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July 8, 2021

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, 2020 to December 31, 2020. 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, 2020, 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



ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2020

Prepared by:

Douglas W. Robertson
Controller

Janice R. Lewis
Accounting

Nikki E. Davis
Accounting

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**FORT WAYNE-ALLEN COUNTY
AIRPORT AUTHORITY**

FORT WAYNE INTERNATIONAL AIRPORT
SMITH FIELD AIRPORT

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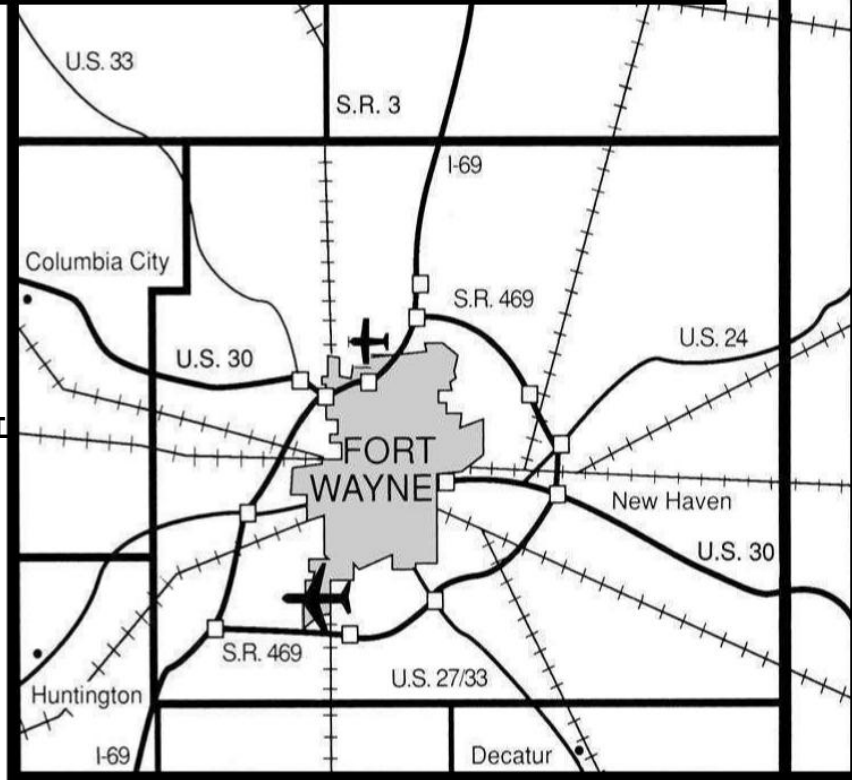
Fort Wayne International Airport (FWA)



Smith Field Airport (SMD)

INTRODUCTORY SECTION

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FORT
WAYNE
INTERNATIONAL
AIRPORT



SMITH FIELD

Fort Wayne-Allen County Airport Authority Board and Executive Director



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



Gregg C. Sengstack,
Vice President



Timothy J. Haffner, Secretary



Réna Bradley, Member



Jerome "Jerry" Henry, Jr., Member



Kimberly Wagner, Member



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



June 24, 2021

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

The Annual Comprehensive Financial Report of the Fort Wayne-AlLEN County Airport Authority for the fiscal year ended December 31, 2020 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, 2020. 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 27 and 28.

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 2020, unemployment in the Fort Wayne Metropolitan Statistical Area (MSA) (Allen, Wells, and Whitley counties) averaged 7.7 (not-seasonally adjusted) percent, with a high of 19.0 percent in April and with the lowest rate of 3.3 percent coming in January. Annual unemployment in 2020 was 7.7 percent, which is a significant increase compared to 2019 as the average was 3.2 percent. According to the Bureau of Labor Statistics, the Fort Wayne MSA's labor force averaged 216,148 in 2020, decreasing from 219,226 in 2019. Like the rest of the nation, due to the COVID-19 pandemic, the Fort Wayne MSA unemployment rate spiked in April, followed by a downward trend. During the first quarter of 2021, the unemployment rate has remained constant at 4.5 percent.

In May 2020, the average annual wage for the Fort Wayne was \$48,060, according to the Bureau of Labor Statistics. While this is an increase of 2.7 percent compared to May 2019, it is well below the U.S. amount of approximately \$56,310. The average number of nonfarm jobs was 215,000 in 2020, a decrease of 5.7 percent over the average in 2019.

After ten years of consecutive growth in enplanements, the activity at Fort Wayne International Airport mirrored the situation in the local economy due to the COVID-19 pandemic as the number of passenger enplanements decreased from 397,938 in 2019 to 218,343 in 2020, or a decrease of 45.1 percent. Since December 31, 2019, Fort Wayne and the surrounding region have been impacted by the effects of the worldwide COVID-19 pandemic. Through March 2021, passenger enplanements have dropped by 29.51 percent compared to this same time in 2020, just before the travel restrictions went into effect due to COVID-19. Forecasted enplanements for calendar year 2021 are projected to be at 61.66 percent 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. Because the Airport did not go into the pandemic carrying overhead with a large deficit, it has been able to position itself to take advantage of current circumstances.

The Authority has established financial policies that it abides by, some of which had a significant impact on the current period's financial statements. First, during 2020 the Authority received operating grants related to COVID-19 and capital improvement grants. Grant funding is considered to be earned as the related approved capital improvement expenditures or expenses are incurred. Secondly, as a cash flow policy, when an expense is incurred for a purpose which either restricted or unrestricted net position is available for use, restricted resources will be applied first, then unrestricted resources will be used as they are needed.

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. During 2020, FWA drew a total of \$7,500,234 of its total grant award and SMD drew the entire award amount of \$30,000. It is anticipated the remaining CARES funds for FWA will be drawn down in 2021.

In addition to the CARES funding, both FWA and SMD received grants in March 2021 from the Airports Coronavirus Response Grant Program (ACRGP) which is provided in accordance with the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). The purpose of the grant is to prevent,

prepare for, and respond to coronavirus. These funds will be drawn down on a reimbursement basis and may be used for costs related to operations, personnel, cleaning, sanitation, janitorial services, combating the spread of pathogens at the airport, and debt service payments. FWA will receive \$3,075,580 and SMD was granted \$13,000. In May 2021, FWA also received a Concessions Relief Addendum to the ACRGP in the amount of \$86,184. These funds are for the Authority to use to provide relief from rent and minimum annual guarantees obligations to each eligible airport concession at the airport.

The airlines' cost per enplaned passenger increased from \$8.07 in 2019 to \$13.16 in 2020. This increase was caused mostly by the sharp decrease in enplaned passengers during 2020 due to the effects of the COVID-19 pandemic.

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

The schedule on page 76 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 16.6 percent of total employment. On page 71, 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 8.7 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 1,311 in 2019 to 1,408 in 2020, an increase of 7.4 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, drainage improvements 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 has begun rehabilitation of taxiway C in 2020 and work will be completed in 2021; the Authority is also relocating taxiway C2; completing terminal apron improvements and expansion; and design has been completed with construction beginning in June 2021 to modernize the west phase of 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 typically maximizes the use of federal and state grants from the Airport Improvement Program for airfield projects; and uses passenger facility charges to finance eligible terminal projects. Funding sources to finance the west terminal improvement project include federal and state grants from the Airport Improvement Program, a grant from the Transportation Security Administration, bond proceeds from the sale of a general obligation bond as well as the sale of a tax-exempt private activity general obligation bond, with the remaining costs being funded by Authority cash reserves.

The Fort Wayne-Allen County Airport Authority continued to work to retain and attract new air service at Fort Wayne International Airport (FWA), despite the COVID-19 pandemic. Allegiant Air began successful non-stop service to Las Vegas, Nevada via McCarran International Airport (LAS) in June 2020. This long-awaited service to Las Vegas was introduced as a summer seasonal service and has since been added back into FWA's

non-stop destinations. While the year proved difficult for the airline industry, the airport continued to operate above national airport trends and was able to retain all non-stop destinations. The Airport Authority will continue to focus on recovery moving forward, while also working with our airline partners to attract new service and additional seat capacity.

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, 2019. This was the thirty-first (1989 – 2019) 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**

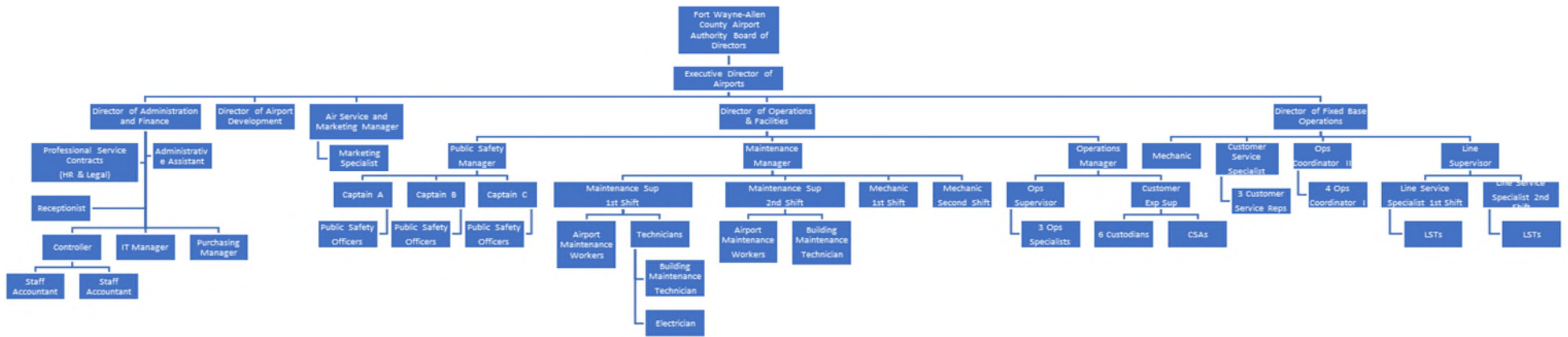
For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

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	14
Gregg C. Sengstack	Vice President	2
Timothy J. Haffner	Secretary	27
Jerome "Jerry" F. Henry, Jr.	Member	14
Kimberly Wagner	Member	1
Réna Bradley	Member	<1

STAFF

Scott D. Hinderman, AAE	Executive Director of Airports	14
Robin R. Strasser, CPA	Director of Administration and Finance/Treasurer	8
Joe G. Marana, AAE	Director of Operations and Facilities	6

ATTORNEYS

Rothberg Law Firm		30
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CERTIFIED PUBLIC ACCOUNTANTS

BKD, LLP		6
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**FINANCIAL
SECTION**

Independent Auditor's Report

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, 2020, 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, 2020, 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 17, 2021, 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Introductory and Statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Fort Wayne, Indiana
June 17, 2021

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2020

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, 2020. 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 \$25.6 million as a result of this year's operations. The unrestricted net position component of net position increased 19.4 percent due to an increase in current assets generated from operations and nonoperating resources. Net investments in capital assets increased \$14.5 million mainly due to investments in terminal apron improvements and other capital assets.

Current assets increased approximately \$13.2 million primarily due to increases in cash and investments due to the receipt of federal Coronavirus Aid, Relief, and Economic Security (CARES) grant funds in the amount of \$7.5 million as well as the sale of land which amounted to \$4.1 million.

Current liabilities increased 74.3 percent due to an increase in accounts payable related to construction.

Bonds payable decreased approximately \$2.25 million, or 76.6 percent. This was due to the final payment being made on the 2011 refunding bonds in January 2020.

Capital contributions increased \$8.2 million due to increases in federal and state grants received.

Economic Factors

The COVID-19 pandemic's dynamic nature has led to many uncertainties, including the degree of spread, severity, and duration of the pandemic. Further actions that may be taken by governmental agencies to contain the outbreak or to treat its impact may still not be known. This has resulted in uncertainty related to the local economic impact of the pandemic on the demand for air travel and on the airlines and concessionaires serving the Fort Wayne International Airport (FWA). FWA experienced a 45.13% decrease in the number of passenger enplanements over the last year, resulting in total 2020 enplanements of 218,343. Seat capacity overall was down 24.6% compared to 2019. A suffering economy and a significant drop in business and leisure travel due to the COVID-19 disruption caused this drop in traffic.

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 are depreciated over their estimated useful lives. Land, land improvements, certain intangible assets, and construction in progress are capitalized but not depreciated.

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2020

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 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 27 through 50 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 51 through 55 of this report.

Condensed Financial Information

Net Position - The Authority's net position increased \$25.6 million or 15.5 percent from 2019 to 2020. The growth in net position is attributed primarily to a \$13.2 million increase in current assets compared to the \$631,362 increase in total liabilities. Unrestricted net position increased \$7.5 million due to an increase in current assets generated from operations and nonoperating resources. Restricted net position increased \$3.6 million due to an increase in federal and state grants receivable, as well as increases in cash for passenger facility charges and cumulative building fund tax revenue. 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 \$13.2 million or 28.0 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 \$7.5 million of CARES grant funds. There was also \$4.1 million generated due to the sale of land.

Total liabilities increased \$631,362 or 5.5 percent mainly due to a \$3.0 million increase in accounts payable, and a slight increase in net other postemployment benefits obligation. These increases were offset by a \$2.25 million decrease in bonds payable as the final payment was made on the 2011 bonds.

Deferred outflows of resources increased \$273,071 or 76.3 percent due to increases in deferred amounts related to pensions, while deferred inflows of resources related to the same increased by \$308,120 or 59.9 percent.

Fort Wayne-Allen County Airport Authority
Management's Discussion and Analysis
December 31, 2020

The Authority's net investment in capital assets (e.g., land, buildings and improvements, infrastructure items, and equipment) is the largest component (67.7 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.

In addition, 8.1 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 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 (24.2 percent) or \$46,193,658 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, 2020

A summary of the Authority's 2020 net position compared to 2019 follows:

Authority's Net Position				
	2020	2019	Increase (Decrease)	Percent Change
Assets				
Current Assets	\$ 60,400,782	\$ 47,184,517	\$ 13,216,265	28.0
Noncurrent Assets				
Other noncurrent assets	10,620,640	9,885,185	735,455	7.4
Capital assets, net	131,955,169	119,629,839	12,325,330	10.3
Total assets	202,976,591	176,699,541	26,277,050	14.9
Deferred Outflows of Resources				
	630,778	357,707	273,071	76.3
Total assets and deferred outflows of resources	\$ 203,607,369	\$ 177,057,248	\$ 26,550,121	15.0
Liabilities				
Current Liabilities	\$ 7,248,867	\$ 4,158,885	\$ 3,089,982	74.3
Noncurrent Liabilities				
Other noncurrent liabilities	4,128,226	4,331,846	(203,620)	-4.7
Bonds and other long-term debt	690,000	2,945,000	(2,255,000)	-76.6
Total liabilities	12,067,093	11,435,731	631,362	5.5
Deferred Inflows of Resources	822,463	514,343	308,120	59.9
Net Position				
Net investment in capital assets	129,010,169	114,559,839	14,450,330	12.6
Restricted	15,513,986	11,875,109	3,638,877	30.6
Unrestricted	46,193,658	38,672,226	7,521,432	19.4
Total net position	\$ 190,717,813	\$ 165,107,174	\$ 25,610,639	15.5

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2020

Changes in Net Position

Total revenues increased \$4,238,588 (or 14.7 percent) from 2019 to 2020. Operating revenues decreased 31.0 percent and nonoperating revenues increased 92.4 percent. All categories of operating revenues decreased due to the effects that the COVID-19 pandemic had on aeronautical activity. The Fort Wayne International Airport experienced a 45.13 percent reduction in enplaned passengers during 2020 compared to 2019. Revenue from parking and from the airport's fixed based operations saw the largest decreases in 2020 at 51.5 percent and 40.1 percent respectively.

Federal operating grants and a large gain on sale of a capital asset were primarily the reasons for the increase in nonoperating revenues. As a form of relief to airports during the COVID-19 pandemic, FWA received \$7,500,234 and SMD received \$30,000 in federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds to help support airport operations and were made eligible to use for regular airport operating expenses. During the fall of 2020, the Authority experienced an approximate \$3.0 million gain on the sale of 137.93 acres of land just west of the FWA airport to a large logistical company to build a new distribution center. These increases were offset by decreases in passenger facility charges and customer facility charges, again because of the COVID-19 pandemic. Like the 45.13 percent decrease in passenger enplanements, passenger facility charges decreased by 46.7 percent and customer facility charges decreased by 50.2 percent.

Total operating expenses decreased \$2,557,688 (or 11.0 percent). Fixed base operation expenses accounted for more than half of the total decrease due to significant decreases in airline and general aviation activity during the COVID-19 pandemic. Expenses for the airport parking lot, the airfield, administration, maintenance, and the reliever airport all had operating expense decreases that combined totaled \$1,448,012. Significant efforts were made during the COVID-19 pandemic to reduce expenses to combat the expected operating revenue decreases. Examples included suspending unnecessary positions in the airport during the pandemic, such as valet parking services and greeters at the main entrances. Full time equivalent employees were reduced by 11.

Capital contributions increased approximately \$8.2 million due to increases in the amount of federal and state grants received. Most of the capital contributions in 2020 came from federal and state grants for the reconstruction/expansion of the terminal apron, reconstruction of a taxiway, and for design of a new consolidated in-line baggage system from the Transportation Security Administration. Some federal and state grants also financed obstruction mitigation and rehabilitation of a taxiway Smith Field, as well as completion of construction of runway 05-23 at FWA.

Fort Wayne-Allen County Airport Authority
Management's Discussion and Analysis
December 31, 2020

A summary of the Authority's 2020 changes in net position compared to 2019 follows below:

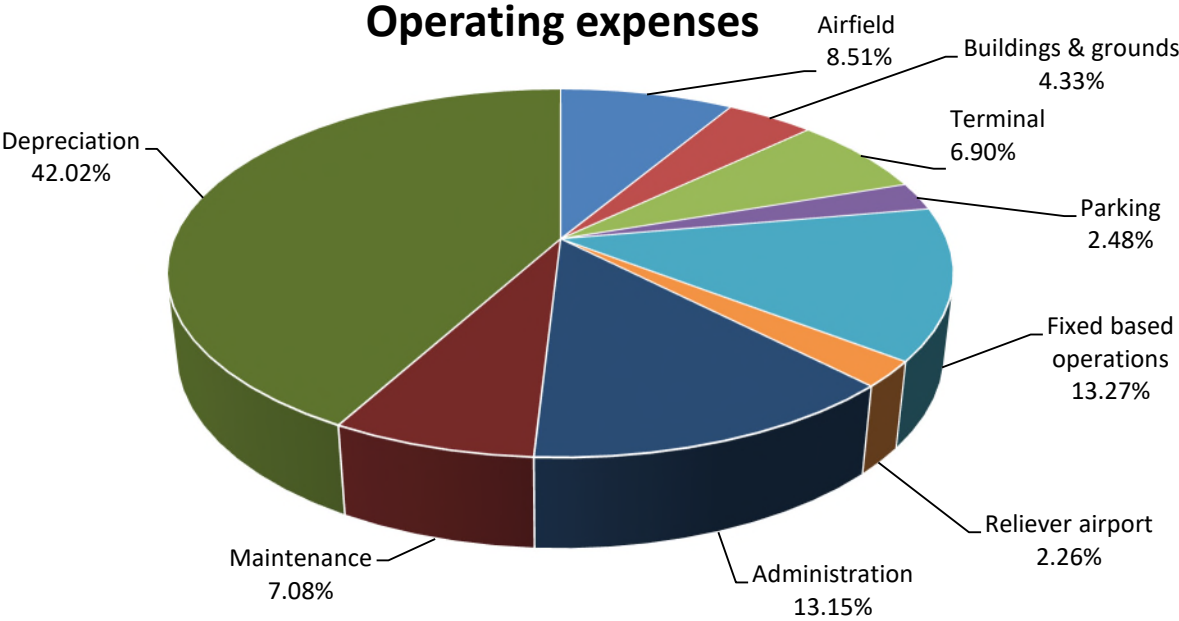
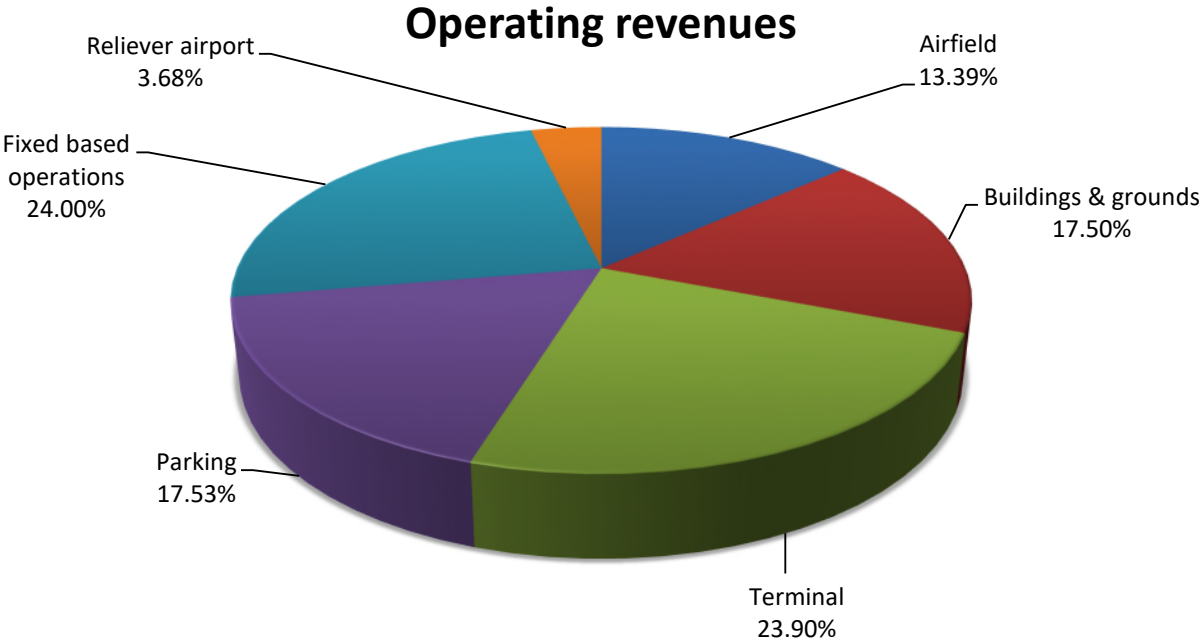
Authority's Changes in Net Position				
	<u>2020</u>	<u>2019</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Operating Revenues				
Airfield	\$ 1,678,258	\$ 1,985,670	\$ (307,412)	-15.5
Buildings and grounds	2,192,382	2,426,888	(234,506)	-9.7
Terminal	2,995,417	3,628,881	(633,464)	-17.5
Parking	2,196,803	4,532,227	(2,335,424)	-51.5
Fixed base operations	3,007,684	5,017,249	(2,009,565)	-40.1
Reliever airport	460,659	572,636	(111,977)	-19.6
Total operating revenues	<u>12,531,203</u>	<u>18,163,551</u>	<u>(5,632,348)</u>	-31.0
Nonoperating Revenues				
Property and other taxes	8,258,506	7,548,109	710,397	9.4
Federal Operating Grant	7,530,234	-	7,530,234	
Passenger facility charges	911,538	1,710,955	(799,417)	-46.7
Customer facility charges	292,263	587,324	(295,061)	-50.2
Interest income	513,407	832,637	(319,230)	-38.3
Gain on capital asset disposal	3,044,805	792	3,044,013	384345.1
Total nonoperating revenues	<u>20,550,753</u>	<u>10,679,817</u>	<u>9,870,936</u>	92.4
Total revenues	<u>33,081,956</u>	<u>28,843,368</u>	<u>4,238,588</u>	14.7
Operating Expenses				
Airfield	1,760,636	2,274,119	(513,483)	-22.6
Buildings and grounds	894,769	785,038	109,731	14.0
Terminal	1,428,168	1,274,636	153,532	12.0
Parking	512,403	800,492	(288,089)	-36.0
Fixed base operations	2,745,259	4,250,081	(1,504,822)	-35.4
Reliever airport	467,885	591,307	(123,422)	-20.9
Administration	2,720,707	3,059,781	(339,074)	-11.1
Maintenance	1,465,222	1,649,166	(183,944)	-11.2
Depreciation	8,692,087	8,560,184	131,903	1.5
Total operating expenses	<u>20,687,136</u>	<u>23,244,804</u>	<u>(2,557,668)</u>	-11.0
Nonoperating Expenses				
Total expenses	<u>64,186</u>	<u>106,800</u>	<u>(42,614)</u>	-39.9
Total expenses	<u>20,751,322</u>	<u>23,351,604</u>	<u>(2,600,282)</u>	-11.1
Income Before Capital Contributions	12,330,634	5,491,764	6,838,870	124.5
Capital Contributions				
Federal and state grants	<u>13,280,005</u>	<u>5,108,967</u>	<u>8,171,038</u>	159.9
Increase in Net Position	25,610,639	10,600,731	15,009,908	141.6
Net Position, Beginning of Year	165,107,174	154,506,443	10,600,731	6.9
Net Position, End of Year	<u>\$ 190,717,813</u>	<u>\$ 165,107,174</u>	<u>\$ 25,610,639</u>	15.5

Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2020

The following charts show the major sources and percentages of operating revenues and expenses for the year ended December 31, 2020:



Fort Wayne-Allen County Airport Authority

Management's Discussion and Analysis

December 31, 2020

Capital Asset Activity

During 2020, the Authority expended approximately \$21.5 million for capital improvements. The Authority completed the following projects at Fort Wayne International: \$10,056,776 for terminal apron reconstruction and expansion, \$3,428,687 in design costs for the west terminal expansion project, \$679,339 for various hangar roof repairs, \$609,414 in parking lot improvements, \$2,181,055 for rental car canopies with solar panels, \$100,122 for the terminal restaurant and marketplace reconstruction, \$1,187,665 for a new aircraft rescue firefighting vehicle, \$39,650 for a new airfield beacon, \$138,460 for a runway anti-deicing unit, and \$209,539 for land acquisitions. During the year, the Authority also started design on the rehabilitation of Taxiway C and paid \$745,160 for this project. At Smith Field, the Authority paid \$82,736 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 (FWIAATCBC), 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 2020. The Refunding Bonds of 2011 were paid in full on January 5, 2020 and the Authority was relieved of the obligations. At that time, the facilities became the property of the Authority and the FWIAATCBC was dissolved.

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 were not rated. At December 31, 2020 the principal amount outstanding was \$2,945,000. These bonds are payable from an ad valorem property tax levied on taxable property in the Fort Wayne-Allen County Airport District which are coterminous with Allen County, Indiana.

In April 2021, the Authority issued \$12,365,000 in general obligation bonds and \$15,385,000 in tax-exempt private activity general obligation bonds for the purpose of construction of the west terminal renovation/expansion project. Both bonds received a rating of Aa2 by Moody's and AA from Kroll Bond Rating Agency. Both bonds are payable from an ad valorem property tax levied on taxable property in the Fort Wayne-Allen County Airport District which are coterminous with Allen County, Indiana.

The Authority has a legal debt limit of \$119,223,155 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 \$2,945,000, the legal debt margin is \$116,278,155 as of December 31, 2020. Bonds issued by a building corporation do not count against the legal debt limit.

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

Fort Wayne-Allen County Airport Authority
Management's Discussion and Analysis
December 31, 2020

Currently Known Facts

The Authority's property tax rates include a debt service levy in addition to the operating and cumulative building fund. In 2021, the operating, debt service and cumulative building tax rates are .0270, .0107, and .0030, respectively. The rates are per \$100 of assessed value and will be applied on an assessed value of \$17,883,473,281. These rates compare to the 2020 rates for operating, debt service and cumulative building of .0278, .0113 and .0030, 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, 2020

Assets

Current Assets

Unrestricted assets	
Cash and cash equivalents (note 2)	\$ 36,869,120
Investments (note 2)	16,042,482
Accounts receivable, net of allowance	310,767
Unbilled revenue	369,828
Property tax receivables, net of allowance (note 1)	136,441
Other receivables	26,176
Inventory (note 4)	268,803
Prepaid items	188,825
Total unrestricted assets	<u>54,212,442</u>
Restricted assets	
Cash and cash equivalents (notes 2 and 3)	2,005,955
Passenger facility charge receivable	120,722
Federal and state grants receivable	3,999,727
Property tax receivable, net of allowance (note 1)	61,936
Total restricted assets	<u>6,188,340</u>
Total current assets	<u>60,400,782</u>

Noncurrent Assets

Restricted assets	
Cash and cash equivalents (notes 2 and 3)	1,087,237
Investments (notes 2 and 3)	9,501,889
Property tax receivables, net of allowance (note 1)	14,724
Other receivables	16,790
Total restricted assets	<u>10,620,640</u>
Capital assets, net (note 5)	<u>131,955,169</u>
Total noncurrent assets	<u>142,575,809</u>
Total Assets	<u>202,976,591</u>

Deferred Outflows of Resources

Deferred outflow of resources related to pensions (note 7)	488,042
Deferred outflow of resources related to OPEB (note 8)	142,736
Total deferred outflows of resources	<u>630,778</u>

Total assets and deferred outflows of resources	<u><u>\$ 203,607,369</u></u>
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Fort Wayne-Allen County Airport Authority
Statement of Net Position (Continued)
December 31, 2020

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

Current Liabilities

Payable from unrestricted	
Accounts payable	\$ 4,080,952
Accrued liabilities	611,881
Advance rent	58,999
Total unrestricted	4,751,832
Payable from restricted	
Accounts payable	213,321
Current portion of bonds payable (note 9)	2,255,000
Accrued interest on bonds payable	28,714
Total restricted	2,497,035
Total current liabilities	7,248,867

Noncurrent Liabilities

Net pension liability (note 7)	2,340,806
Net other postemployment benefits obligation (note 8)	1,054,021
Accrued compensated absences	733,399
Bonds payable, net (note 9)	690,000
Total noncurrent liabilities	4,818,226
Total liabilities	12,067,093

Deferred Inflows of Resources

Deferred inflows of resources related to pensions (note 7)	588,487
Deferred inflows of resources related to OPEB (note 8)	233,976
Total deferred inflows of resources	822,463

Net Position

Net investment in capital assets	129,010,169
Restricted for	
Debt service	478,434
Capital projects	15,030,534
Other purposes	5,018
Unrestricted	46,193,658
Total net position	190,717,813

Total liabilities, deferred inflows of resources and net position	\$ 203,607,369
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Fort Wayne-Allen County Airport Authority
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2020

Operating Revenues	
Airfield	\$ 1,678,258
Buildings and grounds	2,192,382
Terminal	2,995,417
Parking	2,196,803
Fixed based operations	3,007,684
Reliever airport	460,659
Total operating revenues	<u>12,531,203</u>
Operating Expenses	
Airfield	1,760,636
Buildings and grounds	894,769
Terminal	1,428,168
Parking	512,403
Fixed based operations	2,745,259
Reliever airport	467,885
Administration	2,720,707
Maintenance	1,465,222
Depreciation	8,692,087
Total operating expenses	<u>20,687,136</u>
Operating Loss	<u>(8,155,933)</u>
Nonoperating Revenues (Expenses)	
Property and other taxes	8,258,506
Federal Operating Grant	7,530,234
Passenger facility charge	911,538
Customer facility charge	292,263
Interest income	513,407
Interest expense	(64,186)
Gain on disposal of capital assets	3,044,805
Net nonoperating revenues (expenses)	<u>20,486,567</u>
Income Before Capital Contributions	12,330,634
Capital Contributions	
Federal and state grants	<u>13,280,005</u>
Net Position	
Increase in net position	25,610,639
Total Net Position, Beginning of Year	<u>165,107,174</u>
Total Net Position, End of Year	<u>\$ 190,717,813</u>

Fort Wayne-Allen County Airport Authority
Statement of Cash Flows
For the Year Ended December 31, 2020

Cash Flows From Operating Activities	
Receipts from customers	\$ 12,733,444
Payments to suppliers	(5,458,929)
Payments to employees	(4,468,053)
Payments of benefits on behalf of employees	(2,069,272)
Refunds and return of customer deposits	21,535
Net cash provided by operating activities	<u>758,725</u>
Cash Flows From Noncapital Financing Activities	
Receipts of property and other taxes	5,572,600
Receipts of nonoperating federal grant	6,740,031
Net cash provided by noncapital financing activities	<u>12,312,631</u>
Cash Flows From Capital and Related Financing Activities	
Receipts of property and other taxes	2,554,011
Acquisition and construction of capital assets	(19,344,594)
Sale of capital assets	4,213,800
Principal paid on bonds and other long-term debt	(2,125,000)
Interest paid on bonds and other long-term debt	(64,186)
Capital grant receipts	11,767,007
Passenger facility charge receipts	1,048,532
Customer facility charge receipts	292,263
Net cash used in capital and related financing activities	<u>(1,658,167)</u>
Cash Flows From Investing Activities	
Purchase of investment securities	(29,500,000)
Proceeds from sale and maturities of investment securities	35,500,000
Interest received on investments	694,103
Net cash provided by investing activities	<u>6,694,103</u>
Net Increase in Cash and Cash Equivalents	18,107,292
Cash and Cash Equivalents, Beginning of Year	<u>21,855,020</u>
Cash and Cash Equivalents, End of Year	<u>\$ 39,962,312</u>

Fort Wayne-Allen County Airport Authority
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2020

Reconciliation of Operating Loss to Net Cash

Provided by Operating Activities

Operating loss	\$ (8,155,933)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	8,692,087
Changes in assets and liabilities	
Accounts receivable and unbilled revenue	197,189
Other assets	75,790
Accounts payable	(105,560)
Accrued liabilities	215,139
Net pension liability	(279,118)
Deferred outflows of resources related to pensions and OPEB	35,049
Net OPEB	84,082
	<hr/>
Net cash provided by operating activities	<u>\$ 758,725</u>

Noncash Capital and Related Financing Activities

Capital and related financing activities	
Capital assets included in accounts payable	\$ (3,943,029)
Capital contributions from federal and state grants	2,303,201

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. The final payment on these bonds was made in January 2020, and the FWIAATCBC was administratively dissolved after transferring ownership of the real estate from FWIAATCBC to the Authority.

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.

Future Adoption of Accounting Standards

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, while lessors will recognize a lease receivable and deferred inflow of resources. The requirements of this Statement are effective for financial reporting periods beginning after June 15, 2021.

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

- GASB Statement No. 91, Conduit Debt Obligations
- GASB Statement No. 92, Omnibus 2020
- GASB Statement No. 93, Replacement of Interbank Offered Rates
- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements
- GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32

Cash and Cash Equivalents

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

Investments

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

The Authority invests exclusively in short-term nonnegotiable certificates of deposit that are stated at cost or money market deposit accounts.

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.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

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, 2020. 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:

	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.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

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.

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

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.

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, 2019
Levy date	January 1, 2020
Tax bills mailed	April 1 and October 1, 2020
First installment payment due	May 11, 2020
Second installment payment due	November 10, 2020
Authority collection dates	June and December 2020
Tax sale - 2019 delinquent property taxes	August 2022

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 \$260,268 with an allowance of \$47,167 for delinquent taxes, at December 31, 2020.

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

have not exceeded commercial insurance coverage during the past three years. There was no reduction in insurance coverage during 2020.

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

Pensions

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

Non-Trusted Single Employer Other Postemployment Benefit Plan

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 2: Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments included in the statement of net position at December 31, 2020 consist of the following:

	Amount
Cash and cash equivalents	
Current	\$ 36,869,120
Current, restricted	2,005,955
Noncurrent, restricted	1,087,237
	39,962,312
Investments	
Current	16,042,482
Noncurrent, restricted	9,501,889
	25,544,371
	\$ 65,506,683

Deposits and investments with financial institutions at December 31, 2020 are as follows:

Cash deposits	\$ 40,111,228
Certificates of deposits (CD's)	25,544,371
	\$ 65,655,599

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.

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

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

Fort Wayne-Allen County Airport Authority

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securities, and U.S. Treasury obligations (or other U.S. Agency obligations). As of December 31, 2020, 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

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 FWACAA General Obligation Bonds of 2019 - Bond Proceeds Account	\$ 79,785
Heavy Equipment Rental Excise Deposited to Levy Excess	5,018
Property Tax Revenues Reserved For Debt Service	416,498
Pursuant to the Aviation Safety and Capacity Expansion Act of 1990, Federal Aviation Regulation Part 158 Passenger Facility Charge Account	1,589,458
Pursuant to Cumulative Building Fund Account established in 2001	10,291,001
Security deposits	213,321
Total	\$ 12,595,081

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

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

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. The bonds fully matured and final payment was made in January 2020.

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, 2020.

Note 4: Inventories

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

	Amount
Supply inventories held for consumption	\$ 120,918
Fixed based operator inventories held for sale	147,885
Total inventories	\$ 268,803

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	\$ 21,922,838	\$ 653,963	\$ 1,275,100	\$ 21,301,701
Intangibles	118,357	122,286	-	240,643
Work in progress	<u>1,124,479</u>	<u>16,718,817</u>	<u>13,526,604</u>	<u>4,316,692</u>
Total capital assets, not being depreciated	23,165,674	17,495,066	14,801,704	25,859,036
Capital assets, being depreciated				
Buildings and improvements	88,622,457	779,462	-	89,401,919
Infrastructure items	180,965,964	16,158,825	429,756	196,695,033
Intangibles	3,325,328	-	-	3,325,328
Equipment	<u>13,628,634</u>	<u>1,748,180</u>	<u>351,310</u>	<u>15,025,504</u>
Total capital assets, being depreciated	<u>286,542,383</u>	<u>18,686,467</u>	<u>781,066</u>	<u>304,447,784</u>
Less accumulated depreciation for				
Buildings and improvements	58,641,679	2,684,609	-	61,326,288
Infrastructure items	121,068,494	4,943,938	80,776	125,931,656
Intangibles	2,348,387	224,203	-	2,572,590
Equipment	<u>8,019,658</u>	<u>839,337</u>	<u>337,878</u>	<u>8,521,117</u>
Total accumulated depreciation	<u>190,078,218</u>	<u>8,692,087</u>	<u>418,654</u>	<u>198,351,651</u>
Net capital assets	<u>\$ 119,629,839</u>	<u>\$ 27,489,446</u>	<u>\$ 15,164,116</u>	<u>\$ 131,955,169</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 2020 are as follows:

	Rate per \$100	Property Tax Levies
Operating	\$ 0.0278	\$ 4,630,270
Debt service	0.0113	1,882,088
Cumulative building	0.0030	499,669
Total	\$ 0.0421	\$ 7,012,027

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 annual comprehensive financial report that can be obtained by writing to the Indiana Public Retirement System, One North Capital, Suite 001, Indianapolis, Indiana 46204, or it can be obtained at <http://www.in.gov/inprs/annualreports.htm>.

Benefits Provided

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

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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, 2020, 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 \$462,239 for the year ended December 31, 2020.

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

At December 31, 2020, the Authority reported a liability of \$2,340,806 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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, 2020, the Authority's proportion was .07750 percent, which was a decrease of .00177 from its proportion of .07927 percent measured as of June 30, 2019.

For the year ended December 31, 2020, the Authority recognized pension expense of \$166,633. At December 31, 2020, 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	\$ 41,472	\$ 31,428
Net difference between projected and actual investment earnings earnings on pension plan investments	200,335	-
Change of assumptions	-	487,726
Changes in proportion and differences between Authority contributions and proportionate share of contributions	22,402	69,333
Authority contributions subsequent to the measurement date	223,833	-
Total	\$ 488,042	\$ 588,487

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Notes to the Financial Statements

The \$223,833 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, 2021. 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:

2021	\$ (261,014)
2022	(96,857)
2023	(51,505)
2024	85,098
2025	-
Thereafter	-

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.75 – 8.75% based on service
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 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%

The actuarial assumptions and methods used in the June 30, 2020 valuation of the Public Employees' Defined Benefit Account were adopted by the INPRS Board in June 2020. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019 and were first used in the June 30, 2020 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in 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.

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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%	4.4%
Private markets	14.0%	7.6%
Fixed income – ex inflation-linked	20.0%	1.9%
Fixed income – inflation-linked	7.0%	0.5%
Commodities	8.0%	1.6%
Real estate	7.0%	5.8%
Absolute return	10.0%	2.9%
Risk parity	12.0%	5.5%
Total	100.0%	

Discount Rate

The Total Pension Liability (TPL) for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.75%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the nonemployer contributing entity) would be made as stipulated by Indiana statute. Projected inflows from investment earnings were calculated using the 6.75% long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's Fiduciary Net Position were projected to be available to make all projected future benefit payments of current plan members, therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the TPL for each plan.

Fort Wayne-Allen County Airport Authority

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	\$3,816,309	\$2,340,806	\$1,104,951

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, 2020, 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 2020, the Authority contributed \$123,814 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, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per annum
Discount rate	1.93% per annum
Health care cost trend rates	9.0% for 2019-2021, 8.5% for 2022-2023, 8.0% for 2024-2026, 7.0% for 2027-2029, 6.0% for 2030-2031, and 5% for 2032 and later years.

Mortality rates were based on the RP-2014 Total Dataset Mortality Table, adjusted to 2006 using Scale MP-2014; projected on a generational basis using Scale MP-2020.

The employees covered by the benefit terms at December 31, 2020 are:

	<u>2020</u>
Inactive employees or beneficiaries currently receiving benefit payments	3
Covered spouses of living retirees	0
Active employees	<u>68</u>
	<u>71</u>

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Contributions

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

For the year ended December 31, 2020, the Authority contributed \$16,367 to the OPEB Plan. Employees are not required to contribute to the OPEB Plan.

Total OPEB Liability

The Authority's total OPEB liability of \$1,054,021 was measured as of December 31, 2020 for the year ended December 31, 2020 and was determined by actuarial valuations as of those dates.

Changes in the total OPEB liability are:

	2020
Total OPEB Liability	
Service cost	\$ 120,195
Interest	38,414
Differences between expected and actual experience	(199,326)
Changes of assumptions	141,166
Benefit payments	(16,367)
Net Change in Total OPEB Liability	84,082
Total OPEB Liability - Beginning	969,939
Total OPEB Liability - Ending	\$ 1,054,021
Covered Payroll	\$3,928,887
Net OPEB Liability as a Percentage of Covered Payroll	26.83%

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 1.93 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 0.93%	Current Discount Rate 1.93%	1% Increase 2.93%
Authority's total OPEB liability	\$ 1,150,208	\$ 1,054,021	\$ 968,495

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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	\$ 912,654	\$ 1,054,021	\$ 1,229,034

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

For the year ended December 31, 2020, the Authority recognized OPEB expense of \$152,512. At December 31, 2020, the Authority reported deferred inflows of resources related to OPEB from the following sources:

	2020
Liability experience gains	\$ 202,088
Changes in assumptions	<u>31,888</u>
Total	<u>\$ 233,976</u>

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Note 9: Bonds and Other Long-Term Liabilities

Bonds consist of:

Direct Placement General Obligation Bonds of 2019	
Fort Wayne-Allen County Airport Authority	
Principal payable semi annually on January 15, 2021	
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	\$ 2,945,000
Less: current portion	(2,255,000)
	\$ 690,000

The Authority has a legal debt limit of \$119,223,155 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 \$2,945,000 of general obligation debt outstanding, the legal debt margin of the Authority is \$116,278,155 as of December 31, 2020.

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 were issued in the original amount of \$14,710,000 to refund the original 1998 First Mortgage 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.

FWIAATCBC retained title to the facilities until the Refunding Bonds of 2011 were paid in full, which occurred in January 2020 and the Authority was relieved of the obligations. At that time, the facilities became the property of the Authority and the FWIAATCBC was dissolved.

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

Fort Wayne-Allen County Airport Authority

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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.

General Obligation Bonds of 2021

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

Tax-Exempt Private Activity General Obligation Bonds of 2021

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

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:

	Direct Placement Bonds		General Obligation Bonds*		Tax-Exempt Private Activity General Obligation Bonds*	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,255,000	\$ 46,508	\$ -	\$ 73,769	\$ -	\$ 75,307
2022	690,000	10,091	130,000	348,130	190,000	360,525
2023	-	-	535,000	184,030	660,000	354,425
2024	-	-	560,000	317,330	690,000	339,375
2025	-	-	580,000	294,730	715,000	318,450
2026-2039	-	-	10,560,000	1,958,845	13,130,000	2,204,975
	<u>\$ 2,945,000</u>	<u>\$ 56,599</u>	<u>\$ 12,365,000</u>	<u>\$ 3,176,834</u>	<u>\$ 15,385,000</u>	<u>\$ 3,653,057</u>

*2021 bond issuance

Changes in Bonds and Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Long-term liabilities					
Compensated absences	\$ 941,768	\$ 196,866	\$ (208,369)	\$ 930,265	\$ 196,866
Pension	2,619,924	881,301	(1,160,419)	2,340,806	-
OPEB	969,939	84,082	-	1,054,021	-
Bonds					
Revenue bonds	975,000	-	(975,000)	-	-
2019 General obligation bonds from direct placements	4,095,000	-	(1,150,000)	2,945,000	2,255,000
Total bonds and long-term liabilities	<u>\$ 9,601,631</u>	<u>\$ 1,162,249</u>	<u>\$ (3,493,788)</u>	<u>\$ 7,270,092</u>	<u>\$ 2,451,866</u>

Note 10: Commitments and Contingencies

Capital Improvements

At December 31, 2020, the Authority was obligated for completion of Airport taxiway and apron improvements, design and construction of the West Terminal renovation/expansion project, and various smaller projects under commitments aggregating \$36,602,969 with an estimated \$3,436,368 eligible for reimbursement at 100 percent from the FAA, \$923,412 eligible for reimbursement at 95 percent from the FAA and the State of Indiana, \$50,569 eligible for reimbursement at 95 percent from the Transportation Security Administration; and \$15,045 eligible for reimbursement at 100 percent from Customer Facility Charges.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

Rebatable Arbitrage

Based upon calculations through December 31, 2020, there are no rebatable arbitrage liabilities.

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:	
2021	\$ 2,483,913
2022	1,651,152
2023	1,074,853
2024	1,022,741
2025	1,021,948
Thereafter	<u>2,228,901</u>
Total	<u>\$ 9,483,508</u>

The schedule above includes changes in rental rates that became effective on January 1, 2021. These rates are adjusted annually.

Contingent rentals and fees aggregated \$5,614,391 for the year ended December 31, 2020.

Fort Wayne-Allen County Airport Authority

Notes to the Financial Statements

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

Note 12: Major Customers

During the year ended December 31, 2020, the Authority received significant operating revenue from one airline. Rentals, landing fees, apron fees and other revenues from this airline aggregated approximately 10.1 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 2020. The table below summarizes taxes that have been abated.

	Real Property Tax	Personal Property Tax	Total Abated
Allen County	\$ 107,117	\$ 167,610	\$ 274,727
Fort Wayne	67,668	41,557	109,225
Grabill	649	314	963
Huntertown	343	93	436
Monroeville	191	65	256
New Haven	3,894	10,480	14,374
Woodburn	2,785	357	3,142
	\$ 182,647	\$ 220,476	\$ 403,123
Total - all units			

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

Enterprise Fund

Schedule of the Authority's Proportionate Share of the Net Pension Liability Public Employees Retirement Fund Last 7 Fiscal Years (C)

	2020	2019	2018	2017	2016
Authority's proportion of the net pension liability	0.07750%	0.07927%	0.07825%	0.08031%	0.07588%
Authority's proportionate share of the net pension liability	\$2,340,806	\$2,619,924	\$2,658,188	\$3,583,066	\$3,443,772
Authority's covered payroll	\$4,127,130	\$4,130,242	\$3,992,660	\$3,984,364	\$3,636,819
Authority's proportionate share of the net pension liability as a percentage of covered payroll (D)	56.7%	63.4%	66.6%	89.9%	94.7%
Plan fiduciary net position as a percentage of the total pension liability**	81.4%	80.1%	78.9%	72.7%	71.2%
	2015	2014			
Authority's proportion of the net pension liability	0.07416%	0.07144%			
Authority's proportionate share of the net pension liability	\$3,020,464	\$1,877,397			
Authority's covered payroll	\$3,552,188	\$3,487,775			
Authority's proportionate share of the net pension liability as a percentage of covered payroll (D)	85.0%	53.8%			
Plan fiduciary net position as a percentage of the total pension liability**	73.3%	81.1%			

* The amounts presented for each fiscal year were determined as of June 30, 2020 (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 7 Fiscal Years (C)

	2020	2019	2018	2017	2016
Contractually required contribution	\$468,016	\$457,449	\$443,346	\$457,325	\$430,755
Contributions in relation to the contractually required contribution	\$468,016	\$457,449	\$443,346	\$457,325	\$430,755
Contribution deficiency (excess)	-	-	-	-	-
Authority's covered payroll (D)	\$4,127,130	\$4,130,242	\$3,992,660	\$3,984,364	\$3,923,803
Contributions as a percentage of covered payroll	11.34%	11.08%	11.10%	11.48%	10.98%
	2015	2014			
Contractually required contribution	\$372,707	\$373,698			
Contributions in relation to the contractually required contribution	\$372,707	\$373,698			
Contribution deficiency (excess)	-	-			
Authority's covered payroll (D)	\$3,385,663	\$3,580,305			
Contributions as a percentage of covered payroll	10.76%	10.44%			

* The amounts presented for each fiscal year were determined as of June 30, 2020 (measurement date).

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

Notes to Schedules

Note A - Valuation Date: 06/30/20

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

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

Note C – 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.

Fort Wayne-Allen County Airport Authority Required Supplementary Information

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 120,195	\$ 112,110	\$ 104,882
Interest	38,414	33,688	28,872
Differences between expected and actual experience	(199,326)	-	(34,312)
Changes of assumptions	141,166	-	(46,252)
Benefit payments, including refunds of employee contributions	<u>(16,367)</u>	<u>(24,070)</u>	<u>(24,563)</u>
Net Change in Total OPEB Liability	84,082	121,728	28,627
Total OPEB Liability - Beginning	<u>969,939</u>	<u>848,211</u>	<u>819,584</u>
Total OPEB Liability - Ending	<u>\$ 1,054,021</u>	<u>\$ 969,939</u>	<u>\$ 848,211</u>
Covered Payroll	\$3,928,887	\$3,701,698	\$3,611,413
Total OPEB Liability as a Percentage of Covered Payroll	26.83%	26.20%	23.49%

Schedule of the Authority's OPEB Contributions

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 173,267	\$ 168,755	\$ 150,298
Actual employer contributions	16,367	24,070	24,563
Contribution deficiency	156,900	144,685	125,735
Covered payroll	3,928,887	3,701,698	3,611,413
Contributions as a percentage of covered payroll	0.42%	0.65%	0.68%

Notes to Schedules

The discount rate remained constant at 1.93 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.

Fort Wayne-Allen County Airport Authority

Required Supplementary Information

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)
12/31/2011(A)	-	N/A	N/A	N/A	3,654,941
12/31/2012	-	1,126,517	1,126,517	-	3,539,674
12/31/2013(A)	-	N/A	N/A	N/A	3,505,194
12/31/2014	-	902,202	902,202	-	3,580,305
12/31/2015(A)	-	N/A	N/A	N/A	3,385,663
12/31/2016	-	977,779	977,779	-	3,923,803
12/31/2017(A)	-	N/A	N/A	N/A	3,984,364
12/31/2018	-	828,572	828,572	-	3,611,413
12/31/2019 (A)	-	860,641	860,641	-	3,701,698
12/31/2020	-	942,202	942,202	-	3,928,887

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

Enterprise Fund

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. The final payment on Air Trade Center bonds was made in January 2020, and the FWIAATCBC was administratively dissolved after transferring ownership of the real estate from FWIAATCBC to the Authority.

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Net Position
December 31, 2020

	<u>Authority</u>	<u>FWIAATCBC</u>	<u>Totals</u>
Assets			
Current Assets			
Unrestricted assets			
Cash and cash equivalents	\$ 36,869,120	\$ -	\$ 36,869,120
Investments	16,042,482	-	16,042,482
Accounts receivable, net of allowance	310,767	-	310,767
Unbilled revenue	369,828	-	369,828
Property tax receivable, net of allowance	136,441	-	136,441
Other receivables	26,176	-	26,176
Inventory	268,803	-	268,803
Prepaid items	188,825	-	188,825
Total unrestricted assets	<u>54,212,442</u>	<u>-</u>	<u>54,212,442</u>
Restricted assets			
Cash and cash equivalents	2,005,955	-	2,005,955
Passenger facility charge receivable	120,722	-	120,722
Federal and state grants receivable	3,999,727	-	3,999,727
Property tax receivable, net of allowances	61,936	-	61,936
Total restricted assets	<u>6,188,340</u>	<u>-</u>	<u>6,188,340</u>
Total current assets	<u>60,400,782</u>	<u>-</u>	<u>60,400,782</u>
Noncurrent Assets			
Restricted assets			
Cash and cash equivalents	1,087,237	-	1,087,237
Investments	9,501,889	-	9,501,889
Property tax receivable, net of allowance	14,724	-	14,724
Other receivables	16,790	-	16,790
Total restricted assets	<u>10,620,640</u>	<u>-</u>	<u>10,620,640</u>
Capital assets, net	<u>131,955,169</u>	<u>-</u>	<u>131,955,169</u>
Total noncurrent assets	<u>142,575,809</u>	<u>-</u>	<u>142,575,809</u>
Total Assets	<u>202,976,591</u>	<u>-</u>	<u>202,976,591</u>
Deferred Outflows of Resources			
Deferred outflow of resources related to pensions	488,042	-	488,042
Deferred outflow of resources related to OPEB	142,736	-	142,736
Total deferred outflows of resources	<u>630,778</u>	<u>-</u>	<u>630,778</u>
 Total assets and deferred outflows of resources	 <u>\$ 203,607,369</u>	 <u>\$ -</u>	 <u>\$ 203,607,369</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Net Position (Continued)
December 31, 2020

	<u>Authority</u>	<u>FWIAATCBC</u>	<u>Totals</u>
Liabilities, Deferred Inflows and Net Position			
Current Liabilities			
Payable from unrestricted			
Accounts payable	\$ 4,080,952	\$ -	\$ 4,080,952
Accrued liabilities	611,881	-	611,881
Advance rent	58,999	-	58,999
Total unrestricted	<u>4,751,832</u>	<u>-</u>	<u>4,751,832</u>
Payable from restricted			
Accounts payable	213,321	-	213,321
Current portion of long-term debt	2,255,000	-	2,255,000
Accrued interest on long-term debt	28,714	-	28,714
Total restricted	<u>2,497,035</u>	<u>-</u>	<u>2,497,035</u>
Total current liabilities	<u>7,248,867</u>	<u>-</u>	<u>7,248,867</u>
Noncurrent Liabilities			
Net pension liability	2,340,806	-	2,340,806
Net other postemployment benefits obligation	1,054,021	-	1,054,021
Accrued compensated absences	733,399	-	733,399
Bonds and other long-term debt, net	690,000	-	690,000
Total noncurrent liabilities	<u>4,818,226</u>	<u>-</u>	<u>4,818,226</u>
Total liabilities	<u>12,067,093</u>	<u>-</u>	<u>12,067,093</u>
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	588,487	-	588,487
Deferred inflows of resources related to OPEB	233,976	-	233,976
Total deferred inflows of resources	<u>822,463</u>	<u>-</u>	<u>822,463</u>
Net Position			
Net investment in capital assets	129,010,169	-	129,010,169
Restricted for			
Debt service	478,434	-	478,434
Capital projects	15,030,534	-	15,030,534
Other purposes	5,018	-	5,018
Unrestricted	46,193,658	-	46,193,658
Total net position	<u>190,717,813</u>	<u>-</u>	<u>190,717,813</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 203,607,369</u>	<u>\$ -</u>	<u>\$ 203,607,369</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Revenues, Expenses and Changes in Net Position
December 31, 2020

	Authority	FWIAATCBC	Totals
Operating Revenues			
Airfield	\$ 1,678,258	\$ -	\$ 1,678,258
Buildings and grounds	2,192,382	-	2,192,382
Terminal	2,995,417	-	2,995,417
Parking	2,196,803	-	2,196,803
Fixed base operations	3,007,684	-	3,007,684
Reliever airport	460,659	-	460,659
Total operating revenues	<u>12,531,203</u>	<u>-</u>	<u>12,531,203</u>
Operating Expenses			
Airfield	1,760,636	-	1,760,636
Buildings and grounds	894,769	-	894,769
Terminal	1,428,168	-	1,428,168
Parking	512,403	-	512,403
Fixed base operations	2,745,259	-	2,745,259
Reliever airport	467,885	-	467,885
Administration	2,710,343	10,364	2,720,707
Maintenance	1,465,222	-	1,465,222
Depreciation	8,692,087	-	8,692,087
Total operating expenses	<u>20,676,772</u>	<u>10,364</u>	<u>20,687,136</u>
Operating Loss	<u>(8,145,569)</u>	<u>(10,364)</u>	<u>(8,155,933)</u>
Nonoperating Revenue (Expenses)			
Property and other taxes	8,258,506	-	8,258,506
Federal Operating Grant	7,530,234	-	7,530,234
Passenger facility charge	911,538	-	911,538
Customer facility charge	292,263	-	292,263
Interest income	512,866	541	513,407
Interest expense	(64,186)	-	(64,186)
Gain on disposal of capital assets	3,044,805	-	3,044,805
Net nonoperating revenues	<u>20,486,026</u>	<u>541</u>	<u>20,486,567</u>
Income (Loss) Before Capital Contributions	12,340,457	(9,823)	12,330,634
Capital Contributions			
Federal and state grants	<u>13,280,005</u>	<u>-</u>	<u>13,280,005</u>
Net Position			
Increase (Decrease) in net position	25,620,462	(9,823)	25,610,639
Total Net Position, Beginning of Year	<u>165,097,351</u>	<u>9,823</u>	<u>165,107,174</u>
Total Net Position, End of Year	<u>\$ 190,717,813</u>	<u>\$ -</u>	<u>\$ 190,717,813</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Cash Flows
For the Year Ended December 31, 2020

	Authority	FWIAATCBC	Totals
Cash Flows From Operating Activities			
Receipts from customers	\$ 12,733,444	\$ -	\$ 12,733,444
Payments to suppliers	(5,458,929)	-	(5,458,929)
Payments to employees	(4,468,053)	-	(4,468,053)
Payments of benefits on behalf of employees	(2,069,272)	-	(2,069,272)
Return of customer deposits	31,899	(10,364)	21,535
Net cash provided (used) by operating activities	<u>769,089</u>	<u>(10,364)</u>	<u>758,725</u>
Cash Flows From Noncapital Financing Activity			
Receipts of property and other taxes	5,572,600	-	5,572,600
Receipts of nonoperating federal grant	6,740,031	-	6,740,031
Net cash provided by noncapital financing activities	<u>12,312,631</u>	<u>-</u>	<u>12,312,631</u>
Cash Flows From Capital and Related			
Financing activities			
Receipts of property and other taxes	2,554,011	-	2,554,011
Acquisition and construction of capital assets	(19,344,594)	-	(19,344,594)
Sale of capital assets	4,213,800	-	4,213,800
Principal paid on bonds and other long-term debt	(2,125,000)	-	(2,125,000)
Interest paid on bonds and other long-term debt	(64,186)	-	(64,186)
Capital grant receipts	11,767,007	-	11,767,007
Passenger facility charge receipts	1,048,532	-	1,048,532
Customer facility charge receipts	292,263	-	292,263
Net cash used in capital and related financing activities	<u>(1,658,167)</u>	<u>-</u>	<u>(1,658,167)</u>
Cash Flows From Investing Activities			
Purchase of investment securities	(29,500,000)	-	(29,500,000)
Proceeds from sale and maturities of investment securities	35,500,000	-	35,500,000
Interest received on investments	693,562	541	694,103
Net cash provided by investing activities	<u>6,693,562</u>	<u>541</u>	<u>6,694,103</u>
Net Increase (Decrease) in Cash and Cash Equivalents	18,117,115	(9,823)	18,107,292
Cash and Cash Equivalents, Beginning of Year	<u>21,845,197</u>	<u>9,823</u>	<u>21,855,020</u>
Cash and Cash Equivalents, End of Year	<u>\$ 39,962,312</u>	<u>\$ -</u>	<u>\$ 39,962,312</u>

Fort Wayne-Allen County Airport Authority
Enterprise Fund
Combining Schedule of Cash Flows (Continued)
December 31, 2020

	<u>Authority</u>	<u>FWIAATCBC</u>	<u>Totals</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities			
Operating loss	\$ (8,145,569)	\$ (10,364)	\$ (8,155,933)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	8,692,087	-	8,692,087
Change in assets and liabilities:			
Accounts receivable and unbilled revenue	197,189	-	197,189
Other assets	75,790	-	75,790
Accounts payable	(105,560)	-	(105,560)
Accrued liabilities	215,139	-	215,139
Net pension liability	(279,118)	-	(279,118)
Deferred outflows of resources related to pensions and OPEB	35,049	-	35,049
Net OPEB and net pension obligation	84,082	-	84,082
	<u>\$ 769,089</u>	<u>\$ (10,364)</u>	<u>\$ 758,725</u>
Noncash Capital and Related Financing Activities			
Capital and related financing activities			
Capital assets included in accounts payable	\$ (3,943,029)	\$ -	\$ (3,943,029)
Capital contributions from federal and state grants	2,303,201	-	2,303,201

**OTHER SUPPLEMENTARY
INFORMATION**

Fort Wayne-Allen County Airport Authority
Schedule of Debt Service Requirements to Maturity
December 31, 2020

	Principal	Interest	Total
2021.....	\$ 2,255,000	\$ 46,508	\$ 2,301,508
2022.....	690,000	10,091	700,091
Totals.....	\$ 2,945,000	\$ 56,599	\$ 3,001,599

Fort Wayne-Allen County Airport Authority
Schedule of Capital Assets and Accumulated Depreciation
For the Year Ended December 31, 2020

Category	<u>Capital Assets (1)</u>			Balance at December 31, 2020
	Balance at January 1, 2020	Additions	Deletions (2)	
Land	\$ 21,922,838	\$ 653,963	\$ 1,275,100	\$ 21,301,701
Avigation easements	118,357	122,285	-	240,642
Runways and taxiways	142,690,972	13,004,977	236,846	155,459,103
Buildings	88,622,457	779,462	-	89,401,919
Roads and parking	38,274,993	3,153,849	192,909	41,235,933
Snow equipment	5,290,570	-	-	5,290,570
Vehicles	3,310,725	1,260,395	173,668	4,397,452
Other equipment	5,027,339	487,785	177,641	5,337,483
Software and data base	563,335	-	-	563,335
Master plans	2,761,993	-	-	2,761,993
Work in progress	1,124,478	16,718,817	13,526,604	4,316,691
Total capital assets	<u>\$ 309,708,057</u>	<u>\$ 36,181,533</u>	<u>\$ 15,582,768</u>	<u>\$ 330,306,822</u>

Category	<u>Accumulated Depreciation</u>			Balance at December 31, 2020
	Balance at January 1, 2020	Additions	Deletions (2)	
Runways and taxiways	\$ 101,901,681	\$ 3,359,822	\$ -	\$ 105,261,503
Buildings	58,641,677	2,684,610	-	61,326,287
Roads and parking	19,166,813	1,584,117	80,776	20,670,154
Snow equipment	3,090,484	288,451	-	3,378,935
Vehicles	2,187,480	172,923	160,235	2,200,168
Other equipment	2,741,696	377,961	177,641	2,942,016
Software and data base	375,171	33,970	-	409,141
Master plans	1,973,216	190,233	-	2,163,449
Total depreciation	<u>\$ 190,078,218</u>	<u>\$ 8,692,087</u>	<u>\$ 418,652</u>	<u>\$ 198,351,653</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, 2020

Major Revenue Categories	2020 Actual			2020 Budget As Adjusted	Variance Over (Under)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)		
Airfield use fees	\$ 1,678,258	\$ 2,059	\$ 1,680,317	\$ 1,848,933	\$ (168,616)
Building rent and services	4,585,332	479,404	5,064,736	4,023,115	1,041,621
Land rent	780,596	(10,075)	770,521	631,792	138,729
Parking	2,196,803	(80)	2,196,723	4,016,029	(1,819,306)
Auto rental	732,460	22,538	754,998	1,009,598	(254,600)
Fixed based operations sales	2,334,354	20,293	2,354,647	3,470,943	(1,116,296)
Restaurant	115,514	2,875	118,389	202,884	(84,495)
Other income	3,152,691	10,278	3,162,969	2,600	3,160,369
Operating Grant	7,530,234	-	7,530,234	-	7,530,234
Interest income	513,407	224,528	737,935	558,000	179,935
Property and other taxes	8,258,506	83,578	8,342,084	8,555,053	(212,969)
Total revenues	<u>31,878,155</u>	<u>835,398</u>	<u>32,713,553</u>	<u>24,318,947</u>	<u>8,394,606</u>
Capital contributions					
Federal grants	12,671,012	3,013,997	15,685,009	-	15,685,009
State grants	608,993	(148,632)	460,361	-	460,361
Passenger facility charges	911,538	136,994	1,048,532	1,434,744	(386,212)
Customer facility charges	292,263	26,260	318,523	445,976	(127,453)
Total capital contributions	<u>14,483,806</u>	<u>3,028,619</u>	<u>17,512,425</u>	<u>1,880,720</u>	<u>15,631,705</u>
 Total	 <u>\$ 46,361,961</u>	 <u>\$ 3,864,017</u>	 <u>\$ 50,225,978</u>	 <u>\$ 26,199,667</u>	 <u>\$ 24,026,311</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, 2020

Major Expense Categories	2020 Actual				2020 Actual	2020 Budget	Variance Over (Under)(2)
	GAAP Basis	GAAP Adjustments	Cash Basis (1)	Open Purchase Orders			
Personal services							
Salaries and wages	\$ 4,286,881	\$ 8,576	\$ 4,295,457	\$ -	\$ 4,295,457	\$ 4,634,673	\$ (339,216)
Employee benefits	1,857,388	141,755	1,999,143	9,084	2,008,227	2,464,659	(456,432)
Total personal services	<u>6,144,269</u>	<u>150,331</u>	<u>6,294,600</u>	<u>9,084</u>	<u>6,303,684</u>	<u>7,099,332</u>	<u>(795,648)</u>
Supplies	<u>2,049,586</u>	<u>(42,392)</u>	<u>2,007,194</u>	<u>116,275</u>	<u>2,123,469</u>	<u>4,078,690</u>	<u>(1,955,221)</u>
Contractual services							
Professional services	698,229	(34,843)	663,386	112,294	775,680	968,353	(192,673)
Utilities	908,628	(24,898)	883,730	4,806	888,536	1,036,329	(147,793)
Contracted repairs	203,099	(28,492)	174,607	15,017	189,624	280,901	(91,277)
Debt service payments	64,186	2,145,918	2,210,104	-	2,210,104	2,210,104	-
Other contracted services	1,991,238	45,980	2,037,218	301,697	2,338,915	3,053,173	(714,258)
Total contractual services	<u>3,865,380</u>	<u>2,103,665</u>	<u>5,969,045</u>	<u>433,814</u>	<u>6,402,859</u>	<u>7,548,860</u>	<u>(1,146,001)</u>
Capital expenditures	<u>-</u>	<u>19,407,985</u>	<u>19,407,985</u>	<u>40,545,771</u>	<u>59,953,756</u>	<u>61,612,329</u>	<u>(1,658,573)</u>
Depreciation expense	<u>8,692,087</u>	<u>-</u>	<u>8,692,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 20,751,322</u>	<u>\$ 21,619,589</u>	<u>\$ 42,370,911</u>	<u>\$ 41,104,944</u>	<u>\$ 74,783,768</u>	<u>\$ 80,339,211</u>	<u>\$ (5,555,443)</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, 2020

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	3-18-0024-019	\$ -	\$ 12,139
Airport Improvement Program (AIP)	20.106	3-18-0022-070	-	475,278
Airport Improvement Program (AIP)	20.106	3-18-0022-071	-	1,977,546
Airport Improvement Program (AIP)	20.106	3-18-0022-072	-	8,496,899
Airport Improvement Program (AIP)	20.106	3-18-0022-074	-	744,765
CARES Act: Airport Improvement Program (AIP)	20.106	3-18-0024-021	-	30,000
CARES Act: Airport Improvement Program (AIP)	20.106	3-18-0022-073	-	8,290,437
Total U.S. Department of Transportation - Federal Aviation Administration (FAA)			-	20,027,064
U.S. Department of Homeland Security				
Electronic Baggage Screening Program		70T04019T9CAP1030	-	232,274
Grand total			\$ -	\$ 20,259,338

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, 2020. 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, 2020.

Fort Wayne-Allen County Airport Authority
Schedule of Passenger Facility Charge Revenues and Expenditures
Year Ended December 31, 2020

Revenues	Date Approved	Amount Approved For Use	Cumulative Total - December 31, 2019	Quarter Ended				Year Ended December 31, 2020	Cumulative Total - December 31, 2020
				March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020		
Passenger facility charge revenues received			\$ 28,811,271	\$ 591,142	\$ 92,625	\$ 126,767	\$ 237,998	\$ 1,048,532	\$ 29,859,803
Interest earned			584,839	1,873	290	173	188	2,524	587,363
Total passenger facility charge revenue received			<u>\$ 29,396,110</u>	<u>\$ 593,015</u>	<u>\$ 92,915</u>	<u>\$ 126,940</u>	<u>\$ 238,186</u>	<u>\$ 1,051,056</u>	<u>\$ 30,447,166</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	2,679,425	-	-	-	-	-	2,679,425
Application 16-05	October 27, 2016	8,049,986	5,599,457	-	-	-	-	-	5,599,457
Total passenger facility charge revenue expended		<u>\$ 40,713,443</u>	<u>\$ 28,838,481</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,838,481</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
Schedule of Expenses – Budget and Actual
For the Year Ended December 31, 2020

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

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

<u>Contents</u>	<u>Page</u>
Financial Trends Data	69
These schedules contain trend information to help the reader understand how the Authority’s financial position has changed over time.	
Revenue Capacity	71
These schedules contain information to help the reader assess the Authority’s ability to generate its most significant revenues.	
Debt Capacity	79
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	81
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	83
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)

	2020	2019	2018	2017
Revenues				
Airfield	\$ 1,678,258	\$ 1,985,670	\$ 1,977,473	\$ 1,858,754
Buildings and grounds	2,192,382	2,426,888	1,937,263	1,969,020
Terminal	2,995,417	3,628,881	3,589,067	3,576,821
Parking	2,196,803	4,532,227	4,177,885	4,025,083
Fixed based operations	3,007,684	5,017,249	5,634,972	4,171,448
Reliever airport	460,659	572,636	515,896	463,148
	<u>12,531,203</u>	<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>
Interest	513,407	832,637	552,330	190,877
Property and other taxes	8,258,506	7,548,109	7,664,720	7,396,810
Federal operating grant	7,530,234	-	-	-
Net increase in fair value of investments	-	-	-	18,783
Gain (loss) on disposal of capital assets	3,044,805	792	223,410	8,168
Total revenues	<u>31,878,155</u>	<u>26,545,089</u>	<u>26,273,016</u>	<u>23,678,912</u>
Expenses				
Salaries	4,286,881	4,511,254	4,196,874	4,097,992
Benefits	1,857,388	2,169,967	1,944,793	2,329,487
Utilities	908,628	867,192	872,222	814,105
Supplies and other services	4,942,152	7,136,207	7,131,576	5,909,286
Loss on sale of investments	-	-	-	-
Depreciation	8,692,087	8,560,184	8,224,543	8,286,226
Total operating expenses	<u>20,687,136</u>	<u>23,244,804</u>	<u>22,370,008</u>	<u>21,437,096</u>
Interest	64,186	106,800	189,006	279,596
Total expenses	<u>20,751,322</u>	<u>23,351,604</u>	<u>22,559,014</u>	<u>21,716,692</u>
Capital Contributions				
Federal and state grants	13,280,005	5,108,967	3,547,994	562,819
Passenger facility charges	911,538	1,710,955	1,603,462	1,490,578
Customer facility chrges	292,263	587,324	526,835	522,988
Total capital contributions	<u>14,483,806</u>	<u>7,407,246</u>	<u>5,678,291</u>	<u>2,576,385</u>
Increase (Decrease) in Net Position	<u>\$ 25,610,639</u>	<u>\$ 10,600,731</u>	<u>\$ 9,392,293</u>	<u>\$ 4,538,605</u>
Net Position at Year-End is Composed of				
Net investment in capital assets	\$ 129,010,169	\$ 114,559,839	\$ 116,756,916	\$ 112,079,293
Restricted	15,513,986	11,875,109	15,539,783	15,423,659
Unrestricted	46,193,658	38,672,226	22,209,744	17,611,198
Total net position	<u>\$ 190,717,813</u>	<u>\$ 165,107,174</u>	<u>\$ 154,506,443</u>	<u>\$ 145,114,150</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)

	2016	2015	2014	2013	2012	2011
\$	1,844,989	\$ 1,565,022	\$ 1,626,929	\$ 1,618,892	\$ 1,475,574	\$ 1,461,088
	1,886,026	2,203,676	2,155,564	2,097,557	1,867,646	1,311,808
	3,422,333	2,979,260	2,803,836	2,944,923	3,056,045	3,065,071
	3,913,995	3,583,154	3,154,213	2,829,131	2,695,420	2,625,381
	4,363,804	-	-	-	-	-
	413,174	478,867	480,920	435,806	464,820	443,839
	<u>15,844,321</u>	<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>
	116,878	119,701	85,289	76,289	94,787	102,068
	7,380,016	7,017,489	6,945,662	6,674,720	6,713,816	6,310,443
	114,823	150,599	182,159	-	84,766	312,639
	-	-	67,614	-	-	-
	70,687	113,796	9,966	9,811	20,395	235,461
	<u>23,526,725</u>	<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>
	4,263,756	3,511,281	3,629,321	3,685,895	3,853,582	3,901,809
	2,312,121	1,823,592	1,829,454	1,770,599	1,768,080	1,710,328
	779,796	775,818	705,862	671,411	643,569	653,524
	6,390,717	3,925,226	3,929,062	3,907,019	3,413,869	3,468,209
	-	10,803	-	-	-	-
	7,259,509	7,033,108	7,284,527	7,551,117	7,559,693	7,852,015
	<u>21,005,899</u>	<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>
	360,136	320,897	495,406	607,545	731,133	883,650
	<u>21,366,035</u>	<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>
	20,392,838	670,811	2,379,894	3,188,668	2,749,565	1,962,373
	1,505,445	1,471,790	1,333,205	1,215,576	1,138,258	1,099,255
	530,879	493,499	347,998	244,493	210,792	32,229
	<u>22,429,162</u>	<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>24,589,852</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>
\$	115,312,332	\$ 95,192,723	\$ 91,128,061	\$ 86,439,074	\$ 84,742,931	\$ 80,453,062
	15,388,948	10,556,823	10,349,663	10,272,065	8,995,490	9,288,875
	9,874,265	10,236,147	13,199,646	14,266,614	14,097,052	15,491,578
	<u>140,575,545</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>

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

	2020	2019	2018	2017
Operating Revenues				
Airfield	\$ 91,807	\$ 103,741	\$ 132,774	\$ 107,546
Passenger airline service charge revenues				
Landing fees	975,876	1,254,041	1,210,589	1,161,158
Apron fees	106,781	149,232	135,485	106,122
Terminal rent	1,589,378	1,612,074	1,587,950	1,612,908
Boarding security	201,902	197,038	200,747	211,419
Air Trade Center cargo airline service charge revenues:				
Building rent	1,133,041	1,406,505	1,123,302	1,055,209
Ground rent	21,137	17,237	9,337	50,000
Landing fees-other cargo	503,794	478,657	498,625	483,928
FBO sales	2,071,979	3,618,408	4,248,590	3,003,516
FBO services	935,665	1,398,840	1,387,560	1,167,932
Building and grounds	602,593	568,005	512,612	481,008
Terminal	356,164	309,505	318,591	320,786
Car rental	732,460	1,263,731	1,262,483	1,222,049
Restaurant	115,514	246,532	219,295	209,659
Parking	2,196,803	4,532,227	4,177,885	4,025,083
Farming	435,610	435,142	292,013	382,803
Reliever airport	460,699	572,636	514,718	463,148
Total operating revenues	<u>12,531,203</u>	<u>18,163,551</u>	<u>17,832,556</u>	<u>16,064,274</u>
Non-Operating Revenues				
Interest income	513,407	832,637	552,330	190,877
Net increase in fair value of investments	-	-	-	18,783
Property and other taxes	8,258,506	7,548,109	7,664,720	7,396,810
FAA operating grant	7,530,234	-	-	-
Passenger facility charge	911,538	1,710,955	1,603,462	1,490,578
Customer facility charge	292,263	587,324	526,835	522,988
Gain on disposal of capital assets	3,044,805	792	223,410	8,168
Total non-operating revenues	<u>20,550,753</u>	<u>10,679,817</u>	<u>10,570,757</u>	<u>9,628,204</u>
 Total revenues	 <u>\$ 33,081,956</u>	 <u>\$ 28,843,368</u>	 <u>\$ 28,403,313</u>	 <u>\$ 25,692,478</u>
 Enplaned passengers	 <u>218,343</u>	 <u>397,938</u>	 <u>381,139</u>	 <u>368,282</u>
 Passenger airline cost per enplaned passenger	 <u>\$ 13.16</u>	 <u>\$ 8.07</u>	 <u>\$ 8.22</u>	 <u>\$ 8.39</u>
 Signatory Airlines Rates and Charges (1)				
Landing fee (per 1,000 lbs. of max. gross landed weight)	\$ 2.54	\$ 2.54	\$ 2.56	\$ 2.50
Apron fee (per 1,000 lbs of max. gross landed weight)	0.28	0.29	0.30	0.23
Annual terminal rental rate (per square foot)	31.44	32.52	32.53	32.54
 Revenue Funding Ratios				
Parking revenue/commissions per enplaned passenger	\$ 10.06	\$ 11.39	\$ 10.96	\$ 10.93
Car rental commissions per enplaned passenger	3.35	3.18	3.31	3.32
Restaurant commissions per enplaned passenger	0.53	0.62	0.58	0.57

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
Annual Revenues, Expenses and Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis)

2016	2015	2014	2013	2012	2011
\$ 138,319	\$ 115,251	\$ 104,058	\$ 143,519	\$ 88,432	\$ 87,860
1,096,860	893,817	866,621	790,258	801,832	838,598
110,912	71,327	90,953	133,522	146,711	117,899
1,605,536	1,226,766	1,143,955	1,388,401	1,540,790	1,617,504
214,716	192,457	195,000	192,706	183,463	193,652
933,412	1,003,856	973,549	987,752	586,614	165,282
78,064	36,274	90,016	46,613	135,000	163,910
498,898	484,628	551,585	550,936	438,301	416,731
3,033,142	-	-	-	-	-
949,171	-	-	-	-	-
939,171	827,076	789,893	777,341	811,403	706,890
291,618	266,744	268,724	270,393	250,162	236,029
1,114,220	1,113,880	1,019,521	958,629	965,279	913,857
196,244	179,413	159,678	123,007	116,351	111,624
3,913,995	3,583,154	3,154,213	2,829,131	2,695,420	2,625,381
316,869	336,470	332,776	298,295	334,927	268,131
413,174	478,866	480,920	435,806	464,820	443,839
<u>15,844,321</u>	<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>
116,878	119,701	85,289	76,289	94,787	102,068
-	-	67,614	-	-	-
7,380,016	7,017,489	6,945,662	6,674,720	6,713,816	6,310,443
114,823	150,599	182,159	-	84,766	312,639
1,505,445	1,471,790	1,333,205	1,215,576	1,138,258	1,099,255
530,879	493,499	347,998	244,493	210,792	32,229
70,687	113,796	9,966	9,811	20,395	235,461
<u>9,718,728</u>	<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>\$ 25,563,049</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>365,884</u>	<u>359,051</u>	<u>324,151</u>	<u>298,661</u>	<u>284,465</u>	<u>277,938</u>
<u>\$ 8.28</u>	<u>\$ 6.64</u>	<u>\$ 7.08</u>	<u>\$ 8.39</u>	<u>\$ 9.40</u>	<u>\$ 9.96</u>
\$ 2.49	\$ 2.42	\$ 2.56	\$ 2.45	\$ 2.45	\$ 2.44
0.25	0.19	0.27	0.42	0.45	0.34
32.20	27.56	25.65	30.61	33.91	34.80
\$ 10.70	\$ 9.98	\$ 9.73	\$ 9.47	\$ 9.48	\$ 9.45
3.05	3.10	3.15	3.21	3.39	3.29
0.54	0.50	0.49	0.41	0.41	0.40

Fort Wayne-Allen County Airport Authority

Allen County Principal Taxpayers

Principal Taxpayers - Name	2020			2011		
	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.....	\$ 297,991,920	1	1.8 %	\$ 141,453,818	4	1.1 %
Parkview Health System Inc.....	199,806,630	2	1.2	69,133,988	7	0.5
IOM Health Systems.....	190,406,925	3	1.1	140,197,680	5	1.1
General Motors Corp.....	185,458,004	4	1.1	222,923,070	1	1.8
Frontier Communications Online & LD.....	176,406,170	5	1.1			0.0
GGP-Glenbrook-LLC.....	123,081,600	6	0.7	200,000,900	2	1.6
Uniroyal BF Goodrich.....	79,909,070	7	0.5			0.0
St Joseph Health System LLC.....	73,387,580	8	0.4	57,989,120	10	0.5
Canterbury Green Apartments LLC.....	71,390,300	9	0.4	58,530,600	9	0.5
Walmart Real Estate.....	58,891,970	10	0.4	80,412,690	6	0.6
Verizon North.....			0.0	155,707,850	3	1.2
IMI Jefferson Pointe LLC.....			0.0	68,430,090	8	0.5
Total of Ten Largest Taxpayers.....	\$ 1,456,730,169		8.7 %	\$ 1,194,779,806		9.4 %

(1) Represents assessed valuations for taxes due and payable in 2020

(2) Represents assessed valuations for taxes due and payable in 2011

Source: Allen County Auditor's Office.

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating excise tax	\$ 353,231	\$ 342,627	\$ 315,094	\$ 300,941	\$ 281,969	\$ 266,366	\$ 258,348	\$ 266,372	\$ 271,389	\$ 260,647
Aircraft excise tax	20,172	20,604	25,053	15,411	433	20,364	23,628	18,088	18,307	18,071
Operating intangibles tax	21,973	21,609	15,287	15,945	17,487	15,871	14,830	15,321	15,256	16,277
Operating property tax	4,183,334	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
Operating commercial vehicle tax	19,803	22,236	16,872	17,147	17,452	19,168	16,912	18,037	17,681	18,065
Cumulative building property tax	448,598	440,929	413,481	396,275	378,703	367,485	367,038	376,959	357,671	384,085
Cumulative building excise tax	38,118	37,009	33,950	32,534	30,691	29,191	29,097	30,416	29,833	31,164
Cumulative building commercial vehicle tax	2,371	2,334	1,647	1,854	1,903	2,101	1,905	2,060	1,944	2,160
Cumulative building intangibles tax	2,137	2,402	1,818	1,724	1,900	1,739	1,670	1,750	1,677	1,946
County option income tax	1,105,984	1,091,158	1,000,081	945,857	1,140,156	846,941	880,681	793,049	783,478	598,423
Debt service property tax	1,902,226	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
Debt service excise tax	143,479	106,250	134,737	135,220	132,353	134,095	133,142	137,334	149,167	130,324
Debt service commercial vehicle tax	8,049	6,895	7,215	7,704	8,192	9,650	8,715	9,299	9,718	9,032
Debt service intangibles tax	8,931	6,701	6,537	7,165	8,208	7,990	7,643	7,899	8,386	8,138
Total Authority tax receipts	\$ 8,258,406	\$ 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
Rate per \$100 of assessed valuation	0.0421	0.0407	0.0456	0.0461	0.0464	0.0471	0.0477	0.0471	0.0468	0.0447

(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)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total tax levy	\$ 426,994,211	\$ 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
Current tax collections (2)	411,213,282	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
Percent of levy collected	96.3%	97.3%	97.2%	97.3%	97.2%	97.1%	97.0%	97.0%	96.6%	96.7%
Delinquent tax collections	\$ 10,289,876	\$ 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
Total tax collections	421,503,158	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
Percent of total tax collections to levy	98.7%	99.9%	99.6%	99.8%	99.8%	99.9%	99.6%	100.0%	99.5%	99.0%
Outstanding delinquent taxes	\$ 17,217,376	\$ 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
Percent of delinquent taxes to levy	4.0%	3.1%	3.2%	3.1%	3.3%	3.4%	3.5%	3.7%	4.3%	4.3%

(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	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total assessed value (1).....	\$ 16,655,645,969	\$ 15,591,737,704	\$ 14,586,996,908	\$ 14,075,020,435	\$ 13,650,544,767	\$ 13,295,341,671	\$ 12,913,262,282	\$ 12,780,412,897	\$ 12,741,704,078	\$ 12,674,957,960

(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	2019	2018	2017	2016	2015	2014	2013	2012	2011
Rates per \$100 of assessed valuation (1)										
Airport Authority Direct Rates										
Operating	\$ 0.0278	\$ 0.0287	\$ 0.0297	\$ 0.0296	\$ 0.0294	\$ 0.0292	\$ 0.0293	\$ 0.0289	\$ 0.0282	\$ 0.0276
Cumulative building	0.0030	0.0031	0.0032	0.0032	0.0032	0.0032	0.0033	0.0033	0.0031	0.0033
Debt service	0.0113	0.0089	0.0127	0.0133	0.0138	0.0147	0.0151	0.0149	0.0155	0.0138
Total direct rates	0.0421	0.0407	0.0456	0.0461	0.0464	0.0471	0.0477	0.0471	0.0468	0.0447
Other municipal corporations	0.2288	0.2422	0.2449	0.2565	0.2552	0.2678	0.2511	0.2471	0.2437	0.2365
School districts	0.9427	0.9373	0.9877	1.0060	0.9941	1.0214	1.0678	1.0379	0.9519	0.9765
Allen county	0.5379	0.5087	0.5370	0.5414	0.5403	0.5447	0.5477	0.5404	0.5279	0.5155
City of Fort Wayne	0.8702	0.8980	0.9287	0.9260	0.9208	0.9116	0.9042	0.8295	0.8320	0.8365
Other	0.1132	0.1173	0.1216	0.1208	0.1177	0.1106	0.1325	0.1337	0.1281	0.1178
Total	\$ 2.7349	\$ 2.7443	\$ 2.8654	\$ 2.8968	\$ 2.8744	\$ 2.9033	\$ 2.9511	\$ 2.8358	\$ 2.7304	\$ 2.7275
Levies										
Airport Authority	\$ 7,012,027	\$ 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
Other municipal corporations	38,113,543	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
School districts	157,009,422	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
Allen County	82,578,694	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
City of Fort Wayne	144,938,093	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
Other	18,850,409	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
Total	\$ 448,502,188	\$ 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

(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	
2020	1,408	\$ 367,347,443	\$ 260,900	\$ 16,655,645,969
2019	1,311	339,093,065	258,652	15,591,737,704
2018	1,174	310,985,903	264,894	14,586,996,909
2017	1,112	250,684,000	225,435	14,075,020,435
2016	873	216,435,515	247,922	13,650,544,767
2015	760	179,581,608	236,292	13,295,341,671
2014	841	185,455,385	220,518	12,913,262,282
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

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Outstanding debt per enplaned passenger										
Taxbacked revenue bonds (1)										
Airport Improvement Bonds (2)	\$ 2,945,000	\$ 4,095,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,055,000	\$ 3,117,614	\$ 5,066,685
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
Revenue Bonds (2)	-	-	-	-	-	-	-	-	-	-
Non-interest bearing loan	-	-	-	-	-	-	-	-	-	-
Total outstanding debt	\$ 2,945,000	\$ 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
Enplaned passengers	218,343	397,938	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938
Debt per enplaned passenger	\$ 13.49	\$ 12.74	\$ 7.48	\$ 12.57	\$ 17.30	\$ 22.17	\$ 29.38	\$ 40.48	\$ 54.90	\$ 68.37
Debt service per enplaned passenger										
Net debt service	\$ 2,216,193	\$ 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
Enplaned passengers	218,343	397,938	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938
Debt service per enplaned passenger	\$ 10.15	\$ 5.04	\$ 5.26	\$ 5.45	\$ 5.49	\$ 5.59	\$ 9.52	\$ 13.96	\$ 14.53	\$ 15.34

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
1998 First Mortgage Bonds (3) and 2011 First Mortgage Taxable Refunding Bonds										
Gross revenues (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,552
Debt service										
Principal	\$ 975,000	\$ 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
Interest	27,008	132,268	224,488	305,364	376,895	441,100	494,056	535,427	564,790	720,947
Total debt service	\$ 1,002,008	\$ 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
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)
2020	383,519	N/A	N/A	7.7 %
2019	379,299	\$ 18,055,369	\$ 47,602	3.1
2018	375,351	17,374,174	46,288	3.1
2017	372,210	16,445,154	44,182	3.3
2016	369,778	15,980,208	43,216	4.2
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	7.4
2012	360,883	13,884,521	38,474	8.3
2011	358,919	13,158,974	36,663	9.1

N/A - Not Available

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

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

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

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

Principal Employers - Name	2020			2011			
	Employees	Rank	Percent of Total Employment	Employees	Rank	Percent of Total Employment	
Parkview Health Systems	7,858	1	4.2 %	4,710	4	2.6	%
Lutheran Health Network	4,824	2	2.6	4,301	2	2.4	
Fort Wayne Community Schools	3,942	3	2.1	4,159	1	2.3	
General Motors - Truck & Bus Group	3,900	4	2.1	3,610	3	2.0	
The City of Fort Wayne	1,978	5	1.1	2,003	5	1.1	
Lincoln Financial Group	1,954	6	1.1	1,983	6	1.1	
Sweetwater Sound	1,714	7	0.9				
BF Goodrich	1,640	8	0.9	1,580	8	0.9	
Purdue University Fort Wayne	1,502	9	0.8	1,255	10	0.7	
Frontier Communications Corp	1,355	10	0.7	1,400	9	0.8	
Allen County Government				1,605	7	0.9	
Total of Ten Largest Employers	30,667		16.6 %	26,606		14.8	%

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

	2020	2019	2018	2017
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)	6,200	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	15	22	23	24
Car rental firms	5	8	8	8
Parking spaces	2,219	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	47	48	48	49
Military based aircraft	22	21	22	21
Airpark buildings owned	27	28	28	27
Employees				
Administration full-time	13	13	13	13
Administration part-time	-	-	-	1
Maintenance full-time	16	16	14	15
Maintenance seasonal	2	2	3	4
Custodial full-time	6	6	5	5
Public safety full-time	11	11	11	11
Public safety part-time	15	15	19	21
CSA part-time	1	11	11	10
Smith Field full-time	2	2	3	3
Smith Field part-time	2	4	3	3
FWA Aero center full-time	17	23	21	21
FWA Aero center part-time	-	1	1	1
Operations full-time	4	5	5	5

Fort Wayne-Allen County Airport Authority

Fort Wayne International Airport Information

2016	2015	2014	2013	2012	2011
11,981	11,981	11,981	11,981	11,981	11,981
8,001	8,001	8,001	8,001	8,001	8,001
4,001	4,001	4,001	4,001	4,001	4,001
114,813	114,813	114,813	114,813	114,813	114,813
104,505	104,505	104,505	104,505	104,505	104,505
7,780	7,780	7,780	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	384
8	8	8	8	8	8
5	5	4	4	4	4
1	1	1	1	1	1
4	4	5	4	4	4
24	24	21	19	18	18
8	8	8	8	8	6
1,962	1,962	1,962	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	49	50	54	54	54
21	18	18	20	18	18
27	27	27	27	27	27
13	14	15	16	15	16
-	-	1	1	1	1
18	16	17	16	17	16
6	7	5	6	5	6
5	5	6	5	7	7
11	11	11	11	12	12
20	23	19	22	16	16
10	10	11	8	8	8
2	2	2	2	2	2
3	3	3	2	2	2
19	1	-	-	-	-
1	17	-	-	-	-
4	5	4	4	4	4

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

Airline	2020	Percent of Total 2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
American Airlines/Envoy.....	82,679	37.87 %	153,141	135,907	121,289	117,417	113,550	75,445	75,798	78,346	73,427
Allegiant Air.....	70,209	32.16	93,074	83,586	77,409	82,412	83,579	80,467	61,699	48,412	41,641
SkyWest-Delta (2).....	33,820	15.49	108,426	112,235	116,214	119,924	94,903	6,662	---	---	---
SkyWest-United Express (2).....	18,467	8.46	42,120	43,610	42,795	41,873	38,602	39,719	33,461	35,884	33,995
Delta/Northwest Airlin/Endeavor Air.....	12305	---	---	---	222	68	11,286	87,357	106,034	95,552	93,168
Charter.....	863	0.40	1,177	1,157	1,324	---	672	1,492	1,768	1,590	1,536
United Express-Expressjet.....	---	---	---	4,644	8,831	3,426	---	---	---	---	---
Delta Express-Expressjet.....	---	---	---	---	198	696	16,420	24,870	19,901	23,023	7,972
Delta/Gojet.....	---	---	---	---	---	68	39	---	---	---	---
US Airways Express.....	---	---	---	---	---	---	---	8,139	---	---	---
Comair (1).....	---	---	---	---	---	---	---	---	---	1,658	25,862
Mesaba-Delta/Northwest Airlin (1).....	---	---	---	---	---	---	---	---	---	---	245
Chautaugua- Delta Express (1).....	---	---	---	---	---	---	---	---	---	---	92
Continental Connection-Commutair(1).....	---	---	---	---	---	---	---	---	---	---	---
Mesa Airlines-United Express (1).....	---	---	---	---	---	---	---	---	---	---	---
Total.....	218,343	94.36 %	397,938	381,139	368,282	365,884	359,051	324,151	298,661	284,465	277,938
Percentage change.....	-45.13%	---	4.41%	3.49%	0.66%	1.90%	10.77%	8.53%	4.99%	2.35%	0.30%

(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	2020	Percent of Total 2020	2019	2018	2017
American Airlines/Envoy	139,441,470	25.03 %	186,316,050	174,452,200	153,785,750
Allegiant Air	94,638,769	16.99	89,701,484	80,508,865	64,813,679
Delta Express/SkyWest	63,246,400	11.35	124,012,957	127,924,157	127,125,300
United Express/SkyWest	29,692,871	5.33	50,478,871	52,209,957	47,321,742
Delta/Northwest Airlin/Endeavor	29,358,000	5.27	---	---	329,000
Air Wisconsin	3,384,000	0.61	---	---	---
Charter	1,776,000	0.32	1,869,300	1,081,200	2,198,480
United Express/Expressjet	---	---	---	7,782,226	15,181,736
Delta Airlines (1)	---	---	---	---	244,400
Delta Express/Expressjet (1)	---	---	---	---	169,100
Shuttle America (1)	---	---	---	---	---
United Express/Mesa Airlines (1)	---	---	---	---	---
Compas Airlines (1)	---	---	---	---	---
Comair (1)	---	---	---	---	---
Go Jet (1)	---	---	---	---	---
Mesaba-Delta/Northwest Airlin (1)	---	---	---	---	---
Chautauqua-Delta Express (1)	---	---	---	---	---
Subtotal	<u>361,537,510</u>	<u>64.90</u>	<u>452,378,662</u>	<u>443,958,605</u>	<u>411,169,187</u>
Cargo Carriers					
Federal Express	101,376,000	18.20	100,782,000	99,990,000	100,188,000
United Parcel Service	91,280,880	16.39	86,520,000	85,890,000	86,310,000
USA Jet Airlines	2,044,800	0.37	4,060,620	3,677,180	2,098,660
Kalitta Charters	416,240	0.07	2,150,840	2,230,100	1,041,620
IFL Group	396,670	0.07	2,458,256	1,810,988	2,443,254
CSA, Inc	---	---	8,500	---	---
Air Cargo Carriers (1)	---	---	---	26,100	52,200
Northern Air Cargo	---	---	---	---	340,200
Lynden Air Cargo (1)	---	---	---	---	---
C & M Airways, Inc (1)	---	---	---	---	---
Aeronaves T.S.M (1)	---	---	---	---	---
Mountain Air Cargo (1)	---	---	---	---	---
Subtotal	<u>195,514,590</u>	<u>35.10</u>	<u>195,980,216</u>	<u>193,624,368</u>	<u>192,473,934</u>
Grand Total	<u>557,052,100</u>	<u>100.00 %</u>	<u>648,358,878</u>	<u>637,582,973</u>	<u>603,643,121</u>
Percentage change	<u>-14.08%</u>	<u></u>	<u>7.41%</u>	<u>5.62%</u>	<u>-1.72%</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)

2016	2015	2014	2013	2012	2011
126,537,113	87,924,409	81,721,068	81,796,913	87,259,196	84,325,073
80,620,884	81,065,899	76,136,349	57,629,149	48,509,000	41,819,000
137,127,100	105,139,000	12,201,100	---	---	---
51,084,871	50,363,957	50,370,000	45,878,000	49,450,000	47,644,000
141,000	13,281,100	94,610,000	116,446,600	113,956,100	120,299,500
13,818,000	48,833,000	12,502,000	---	---	---
36,000	2,617,900	4,152,992	3,636,484	5,394,484	4,905,484
5,205,935	---	---	---	---	---
67,000	276,600	489,700	---	---	---
859,000	18,705,200	27,858,600	21,781,000	26,455,100	9,460,000
74,957	---	219,579	---	---	---
---	---	134,000	67,000	134,000	134,000
---	---	75,177	---	---	---
---	---	---	344,300	1,927,000	34,263,000
---	---	---	198,000	---	---
---	---	---	---	---	235,000
---	---	---	---	---	85,098
<u>415,571,860</u>	<u>408,207,065</u>	<u>360,470,565</u>	<u>327,777,446</u>	<u>333,084,880</u>	<u>343,170,155</u>
100,584,000	100,188,000	100,386,000	96,830,000	91,009,000	83,194,000
87,780,000	85,680,000	85,680,000	86,100,000	86,100,000	85,260,000
5,454,740	4,987,980	6,219,800	5,277,960	---	---
2,618,240	1,479,920	8,329,220	11,929,880	997,440	1,187,460
1,394,374	1,094,082	9,339,478	15,741,276	---	---
---	---	---	---	---	---
797,000	116,600	694,800	694,800	---	114,000
---	---	155,000	1,705,000	---	---
---	---	---	735,300	---	---
---	---	---	244,250	---	---
---	---	---	---	44,660	17,000
<u>198,628,354</u>	<u>193,546,582</u>	<u>210,804,298</u>	<u>219,258,466</u>	<u>178,151,100</u>	<u>169,772,460</u>
<u>614,200,214</u>	<u>601,753,647</u>	<u>571,274,863</u>	<u>547,035,912</u>	<u>511,235,980</u>	<u>512,942,615</u>
<u>2.07%</u>	<u>5.34%</u>	<u>4.43%</u>	<u>7.00%</u>	<u>-0.33%</u>	<u>4.25%</u>

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

Fort Wayne International Airport

Type of Operation	2020	Percent of Total	2019	2018	2017	2016	2015	2014	2013	2012	2011
		2020									
Large Air Carrier (1)	27,026	57.9 %	34,827	31,539	18,443	19,108	17,703	17,600	17,855	18,181	19,713
Small Air Carrier (2)	---	---	---	---	---	---	---	---	---	---	---
General Aviation	17,073	36.6	16,857	17,589	16,543	14,296	14,903	14,790	15,908	18,512	15,786
Military	2,562	5.5	2,505	1,916	2,460	2,736	2,306	2,404	3,082	3,734	2,859
Subtotal-International	<u>46,661</u>	<u>100.0</u>	<u>54,189</u>	<u>51,044</u>	<u>37,446</u>	<u>36,140</u>	<u>34,912</u>	<u>34,794</u>	<u>36,845</u>	<u>40,427</u>	<u>38,358</u>

Smith Field Airport

General Aviation(4)	---	---	---	---	---	---	---	---	---	---	---
Subtotal-Smith Field	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Airport Authority	<u>46,661</u>	<u>100.0 %</u>	<u>54,189</u>	<u>51,044</u>	<u>37,446</u>	<u>36,140</u>	<u>34,912</u>	<u>34,794</u>	<u>36,845</u>	<u>40,427</u>	<u>38,358</u>
Percentage change	<u>-13.89%</u>		<u>44.71%</u>	<u>36.31%</u>	<u>3.61%</u>	<u>3.52%</u>	<u>0.34%</u>	<u>-5.57%</u>	<u>-8.86%</u>	<u>5.39%</u>	<u>-6.35%</u>

(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)
	Las Vegas (LAS) - Seasonal	Jet (A319)
American Eagle Envoy/SkyWest	Chicago (ORD)	Jet (ER4) & (CR7)
SkyWest	Dallas/Fort Worth (DFW)	(CR7)
PSA Airlines	Charlotte (CLT)	(CR7) & (CR9)
Piedmont	Philadelphia (PHL)	(ER4)
Delta Connection Endeavor	Atlanta (ATL)	Jet (CRJ) & (CR7) & (CR9)
SkyWest/Air Wisconsin	Detroit (DTW)	Jet (CRJ)
SkyWest	Minneapolis (MSP)	Jet (CRJ)
United Express SkyWest/Air Wisconsin	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, 2020, 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 17, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

BKD, LLP

Fort Wayne, Indiana
June 17, 2021

Report on Compliance for the Major Federal 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 the Major Federal Program

We have audited the 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 the Authority's major federal program for the year ended December 31, 2020. 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, 2020.

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 17, 2021

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, 2020.

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 the passenger facility charge program for the year ended December 31, 2020.

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 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 Guide. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Fort Wayne, Indiana
June 17, 2021

Fort Wayne-Allen County Airport Authority
Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

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, 2020

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, 2020

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 |