January 15, 2020.

Debt Defeasance

The Authority has no outstanding defeased debt. Annual debt service requirements to maturity for long-term debt are as follows:

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Debt Service Requirements

Years ending December 31:

	Bonds		Direct Placement Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 975,000	\$ 27,008	\$ 1,150,000	\$ 56,896
2021	-	-	2,255,000	46,508
2022	-	-	690,000	10,091
	<u>\$ 975,000</u>	<u>\$ 27,008</u>	<u>\$ 4,095,000</u>	<u>\$ 113,495</u>

Changes in Bonds and Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Long-term liabilities					
Compensated absences	\$ 837,273	\$ 291,535	\$ (187,040)	\$ 941,768	\$ 199,785
Pension	2,658,188	1,050,633	(1,088,897)	2,619,924	-
OPEB	848,211	121,728	-	969,939	-
Bonds					
Revenue bonds	2,850,000	-	(1,875,000)	975,000	975,000
General obligation bonds from direct placements	-	4,095,000	-	4,095,000	1,150,000
Total bonds and long-term liabilities	<u>\$ 7,193,672</u>	<u>\$ 5,558,896</u>	<u>\$ (3,150,937)</u>	<u>\$ 9,601,631</u>	<u>\$ 2,324,785</u>

Note 10: Commitments and Contingencies

Capital Improvements

At December 31, 2019, the Authority was obligated for completion of Airport runway and apron improvements and various smaller projects under commitments aggregating \$21,882,907 with an estimated \$13,259,512 eligible for reimbursement at 95 percent from the FAA and the State of Indiana, \$294,348 eligible for reimbursement at 95 percent from the Transportation Security Administration; and \$833,799 eligible for reimbursement at 100 percent from Customer Facility Charges.

Rebatable Arbitrage

Based upon calculations through December 31, 2019, there are no rebatable arbitrage liabilities.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Litigation

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

Economic Events

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Authority, including reduction in the overall investment position and declines in passenger traffic. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Note 11: Rental Income Under Operating Leases

A significant portion of the operating revenue of the Authority is generated through the leasing of airport and building space to airlines and others on a fixed fee as well as a contingent rental basis. Ownership risks are retained by the Authority and, accordingly, such leases are treated as operating leases.

The following is a schedule of minimum future rentals on non-cancelable operating leases to be received in each of the next five years and thereafter:

Year ended December 31:	
2020	\$ 3,177,806
2021	2,309,464
2022	2,014,447
2023	915,324
2024	437,473
Thereafter	<u>1,752,965</u>
Total	<u>\$ 10,607,479</u>

The schedule above includes changes in rental rates that became effective on January 1, 2020. These rates are adjusted annually.

Contingent rentals and fees aggregated \$8,255,805 for the year ended December 31, 2019.

Substantially all the assets classified under capital assets in the statement of net position are held by the Authority for rental or related use.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 12: Major Customers

During the year ended December 31, 2019, the Authority received significant operating revenue from one airline. Rentals, landing fees, apron fees and other revenues from this airline aggregated approximately 7.5 percent of operating revenues.

Note 13: Tax Abatements

The Authority has not entered into any tax abatement agreements. However, other local governmental units entered into tax abatement agreements that reduced the Authority's revenues during 2019. The table below summarizes taxes that have been abated.

	Real Property Tax	Personal Property Tax	Total Abated
Allen County	\$ 112,649	\$ 86,075	\$ 198,724
Fort Wayne	61,737	40,587	102,324
Grabill	5	204	209
Huntertown	313	134	447
Monroeville	246	112	358
New Haven	3,573	8,181	11,754
Woodburn	3,396	593	3,989
	<hr/>	<hr/>	<hr/>
Total - all units	<u>\$ 181,919</u>	<u>\$ 135,886</u>	<u>\$ 317,805</u>

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

**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

Schedule of the Authority's Proportionate Share of the Net Pension Liability Public Employees Retirement Fund Last 6 Fiscal Years (C)

	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.07927%	0.07825%	0.08031%	0.07588%	0.07416%
Authority's proportionate share of the net pension liability	\$2,619,924	\$2,658,188	\$3,583,066	\$3,443,772	\$3,020,464
Authority's covered payroll	\$4,130,242	\$3,992,660	\$3,984,364	\$3,636,819	\$3,552,188
Authority's proportionate share of the net pension liability as a percentage of covered payroll (D)	63.4%	66.6%	89.9%	94.7%	85.0%
Plan fiduciary net position as a percentage of the total pension liability**	80.1%	78.9%	72.7%	71.2%	73.3%
	2014				
Authority's proportion of the net pension liability	0.07144%				
Authority's proportionate share of the net pension liability	\$1,877,397				
Authority's covered payroll	\$3,487,775				
Authority's proportionate share of the net pension liability as a percentage of covered payroll (D)	53.8%				
Plan fiduciary net position as a percentage of the total pension liability**	81.1%				

* The amounts presented for each fiscal year were determined as of June 30, 2019 (measurement date).

** The amounts for 2015-2018 were restated to coincide with INPRS adjustments made to total pension liability for those years in the 2019 INPRS Annual Report.

Fort Wayne-Allen County Airport Authority Required Supplementary Information

Schedule of Contributions Public Employees Retirement Fund Last 6 Fiscal Years (C)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$457,449	\$443,346	\$457,325	\$430,755	\$372,707
Contributions in relation to the contractually required contribution	\$457,449	\$443,346	\$457,325	\$430,755	\$372,707
Contribution deficiency (excess)	-	-	-	-	-
Authority's covered payroll (D)	\$4,130,242	\$3,992,660	\$3,984,364	\$3,923,803	\$3,385,663
Contributions as a percentage of covered payroll	11.08%	11.10%	11.48%	10.98%	10.76%
	<u>2014</u>				
Contractually required contribution	\$373,698				
Contributions in relation to the contractually required contribution	\$373,698				
Contribution deficiency (excess)	-				
Authority's covered payroll (D)	\$3,580,305				
Contributions as a percentage of covered payroll	10.44%				

* The amounts presented for each fiscal year were determined as of June 30, 2019 (measurement date).

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

Notes to Schedules

Note A - Valuation Date: 06/30/19

Note B - Changes of assumptions: There were no changes in actuarial assumptions during 2019. In 2018, the COLA assumption was changed due to passage of Senate Enrolled Act No.373. In lieu of a 1.0% COLA beginning on January 1, 2020, INPRS now assumes that the COLA will be replaced by a thirteenth check for 2020 and 2021. The COLA assumption, thereafter, would be 0.4% beginning on January 1, 2022, changing to 0.5% beginning on January 1, 2034, and ultimately 0.6% beginning on January 1, 2039. In 2017, a second mortality table was added creating both the healthy and disabled mortality tables. Amounts reported in 2015 reflect an adjustment of retirement, termination and disability rates to reflect recent experience. Demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation. The assumption for inflation decreased from 3 percent to 2.25 percent. The future salary increase rate decreased from a range of 3.25 percent to 4.5 percent to a range of 2.5 percent to 4.25 percent. Mortality changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 Total Data Set Mortality Table projected on a fully generational basis using the future mortality projection included in the Social Security Administration's 2014 Trustee Report.

Note C – These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the requirements of GASB 68, the Authority will present information for those years for which information is available.

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

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

	2019	2018
Total OPEB Liability		
Service cost	\$ 112,110	\$ 104,882
Interest	33,688	28,872
Differences between expected and actual experience	-	(34,312)
Changes of assumptions	-	(46,252)
Benefit payments, including refunds of employee contributions	(24,070)	(24,563)
Net Change in Total OPEB Liability	121,728	28,627
Total OPEB Liability - Beginning	848,211	819,584
Total OPEB Liability - Ending	\$ 969,939	\$ 848,211
Covered Payroll	\$3,701,698	\$3,611,413
Total OPEB Liability as a Percentage of Covered Payroll	26.20%	23.49%

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

Schedule of the Authority's OPEB Contributions

	2019	2018
Actuarially determined contribution	\$ 168,755	\$ 150,298
Actual employer contributions	24,070	24,563
Contribution deficiency	144,685	125,735
Covered payroll	3,701,698	3,611,413
Contributions as a percentage of covered payroll	0.65%	0.68%

Notes to Schedules

The discount rate remained constant at 3.64 percent at the beginning of the measurement period to the end of the measurement period.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the requirements of GASB Statement No. 75, the Authority will present information for those years for which information is available.

Schedule of the OPEB Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) Projected Unit Credit (2)	Unfunded AAL (2 - 1)	Funded Ratio (1 / 2)	Covered Payroll (3)	Unfunded AAL as a Percentage of Covered Payroll ((2-1) / 3))
12/31/2010	-	964,500	964,500	-	3,608,928	26.70%
12/31/11(A)	-	N/A	N/A	N/A	3,654,941	N/A
12/31/2012	-	1,126,517	1,126,517	-	3,539,674	31.80%
12/31/13(A)	-	N/A	N/A	N/A	3,505,194	N/A
12/31/2014	-	902,202	902,202	-	3,580,305	25.20%
12/31/15(A)	-	N/A	N/A	N/A	3,385,663	N/A
12/31/2016	-	977,779	977,779	-	3,923,803	24.90%
12/31/17(A)	-	N/A	N/A	N/A	3,984,364	N/A
12/31/2018	-	828,572	828,572	-	3,611,413	22.95%
12/31/2019 (A)	-	860,641	860,641	N/A	4,162,614	20.68%

Notes to Schedule:

Note A: No actuarial valuations were completed on December 31, 2011, December 31, 2013, December 31, 2015, December 31, 2017, and December 31, 2019.

**SUPPLEMENTARY
INFORMATION**

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

Enterprise Fund Combining Schedules

Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The Board intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Fort Wayne-Allen County Airport Authority (Authority) - This fund is used to account for the activities of the Authority.

The Fort Wayne International Airport Air Trade Center Building Corporation (FWIAATCBC) - This blended component unit was created to finance the construction of an air freight hub, aircraft maintenance facilities, air cargo sorting facilities, parking, fueling and related facilities within the Authority's Air Trade Center. Capital lease balances and transactions between the Authority and the FWIAATCBC have been eliminated.

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Net Position
December 31, 2019

	<u>Authority</u>	<u>FWIAATCBC</u>	<u>Totals</u>
Assets			
Current Assets			
Unrestricted assets			
Cash and cash equivalents	\$ 16,383,289	\$ -	\$ 16,383,289
Investments	22,150,000	-	22,150,000
Accounts receivable, net of allowance	441,360	-	441,360
Unbilled revenue	436,424	-	436,424
Property tax receivable, net of allowance	55,908	-	55,908
Other receivables	166,162	-	166,162
Inventory	286,475	-	286,475
Prepaid items	246,943	-	246,943
Total unrestricted assets	<u>40,166,561</u>	<u>-</u>	<u>40,166,561</u>
Restricted assets			
Cash and cash equivalents	5,044,456	-	5,044,456
Passenger facility charge receivable	257,716	-	257,716
Federal and state grants receivable	1,696,526	-	1,696,526
Property tax receivable, net of allowances	19,258	-	19,258
Total restricted assets	<u>7,017,956</u>	<u>-</u>	<u>7,017,956</u>
Total current assets	<u>47,184,517</u>	<u>-</u>	<u>47,184,517</u>
Noncurrent Assets			
Restricted assets			
Cash and cash equivalents	417,452	9,823	427,275
Investments	9,350,000	-	9,350,000
Property tax receivable, net of allowance	6,039	-	6,039
Other receivables	101,871	-	101,871
Total restricted assets	<u>9,875,362</u>	<u>9,823</u>	<u>9,885,185</u>
Capital assets, net	<u>119,629,839</u>	<u>-</u>	<u>119,629,839</u>
Total noncurrent assets	<u>129,505,201</u>	<u>9,823</u>	<u>129,515,024</u>
Total Assets	<u>176,689,718</u>	<u>9,823</u>	<u>176,699,541</u>
Deferred Outflows of Resources			
Deferred outflow of resources related to pensions	333,637	-	333,637
Deferred outflow of resources related to OPEB	24,070	-	24,070
Total deferred outflows of resources	<u>357,707</u>	<u>-</u>	<u>357,707</u>
Total assets and deferred outflows of resources	<u>\$ 177,047,425</u>	<u>\$ 9,823</u>	<u>\$ 177,057,248</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Net Position (Continued)
December 31, 2019

	Authority	FWIAATCBC	Totals
Liabilities, Deferred Inflows and Net Position			
Current Liabilities			
Payable from unrestricted			
Accounts payable	\$ 1,366,228	\$ -	\$ 1,366,228
Accrued liabilities	372,292	-	372,292
Advance rent	53,947	-	53,947
Total unrestricted	<u>1,792,467</u>	<u>-</u>	<u>1,792,467</u>
Payable from restricted			
Accounts payable	191,786	-	191,786
Current portion of long-term debt	2,125,000	-	2,125,000
Accrued interest on long-term debt	49,632	-	49,632
Total restricted	<u>2,366,418</u>	<u>-</u>	<u>2,366,418</u>
Total current liabilities	<u>4,158,885</u>	<u>-</u>	<u>4,158,885</u>
Noncurrent Liabilities			
Net pension liability	2,619,924	-	2,619,924
Net other postemployment benefits obligation	969,939	-	969,939
Accrued compensated absences	741,983	-	741,983
Bonds and other long-term debt, net	2,945,000	-	2,945,000
Total noncurrent liabilities	<u>7,276,846</u>	<u>-</u>	<u>7,276,846</u>
Total liabilities	<u>11,435,731</u>	<u>-</u>	<u>11,435,731</u>
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	450,459	-	450,459
Deferred inflows of resources related to OPEB	63,884	-	63,884
Total deferred inflows of resources	<u>514,343</u>	<u>-</u>	<u>514,343</u>
Net Position			
Net investment in capital assets	114,559,839	-	114,559,839
Restricted for			
Debt service	536,271	9,823	546,094
Capital projects	11,323,997	-	11,323,997
Other purposes	5,018	-	5,018
Unrestricted	38,672,226	-	38,672,226
Total net position	<u>165,097,351</u>	<u>9,823</u>	<u>165,107,174</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 177,047,425</u>	<u>\$ 9,823</u>	<u>\$ 177,057,248</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2019

	Authority	FWIAATCBC	Totals
Operating Revenues			
Airfield	\$ 1,985,670	\$ -	\$ 1,985,670
Buildings and grounds	2,426,888	-	2,426,888
Terminal	3,628,881	-	3,628,881
Parking	4,532,227	-	4,532,227
Fixed base operations	5,017,249	-	5,017,249
Reliever airport	572,636	-	572,636
Total operating revenues	<u>18,163,551</u>	<u>-</u>	<u>18,163,551</u>
Operating Expenses			
Airfield	2,871,281	-	2,871,281
Buildings and grounds	899,655	-	899,655
Terminal	1,633,165	-	1,633,165
Parking	1,286,173	-	1,286,173
Fixed base operations	4,250,080	-	4,250,080
Reliever airport	683,166	-	683,166
Administration	3,061,100	-	3,061,100
Depreciation	8,560,184	-	8,560,184
Total operating expenses	<u>23,244,804</u>	<u>-</u>	<u>23,244,804</u>
Operating Loss	<u>(5,081,253)</u>	<u>-</u>	<u>(5,081,253)</u>
Nonoperating Revenue (Expenses)			
Property and other taxes	7,548,109	-	7,548,109
Passenger facility charge	1,710,955	-	1,710,955
Customer facility charge	587,324	-	587,324
Interest income	830,894	1,743	832,637
Interest expense	(106,800)	-	(106,800)
Gain on disposal of capital assets	792	-	792
Net nonoperating revenues	<u>10,571,274</u>	<u>1,743</u>	<u>10,573,017</u>
Income Before Capital Contributions	5,490,021	1,743	5,491,764
Capital Contributions			
Federal and state grants	<u>5,108,967</u>	<u>-</u>	<u>5,108,967</u>
Net Position			
Increase in net position	10,598,988	1,743	10,600,731
Total Net Position, Beginning of Year	<u>154,498,363</u>	<u>8,080</u>	<u>154,506,443</u>
Total Net Position, End of Year	<u>\$ 165,097,351</u>	<u>\$ 9,823</u>	<u>\$ 165,107,174</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Cash Flows
For the Year Ended December 31, 2019

	Authority	FWIAATCBC	Totals
Cash Flows From Operating Activities			
Receipts from customers	\$ 17,964,260	\$ -	\$ 17,964,260
Payments to suppliers	(7,588,505)	-	(7,588,505)
Payments to employees	(4,700,470)	-	(4,700,470)
Payments of benefits on behalf of employees	(2,002,178)	-	(2,002,178)
Return of customer deposits	68,886	-	68,886
Bond issuance costs	(109,000)	-	(109,000)
Net cash provided by operating activities	<u>3,632,993</u>	<u>-</u>	<u>3,632,993</u>
Cash Flows From Noncapital Financing Activity			
Receipts of property and other taxes	5,563,871	-	5,563,871
Net cash provided by noncapital financing activities	<u>5,563,871</u>	<u>-</u>	<u>5,563,871</u>
Cash Flows From Capital and Related			
Financing activities			
Receipts of property and other taxes	1,990,034	-	1,990,034
Acquisition and construction of capital assets	(8,281,772)	-	(8,281,772)
Sale of capital assets	792	-	792
Proceeds from sale of bonds	4,095,000	-	4,095,000
Principal paid on bonds and other long-term debt	(1,875,000)	-	(1,875,000)
Interest paid on bonds and other long-term debt	(106,800)	-	(106,800)
Capital grant receipts	4,834,779	-	4,834,779
Passenger facility charge receipts	1,677,390	-	1,677,390
Customer facility charge receipts	587,324	-	587,324
Net cash provided by capital and related financing activities	<u>2,921,747</u>	<u>-</u>	<u>2,921,747</u>
Cash Flows From Investing Activities			
Purchase of investment securities	(38,500,000)	-	(38,500,000)
Proceeds from sale and maturities of investment securities	33,000,000	-	33,000,000
Interest received on investments	838,563	1,743	840,306
Net cash provided by (used in) investing activities	<u>(4,661,437)</u>	<u>1,743</u>	<u>(4,659,694)</u>
Net Increase in Cash and Cash Equivalents	7,457,174	1,743	7,458,917
Cash and Cash Equivalents, Beginning of Year	<u>14,388,023</u>	<u>8,080</u>	<u>14,396,103</u>
Cash and Cash Equivalents, End of Year	<u>\$ 21,845,197</u>	<u>\$ 9,823</u>	<u>\$ 21,855,020</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Cash Flows (Continued)
For the Year Ended December 31, 2019

	Authority	FWIAATCBC	Totals
Reconciliation of Operating Loss to Net Cash			
Provided by Operating Activities			
Operating loss	\$ (5,081,253)	\$ -	\$ (5,081,253)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	8,560,184	-	8,560,184
Change in assets and liabilities:			
Accounts receivable and unbilled revenue	(216,426)	-	(216,426)
Other assets	(30,142)	-	(30,142)
Accounts payable	155,992	-	155,992
Accrued liabilities	137,358	-	137,358
Net pension liability	(38,264)	-	(38,264)
Deferred outflows of resources related to pensions and OPEB	23,816	-	23,816
Net OPEB and net pension obligation	121,728	-	121,728
	<u>\$ 3,632,993</u>	<u>\$ -</u>	<u>\$ 3,632,993</u>
Noncash Capital and Related Financing Activities			
Capital and related financing activities			
Capital assets included in accounts payable	\$ (1,101,211)	\$ -	\$ (1,101,211)
Capital contributions from federal and state grants	274,188	-	274,188

**OTHER SUPPLEMENTARY
INFORMATION**

Fort Wayne-Allen County Airport Authority
Schedule of Debt Service Requirements to Maturity
December 31, 2019

	Principal	Interest	Total
2020.....	\$ 2,125,000	\$ 83,904	\$ 2,208,904
2021.....	\$ 2,255,000	\$ 46,508	\$ 2,301,508
2022.....	690,000	10,091	700,091
Totals.....	\$ 5,070,000	\$ 140,503	\$ 5,210,503

Fort Wayne-Allen County Airport Authority
Schedule of Capital Assets and Accumulated Depreciation
For the Year Ended December 31, 2019

Category	<u>Capital Assets (1)</u>			Balance at December 31, 2019
	Balance at January 1, 2019	Additions	Deletions (2)	
Land	\$ 21,713,819	\$ 209,019	\$ -	\$ 21,922,838
Avigation easements	118,357	-	-	118,357
Runways and taxiways	136,561,110	6,129,862	-	142,690,972
Buildings	86,784,657	1,966,920	129,120	88,622,457
Roads and parking	37,630,244	644,749	-	38,274,993
Snow equipment	5,290,570	-	-	5,290,570
Vehicles	3,346,551	40,284	76,110	3,310,725
Other equipment	3,882,965	1,150,104	5,730	5,027,339
Software and data base	563,335	-	-	563,335
Master plans	2,761,993	-	-	2,761,993
Work in progress	2,678,464	4,906,540	6,460,526	1,124,478
Total capital assets	<u>\$ 301,332,065</u>	<u>\$ 15,047,478</u>	<u>\$ 6,671,486</u>	<u>\$ 309,708,057</u>

Category	<u>Accumulated Depreciation</u>			Balance at December 31, 2019
	Balance at January 1, 2019	Additions	Deletions (2)	
Runways and taxiways	\$ 98,617,969	\$ 3,283,712	\$ -	\$ 101,901,681
Buildings	56,088,861	2,681,936	129,120	58,641,677
Roads and parking	17,605,405	1,561,408	-	19,166,813
Snow equipment	2,802,033	288,451	-	3,090,484
Vehicles	2,082,734	180,856	76,110	2,187,480
Other equipment	2,421,149	326,277	5,730	2,741,696
Software and data base	328,860	46,311	-	375,171
Master plans	1,781,983	191,233	-	1,973,216
Total depreciation	<u>\$ 181,728,994</u>	<u>\$ 8,560,184</u>	<u>\$ 210,960</u>	<u>\$ 190,078,218</u>

(1) Capital assets are carried at historical cost except for assets assumed by the Authority at July 1, 1985, that are carried at historical cost, net of accumulated depreciation. Assets are depreciated or amortized using the straight-line method over their useful lives.

(2) Deletions consist of disposals and assets that were no longer in service.

Fort Wayne-Allen County Airport Authority
Schedule of Revenues – Budget and Actual
For the Year Ended December 31, 2019

Major Revenue Categories	2019 Actual			2019 Budget As Adjusted	Variance Over (Under)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)		
Airfield use fees	\$ 1,985,670	\$ (15,023)	\$ 1,970,647	\$ 1,796,177	\$ 174,470
Building rent and services	5,213,176	575,983	5,789,159	4,456,993	1,332,166
Land rent	848,865	(9,681)	839,184	522,705	316,479
Utilities	-	-	-	-	-
Parking	4,532,227	(4,295)	4,527,932	3,951,500	576,432
Auto rental	1,263,731	8,092	1,271,823	1,025,620	246,203
Fixed based operations sales	3,988,268	44,441	4,032,709	3,432,052	600,657
Restaurant	246,532	(3,755)	242,777	189,584	53,193
Other income	85,874	7,445	93,319	2,590	90,729
Contractual reimbursements	-	-	-	-	-
Other commissions	-	-	-	-	-
Interest income	832,637	5,925	838,562	665,500	173,062
Property and other taxes	7,548,109	5,796	7,553,905	8,166,672	(612,767)
Total revenues	<u>26,545,089</u>	<u>614,928</u>	<u>27,160,017</u>	<u>24,209,393</u>	<u>2,950,624</u>
Capital contributions					
Federal grants	4,975,499	(649,578)	4,325,921	8,220,300	(3,894,379)
State grants	133,468	330,270	463,738	168,750	294,988
Passenger facility charges	1,710,955	(33,578)	1,677,377	1,410,599	266,778
Customer facility charges	587,324	(7,065)	580,259	447,331	132,928
Total capital contributions	<u>7,407,246</u>	<u>(359,951)</u>	<u>7,047,295</u>	<u>10,246,980</u>	<u>(3,199,685)</u>
 Total	 <u>\$ 33,952,335</u>	 <u>\$ 254,977</u>	 <u>\$ 34,207,312</u>	 <u>\$ 34,456,373</u>	 <u>\$ (249,061)</u>

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

Fort Wayne-Allen County Airport Authority
Schedule of Expenses – Budget and Actual
For the Year Ended December 31, 2019

Major Expense Categories	2019 Actual				2019 Actual	2019 Budget	Variance Over (Under)(2)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)	Open Purchase Orders			
Personal services							
Salaries and wages	\$ 4,511,252	\$ (130,459)	\$ 4,380,793	\$ -	\$ 4,380,793	\$ 4,432,083	\$ (51,290)
Employee benefits	2,169,967	(122,861)	2,047,106	13,086	2,060,192	2,262,883	(202,691)
Total personal services	<u>6,681,219</u>	<u>(253,320)</u>	<u>6,427,899</u>	<u>13,086</u>	<u>6,440,985</u>	<u>6,694,966</u>	<u>(253,981)</u>
Supplies	<u>3,611,378</u>	<u>(293,907)</u>	<u>3,317,471</u>	<u>119,662</u>	<u>3,437,133</u>	<u>3,792,828</u>	<u>(355,695)</u>
Contractual services							
Professional services	695,533	12,990	708,523	119,942	828,465	1,127,169	(298,704)
Utilities	867,192	34,974	902,166	4,259	906,425	1,008,420	(101,995)
Contracted repairs	322,374	(146,400)	175,974	18,553	194,527	278,535	(84,008)
Debt service payments	106,800	1,900,468	2,007,268	-	2,007,268	2,007,268	-
Other contracted services	2,506,924	(51,938)	2,454,986	452,187	2,907,173	3,346,226	(439,053)
Total contractual services	<u>4,498,823</u>	<u>1,750,094</u>	<u>6,248,917</u>	<u>594,941</u>	<u>6,843,858</u>	<u>7,767,618</u>	<u>(923,760)</u>
Capital expenditures	<u>-</u>	<u>8,484,211</u>	<u>8,484,211</u>	<u>22,984,119</u>	<u>31,468,330</u>	<u>37,075,681</u>	<u>(5,607,351)</u>
Depreciation expense	<u>8,560,184</u>	<u>(717,279)</u>	<u>7,842,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 23,351,604</u>	<u>\$ 8,969,799</u>	<u>\$ 32,321,403</u>	<u>\$ 23,711,808</u>	<u>\$ 48,190,306</u>	<u>\$ 55,331,093</u>	<u>\$ (7,140,787)</u>

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

(2) Balance equals funds not committed by the Authority.

Fort Wayne-Allen County Airport Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Federal Grantor/ Pass-Through Grantor Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation - Federal Aviation Administration (FAA)				
Airport Improvement Program (AIP)				
	20.106	3-18-0024-018	\$ -	\$ 2,333
	20.106	3-18-0024-019	-	327,108
	20.106	3-18-0024-065	-	-
	20.106	3-18-0024-067	-	-
	20.106	3-18-0022-069	-	8,907
	20.106	3-18-0022-070	-	4,189,384
	20.106	3-18-0022-071	-	397,498
Subtotal			<u>-</u>	<u>4,925,230</u>
U.S. Department of Homeland Security				
Electronic Baggage Screening Program				
		70T04019T9CAP1030	-	64,547
Grand Total			<u>\$ -</u>	<u>\$ 4,989,777</u>

Notes to Schedule:

1. The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the Fort Wayne-Allen County Airport Authority (Authority) under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Authority has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. The Fort Wayne-Allen County Airport Authority had no federal loans that they were administering as of December 31, 2019.

Fort Wayne-Allen County Airport Authority
Schedule of Passenger Facility Charge Revenues and Expenditures
Year Ended December 31, 2019

Revenues	Date Approved	Amount Approved For Use	Cumulative Total - December 31, 2018	Quarter Ended				Year Ended December 31, 2019	Cumulative Total - December 31, 2019
				March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019		
Passenger facility charge revenues received			\$ 27,133,986	\$ 379,051	\$ 430,236	\$ 568,003	\$ 299,995	\$ 1,677,285	\$ 28,811,271
Interest earned			568,465	11,810	836	1,905	1,823	16,374	584,839
Total passenger facility charge revenue received			<u>\$ 27,702,451</u>	<u>\$ 390,861</u>	<u>\$ 431,072</u>	<u>\$ 569,908</u>	<u>\$ 301,818</u>	<u>\$ 1,693,659</u>	<u>\$ 29,396,110</u>
Expenditures									
Application 92-01	April 5, 1993	\$ 26,563,457	\$ 18,980,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,980,590
Application 05-03	October 21, 2005	2,045,000	1,579,009	-	-	-	-	-	1,579,009
Application 15-04	January 6, 2015	4,055,000	2,677,964	-	-	-	-	-	2,677,964
Application 16-05	October 27, 2016	8,049,986	-	-	-	-	657,800	657,800	657,800
Total passenger facility charge revenue expended			<u>\$ 40,713,443</u>	<u>\$ 23,237,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 657,800</u>	<u>\$ 657,800</u>	<u>\$ 23,895,363</u>

Notes to Schedule:

1. Revenues and expenditures on approved projects in the schedule above agree to the Passenger Facility Charge Quarterly Status Reports (PFC Reports) submitted by the Authority to the FAA.
2. Effective October 27, 2016, a total of \$40,713,443 has been approved to be imposed and collected on behalf of the Authority and used by the Authority.
3. Applications 92-01 and 05-03 have been closed out.

**STATISTICAL
SECTION**

**FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY
STATISTICAL SECTION
TABLE OF CONTENTS**

This part of the Authority’s Comprehensive Annual Financial Report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends Data	65
These schedules contain trend information to help the reader understand how the Authority’s financial position has changed over time.	
Revenue Capacity	67
These schedules contain information to help the reader assess the Authority’s ability to generate its most significant revenues.	
Debt Capacity	75
These schedules present information to help the reader assess the Authority’s current debt level and its ability to issue additional debt in the future.	
Demographic and Economic Information	77
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	79
These schedules contain service 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 annual financial reports for the relevant year.

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

	2019	2018	2017	2016
Revenues				
Airfield	\$ 1,985,670	\$ 1,977,473	\$ 1,858,754	\$ 1,844,989
Buildings and grounds	2,426,888	1,937,263	1,969,020	1,886,026
Terminal	3,628,881	3,589,067	3,576,821	3,422,333
Parking	4,532,227	4,177,885	4,025,083	3,913,995
Fixed based operations	5,017,249	5,634,972	4,171,448	4,363,804
Reliever airport	572,636	515,896	463,148	413,174
	<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>	<u>15,844,321</u>
Interest	832,637	552,330	190,877	116,878
Property and other taxes	7,548,109	7,664,720	7,396,810	7,380,016
Federal operating grant	-	-	-	114,823
Net increase in fair value of investments	-	-	18,783	-
Gain (loss) on disposal of capital assets	792	223,410	8,168	70,687
Total revenues	<u>26,545,089</u>	<u>26,273,016</u>	<u>23,678,912</u>	<u>23,526,725</u>
Expenses				
Salaries	4,511,254	4,196,874	4,097,992	4,263,756
Benefits	2,169,967	1,944,793	2,329,487	2,312,121
Utilities	867,192	872,222	814,105	779,796
Supplies and other services	7,136,207	7,131,576	5,909,286	6,390,717
Loss on sale of investments	-	-	-	-
Depreciation	8,560,184	8,224,543	8,286,226	7,259,509
Total operating expenses	<u>23,244,804</u>	<u>22,370,008</u>	<u>21,437,096</u>	<u>21,005,899</u>
Interest	106,800	189,006	279,596	360,136
Total expenses	<u>23,351,604</u>	<u>22,559,014</u>	<u>21,716,692</u>	<u>21,366,035</u>
Capital Contributions				
Federal and state grants	5,108,967	3,547,994	562,819	20,392,838
Passenger facility charges	1,710,955	1,603,462	1,490,578	1,505,445
Customer facility charges	587,324	526,835	522,988	530,879
Total capital contributions	<u>7,407,246</u>	<u>5,678,291</u>	<u>2,576,385</u>	<u>22,429,162</u>
Increase (Decrease) in Net Position	<u>\$ 10,600,731</u>	<u>\$ 9,392,293</u>	<u>\$ 4,538,605</u>	<u>\$ 24,589,852</u>
Net Position at Year-End is Composed of				
Net investment in capital assets	\$ 114,559,839	\$ 116,756,916	\$ 112,079,293	\$ 115,312,332
Restricted	11,875,109	15,539,783	15,423,659	15,388,948
Unrestricted	<u>38,672,226</u>	<u>22,209,744</u>	<u>17,611,198</u>	<u>9,874,265</u>
Total net position	<u>\$ 165,107,174</u>	<u>\$ 154,506,443</u>	<u>\$ 145,114,150</u>	<u>\$ 140,575,545</u>

Source: Authority's audited financial statements.

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

	2015	2014	2013	2012	2011	2010
\$	1,565,022	\$ 1,626,929	\$ 1,618,892	\$ 1,475,574	\$ 1,461,088	\$ 1,361,743
	2,203,676	2,155,564	2,097,557	1,867,646	1,311,808	1,051,735
	2,979,260	2,803,836	2,944,923	3,056,045	3,065,071	3,096,831
	3,583,154	3,154,213	2,829,131	2,695,420	2,625,381	2,620,565
	-	-	-	-	-	-
	478,867	480,920	435,806	464,820	443,839	420,083
	<u>10,809,979</u>	<u>10,221,462</u>	<u>9,926,309</u>	<u>9,559,505</u>	<u>8,907,187</u>	<u>8,550,957</u>
	119,701	85,289	76,289	94,787	102,068	162,487
	7,017,489	6,945,662	6,674,720	6,713,816	6,310,443	6,783,287
	150,599	182,159	-	84,766	312,639	131,891
	-	67,614	-	-	-	-
	113,796	9,966	9,811	20,395	235,461	(409,452)
	<u>18,211,564</u>	<u>17,512,152</u>	<u>16,687,129</u>	<u>16,473,269</u>	<u>15,867,798</u>	<u>15,219,170</u>
	3,511,281	3,629,321	3,685,895	3,853,582	3,901,809	3,859,845
	1,823,592	1,829,454	1,770,599	1,768,080	1,710,328	1,529,207
	775,818	705,862	671,411	643,569	653,524	626,467
	3,925,226	3,929,062	3,907,019	3,413,869	3,468,209	3,115,866
	10,803	-	-	-	-	-
	7,033,108	7,284,527	7,551,117	7,559,693	7,852,015	8,440,999
	<u>17,079,828</u>	<u>17,378,226</u>	<u>17,586,041</u>	<u>17,238,793</u>	<u>17,585,885</u>	<u>17,572,384</u>
	320,897	495,406	607,545	731,133	883,650	1,103,069
	<u>17,400,725</u>	<u>17,873,632</u>	<u>18,193,586</u>	<u>17,969,926</u>	<u>18,469,535</u>	<u>18,675,453</u>
	670,811	2,379,894	3,188,668	2,749,565	1,962,373	6,461,612
	1,471,790	1,333,205	1,215,576	1,138,258	1,099,255	1,102,936
	493,499	347,998	244,493	210,792	32,229	-
	<u>2,636,100</u>	<u>4,061,097</u>	<u>4,648,737</u>	<u>4,098,615</u>	<u>3,093,857</u>	<u>7,564,548</u>
\$	<u>3,446,939</u>	<u>3,699,617</u>	<u>3,142,280</u>	<u>2,601,958</u>	<u>492,120</u>	<u>4,108,265</u>
\$	95,192,723	\$ 91,128,061	\$ 86,439,074	\$ 84,742,931	\$ 80,453,062	\$ 82,143,769
	10,556,823	10,349,663	10,272,065	8,995,490	9,288,875	12,260,528
	<u>10,236,147</u>	<u>13,199,646</u>	<u>14,266,614</u>	<u>14,097,052</u>	<u>15,491,578</u>	<u>10,380,330</u>
\$	<u>115,985,693</u>	<u>114,677,370</u>	<u>110,977,753</u>	<u>107,835,473</u>	<u>105,233,515</u>	<u>104,784,627</u>

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

	2019	2018	2017	2016
Operating Revenues				
Airfield	\$ 103,741	\$ 132,774	\$ 107,546	\$ 138,319
Passenger airline service charge revenues				
Landing fees	1,254,041	1,210,589	1,161,158	1,096,860
Jetway rental	-	-	-	-
Apron fees	149,232	135,485	106,122	110,912
Terminal rent	1,612,074	1,587,950	1,612,908	1,605,536
Boarding security	197,038	200,747	211,419	214,716
PA system	-	-	-	-
Air Trade Center cargo airline service charge revenues				
Building rent	1,406,505	1,123,302	1,055,209	933,412
Ground rent	17,237	9,337	50,000	78,064
Landing fees-other cargo	478,657	498,625	483,928	498,898
FBO sales	3,618,408	4,248,590	3,003,516	3,033,142
FBO services	1,398,840	1,387,560	1,167,932	949,171
Building and grounds	568,005	512,612	481,008	939,171
Terminal	309,505	318,591	320,786	291,618
Car rental	1,263,731	1,262,483	1,222,049	1,114,220
Restaurant	246,532	219,295	209,659	196,244
Parking	4,532,227	4,177,885	4,025,083	3,913,995
Farming	435,142	292,013	382,803	316,869
Reliever airport	572,636	514,718	463,148	413,174
Total operating revenues	<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>	<u>15,844,321</u>
Non-Operating Revenues				
Interest income	832,637	552,330	190,877	116,878
Net increase in fair value of investments	-	-	18,783	-
Property and other taxes	7,548,109	7,664,720	7,396,810	7,380,016
FAA operating grant	-	-	-	114,823
Passenger facility charge	1,710,955	1,603,462	1,490,578	1,505,445
Customer facility charge	587,324	526,835	522,988	530,879
Gain on disposal of capital assets	792	223,410	8,168	70,687
Total non-operating revenues	<u>10,679,817</u>	<u>10,570,757</u>	<u>9,628,204</u>	<u>9,718,728</u>
Total revenues	<u>\$ 28,843,368</u>	<u>\$ 28,403,313</u>	<u>\$ 25,692,478</u>	<u>\$ 25,563,049</u>
Enplaned passengers	<u>397,938</u>	<u>381,139</u>	<u>368,282</u>	<u>365,884</u>
Passenger airline cost per enplaned passenger	<u>\$ 8.07</u>	<u>\$ 8.22</u>	<u>\$ 8.39</u>	<u>\$ 8.28</u>
Signatory Airlines Rates and Charges (1)				
Landing fee (per 1,000 lbs. of max. gross landed weight)	\$ 2.54	\$ 2.56	\$ 2.50	\$ 2.49
Apron fee (per 1,000 lbs of max. gross landed weight)	0.29	0.30	0.23	0.25
Annual terminal rental rate (per square foot)	32.52	32.53	32.54	32.20
Revenue Funding Ratios				
Parking revenue/commissions per enplaned passenger	\$ 11.39	\$ 10.96	\$ 10.93	\$ 10.70
Car rental commissions per enplaned passenger	3.18	3.31	3.32	3.05
Restaurant commissions per enplaned passenger	0.62	0.58	0.57	0.54

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

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

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

	2015	2014	2013	2012	2011	2010
\$	115,251	\$ 104,058	\$ 143,519	\$ 88,432	\$ 87,860	\$ 85,097
	893,817	866,621	790,258	801,832	838,598	771,177
	-	-	-	-	-	60,060
	71,327	90,953	133,522	146,711	117,899	93,771
	1,226,766	1,143,955	1,388,401	1,540,790	1,617,504	1,695,299
	192,457	195,000	192,706	183,463	193,652	199,381
	-	-	-	-	-	1,152
	1,003,856	973,549	987,752	586,614	165,282	-
	36,274	90,016	46,613	135,000	163,910	-
	484,628	551,585	550,936	438,301	416,731	413,725
	-	-	-	-	-	-
	-	-	-	-	-	-
	827,076	789,893	777,341	811,403	706,890	774,349
	266,744	268,724	270,393	250,162	236,029	236,144
	1,113,880	1,019,521	958,629	965,279	913,857	797,778
	179,413	159,678	123,007	116,351	111,624	97,557
	3,583,154	3,154,213	2,829,131	2,695,420	2,625,381	2,609,642
	336,470	332,776	298,295	334,927	268,131	297,769
	478,866	480,920	435,806	464,820	443,839	420,083
	<u>10,809,979</u>	<u>10,221,462</u>	<u>9,926,309</u>	<u>9,559,505</u>	<u>8,907,187</u>	<u>8,552,984</u>
	119,701	85,289	76,289	94,787	102,068	162,487
	-	67,614	-	-	-	-
	7,017,489	6,945,662	6,674,720	6,713,816	6,310,443	6,783,287
	150,599	182,159	-	84,766	312,639	131,891
	1,471,790	1,333,205	1,215,576	1,138,258	1,099,255	1,102,936
	493,499	347,998	244,493	210,792	32,229	-
	113,796	9,966	9,811	20,395	235,461	-
	<u>9,366,874</u>	<u>8,971,893</u>	<u>8,220,889</u>	<u>8,262,814</u>	<u>8,092,095</u>	<u>8,180,601</u>
\$	<u>20,176,853</u>	<u>\$ 19,193,355</u>	<u>\$ 18,147,198</u>	<u>\$ 17,822,319</u>	<u>\$ 16,999,282</u>	<u>\$ 16,733,585</u>
	<u>359,051</u>	<u>324,151</u>	<u>298,661</u>	<u>284,465</u>	<u>277,938</u>	<u>277,101</u>
\$	<u>6.64</u>	<u>\$ 7.08</u>	<u>\$ 8.39</u>	<u>\$ 9.40</u>	<u>\$ 9.96</u>	<u>\$ 10.18</u>
\$	2.42	\$ 2.56	\$ 2.45	\$ 2.45	\$ 2.44	\$ 2.40
	0.19	0.27	0.42	0.45	0.34	0.29
	27.56	25.65	30.61	33.91	34.80	36.61
\$	9.98	\$ 9.73	\$ 9.47	\$ 9.48	\$ 9.45	\$ 9.42
	3.10	3.15	3.21	3.39	3.29	2.88
	0.50	0.49	0.41	0.41	0.40	0.35

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

Principal Taxpayers - Name	2019			2010		
	Taxable Assessed Valuation (1)	Rank	Percent of Total Taxable Assessed Valuation	Taxable Assessed Valuation (2)	Rank	Percent of Total Taxable Assessed Valuation
Indiana Michigan Power.....	\$ 281,304,650	1	1.9 %	\$ 143,566,840	4	0.9 %
General Motors Corp.....	\$ 245,573,617	2	1.7	\$ 159,649,180	3	1.0
IOM Health Systems.....	184,942,364	3	1.3	133,036,420	5	
Frontier Communications Online & LD.....	172,624,370	4	1.2			
GGP-Glenbrook-LLC.....	155,664,660	5	1.1	199,625,930	1	1.3
Parkview Health System Inc.....	151,287,187	6	1.0	89,452,740	6	0.6
Uniroyal BF Goodrich.....	79,735,680	7	0.5			0.3
St Joseph Health System LLC.....	73,123,190	8	0.5			
Canterbury Green Apartments LLC.....	69,328,500	9	0.5	58,562,100	9	0.4
Northern Indiana Public Service Co.....	65,139,730	10	0.4			
Verizon North.....			0.0	183,280,190	2	1.1
IMI Jefferson Pointe LLC.....			0.0	65,376,560	8	0.4
Walmart Stores East LP/RE Bus.....			0.0	79,651,790	7	0.4
St Joseph Health System LLC.....			0.0	58,184,970	10	0.3
Total of Ten Largest Taxpayers.....	<u>\$ 1,478,723,948</u>		<u>10.2 %</u>	<u>\$ 1,170,386,720</u>		<u>6.8 %</u>

(1) Represents assessed valuations for taxes due and payable in 2019

(2) Represents assessed valuations for taxes due and payable in 2010

Source: Allen County Auditor's Office.

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Operating excise tax	\$ 342,627	\$ 315,094	\$ 300,941	\$ 281,969	\$ 266,366	\$ 258,348	\$ 266,372	\$ 271,389	\$ 260,647	\$ 249,758
Aircraft excise tax	20,604	25,053	15,411	433	20,364	23,628	18,088	18,307	18,071	16,382
Operating intangibles tax	21,609	15,287	15,945	17,487	15,871	14,830	15,321	15,256	16,277	15,125
Operating property tax	4,054,823	3,825,297	3,649,111	3,478,025	3,341,285	3,261,085	3,301,247	3,253,654	3,212,343	3,151,024
Operating commercial vehicle tax	22,236	16,872	17,147	17,452	19,168	16,912	18,037	17,681	18,065	17,016
Cumulative building property tax	440,929	413,481	396,275	378,703	367,485	367,038	376,959	357,671	384,085	399,938
Cumulative building excise tax	37,009	33,950	32,534	30,691	29,191	29,097	30,416	29,833	31,164	31,700
Cumulative building commercial vehicle tax	2,334	1,647	1,854	1,903	2,101	1,905	2,060	1,944	2,160	2,160
Cumulative building intangibles tax	2,402	1,818	1,724	1,900	1,739	1,670	1,750	1,677	1,946	1,920
County option income tax	1,091,158	1,000,081	945,857	1,140,156	846,941	880,681	793,049	783,478	598,423	1,015,608
Debt service property tax	1,387,513	1,862,425	1,871,565	1,884,295	1,953,774	1,946,187	1,702,027	1,788,356	1,606,172	1,781,540
Debt service excise tax	106,250	134,737	135,220	132,353	134,095	133,142	137,334	149,167	130,324	141,210
Debt service commercial vehicle tax	6,895	7,215	7,704	8,192	9,650	8,715	9,299	9,718	9,032	9,620
Debt service intangibles tax	6,701	6,537	7,165	8,208	7,990	7,643	7,899	8,386	8,138	8,552
Total Authority tax receipts	\$ 7,543,090	\$ 7,659,493	\$ 7,398,453	\$ 7,381,767	\$ 7,016,020	\$ 6,950,881	\$ 6,679,858	\$ 6,706,517	\$ 6,296,847	\$ 6,841,553
Rate per \$100 of assessed valuation	0.0407	0.0456	0.0461	0.0464	0.0471	0.0477	0.0471	0.0468	0.0447	0.0440

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

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total tax levy	\$ 409,518,328	\$ 395,862,514	\$ 382,994,915	\$ 364,069,619	\$ 356,574,609	\$ 352,103,000	\$ 331,494,358	\$ 324,449,495	\$ 316,973,671	\$ 319,525,460
Current tax collections (2)	398,613,800	384,873,588	372,781,741	353,869,381	346,338,133	341,576,136	321,700,333	313,264,561	306,407,599	307,284,280
Percent of levy collected	97.3%	97.2%	97.3%	97.2%	97.1%	97.0%	97.0%	96.6%	96.7%	96.2%
Delinquent tax collections	\$ 10,590,783	\$ 9,838,596	\$ 9,583,882	\$ 9,498,141	\$ 9,761,454	\$ 9,227,603	\$ 9,896,607	\$ 9,423,276	\$ 7,492,374	\$ 5,437,834
Total tax collections	409,204,582	394,412,184	382,365,623	363,367,522	356,099,586	350,803,740	331,596,940	322,687,837	313,899,973	312,722,114
Percent of total tax collections to levy	99.9%	99.6%	99.8%	99.8%	99.9%	99.6%	100.0%	99.5%	99.0%	97.9%
Outstanding delinquent taxes	\$ 12,567,420	\$ 12,767,578	\$ 11,975,818	12,047,858	12,001,408	12,442,833	12,265,024	\$ 14,007,744	\$ 13,781,018	\$ 15,892,667
Percent of delinquent taxes to levy	3.1%	3.2%	3.1%	3.3%	3.4%	3.5%	3.7%	4.3%	4.3%	5.0%

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

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

Source: Allen County Auditor's office

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

Allen County	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total assessed value (1).....	\$ 15,591,737,704	\$ 14,586,996,908	\$ 14,075,020,435	\$ 13,650,544,767	\$ 13,295,341,671	\$ 12,913,262,282	\$ 12,780,412,897	\$ 12,741,704,078	\$ 12,674,957,960	\$ 13,112,944,238

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

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

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

Allen County	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Rates per \$100 of assessed valuation (1)										
Airport Authority Direct Rates										
Operating	\$ 0.0287	\$ 0.0297	\$ 0.0296	\$ 0.0294	\$ 0.0292	\$ 0.0293	\$ 0.0289	\$ 0.0282	\$ 0.0276	\$ 0.0260
Cumulative building	0.0031	0.0032	0.0032	0.0032	0.0032	0.0033	0.0033	0.0031	0.0033	0.0033
Debt service	0.0089	0.0127	0.0133	0.0138	0.0147	0.0151	0.0149	0.0155	0.0138	0.0147
Total direct rates	0.0407	0.0456	0.0461	0.0464	0.0471	0.0477	0.0471	0.0468	0.0447	0.0440
Other municipal corporations	0.2422	0.2449	0.2565	0.2552	0.2678	0.2511	0.2471	0.2437	0.2365	0.2234
School districts	0.9373	0.9877	1.0060	0.9941	1.0214	1.0678	1.0379	0.9519	0.9765	0.9201
Allen county	0.5087	0.5370	0.5414	0.5403	0.5447	0.5477	0.5404	0.5279	0.5155	0.5187
City of Fort Wayne	0.8980	0.9287	0.9260	0.9208	0.9116	0.9042	0.8295	0.8320	0.8365	0.7880
Other	0.1173	0.1216	0.1208	0.1177	0.1106	0.1325	0.1337	0.1281	0.1178	0.1110
Total	\$ 2.7443	\$ 2.8654	\$ 2.8968	\$ 2.8744	\$ 2.9033	\$ 2.9511	\$ 2.8358	\$ 2.7304	\$ 2.7275	\$ 2.6052
Levies										
Airport Authority	\$ 6,345,838	\$ 6,651,671	\$ 6,488,585	\$ 6,333,852	\$ 6,262,106	\$ 6,159,627	\$ 6,019,575	\$ 5,963,118	\$ 5,665,706	\$ 5,769,696
Other municipal corporations	37,770,534	35,721,799	36,099,239	34,834,627	35,599,250	32,430,660	31,585,725	31,048,245	29,974,604	29,291,300
School districts	146,148,234	144,070,605	141,591,565	135,693,583	135,803,864	137,885,483	132,650,109	121,283,379	123,771,008	120,653,166
Allen County	79,315,170	78,332,173	76,202,162	73,753,893	72,419,725	70,725,937	69,065,351	67,263,457	65,339,408	68,016,841
City of Fort Wayne	140,017,116	135,467,628	130,338,417	125,688,689	121,205,513	116,765,804	106,014,996	106,017,165	106,024,105	103,327,209
Other	18,291,369	17,731,101	17,008,358	16,060,738	14,707,410	17,110,811	17,088,049	16,316,212	14,936,479	14,558,483
Total	\$ 427,888,261	\$ 417,974,977	\$ 407,728,326	\$ 392,365,382	\$ 385,997,868	\$ 381,078,322	\$ 362,423,805	\$ 347,891,576	\$ 345,711,310	\$ 341,616,695

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

(2) Source: Allen County Auditor's Office

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

	Building Permits (1)			Property Value (2)
	Number Issued	Value of Buildings	Average Building Cost	
2019	1,311	\$ 339,093,065	\$ 258,652	\$ 15,591,737,704
2018	1,174	\$ 310,985,903	\$ 264,894	\$ 14,586,996,909
2017	1,112	250,684,000	225,435	14,075,020,435
2016	873	216,435,515	247,922	13,650,544,767
2015	760	179,581,608	236,292	13,295,341,671
2014	841	185,455,385	220,518	12,913,262,282
2013	845	187,009,335	221,313	12,780,412,897
2012	705	154,256,028	218,803	12,741,704,078
2011	657	121,972,417	185,651	12,674,957,960
2010	706	122,188,517	173,072	13,112,944,238

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

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

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

Fort Wayne-Allen County Airport Authority

Ratios of Outstanding Debt Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Outstanding debt per enplaned passenger										
Taxbacked revenue bonds (1)										
Airport Improvement Bonds (2)	\$ 4,095,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,055,000	\$ 3,117,614	\$ 5,066,685	\$ 6,951,989
First Mortgage Bonds (2)	975,000	2,850,000	4,630,000	6,330,000	7,960,000	9,525,000	11,035,000	12,500,000	13,935,000	14,984,704
Revenue Bonds (2)	-	-	-	-	-	-	-	-	-	-
Non-interest bearing loan	-	-	-	-	-	-	-	-	-	-
Total outstanding debt	\$ 5,070,000	\$ 2,850,000	\$ 4,630,000	\$ 6,330,000	\$ 7,960,000	\$ 9,525,000	\$ 12,090,000	\$ 15,617,614	\$ 19,001,685	\$ 21,936,693
Enplaned passengers	397,938	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938	277,101
Debt per enplaned passenger	\$ 12.74	\$ 7.48	\$ 12.57	\$ 17.30	\$ 22.17	\$ 29.38	\$ 40.48	\$ 54.90	\$ 68.37	\$ 79.16
Debt service per enplaned passenger										
Net debt service	\$ 2,007,268	\$ 2,004,488	\$ 2,005,364	\$ 2,006,895	\$ 2,006,100	\$ 3,084,337	\$ 4,169,927	\$ 4,132,603	\$ 4,263,259	\$ 4,174,816
Enplaned passengers	397,938	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938	277,101
Debt service per enplaned passenger	\$ 5.04	\$ 5.26	\$ 5.45	\$ 5.49	\$ 5.59	\$ 9.52	\$ 13.96	\$ 14.53	\$ 15.34	\$ 15.07

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

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

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

Source: Authority's audited financial statements

Fort Wayne-Allen County Airport Authority
Pledged Revenue Coverage
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
1998 First Mortgage Bonds (3) and 2011 First Mortgage Taxable Refunding Bonds										
Gross revenues (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,552	\$ -
Debt service										
Principal	\$ 1,875,000	\$ 1,780,000	\$ 1,700,000	\$ 1,630,000	\$ 1,565,000	\$ 1,510,000	\$ 1,465,000	\$ 1,435,000	\$ 1,400,000	\$ 1,205,000
Interest	132,268	224,488	305,364	376,895	441,100	494,056	535,427	564,790	720,947	818,316
Total debt service	\$ 2,007,268	\$ 2,004,488	\$ 2,005,364	\$ 2,006,895	\$ 2,006,100	\$ 2,004,056	\$ 2,000,427	\$ 1,999,790	\$ 2,120,947	\$ 2,023,316
Debt service coverage	-	-	-	-	-	-	-	-	0.07	-

Notes: (1) Building rental revenue from a cargo carrier is pledged to the 1998 First Mortgage Bonds or 2011 First Mortgage Taxable Refunding Bonds.

If building rental revenue is insufficient, then the levy of an ad valorem tax is mandatory. The Authority began levying property taxes in 2009.

(2) The 1998 First Mortgage Bonds were refunded with the 2011 First Mortgage Taxable Refunding Bonds on February 24, 2011.

Source: Authority's audited financial statements and bond trust indentures.

Fort Wayne-Allen County Airport Authority

Allen County Demographic and Economic Statistics

Year	Population (1) (2)	Personal Income (Thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2019	379,299	N/A	N/A	3.2 %
2018	375,351	\$ 17,374,174	\$ 46,288	3.2
2017	372,210	16,445,154	44,182	3.4
2016	369,778	15,980,208	43,216	4.3
2015	367,543	15,595,594	42,432	4.6
2014	365,199	14,780,039	40,471	5.7
2013	363,384	13,923,405	38,316	7.5
2012	360,883	13,884,521	38,474	8.4
2011	358,919	13,158,974	36,663	9.3
2010	355,939	12,307,020	34,576	10.7

N/A - Not Available

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

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

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

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

Principal Employers - Name	2019			2010		
	Employees	Rank	Percent of Total Employment	Employees	Rank	Percent of Total Employment
Parkview Health Systems	7,858	1	4.3 %	3,210	4	1.9 %
Lutheran Health Network	4,824	2	2.7	3,756	2	2.2
General Motors - Truck & Bus Group	3,900	3	2.2	3,341	3	1.9
Fort Wayne Community Schools	2,699	4	1.5	4,159	1	2.4
Lincoln Financial Group	1,954	5	1.1	1,750	6	1.0
The City of Fort Wayne	1,898	6	1.1	2,003	5	1.2
BF Goodrich	1,640	7	0.9	1,584	8	0.9
Frontier Communications Corp	1,355	8	0.7			
Allen County Government	1,348	9	0.7	1,605	7	0.9
Sweetwater Sound	1,300	10	0.7			
ITT Aerospace-Communications Division				1,581	9	0.9
East Allen County Schools				1,307	10	0.8
Total of Ten Largest Employers	28,776		15.9 %	24,296		14.1 %

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

Fort Wayne-Allen County Airport Authority

Fort Wayne International Airport Information

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

	2019	2018	2017	2016
Runway System (and Equipment)				
Primary runway				
Runway 5-23 NE to SW (150' Wide) (Cat. II, ILS) Length - Feet	11,981	11,981	11,981	11,981
Secondary runways				
Runway 14-32 SE to NW (150' Wide)(Cat I, ILS) Length - Feet	8,001	8,001	8,001	8,001
Runway 09-27 East to West (75" Wide) Length - Feet	4,001	4,001	4,001	4,001
Terminal Complex				
Total space (square feet)	114,813	114,813	114,813	114,813
Rentable space (square feet)	104,505	104,505	104,505	104,505
Airline exclusive space (square feet)	7,780	7,780	7,780	7,780
Common space (square feet)	39,557	39,557	39,557	39,557
Restaurant space (square feet)	7,858	7,858	7,858	7,858
Car rental space (square feet)	1,536	1,536	1,536	1,536
Taxi/limousine space (square feet)	384	384	384	384
Passenger gates	8	8	8	8
Jetway boarding bridges	5	5	5	5
Regional boarding ramps	1	1	1	1
Passenger airlines	4	4	4	4
Daily departures	22	23	24	24
Car rental firms	8	8	8	8
Parking spaces	1,962	1,962	1,962	1,962
Air Trade Center				
Land area - acres (includes 85 in foreign trade zone)	450	450	450	450
Cargo sorting facility (square feet)	250,299	250,299	250,299	250,299
Operations building (square feet)	33,429	33,429	33,429	33,429
Maintenance building (square feet)	10,280	10,280	10,280	10,280
Ancillary Services				
Cargo airlines	2	2	2	2
General aviation				
Fixed base operators	1	1	1	1
Based aircraft	48	48	49	49
Military based aircraft	21	22	21	21
Airpark buildings owned	28	28	27	27
Employees				
Administration full-time	13	13	13	13
Administration part-time	-	-	1	-
Maintenance full-time	16	14	15	18
Maintenance seasonal	2	3	4	6
Custodial full-time	6	5	5	5
Public safety full-time	11	11	11	11
Public safety part-time	15	19	21	20
CSA part-time	11	11	10	10
Smith Field full-time	2	3	3	2
Smith Field part-time	4	3	3	3
FWA Aero center full-time	23	21	21	19
FWA Aero center part-time	1	1	1	1
Operations full-time	5	5	5	4

Fort Wayne-Allen County Airport Authority

Fort Wayne International Airport Information

2015	2014	2013	2012	2011	2010
11,981	11,981	11,981	11,981	11,981	11,981
8,001	8,001	8,001	8,001	8,001	8,001
4,001	4,001	4,001	4,001	4,001	4,001
114,813	114,813	114,813	114,813	114,813	114,813
104,505	104,505	104,505	104,505	104,505	104,505
7,780	7,780	6,059	6,059	6,059	6,059
39,557	39,557	39,557	39,557	39,557	39,557
7,858	7,858	7,858	7,858	7,858	7,858
1,536	1,536	1,536	1,536	1,536	1,536
384	384	384	384	384	768
8	8	8	8	8	8
5	4	4	4	4	4
1	1	1	1	1	1
4	5	4	4	4	4
24	21	19	18	18	18
8	8	8	8	6	6
1,962	1,962	2,167	2,167	2,167	2,167
450	450	450	450	450	450
250,299	250,299	250,299	250,299	250,299	250,299
33,429	33,429	33,429	33,429	33,429	33,429
10,280	10,280	10,280	10,280	10,280	10,280
2	2	2	2	2	2
1	1	1	1	1	1
49	50	54	54	54	55
18	18	20	18	18	21
27	27	27	27	27	27
14	15	16	15	16	16
-	1	1	1	1	2
16	17	16	17	16	18
7	5	6	5	6	10
5	6	5	7	7	6
11	11	11	12	12	11
23	19	22	16	16	13
10	11	8	8	8	9
2	2	2	2	2	1
3	3	2	2	2	2
1	-	-	-	-	-
17	-	-	-	-	-
5	4	4	4	4	-

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

Airline	2019	Percent of Total 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
American Airlines/Envoy.....	153,141	38.48 %	135,907	121,289	117,417	113,550	75,445	75,798	78,346	73,427	67,379
SkyWest-Delta (2).....	108,426	27.25	112,235	116,214	119,924	94,903	6,662	---	---	---	---
Allegiant Air.....	93,074	23.39	83,586	77,409	82,412	83,579	80,467	61,699	48,412	41,641	43,537
SkyWest-United Express (2).....	42,120	10.58	43,610	42,795	41,873	38,602	39,719	33,461	35,884	33,995	40,689
Charter.....	1,177	0.30	1,157	1,324	---	672	1,492	1,768	1,590	1,536	1,842
United Express-Expressjet.....	---	---	4,644	8,831	3,426	---	---	---	---	---	---
Delta/Northwest Airlin/Endeavor Air.....	---	---	---	222	68	11,286	87,357	106,034	95,552	93,168	85,836
Delta Express-Expressjet.....	---	---	---	198	696	16,420	24,870	19,901	23,023	7,972	14,933
Delta/Gojet.....	---	---	---	---	68	39	---	---	---	---	---
US Airways Express.....	---	---	---	---	---	---	8,139	---	---	---	---
Comair (1).....	---	---	---	---	---	---	---	---	1,658	25,862	9,928
Mesaba-Delta/Northwest Airlin (1).....	---	---	---	---	---	---	---	---	---	245	8,633
Chautaugua- Delta Express (1).....	---	---	---	---	---	---	---	---	---	92	4,324
Continental Connection-Commutair(1).....	---	---	---	---	---	---	---	---	---	---	---
Mesa Airlines-United Express (1).....	---	---	---	---	---	---	---	---	---	---	---
Total.....	397,938	100.00 %	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938	277,101
Percentage change.....	4.41%	---	3.49%	0.66%	1.90%	10.77%	8.53%	4.99%	2.35%	0.30%	4.10%

(1) No longer serves Fort Wayne International Airport.

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

Source: Compiled from airline station managers' monthly reports.

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

Scheduled Air Carriers	2019	Percent of Total 2019	2018	2017	2016
American Airlines/Envoy	186,316,050	28.74 %	174,452,200	153,785,750	126,537,113
Delta Express/SkyWest	124,012,957	19.13	127,924,157	127,125,300	137,127,100
Allegiant Air	89,701,484	13.84	80,508,865	64,813,679	80,620,884
United Express/SkyWest	50,478,871	7.79	52,209,957	47,321,742	51,084,871
Charter	1,869,300	0.29	1,081,200	2,198,480	36,000
United Express/Expressjet (1)	---	---	7,782,226	15,181,736	5,205,935
Delta/Northwest Airlink/Endeavor (1)	---	---	---	329,000	141,000
Delta Airlines (1)	---	---	---	244,400	67,000
Delta Express/Expressjet (1)	---	---	---	169,100	859,000
Air Wisconsin (1)	---	---	---	---	13,818,000
Shuttle America (1)	---	---	---	---	74,957
United Express/Mesa Airlines (1)	---	---	---	---	---
Compas Airlines (1)	---	---	---	---	---
Comair (1)	---	---	---	---	---
Go Jet (1)	---	---	---	---	---
Mesaba-Delta/Northwest Airlink (1)	---	---	---	---	---
Chautauqua-Delta Express (1)	---	---	---	---	---
Subtotal	<u>452,378,662</u>	<u>69.77</u>	<u>443,958,605</u>	<u>411,169,187</u>	<u>415,571,860</u>
Cargo Carriers					
Federal Express	100,782,000	15.54	99,990,000	100,188,000	100,584,000
United Parcel Service	86,520,000	13.34	85,890,000	86,310,000	87,780,000
USA Jet Airlines	4,060,620	0.63	3,677,180	2,098,660	5,454,740
Kalitta Charters	2,150,840	0.33	2,230,100	1,041,620	2,618,240
IFL Group	2,458,256	0.38	1,810,988	2,443,254	1,394,374
CSA, Inc	8,500	0.00	---	---	---
Air Cargo Carriers (1)	---	---	26,100	52,200	---
Northern Air Cargo	---	---	---	340,200	797,000
Lynden Air Cargo (1)	---	---	---	---	---
C & M Airways, Inc (1)	---	---	---	---	---
Aeronaves T.S.M (1)	---	---	---	---	---
Mountain Air Cargo (1)	---	---	---	---	---
Subtotal	<u>195,980,216</u>	<u>30.23</u>	<u>193,624,368</u>	<u>192,473,934</u>	<u>198,628,354</u>
Grand Total	<u>648,358,878</u>	<u>100.00 %</u>	<u>637,582,973</u>	<u>603,643,121</u>	<u>614,200,214</u>
Percentage change	<u>1.69%</u>	---	<u>5.62%</u>	<u>-1.72%</u>	<u>2.07%</u>

(1) No longer serves Fort Wayne International Airport.

(2) Expressed in pounds.

Source: Compiled from airline station manager's monthly reports.

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

2015	2014	2013	2012	2011	2010
87,924,409	81,721,068	81,796,913	87,259,196	84,325,073	75,029,219
105,139,000	12,201,100	---	---	---	---
81,065,899	76,136,349	57,629,149	48,509,000	41,819,000	44,848,000
50,363,957	50,370,000	45,878,000	49,450,000	47,644,000	52,157,100
2,617,900	4,152,992	3,636,484	5,394,484	4,905,484	5,389,200
---	---	---	---	---	---
13,281,100	94,610,000	116,446,600	113,956,100	120,299,500	101,849,000
276,600	489,700	---	---	---	---
18,705,200	27,858,600	21,781,000	26,455,100	9,460,000	16,027,000
48,833,000	12,502,000	---	---	---	---
---	219,579	---	---	---	---
---	134,000	67,000	134,000	134,000	67,000
---	75,177	---	---	---	---
---	---	344,300	1,927,000	34,263,000	11,374,000
---	---	198,000	---	---	---
---	---	---	---	235,000	9,754,500
---	---	---	---	85,098	4,595,292
408,207,065	360,470,565	327,777,446	333,084,880	343,170,155	321,090,311
100,188,000	100,386,000	96,830,000	91,009,000	83,194,000	83,537,700
85,680,000	85,680,000	86,100,000	86,100,000	85,260,000	86,520,000
4,987,980	6,219,800	5,277,960	---	---	---
1,479,920	8,329,220	11,929,880	997,440	1,187,460	750,000
1,094,082	9,339,478	15,741,276	---	---	---
---	---	---	---	---	---
116,600	694,800	694,800	---	114,000	107,000
---	155,000	1,705,000	---	---	---
---	---	735,300	---	---	---
---	---	244,250	---	---	---
---	---	---	44,660	17,000	44,660
193,546,582	210,804,298	219,258,466	178,151,100	169,772,460	170,959,360
601,753,647	571,274,863	547,035,912	511,235,980	512,942,615	492,049,671
5.34%	4.43%	7.00%	-0.33%	4.25%	-5.45%

Fort Wayne-Allen County Airport Authority Aircraft Operations (3)(5)

Fort Wayne International Airport

Type of Operation	2019	Percent of Total	2018	2017	2016	2015	2014	2013	2012	2011	2010
	2019	2019									
Large Air Carrier (1)	34,827	64.3 %	31,539	18,443	19,108	17,703	17,600	17,855	18,181	19,713	18,900
Small Air Carrier (2)	---	---	---	---	---	---	---	---	---	---	---
General Aviation	16,857	31.1	17,589	16,543	14,296	14,903	14,790	15,908	18,512	15,786	20,193
Military	2,505	4.6	1,916	2,460	2,736	2,306	2,404	3,082	3,734	2,859	1,868
Subtotal-International	54,189	100.0	51,044	37,446	36,140	34,912	34,794	36,845	40,427	38,358	40,961

Smith Field Airport

General Aviation(4)	---	---	---	---	---	---	---	---	---	---	---
Subtotal-Smith Field	---	---	---	---	---	---	---	---	---	---	---
Total Airport Authority	54,189	100.0 %	51,044	37,446	36,140	34,912	34,794	36,845	40,427	38,358	40,961
Percentage change	6.16%		36.31%	3.61%	3.52%	0.34%	-5.57%	-8.86%	5.39%	-6.35%	-35.30%

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

(2) Aircraft that seat, or are capable of seating, more than 9 passengers but less than 31 passenger seats.

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

(4) The Authority no longer reports operations at Smith Field.

(5) Sources: Beginning in 2018, Fort Wayne International Airport FAA Air Traffic Control Tower; Prior years' data was received from other sources.

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

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

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

Independent Auditor's Report

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

We have audited, 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, the financial statements of Fort Wayne-Allen County Airport Authority (Authority), which comprise the statement of net position as of December 31, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

BKD, LLP

Fort Wayne, Indiana
June 22, 2020

**Report on Compliance for the Major Federal Program
and Report on Internal Control Over Compliance and Report on Schedule of
Expenditures of Federal Awards Required by Uniform Guidance**

Independent Auditor's Report

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

Report on Compliance for the Major Federal Program

We have audited Fort Wayne-Allen County Airport Authority's (Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2019. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, Fort Wayne-Allen County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

BKD, LLP

Fort Wayne, Indiana
June 22, 2020

Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for Passenger Facility Charge Program

We have audited Fort Wayne-Allen County Airport Authority's (Authority) compliance with the types of compliance requirements described in the *Passenger Facility Audit Guide for Public Agencies* (Guide) that could have a direct and material effect on the Authority's passenger facility charge program for the year ended December 31, 2019.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the passenger facility charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the passenger facility charge program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Passenger Facility Charge Program

In our opinion, Fort Wayne-Allen County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the passenger facility charge program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

BKD, LLP

Fort Wayne, Indiana
June 22, 2020

Fort Wayne-Allen County Airport Authority
Schedule of Findings and Questioned Costs
Year Ended December 31, 2019

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The Authority qualified as a low-risk auditee? Yes No

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
	No matters are reportable.

Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding
	No matters are reportable.

Fort Wayne-Allen County Airport Authority
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2019

Reference Number	Summary of Finding	Status
No matters are reportable.		

Fort Wayne-Allen County Airport Authority
Passenger Facility Charge Audit Summary
Year Ended December 31, 2019

Summary of Auditor's Results

- | | | | |
|--|--|------------------------------------|---|
| 1. Type of report issued on PFC financial statements. | <input checked="" type="checkbox"/> Unmodified | <input type="checkbox"/> Qualified | |
| 2. Type of report on PFC compliance. | <input checked="" type="checkbox"/> Unmodified | <input type="checkbox"/> Qualified | |
| 3. Quarterly revenue and disbursements reconciled with submitted quarterly reports and reported un-liquidated revenue matches actual amounts. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. PFC revenue and interest is accurately reported on FAA Form 5100-127. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 5. The Public Agency maintains a separate financial accounting record for each application. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 6. Funds disbursed were for PFC eligible items as identified in the FAA decision to pay only for the allowable costs of the project. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 7. Monthly carrier receipts were reconciled with quarterly carrier reports. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 8. PFC revenues were maintained in a separate interest-bearing capital account or commingled only with other interest-bearing airport capital funds. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 9. Serving carriers were notified of PFC program actions/changes approved by the FAA. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 10. Quarterly reports were transmitted (or available via website) to remitting carriers. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 11. The Public Agency is in compliance with Assurances 5, 6, 7 and 8. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 12. Project design and implementation is carried out in accordance with Assurance 9. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 13. Program administration is carried out in accordance with Assurance 10. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 14. For those public agencies with excess revenue, a plan for the use of this revenue has been submitted to the FAA for review and concurrence. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> N/A |