Springfield Airport Authority
Springfield, Illinois

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021

Abraham Lincoln Capital Airport

SPRINGFIELD AIRPORT AUTHORITY

SPRINGFIELD, ILLINOIS

ANNUAL
COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2021

Prepared by

Administration and Finance Department

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2021

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD
SPRINGFIELD AIRPORT AUTHORITY

Mark E. Hanna, A.A.E., Executive Director
Springfield Airport Authority

November 18, 2021

To the Citizens of the Springfield Airport Authority's Taxing District and
Commissioners of the Springfield Airport Authority:

State law requires that every local governmental entity publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Eck, Schafer & Punke, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Springfield Airport Authority's financial statements for the year ended June 30, 2021. The independent auditors' report is located on pages 17, 18 and 19 of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Springfield Airport Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 18th 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 annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

1200 Capital Airport Drive • Springfield, Illinois 62707
217-788-1060 • 217-788-8056 (Fax) • www.flyspi.com

Profile of the Authority

The Authority is an Illinois Municipal Corporation established April 4, 1945 under authority granted by Illinois Compiled Statutes 70 ILCS 5/.01 and titled “An Act in Relation to Airport Authorities”. The act was implemented for the purpose of the establishment and continued maintenance and operation of safe, adequate and necessary public airports and public airport facilities within the State of Illinois and the creation of airport authorities having powers necessary or desirable for their establishment and continued maintenance. Operation of such airports and facilities are declared and determined to be in the public interest, and such powers and the corporate purposes and functions of such authorities are declared to be public and governmental in nature and essential to the public interest.

The Authority owns and operates Abraham Lincoln Capital Airport, an air carrier airport located in the north central part of Sangamon County, Illinois. It is situated in the northwest corner of the City of Springfield, partially within and partially outside the city limits. The Airport is located about 200 miles southwest of Chicago and about 100 miles northeast of St. Louis on interstate highways I-55 and I-72. The Authority’s taxing district consists of a portion of the City of Springfield as established by Illinois law and a portion of Sangamon County outside the Springfield city limits and is approximately bordered on the north by the Sangamon River, on the east by I-55, on the south by the northern portion of the Village of Chatham, and on the west by Bradfordton and Meadowbrook Roads.

The Authority’s Board of Commissioners consists of seven members, appointed to staggered five-year terms. Four are appointed by the Mayor of the City of Springfield and three by the Chairman of the Sangamon County Board. 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 the statutes provide for a specific procedure for removal from office. Policy-making legislative authority rests with the Board that has, among other responsibilities, the approval of ordinances and resolutions, adopting a budget, hiring an Executive Director and setting overall policy. The Executive Director is responsible for carrying out the policies, ordinances and resolutions of the Board and overseeing the day-to-day operations of the Authority.

Meetings of the Board are generally held on the third Tuesday of the month at 5:00 p.m. in the Knotts Room on the east end of the second floor of the terminal. Meetings are open to the public.

Authority’s Economic Condition

Local Economy

The estimated population of the Authority taxing district in 2021 is 135,385, down from 136,363 in 2020. The per capita personal income for 2021 is $33,412 with a median household income of $54,335. The median home value is $145,856 with a median age of 40.3. There are 67,337 estimated housing units in 2021 - of those 37,507 are owner occupied with an average home value of $181,660. The civilian labor force in 2021 is 68,701 with an unemployment rate of 8.8%.

FY 2021 Highlights

- Received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report.

- IDOT 2020 Airport of the Year

- IDOT 2021 Outstanding Achievement Award for Terminal ADA, Phase IV Project

- During this fiscal year the Authority has received a passing rating as part of the FAA Airport Certification Inspection. The inspection includes a review of the fuel farm, airfield condition, airfield lighting and signs. Document review includes auditing the Certification Manual, aircraft rescue and firefighting training records, inspection reports of the fuel facilities, fueling agents' training certification, records of the most recent Airport Emergency Plan and the Full-Scale Disaster Exercise, airfield daily self-inspection records, the Airport Master Record and the NOTAM (Notice to Airmen) records. The Authority maintains an impeccable safety inspection record as it pertains to maintaining and operating a commercial air service airport.

- Received two Airport Improvement grants totaling $5,404,275 in federal funds.

- Received the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) grant totaling $1,069,849 in federal funds.

Accounting System and Budgetary Control

The Authority's reporting entity is defined by GASB Statement Number 39. In accordance with this Statement, the reporting entity includes all departments, operations and entities for which the Authority is legally accountable. The financial statements include only departments of the Authority and no other governmental unit.

The Authority is structured as an enterprise fund. All financial statements are presented on the accrual basis of accounting. The Authority uses a purchase order system for internal control as well as following a Purchasing Standard Operating Procedure and a Board-adopted Purchasing Policy.

Internal Control

In developing and evaluating the Authority's accounting system, consideration is given to the adequacy of the internal controls. They are designed to provide reasonable, but not absolute, assurance regarding: (1) the safety of assets against loss from theft, unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits require estimates and judgment by management.

Evaluations of the Authority's internal controls occur within the above framework. We believe the Authority's internal controls adequately safeguard assets and provide reasonable assurance for the proper recording of financial transactions.

Additionally, as a recipient of federal and state financial assistance, the Authority is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management of the Authority.

Any state, local government, or nonprofit organization that spends at least $750,000 of federal grant funds in a fiscal year (for which the federal government will reimburse the Authority either in FY 2021 or a subsequent year) is required to have an audit performed in compliance with Title 2 U.S. *Code of Federal Regulations part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Tests were made to determine the adequacy of the internal controls, including that portion related to federal financial assistance programs, as well as to determine that the Authority has complied with applicable laws and regulations. The results of the Authority's single audit for the year ended June 30, 2021, disclosed no instances of material weakness in the internal controls or material violations of laws and regulations. Information related to the Single Audit is included on pages 108 to 118 of this report.

Audit Function

The Authority is audited annually by an independent firm of certified public accountants. In addition, the Authority is audited for state law compliance with the Comptroller of the State of Illinois. The Authority's independent accountant also audits for compliance with the Uniform Guidance, relative to federal financial assistance received from the Federal Aviation Administration, when required.

The Budget

Authority management has long recognized the importance of proper and accurate budgeting. To this end, Authority management created a comprehensive line item budget for FY 2021. Regarding expenses, the Operations and Maintenance sub-fund consists of six departments for accounting purposes: Administration, Maintenance, Custodial, Public Safety, Marketing and Passenger Services. Each of these departments has between 8 and 53 budget line items in the categories of personnel, services, materials and supplies, and equipment. Examples of such line items are training, utilities, vehicle repair, signs and furniture. Each of these line items, in turn, has its own budget sheet which includes a detailed breakdown for FY 2021. For example, vehicle repairs in the Maintenance department include eleven sub-items, such as radiator repair, wheel alignment and crash truck troubleshooting. Regarding revenues, Operations and Maintenance has nine categories - airlines, fixed base operations, government, terminal, car rental, east quadrant, other tenants, non-tenants and Passenger Services. The categories consist of 36 line items, such as United Express, Stellar Aviation, Avis Car Rental, T-Hangars - South Quadrant and Taxes - Replacement. Each of these line items has a detailed description of how the current fiscal year budgeted amount is arrived at, as well as (for the FY 2021 budget) the actual revenues by year for each line item from 2008 to 2019, the budgeted amount and estimated revenue to be received in 2020, and the budgeted amount for 2021. Except where clearly not applicable, the budget was created using the zero-based budgeting procedure whereby staff was required to estimate all revenues and expenditures as though each revenue and expenditure was in effect for the first time.

Federal and State Grants

The Authority receives both federal and state grants. Pursuant to the "Airport and Airway Improvement Act of 1982", the federal government has participated with the Authority and the State of Illinois, Department of Transportation, Division of Aeronautics, for the acquisition and development of Abraham Lincoln Capital Airport. Participation has been via Airport Improvement Program Grants whereby the cost of construction projects is generally shared 90/5/5 or 90/0/10 percent by the Federal Aviation Administration, Illinois Department of Transportation, and the Authority, respectively. Administration of these grants is the responsibility of the Division of Aeronautics. On selected construction projects the Division of Aeronautics and the Authority are the only grant participants. The cost of these projects is typically shared on a 50/50 or 80/20 basis. During FY 2021, the Authority was awarded three grants through the FAA/Illinois Division of Aeronautics:

- Remove Runway 18/36, Phase I
- Remove Runway 18/36, Phase I Supplemental
- Coronavirus Response and Relief Supplemental Appropriation (CRRSA)

Long-Term Financial Planning

The Authority from time to time does financial planning – projecting long-term revenues and expenses – but has found that both revenues and expenses have been fairly stationary over time. Large revenue and expenditure streams start and stop, but the Authority's financial position continues to be stable with most of the financial ratios having a slightly favorable long-term trend as discussed in more detail on pages 21 and 22.

The Authority's long-term capital improvement plan is to review every capital project to determine if it is eligible for federal and/or state grant funding through the Airport Improvement Program (AIP) and/or Passenger Facility Charges (PFC). The Authority's local funds are thereby leveraged by using AIP and PFC funds when a project so qualifies.

Throughout its existence the Authority has been purposeful in attempting to build cash reserves to fund contingencies and future facilities development. The Authority uses these assets to provide services to the Airport.

Financial Policies

The Authority has had a strong ongoing effort in recent years to attract airlines and expand existing service. This effort has led to the occasional providing of incentives to airlines to varying degrees and maintaining excellent working relationships with SPI incumbent carriers - American Airlines, United Airlines and Allegiant Air. In September of 2012 the Authority received a Small Community Air Service Development Grant to "Secure and support new nonstop low-cost service from Abraham Lincoln Capital Airport at Springfield to leisure destinations by utilizing ground handling cost offsets and a target marketing program". As a result, Allegiant Travel Company began twice weekly nonstop flights between Ft Myers/ Punta Gorda, Florida and Abraham Lincoln Capital Airport with an effective date of November 8, 2012. Staff maintains regular communications with Allegiant's route planning/scheduling team to discuss other prospective markets that may have potential for long term success. Also, the Authority may provide introductory rent and fee abatement incentives to airlines starting or expanding service from Abraham Lincoln Capital Airport in accordance with federal policies and regulations. The Authority's Passenger Services Department provides ground handling services, consisting of above wing (counter and gate services) and below wing (ramp and baggage handling services), to attract and incentivize airlines to consider expanding current or to fly new routes to SPI. These ground handling services incentives can provide large initial cost savings to prospective airlines, while generating additional revenue for the Authority.

Other financial policies of the Authority that have an effect on the current period's financial statements are:

- With very few exceptions, rents and fees increase annually by the increase in the Consumer Price Index over the previous calendar year. More recently, this has been expanded for new leases to be the greater of the previous year's CPI increase, or an increase of 2.5%.

- The Authority has a leasing policy in order to standardize lease terms, signature authorization, renewals, amendments and legal approval.

- The Authority is self-insured for Workers' Compensation insurance and has accumulated about $969,000 in assets against claims payable of about $25,000.

- As indicated at the bottom of page 4, the Authority follows zero-based budgeting, whereby all parts of each line item are identified, except where clearly not applicable, rather than the traditional incremental budgeting which assumes the previous year's budget is automatically approved and only increases need to be identified.

- The Authority has had a Vehicle Replacement Program in effect since FY 2008 whereby funds are set aside monthly for the acquisition of future vehicles. The amount set aside during FY 2021 was $245,285 and at June 30, 2021 the balance available was about $746,000.

- At any given time, the Authority has between $1 million to $2 million available for investment. All checking account money is in Bank of Springfield and as funds are available for investment in a certificate of deposit or money market, a process is undertaken whereby interest rate quotes are sought from the high bidder from the previous solicitation plus three other financial institutions from among those who previously expressed interest.

- Because the Illinois Municipal Retirement Fund experienced heavy losses in its investment portfolio in calendar 2008, for calendar 2010 the Authority elected the higher of the two possible rates (the Annual Required Contribution) in order to more quickly pay off its increased liability and has continued the ARC since then.

- The Authority has implemented a management initiative to reduce energy costs. This has taken the form of obtaining Illinois Clean Energy Foundation Grants, the issuing of over $2 million of general obligation bonds to finance energy efficiency and conservation measures, the acquisition of natural gas from an alternate supplier at a lower cost, the transition of lights from T12 and T8 to T5, installation of two solar thermal hot water systems, and other primarily terminal building energy conservation projects.

- In an attempt to reduce expenses, in November of 2013 the Airport Authority revised a number of its employee policies which, among other things, reduce vacation time earned for new employees. Additionally, new employees leaving the Authority are not paid for a portion of health coverage and are also paid for less of their accrued sick time compared to current employees leaving the Authority. Additional similar changes were made in January of 2016.

Commitments and Contingencies

Certain airport capital improvements which are funded through Federal Aviation Administration (FAA) and Illinois Division of Aeronautics (IDOA) grants are subject to audit and acceptance by the granting agency. At June 30, 2021 there were six FAA and IDOA grants open at Abraham Lincoln Capital Airport:

The FAA/IDOA grants open:

- Rehabilitate Perimeter Access Road, Phase II (AIP-71)
- Terminal ADA Improvements, Phase IV (AIP-71)
- Install Wildlife Perimeter Fencing, Rehabilitate Runway 4/22 (AIP-73)
- Remove Runway 18/36 (AIP-74)
- Coronavirus Response and Relief Supplemental (CRRSA) Act
- Coronavirus Aid, Relief and Economic Security (CARES) Act

Passenger Facility Charge (PFC)

The Authority was one of only five airports in the nation that had met the requirements for collecting PFCs by the first day of eligibility, June 1, 1992. The Authority collected $3.00 per enplaned passenger from that date until May 1, 2002 when the amount increased to $4.50. As of June 30, 2021, the Authority has collected $9,412,145.55 in PFCs, earned an additional $282,371.74 in interest, paid $73.15 in fees and spent $9,300,604.30 on FAA-approved projects, with a remaining cash balance of $47,767.16. Further information is available on pages 106 through 107 of this report.

Awards & Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) award a Certificate of Achievement for Excellence in Financial Reporting. This is the highest form of recognition for excellence in state and local government financial reporting. The Springfield Airport Authority received the Certificate of Achievement for its 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 reports and is submitting this report to the GFOA to determine its eligibility for a certificate for the year ending June 30, 2021. In order to be awarded this Certificate, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

The valuable assistance of Eck, Schafer & Punke, LLP, the Authority's independent accounting firm, is acknowledged, as well as that of Diane Boyle, Marilyn Carnduff, Amanda Paz and Traci Cline-Carter of the Authority's staff. Credit must also be given to the Authority's Board of Commissioners and Officers for their support for and insistence on maintaining the highest standards of professionalism in the management of the Authority's finances.

Further Information

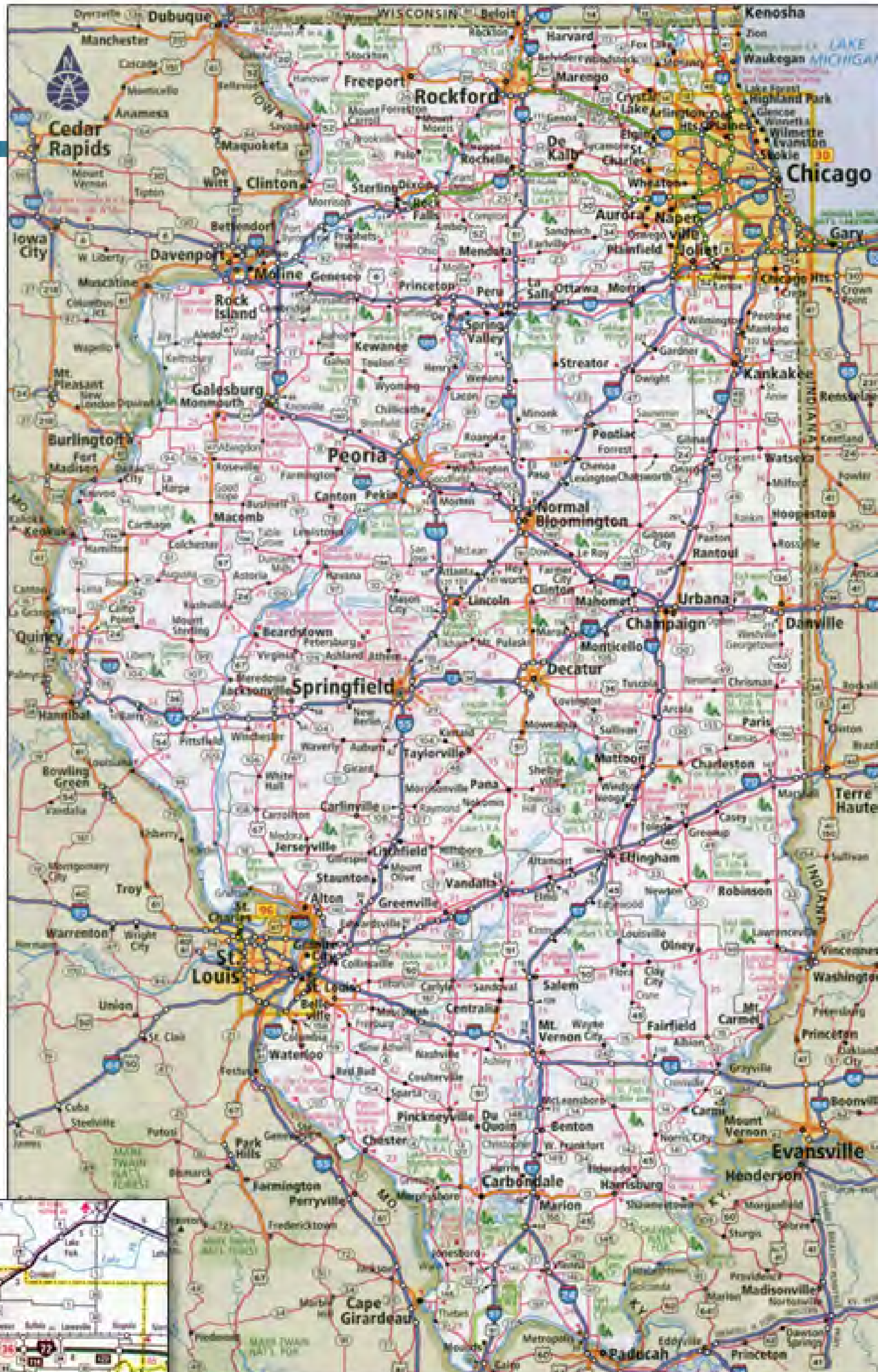
The Authority's web site is www.flyspi.com. Questions and comments may be addressed to the Authority at: Springfield Airport Authority, 1200 Capital Airport Drive, Springfield, IL 62707, phone 217-788-9213, fax 217-788-8056, or email at kboyle@flyspi.com.

Sincerely,

Mark E. Hanna, A.A.E.	Kenneth R. Boyle
Executive Director	Deputy Executive Director

LOCATION

ILLINOIS



SANGAMON COUNTY

Abraham Lincoln Capital Airport

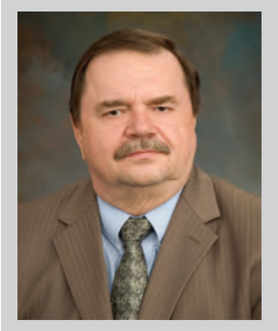
Springfield, Illinois

ABRAHAM LINCOLN CAPITAL AIRPORT INFORMATION

Airport Classification : Primary Commercial Service Airport
Airport Size : 2,408 acres
Elevation : 597 feet
Latitude : 39 ˚ 50′ 39″
Longitude : 89 ˚ 40′ 41″

RUNWAY SYSTEM	ORIENTATION	LENGTH	WIDTH
Runway 4/22	Northeast to Southwest	8,000 feet	150 feet
Runway 13/31	Northwest to Southeast	7,400 feet	150 feet
Runway 18/36	North to South	5,300 feet	150 feet
INSTRUMENT LANDING SYSTEM			
Runway 4 & 22	FAA Category I		
Runway 31	FAA Category I		
TERMINAL COMPLEX			
Terminal Size	Total Space 93,200 square feet Total Rentable Space 37,116 square feet		
Gates	Total Gates = 4		
Passenger Service	Passenger Airlines = 3 Daily Weekday Departures = 5		
Parking	Total spaces near terminal - 1095		
ANCILLARY SERVICES			
General Aviation	Fixed Base Operators (FBO) = 1 Maintenance Refurbish Overhaul (MRO) = 1 Based aircraft = 169 (estimated)		
T Hangars	159		

Springfield Airport Authority Principal Officials



Frank J. Vala
Chair
19 Years

J. Michael Houston
Vice Chair
6 Years

Dianne Hardwick
Commissioner
8 Years

Elizabeth Delheimer
Commissioner
3 Years

Dr. Susan R. Shea
Commissioner
3 Years

Timothy J. Franke
Commissioner
2 Years

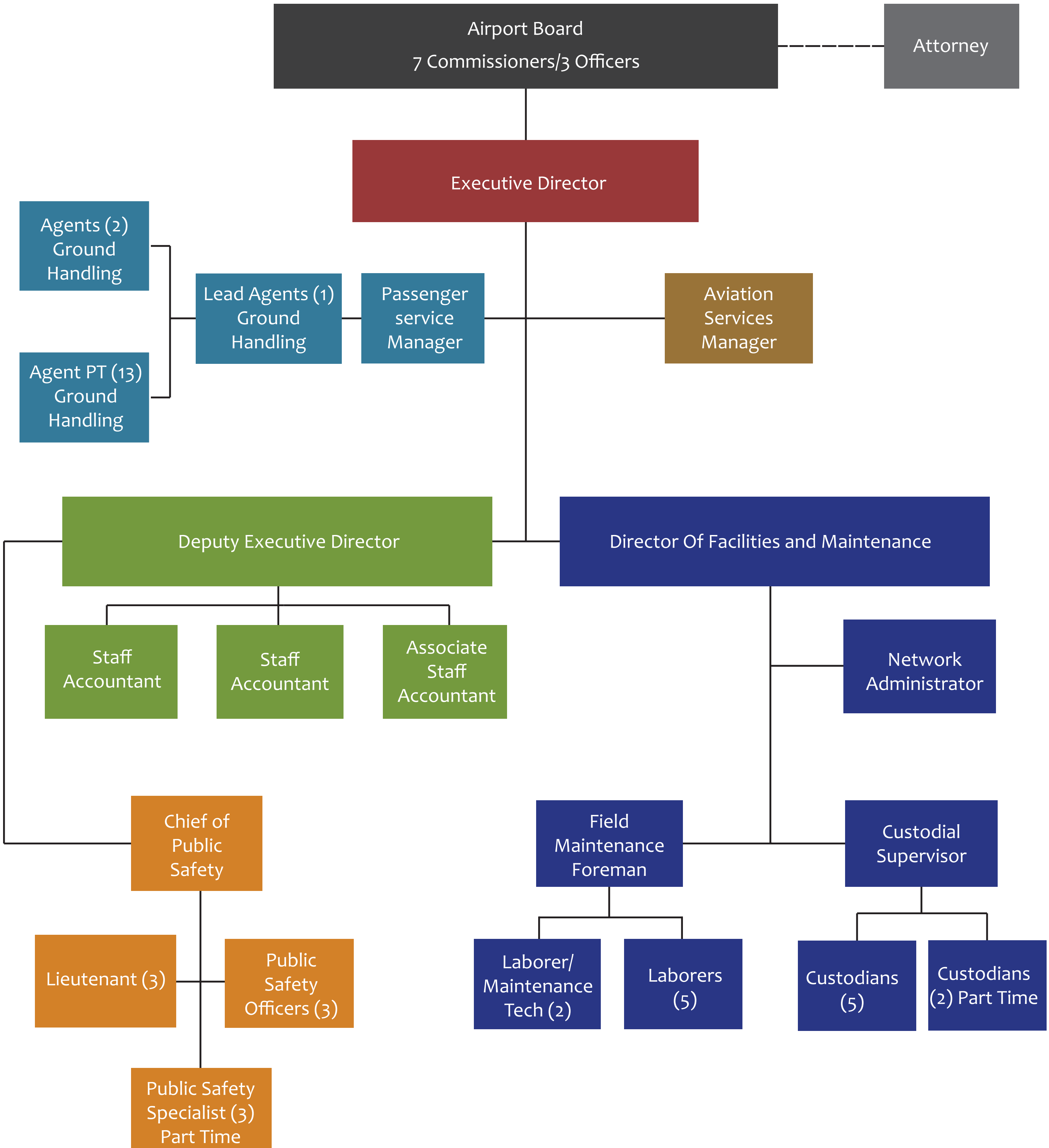
Teresa Haley
Commissioner
1 Year

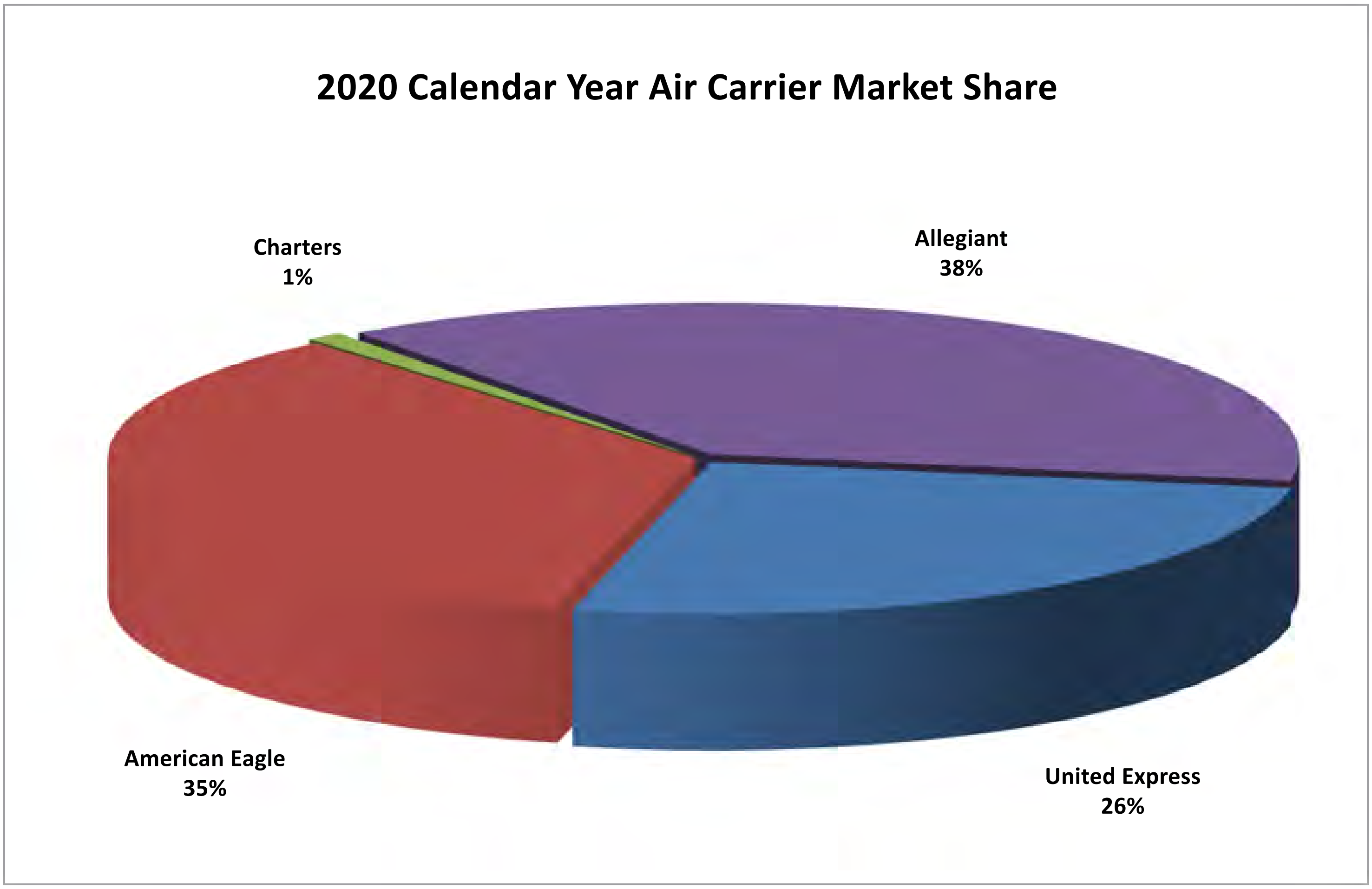
Mark Kinnaman
Treasurer
15 Years

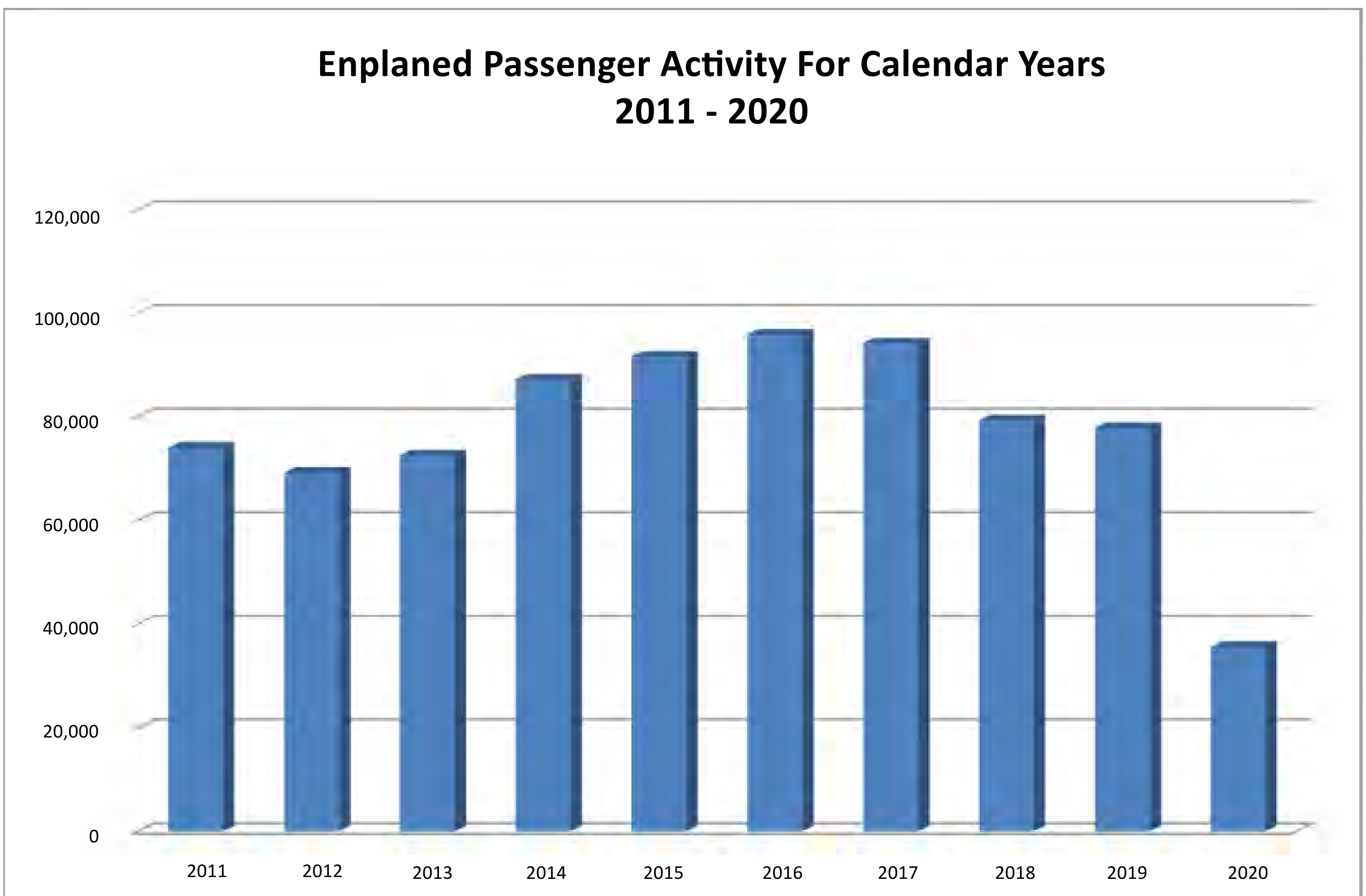
R. Beverly Peters
Secretary
13 Years

Mark E. Hanna, A.A.E.
Executive Director
15 Years

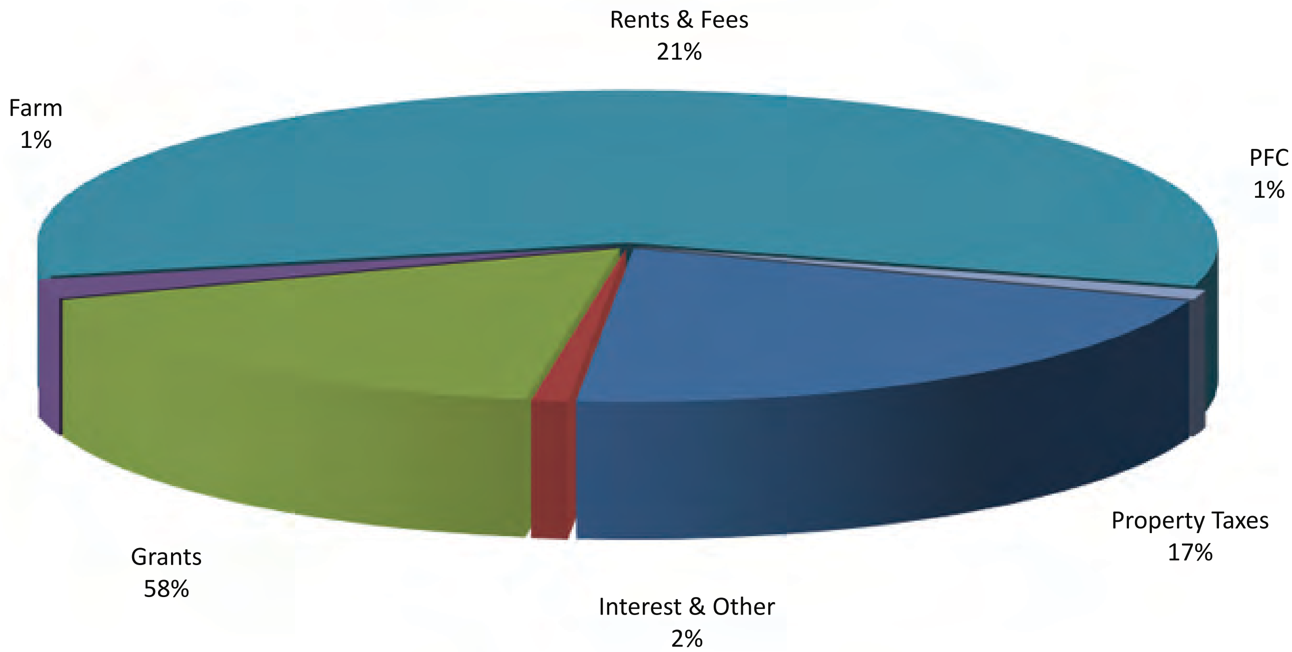
Springfield Airport Authority Organizational Chart



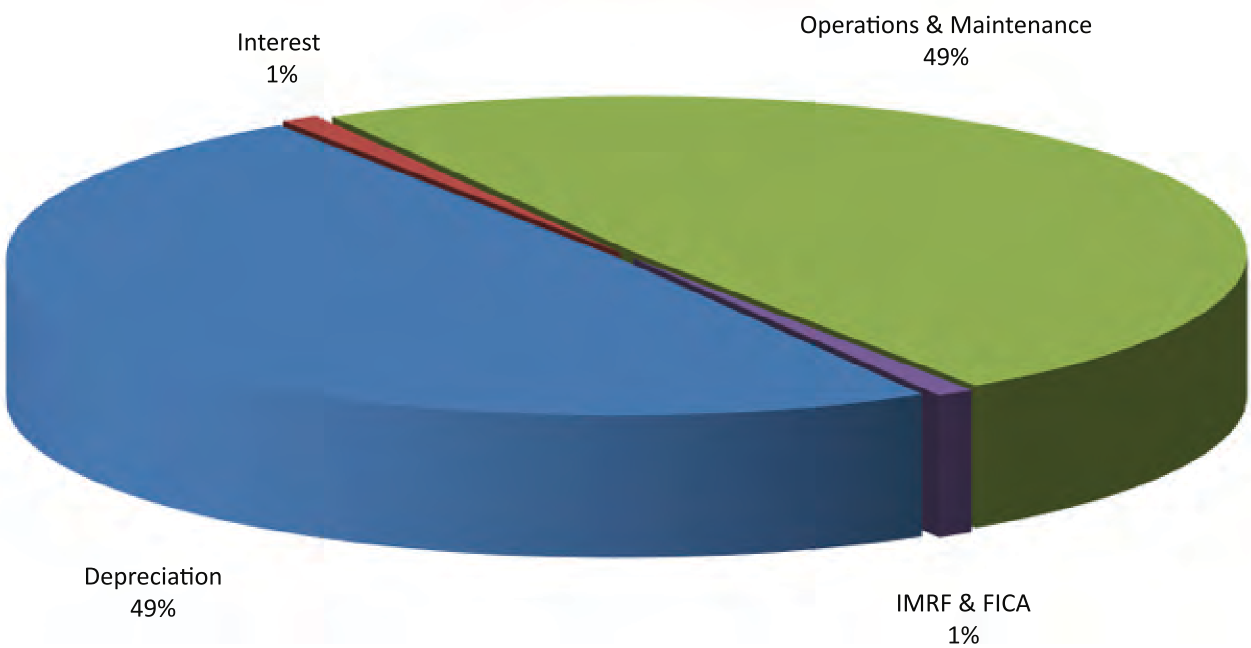

2020 Calendar Year Air Carrier Market Share
Charters
1%
Allegiant
38%
American Eagle
35%
United Express
26%


Enplaned Passenger Activity For Calendar Years
2011 - 2020
120,000
100,000
80,000
60,000
40,000
20,000
0
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020

FY 2021 COMPOSITION OF THE REVENUE DOLLAR



FY 2021 COMPOSITION OF THE EXPENSE DOLLAR



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Springfield Airport Authority
Illinois

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL

2021

2021

ECK, SCHAFER & PUNKE, LLP
CERTIFIED PUBLIC ACCOUNTANTS

227 South Seventh Street
Springfield, Illinois 62701
217-525-1111
Fax 217-525-1120
www.espcpa.com

Independent Auditors' Report

Board of Commissioners
Springfield Airport Authority
Springfield, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Springfield Airport Authority (the Authority) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 auditors' 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 auditors consider 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 respective financial position of Springfield Airport Authority as of June 30, 2021, and the changes in its financial position and its cash flows thereof 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 management's discussion and analysis (MD&A) along with the information listed in the table of contents as Required Supplementary Information be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying financial information listed as "Supplemental Financial Information" in the table of contents is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The accompanying financial information listed as "Schedule of Expenditures of Passenger Facility Charges" in the table of contents is presented for the purposes of additional analysis as specified in the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration, and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements*, *Cost Principles*, and *Audit Requirements of Federal Awards*, and is also not a required part of the basic financial statements. The information in the "Supplemental Financial Information" and "Schedule of Expenditures of Passenger Facility Charges" and "Schedule of Expenditures of Federal Awards" is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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.

The introductory section and statistical section listed in the foregoing table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 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 soley to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Eck, Schafer & Punke, LLP

Springfield, Illinois
November 16, 2021

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Authority's financial activity, (3) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (4) identify any material deviations from the financial plan (the approved budget).

Within this Financial Section, following the MD&A, are the basic financial statements that include the Balance Sheet; Statement of Revenues, Expenses and Changes In Net Position; Statement of Cash Flows; and Notes to Financial Statements. In addition to the basic financial statements, the report also contains Required Supplementary Information, Supplemental Financial Information, an Introductory Section, a Statistical Section that is useful in understanding the overall operations of the Airport, a section on Passenger Facility Charges (PFCs), and a section on internal controls.

The Authority's basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Under this method of accounting an accrual basis of accounting is used. Revenue is recorded when earned and expenses are recorded when incurred. The proprietary fund is divided into the following sub-funds: Operations & Maintenance, Capital Improvement, Clear Zone, 2011 G.O. Bonds-Bonds, 2017 G.O. Bonds-Project, 2017 G.O. Bonds-Bonds, Property & Equipment, IMRF & FICA, Capital Improvement Project Reserve, Workers' Compensation & Post Employment Benefits Compliance, Passenger Facility Charges #2, Passenger Facility Charges #3, Passenger Facility Charges #4, Passenger Facility Charges #6, Passenger Facility Charges #7, Passenger Facility Charges #8, and Property Taxes.

Government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private-sector business. The Authority's presentation of its financial statements are, in and of themselves, government-wide. Not only is the Authority a legally separate and single entity, it accounts for itself, as indicated, using a single Proprietary Fund, specifically called an Enterprise Fund. An Enterprise Fund is required by generally accepted accounting principles when it is the government's policy to establish fees and/or charges designed to recover the cost of providing services, similar to the practices of a business activity.

Fiscal Year 2021 Financial Highlights

- Assets exceeded liabilities by about $73,658,000 (net position) at the close of the fiscal year. Of this amount, about $10,809,000 is unrestricted and available to meet ongoing and future obligations of the Authority including its share of capital projects. The Authority's Deferred Outflows of Resources were $614,507 this fiscal year, while Deferred Inflows of Resources were $1,789,570.

- The Authority's net position increased about $9,379,000 compared to last year.

- The operating loss (prior to the addition of non-operating revenues and expenses, which resulted in a net loss before contributions – see following item) decreased about $529,000 over last year.

- The net gain was about $9,379,000, compared to a net gain of about $1,130,000 last year. Contributions generally vary considerably from year to year and are the primary reason for the Authority showing a net income or net loss in any given year, in FY 2021 they increased about $7,227,000 from FY 2020.

- In July 2020, the Airport Authority Board of Commissioners levied taxes at about 29% higher than 10 years ago - $2,962,000 in 2020 compared to $2,303,305 in 2011. This is a change of $658,695 in 10 years. This means the owner of a $120,000 home will pay $41.68 to the Authority in property taxes, only about $1.20 more than last year's $40.48. The Authority's tax rate has increased a total of 14% in the last ten years. (The tax rate refers to the amount of tax received/paid as a percentage of the taxable property in the Authority's taxing district.) It is estimated that the assessed value change of property values in the Authority's taxing district increased approximately 11% from 2011 through 2020.

- Total Operating Expenses decreased about $649,000. This is due primarily to a $291,000 decrease in Operations and Maintenance compared to last year. IMRF and FICA decreased $360,000 compared to last fiscal year and depreciation increased $2,000 from last fiscal year.

Financial Ratios

- Working Capital – the amount by which current assets exceed current liabilities – in thousands of dollars.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
3,450	3,442	3,813	5,681	5,008	9,069	7,892	5,486	4,522	11,298

- Current Ratio – current assets divided by current liabilities – measures the ability to pay current obligations.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
2.8 times	4.1 times	3.9 times	5.8 times	1.9 times	9.7 times	2.2 times	2.8 times	3.7 times	6.6 times

- Days Sales Outstanding – accounts receivable divided by total daily rent and fee income (annual rent and fee revenue divided by 360) – this measures the Authority's ability to collect accounts receivable within a timely period – in days.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
58.0	42.5	32.2	17.0	20.9	22.7	19.0	11.5	11.1	21.2

- Debt Ratio – total liabilities divided by total assets. This ratio measures the proportion of total assets provided by a company's creditors.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
.22	.20	.20	.22	.21	.21	.20	.20	.18	.16

- Debt to Equity Ratio – long-term debt divided by total equity (total net position) - measures the percentage of debt tied up in equity.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
.24	.23	.22	.25	.23	.22	.14	.16	.18	.19

- Total Asset Turnover – sales (total rent and fee income) divided by total assets. This is a measure of how efficiently and effectively the Authority uses its assets to generate rent and fee income.

2012	2103	2014	2015	2016	2017	2018	2019	2020	2021
.06	.05	.05	.04	.05	.05	.05	.05	.05	.05

Most of the ratios have remained fairly stable over the years. This year Working Capital and Current Ratio had an increase. Days Sales Outstanding increased, and the ratio is still low, primarily due to no tenant owing a large amount at the end of FY 2021. The other ratios are similar to last year.

Fiscal Year 2021 Financial Impacts

The Authority's revenues and expenses are impacted by the following seven factors:

Revenues

- Economic Condition – the national, state and local economies affect the taxing district's assessed valuation (the value of all taxable real estate) which affects the

Authority's tax rate. State of Illinois Replacement Taxes received are a direct result of the business climate in the state, the amount of airline travel is dependent on the state of the economy, and almost all of the Authority's tenants are affected to some degree by the economy which influences the amount of space able to be rented, the number of tenant bankruptcies and the ability of the tenants to make timely lease payments, all of which affect the Authority's revenues.

- Rental Rates – the amount of space available to be leased by the Authority is fairly constant, but essentially all rental rates have been increased in recent years at least by the same percentage as the increase in the CPI, and some by higher percentages.

- Changing Patterns In Grant Revenues – grant revenues fluctuate from year to year depending on the appropriation level from the U.S. Congress and the Illinois State Legislature.

- Market Impacts on Investment Income – the Authority has had between about $2 million to $4 million invested at any one time during the last few years. Market conditions affect the interest rate the Authority earns.

Expenses

- New Programs – the introduction and deletion of initiatives affects the Authority's ability to balance its budget since most new programs do not result in an accompanying increase in revenues.

- Number of Employees – over the last few years the number of employees has fluctuated from the low 30's to the low 50's, with the number at 32 full-time, 17 part-time and 2 seasonal employees at June 30, 2021. The number changes due to the addition or deletion of programs and projects, such as operation of the restaurant/snack bar, providing ground handling services, and subcontracting of firefighting services.

- Inflation – inflation has been increasing steadily (an increase of 5.4% for fiscal year ending June 30, 2021). Depending on the level of capital projects in a given year, the Authority purchases about $5 to $6 million annually in equipment, materials, supplies and personnel resources, all of which are subject to inflation.

Financial Analysis (Amounts in the charts below are in thousands of dollars)

Net Position

Net position increased about $9.379 million, from about $64.279 million to $73.658 million. Contributions increased $7.227 million over last year. This was mostly due to the receipt of CARES Act and CRSSA grant revenues. Total capital assets, including CIP, increased about $2.5 million. The Authority's capital assets with the completed construction projects and equipment is described on page 26.

		FY21		FY20
Current assets	$	13,307	$	6,218
Capital assets		74,935		72,439
Net Pension asset		920		0
Total assets	$	89,162	$	78,657
Deferred outflows	$	615	$	943
Current liabilities	$	2,009	$	1,696
Long term liabilities		12,320		12,593
Total liabilities	$	14,329	$	14,289
Deferred inflows	$	(1,790)	$	(1,032)
Net investment in capital assets	$	62,507	$	60,238
Restricted		342		372
Unrestricted		10,809		3,669
Total Equity / Net Position	$	73,658	$	64,279

Operating Revenues

Operating revenues decreased 2.8% from the previous year.

		FY21		FY20
Rents & fees	$	4,078	$	4,197

Non-Operating Revenues

Non-operating revenues increased 2.0% from the previous year. This was due to an increase of about $176,000 in tax revenue and a $233,000 increase in miscellaneous income.

		FY21		FY20
Tax revenue	$	3,338	$	3,162
Interest income		19		21
Passenger facility charges		113		250
Farm income, net		163		160
Miscellaneous		333		100
Total	$	3,966	$	3,693
Total Revenues	$	8,044	$	7,890

Operating Expenses

Operating expenses decreased $649,000, or 6.3% compared to the previous year. This was mostly due to a decrease in Operations and Maintenance of $291,000 from FY20 to FY21. IMRF and FICA expenses decreased $359,000 over last fiscal year.

	FY21	FY20
Operations & Maintenance	$ 4,735	$ 5,026
Depreciation	4,796	4,795
IMRF & FICA	119	478
Total	$ 9,650	$ 10,299

Non-Operating Expenses

Non-operating expenses decreased 37% in FY 2021 compared to FY 2020. This was due to the fact that interest expense decreased about $219,000.

	FY21	FY20
Interest expense	$ 126	$ 345
Total Expenses	$ 9,776	$ 10,644
Change In Net Position Before Contributions	$ (1,732)	$ (2,754)

Contribution Revenue

Contribution revenue, which is capital contributions from federal and state grants, increased from about $3,884,000 to about $11,111,000. This number normally fluctuates greatly from year to year.

Contribution Revenue	$ 11,111	$ 3,884

Change In Net Position

Change In Net Position	$ 9,379	$ 1,130
Beginning Net Position	$ 64,279	$ 63,149
Ending Net Position	$ 73,658	$ 64,279

Cash Flow & Fund Analysis

The Authority's balance of cash and cash equivalents increased about $5,464,000 compared to June 30, 2020. The increase in cash and cash equivalents is primarily due to the increase in contributions received during the year.

Capital Asset Activity

Capital projects are capitalized at cost and have been funded using a variety of financing sources, including Federal Aviation Administration (FAA), Illinois Division of Aeronautics (IDOA) and Department of Defense grants, revenue bond and general obligation (G.O.) bond issues, certificates of participation, bank loans, PFC (passenger facility charge) revenues, and general airport revenues (which consist primarily of tenant rents and fees and, to a lesser extent, local property taxes). The total investment in property and equipment as of June 30, 2021 was about $74,935,000.

The Authority generally uses only the sub-funds Capital Improvement and Clear Zone to pay for capital expenses. The primary exception is when such expenses are paid through a bond fund. An expense is generally considered to be a capital asset when it is in excess of $5,000, although other criteria need to be met for an item to be capitalized.

The larger projects the Authority completed in FY 2021 were acquiring a backup generator for the terminal at a cost of $199,177, and acquiring a land parcel for runway protection at a cost of $149,720.

The larger equipment acquired in FY 2021 was a ground power unit at a cost of $70,612, acquiring three mowers for airfield maintenance at a cost of $90,399, and a Public Safety vehicle at a cost of $58,994. Several other small equipment items were purchased.

The Authority also completed a leasehold improvement at a cost of $97,181 for the Illinois Army Guard, and a road widening for a commercial tenant at a cost of $22,179.

More detailed information on capital asset activity is available in Note 4 to the Financial Statements starting on pages 38 and 39.

Changes In Fund Net Position

Review of the changes in fund balances (net position) on pages 66, 67 and 69 indicates the following large changes: an increase of about $6,021,000 in Capital Improvement due primarily to contribution revenue in excess of transfer to Property and Equipment; a decrease of about $3,861,000 in Property and Equipment due to approximately $4,796,000 of depreciation exceeding new capital assets added; an increase of about $5,166,000 in Operations and Maintenance.

Long-Term Debt Activity

The outstanding long-term debt of the Authority at June 30, 2021 was about $12,428,000, an increase from FY 2020 of about $205,000. This is due primarily to increased borrowing for the FBO Rehabilitation exceeding the normal debt retirement during the year.

The Authority's long term debt consists of the following:

\$4,353,000	2017 G.O. Bonds – issued to repair, renovate, improve and equip the Authority including rehabilitation of the General Aviation Terminal and Fixed Base Operator facilities.
\$ 218,840	2011 G.O. Bonds – 10 year bonds – issued in October 2011 primarily for energy efficiency and conservation measures, specifically energy recovery systems, HVAC modifications and replacements, insulation, automated and computerized energy control systems, replacement and modification of lighting fixtures, and caulking and weather stripping. Also acquired was a deicing truck.
\$2,009,684	Note Payable – for Southeast Quadrant T-Hangars-Rows G-N (financed by tenant lease payments) – this is for aircraft hangars.
\$4,953,167	Note Payable – for FBO rehabilitation construction project. This note is secured with two lease agreements derived from tenants.
\$ 893,133	Note Payable – for the project to rehabilitate and upgrade Hangar 3.

As indicated previously in the section on Financial Ratios, the Authority's debt ratio has decreased over the last ten years from .22 in FY 2012 to .16 in FY 2021. The debt to equity ratio has decreased from .24 in FY 2012 to .19 in FY 2021.

The Authority's line of credit was paid off in 1999 by using a portion of the proceeds of the 1999 G.O. Bonds, which was subsequently refunded by the 2002 G.O. Bonds. The available line of credit with Illini Bank expired in January 2002 and the Authority has seen no reason to reinstate a line since then.

Additional information on the Authority's debt can be found in Note 5 of this report starting on page 40.

<u>Request For Additional Information</u>

This financial report has been prepared to provide the residents of the Springfield Airport Authority's taxing district, tenants, vendors, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to: Ken Boyle, Deputy Executive Director, Springfield Airport Authority, 1200 Capital Airport Drive, Springfield, Illinois 62707.

BASIC FINANCIAL STATEMENTS

SPRINGFIELD AIRPORT AUTHORITY

BALANCE SHEET

June 30, 2021

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS		
Cash and cash equivalents	$	9,171,094
Restricted cash and cash equivalents		16,857
Receivables, net		
Rental		240,452
Taxes		1,276,305
Federal, state and local grants		2,267,208
Other		23,220
Restricted receivables - taxes		190,774
Other		121,524
Total current assets		13,307,434
NONCURRENT ASSETS		
Capital Assets		
Capital assets, net of accumulated depreciation of $ 118,633,511		40,362,802
Land		13,243,044
Construction in progress		21,328,938
Total capital assets		74,934,784
Net pension asset		919,907
Total noncurrent assets		75,854,691
TOTAL ASSETS		89,162,125
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows from pensions		587,300
Deferred outflows from other postemployment benefits		27,207
TOTAL DEFERRED OUTFLOWS OF RESOURCES		614,507
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	89,776,632

The accompanying Notes to Financial Statements are an integral part of this statement.

SPRINGFIELD AIRPORT AUTHORITY

BALANCE SHEET

June 30, 2021

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

CURRENT LIABILITIES		
Current maturities of long-term debt	$	511,590
Current maturities of long-term debt, payable from restricted investment accounts		246,840
Accounts payable		883,257
Accrued wages, vacation and sick leave, current portion		217,410
Other		149,941
Total current liabilities		2,009,038
LONG-TERM LIABILITIES		
Accrued vacation and sick leave, net of current portion		151,798
Other postemployment benefits liability		498,850
Long-term debt, less current maturities		11,669,394
Total long-term liabilities		12,320,042
TOTAL LIABILITIES		14,329,080
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows from pensions		1,597,997
Deferred inflows from other postemployment benefits		191,573
TOTAL DEFERRED INFLOWS OF RESOURCES		1,789,570
NET POSITION		
Net investment in capital assets		62,506,960
Restricted for PFC projects		342,219
Unrestricted		10,808,803
Total net position		73,657,982
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	89,776,632

The accompanying Notes to Financial Statements are an integral part of this statement.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

SPRINGFIELD AIRPORT AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended June 30, 2021

OPERATING REVENUES		
Rents and fees	$	4,077,798
Total operating revenues		4,077,798
OPERATING EXPENSES		
Operations and maintenance		4,735,143
Depreciation		4,796,372
IMRF and FICA		118,676
Total operating expenses		9,650,191
LOSS FROM OPERATIONS		(5,572,393)
NON-OPERATING REVENUES (EXPENSES)		
Tax revenue		3,337,534
Interest income		18,591
Passenger facility charges		113,417
Interest expense		(125,555)
Farm income, net		162,898
Miscellaneous income		332,883
Net non-operating revenues (expenses)		3,839,768
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS		(1,732,625)
CONTRIBUTIONS		11,111,289
CHANGE IN NET POSITION		9,378,664
NET POSITION, BEGINNING OF YEAR		64,279,318
NET POSITION, END OF YEAR	$	73,657,982

The accompanying Notes to Financial Statements are an integral part of this statement.

SPRINGFIELD AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users	$	4,300,080
Payments to suppliers		(2,196,373)
Payments to employees		(2,967,825)
Net cash from operating activities		(864,118)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from taxes		2,884,774
Proceeds from contributions		4,912,794
Proceeds from farm income		182,218
Net cash from noncapital financing activities		7,979,786
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash paid for capital assets and construction in progress		(7,032,839)
Federal and state advances and reimbursements for the purchase of capital assets		4,555,472
Passenger facility charges receipts		139,322
Principal payments on short-term and long-term borrowings		(748,804)
Proceeds from long-term borrowings		953,814
Interest on borrowings		(127,807)
Proceeds from taxes		590,380
Net cash from capital and related financing activities		(1,670,462)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income		18,591
CHANGE IN CASH AND CASH EQUIVALENTS		5,463,797
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		3,724,154
CASH AND CASH EQUIVALENTS, END OF YEAR	$	9,187,951

The accompanying Notes to Financial Statements are an integral part of this statement.

SPRINGFIELD AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS - Continued

For the Year Ended June 30, 2021

CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:

Cash and cash equivalents	$	9,171,094
Restricted cash and cash equivalents		16,857
Cash and cash equivalents, end of year	$	9,187,951

RECONCILIATION OF OPERATING LOSS TO
NET CASH FROM OPERATING ACTIVITIES

Loss from operations	$	(5,572,393)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation		4,796,372
Proceeds from miscellaneous non-operating activities		332,883
Changes in certain operating assets and liabilities:		
(Increase) decrease in:		
Receivables - rental		(110,601)
Other current assets		(35,225)
Deferred outflows of resources		328,314
Increase (decrease) in:		
Accounts payable and accrued liabilities		38,069
Net pension liability (asset)		(1,448,544)
Other postemployment benefits liability		44,840
Other liabilities		4,312
Deferred inflows of resources		757,855
Net cash from operating activities	$	(864,118)

The accompanying Notes to Financial Statements are an integral part of this statement.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Springfield Airport Authority (the Authority) is a body corporate and politic established by the Illinois Compiled Statutes. The Authority's board is jointly appointed by the City of Springfield and the Sangamon County Board. In accordance with the criteria established in the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, the Authority is not under control of a primary government. The Authority is legally separate and fiscally independent.

The Authority's governing body is appointed through other units of local government. Four commissioners are appointed by the Mayor of the City of Springfield and three are appointed by the Chairman of the Sangamon County Board. Therefore, even though the Authority is legally separate and fiscally independent, it is a related organization of the City of Springfield and Sangamon County.

The Authority applies all GASB pronouncements and has elected to apply only the pronouncements issued on or before November 30, 1989 for the following: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

The Authority has established accounting policies which conform to accounting principles generally accepted in the United States of America, as applicable to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The operations of the Authority constitute a proprietary fund type and are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses.

(a) Fund Accounting

The Authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The Authority is reported as an enterprise fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(b) Basis of Accounting

(1) The accounts are maintained, and the financial statements have been prepared, on the accrual basis of accounting.

(2) Property and equipment is stated at cost, including amounts contributed by Federal and State agencies. The Authority records all capital items, which are individually greater than $ 5,000, with a useful life of greater than one year, as capital assets.

(3) Depreciation is computed on the straight-line basis over estimated useful lives of ten to forty years for land and building improvements, runways, and roadways and three to ten years for equipment.

(4) Operating revenues include estimates of certain unbilled rents and fees which, under the terms of the lease agreements, are computed at a percentage of the lease income in excess of prescribed minimum amounts. Operating revenues and expenses generally result from providing services in connection with ongoing operations.

(5) Non-operating revenues from property taxes and certain other sources and the related receivables at year-end are recorded on the accrual basis when such revenues become measurable. Non-operating revenues and expenses include any revenues and expenses not included in operating revenues and expenses.

(6) The Authority rents hangars, buildings and office space to tenants under operating leases that expire over the next 1 to 20 years.

(7) The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be "cash equivalents."

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(c) Restricted Investment Accounts

The restricted investment accounts consist of the assets and liabilities of the accounts required by the various bond ordinances that are restricted for specific uses and are segregated on the financial statements.

(d) Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. Deferred outflows represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources until that time. The Airport's deferred outflows relate to deferred amounts to be recognized in pension and other postemployment benefits (OPEB) expenses in future periods.

In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. Deferred inflows represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time. The Airport's deferred inflows relate to deferred amounts to be recognized as reductions in pension and OPEB expense in future periods.

(e) Compensated Absences

The Authority accrues amounts for vested vacation and sick leave based on years of service and in accordance with various labor union agreements and internal policies. The activity for compensated absences for the year ended June 30, 2021 is as follows:

Balance at July 1	$ 385,733
Additions	200,885
Reductions	(217,410)
Balance at June 30	369,208
Less current portion	(217,410)
Long-term portion	$ 151,798

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(f) Net Position

Net position is classified into three major classifications: Net investment in capital assets, restricted and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Restrictions of net position represent amounts that are legally restricted by outside parties for a specific purpose. Unrestricted consists of all other net positions that do not meet the definition of "restricted" or "net investment in capital assets". It is the Authority's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

(g) Budgets and Budgetary Accounting

The Authority prepares an annual budget on a detailed expense basis. The budget reflects the annual appropriation ordinance as approved by the Board of Commissioners. The appropriations lapse at year-end.

(h) Use of Estimates

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(i) Subsequent Events

The Authority has assessed events that have occurred subsequent to June 30, 2021 through November 16, 2021, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements.

2. CASH AND CASH EQUIVALENTS

At June 30, 2021, the Authority's cash and cash equivalents consisted of regular checking accounts and money market accounts.

Permitted Deposits and Investments - Statutes authorize the Authority to make deposits/ investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

Custodial Credit Risk - Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, the Authority's Investment Policy requires that deposits with financial institutions in excess of FDIC insurance be collateralized in an amount of 100% of the uninsured deposits with the collateral held by a third party approved by the Authority.

Concentration of Credit Risk - In order to avoid unreasonable credit risks, the Authority's Investment Policy requires that diversification of the investment portfolio shall be made, consistent with the objectives of the Investment Policy. However, to the extent investments are made in fully guaranteed investments through either the FDIC or U.S. Government or fully collateralized other investments, diversification need not be considered a major factor in the Authority's Investment Policy. Commercial paper shall not exceed 10% of the investment portfolio.

Credit Risk - The Authority's Investment Policy requires funds be invested solely in investments authorized by the Public Funds Investment Act, 30 ILCS 235/2.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. At June 30, 2021, the Authority's cash and cash equivalents were deposits in financial institutions. None of the Authority's cash and cash equivalents are highly sensitive to interest rate fluctuations. The deposits are all demand deposits.

3. ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

The Authority reserves 2% of the estimated taxes receivable as uncollectible to reflect actual collection experience. As of June 30, 2021, the taxes receivable balance has been reduced by an uncollectible allowance of $ 58,325.

4. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2021 consists of the following:

	Balances July 1	Additions	Retirements	Balances June 30
Capital assets not being depreciated				
Land	$ 13,093,872	$ 149,172	$ -	$ 13,243,044
Construction in progress	14,972,037	7,142,617	785,716	21,328,938
Total capital assets not being depreciated	28,065,909	7,291,789	785,716	34,571,982
Capital assets being depreciated				
Building site and improvements	2,387,239	46,680	-	2,433,919
Runways, taxiways and aprons	66,235,481	-	-	66,235,481
Roads, walks, fences and landscaping	16,621,158	-	-	16,621,158
Terminal area improvements	13,515,906	306,855	-	13,822,761
Buildings	47,806,814	49,941	-	47,856,755
Utility systems	3,107,701	29,270	-	3,136,971
Equipment	8,584,398	352,970	48,100	8,889,268
Total capital assets being depreciated	158,258,697	785,716	48,100	158,996,313
Total capital assets	$ 186,324,606	$ 8,077,505	$ 833,816	$ 193,568,295

4. CAPITAL ASSETS - Continued

Accumulated depreciation activity for the year ended June 30, 2021 consists of the following:

	Balances July 1	Additions	Retirements	Balances June 30
Building site and improvements	$ 2,041,944	$ 66,427	$ -	$ 2,108,371
Runways, taxiways and aprons	49,460,201	1,746,979	-	51,207,180
Roads, walks, fences and landscaping	5,810,412	896,676	-	6,707,088
Terminal area improvements	8,035,560	688,116	-	8,723,676
Buildings	39,653,172	941,799	-	40,594,971
Utility systems	2,343,620	53,883	-	2,397,503
Equipment	6,540,330	402,492	48,100	6,894,722
Total accumulated depreciation	113,885,239	4,796,372	48,100	118,633,511
Capital assets, net of accumulated depreciation	$ 72,439,367	$ 3,281,133	$ 785,716	$ 74,934,784

At June 30, 2021, construction in progress totaled $ 21,328,938 representing amounts expended for capital improvement projects. Construction in progress includes the federal, state and local share of the construction projects managed by the Illinois Department of Transportation Division's of Aeronautics.

The construction in progress totaling $ 785,716 placed into service during the year ended June 30, 2021 consists of the following:

Building site and improvements	$ 46,680
Terminal area improvements	306,855
Buildings	49,941
Utility systems	29,270
Equipment	352,970
Total	$ 785,716

5. LONG-TERM DEBT AND RESTRICTED INVESTMENT ACCOUNTS

The Authority's long-term debt activity during the fiscal year ended June 30, 2021 consists of the following:

	Balances July 1	Additions	Retirements	Balances June 30	Current Portion
General Obligation Bonds: $ 2,144,000 - 2011 bonds maturing October 1, 2021 (a)	$ 437,680	$ -	$ 218,840	$ 218,840	$ 218,840
General Obligation Bonds: $ 4,391,000 - 2017 bonds maturing December 1, 2036 (b)	4,373,000	-	20,000	4,353,000	28,000
Note Payable (c)	2,233,958	-	224,274	2,009,684	228,361
Note Payable (d)	984,212	-	91,079	893,133	93,378
Note Payable (e)	4,193,964	953,814	194,611	4,953,167	189,851
Total debt	$ 12,222,814	$ 953,814	$ 748,804	$ 12,427,824	$ 758,430

(a) 2011 General Obligation Bonds

These bonds were issued to repair, renovate, improve and equip the Authority including, but not limited to the removal and installation of lighting and HVAC equipment, restroom fixture replacement and the purchase of a deicing truck. The bonds mature serially and require principal payments through 2021. Interest payments are due semi-annually at rates between 1.35% to 4.85%.

(b) 2017 General Obligation Bonds

These bonds were issued to repair, renovate, improve and equip the Authority including, but not limited to the rehabilitation of the General Aviation Terminal and the associated Fixed Base Operator facilities. The bonds mature serially and require principal payments through 2037. Interest payments are due semi-annually at rates between 2.50% to 3.65%.

5. LONG-TERM DEBT AND RESTRICTED INVESTMENT ACCOUNTS - Continued

(c) Note from Direct Borrowings - Bank

The balance represents the Authority's refinanced debt for the Southeast Quadrant T-Hangar construction project. The note is secured by the T-Hangars. The $ 2,400,000 note is payable through September 13, 2029 in monthly installments of $ 21,832 at a rate of 1.74%. The Authority makes the debt service payments with rent income from the tenants of the T-Hangars.

(d) Note from Direct Borrowings - Bank

The balance represents the Authority's refinanced debt for the Hangar 3 rehabilitation construction project. The $ 1,000,000 note is payable through April 30, 2030 in monthly installments of $ 9,209 at a rate of 1.99%. The Authority makes the debt service payments with rent income from the tenants of Hangar 3. The note is secured with a lease agreement derived from a Hanger 3 tenant. The note has a provision that if the Authority is unable to make payment, outstanding amounts are due immediately.

(e) Note from Direct Borrowings - Bank

The balance represents the Authority's refinanced debt for the FBO rehabilitation construction project. The $ 5,000,000 note is payable in monthly installments of $ 26,102 with the remaining balance payable on April 30, 2025 at a rate of 2.50%. The Authority makes the debt service payment with rent income from tenants. The note is secured with two lease agreements derived by tenants. The note has a provision that if the Authority is unable to make payment, outstanding amounts are due immediately.

The assets of the accounts required by the various bond ordinances are restricted for specific uses and have been segregated in the financial statements. The restricted investment accounts assets at June 30, 2021 consist of the following:

Cash	$ 16,857
Receivables:	
Taxes	190,774
Inter-account	201,605
Total	$ 409,236

5. LONG-TERM DEBT AND RESTRICTED INVESTMENT ACCOUNTS - Continued

The above assets are allocated to the following accounts:

2011 General Obligation Bonds	$ 235,114
2017 General Obligation Bonds	174,122
Total	$ 409,236

Debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	General Obligation Bonds - Principal	General Obligation Bonds - Interest	Notes from Direct Borrowings - Principal	Notes from Direct Borrowings - Interest	Total
2022	$ 246,840	$ 147,010	$ 511,590	$ 174,101	$ 1,079,541
2023	255,000	142,835	522,421	163,299	1,083,555
2024	263,000	135,065	533,074	152,648	1,083,787
2025	271,000	127,055	4,709,158	123,182	5,230,395
2026	279,000	118,805	346,264	26,237	770,306
2027-2031	1,540,500	448,503	1,233,477	40,762	3,263,242
2032-2036	1,441,500	176,614	-	-	1,618,114
2037-2041	275,000	5,019	-	-	280,019
	$ 4,571,840	$ 1,300,906	$ 7,855,984	$ 680,229	$ 14,408,959

5. LONG-TERM DEBT AND RESTRICTED INVESTMENT ACCOUNTS - Continued

Current Maturities by Issue:

General Obligation Bonds, Series 2011 (a)	$ 218,840
General Obligation Bonds, Series 2017 (b)	$ 28,000
Note Payable (c)	$ 228,361
Note Payable (d)	$ 93,378
Note Payable (e)	$ 189,851

Net Investment in Capital Assets:

Total capital assets, net of accumulated depreciation	$ 74,934,784
Less outstanding principal of related debt	(12,427,824)
	$ 62,506,960

6. PENSION OBLIGATIONS

IMRF Plan Description

The Authority's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Authority's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available annual financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

6. PENSION OBLIGATIONS - Continued

Employees Covered by Benefit Terms

As of December 31, 2020, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	44
Inactive plan members entitled to but not yet receiving benefits	14
Active plan members	38
Total	96

Contributions

As set by statute, the Authority's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Authority's annual contribution rate for calendar year 2020 was 11.41%. For the fiscal year ended June 30, 2021, the Authority contributed $ 264,181 to the plan. The Authority also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Asset

The Authority's net pension asset was measured as of December 31, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

6. PENSION OBLIGATIONS - Continued

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

- The actuarial cost method used was Entry Age Normal.
- The asset valuation method used was Market Value of Assets.
- The inflation rate was assumed to be 2.25%.
- Salary increases were expected to be 2.85% to 13.75%, including inflation.
- The investment rate of return was assumed to be 7.25%.
- Projected retirement age was from the Experience-based table of rates, that are specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- The IMRF-specific rates for mortality (for non-disabled retirees) were developed from the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020 with adjustments to match current IMRF experience.
- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements.
- For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

6. PENSION OBLIGATIONS - Continued

- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	5.00%
International Equity	18	6.00
Fixed Income	28	1.30
Real Estate	9	6.20
Alternative Investments	7	2.85-6.95
Cash Equivalents	1	0.70
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

6. PENSION OBLIGATIONS - Continued

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension (Asset) Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) - (B)
Balance at December 31, 2019	$ 17,417,648	$ 16,889,011	$ 528,637
Service cost	265,569	-	265,569
Interest on the total pension liability	1,237,820	-	1,237,820
Differences between expected and actual experience of the total pension liability	46,297	-	46,297
Changes of assumptions	(140,526)	-	(140,526)
Contributions - employer	-	320,232	(320,232)
Contributions - employees	-	110,548	(110,548)
Net investment income	-	2,437,146	(2,437,146)
Benefit payments, including refunds of employee contributions	(954,103)	(954,103)	-
Other (net transfer)	-	(10,222)	10,222
Net changes	455,057	1,903,601	(1,448,544)
Balance at December 31, 2020	$ 17,872,705	$ 18,792,612	$ (919,907)

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate

The following presents the plan's net pension (asset) liability, calculated using a Single Discount Rate of 7.25% as well as what the plan's net pension (asset) liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.25%	Current Discount 7.25%	1% Higher 8.25%
Net pension (asset) liability	$ 1,109,331	$ (919,907)	$ (2,574,087)

6. PENSION OBLIGATIONS - Continued

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

For the year ended June 30, 2021, the Authority recognized pension expense (income) of $ (57,565). At June 30, 2021, 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
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 327,571	$ -
Changes of assumptions	129,092	105,588
Net difference between projected and actual earnings on pension plan investments	-	1,492,409
Total deferred amounts to be recognized in pension expense in future periods	456,663	1,597,997
Pension contributions made subsequent to the measurement date	130,637	-
Total deferred amounts related to pensions	$ 587,300	$ 1,597,997

6. PENSION OBLIGATIONS - Continued

Net amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Inflows of Resources
2021	$ (183,375)
2022	(104,555)
2023	(605,148)
2024	(248,256)
Total	$ (1,141,334)

7. OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS

The Authority recognizes the importance of available and affordable health insurance for its employees as they retire from employment, so in 2010 the Authority adopted a postemployment health insurance benefit plan that pays a portion of health insurance premium costs for retired employees who meet plan qualifications. During fiscal year 2018, the Authority implemented Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which prescribes accounting, reporting and disclosures for the Authority's existing plan. Prior to fiscal year 2018, the Authority followed GASB Statement 45, *Other Postemployment Benefit (OPEB) Plans*, to account and report the Authority's plan.

Plan Description and Eligibility Requirements

The Authority's "Postemployment Health Insurance Plan" is a single-employer, defined benefit plan. The plan was implemented by action of the Board of Commissions in 2010 and may be amended or terminated by action of the Board. No contributions are made by employees or the employer to fund a reserve for payment of benefits. Accordingly, there are no assets accumulated in a GASB-compliant trust. Benefits are paid from operating funds as needed. Since no reserve is maintained for benefit payments, no separate financial statements are issued for the plan.

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATIONS - Continued

Eligibility to participate in the plan is as follows:

Non-Bargaining Employees

Employees who began employment with the Authority prior to November 19, 2013, are at least 55 years of age, have worked for the Authority for at least 15 years, are eligible for an IMRF pension, and leave the employment of the Authority in good standing are eligible for an Authority Stipend.

Laborers International Union, Local #477 Employees

Employees who were hired before July 1, 2014, worked for the Authority for at least 15 years, are receiving a Regular IMRF pension, and leave the employment of the Authority in good standing are eligible for an Authority Stipend.

Service Employees International Union, Local #15 Employees

Employees who qualify to retire under IMRF rules are eligible for an Authority Stipend.

Members

At June 30, 2021, participants in the plan were as follows:

Inactive employees currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	-
Active employees	32
Total participants	36

Total OPEB Liability

The Authority's total OPEB liability of $ 498,850 was measured as of June 30, 2021, using an actuarial valuation as of June 30, 2020, and rolled forward to June 30, 2021. The June 30, 2020 total OPEB liability was increased by service cost and interest to estimate the total OPEB liability as of June 30, 2021. The June 30, 2021 total OPEB liability was also adjusted to reflect a change in the discount rate after the actuarial valuation.

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATIONS - Continued

Actuarial Methods and Assumptions

Since the plan is a single-employer plan with fewer than 100 members, the plan's actuarial accrued liability is estimated using an "Alternative Measurement Method" (AMM), as provided for under provisions of GASB Statement 75.

The total OPEB liability at June 30, 2021, as determined by an actuarial valuation and roll forward procedures, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Actuarial Cost Method	Entry Age Normal (AMM)
Assumptions	
Salary rate increase	4.00%
Discount rate	2.18%
Inflation rate	3.00%
Health care trend	4.50% to 6.50% 4.50% Ultimate Rate
Asset valuation method	Fair Value

Mortality rates were based on the PubG.H-2010 General Mortality Table for males and females. The Mortality Table reflects recent rates developed by the Society of Actuaries.

The discount rate was based on the S & P Municipal Bond 20-year High-Grade Rate Index as of June 30, 2021.

The actuarial assumptions used in the June 30, 2021 valuation are based upon current retiree population.

The results are estimates based on assumptions about future events. Assumptions may be made about participant data or other factors. All approximations and assumptions are noted. Reasonable efforts were made in the valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately. Actual future experience will differ from the assumptions used. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATIONS - Continued

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	$ 454,010
Service cost	15,836
Interest	12,077
Changes in assumptions	16,927
Net changes	44,840
Balance at June 30, 2021	$ 498,850

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and healthcare cost trend rate. The table below presents the total OPEB liability of the Authority calculated using the discount rate of 2.18% as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.18%) or 1% higher (3.18%) than the current rate:

	1% Lower	Current Rate	1% Higher
Total OPEB liability	$ 535,418	$ 498,850	$ 464,438

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATIONS - Continued

Rate Sensitivity - Continued

The table below presents the total OPEB liability of the Authority calculated using the health care cost trend rate of 4.50% to 6.50% as well as what the Authority's total OPEB liability would be if it were calculated using a rate that is 1% lower (3.50% to 5.50%) or 1% higher (5.50% to 7.50%) than the current rate:

	1% Lower	Current Rate	1% Higher
Total OPEB liability	$ 452,030	$ 498,850	$ 552,299

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended June 30, 2021, the Authority recognized OPEB expense of $ 4,211. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in OPEB expense in future periods		
Differences between expected and actual experience	$ -	$ 75,921
Changes of assumptions	27,207	115,652
Total	$ 27,207	$ 191,573

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATIONS - Continued

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources - Continued

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

Fiscal Year Ending June 30,	Net Deferred Inflows
2022	$ (23,703)
2023	(23,703)
2024	(23,703)
2025	(23,703)
2026	(24,122)
Thereafter	(45,432)
Total	$ (164,366)

8. CONTRIBUTION REVENUE

In accordance with Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the Authority is required to recognize capital contributions from non-exchange transactions (e.g., federal and state grants) as revenues. During fiscal year 2021, the Authority recognized $ -0- in contribution revenue from these transactions. The Authority recognized federal and state reimbursements for the purchase of capital assets in the amount of $ 5,410,159. In addition, the Authority received federal and state contributions totaling $ 5,701,130 available for use with general operations. In total, the Authority recognized $ 11,111,289 in contribution revenue for the fiscal year ended June 30, 2021.

9. RENTALS UNDER OPERATING LEASES

The Authority has entered into various non-cancelable operating leases for the rental of its facilities including hangars, buildings, and office space. Under these non-cancelable leases, the future minimum rental income as of June 30, 2021 is as follows:

Year ending June 30:	
2022	$ 2,153,012
2023	535,293
2024	292,009
2025	175,690
2026	148,133
2027 - 2031	745,961
2032-2036	747,430
2037-2041	154,587
Total minimum future rental income	$ 4,952,115

10. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the Authority.

- The property tax lien date is January 1.

- The annual tax levy ordinance for 2020 received during 2021 was passed July 2020.

- The first and second installments of property taxes are due to the Tax Collector in June and September, respectively.

- Significant amounts of property taxes for 2019 were distributed to the Authority in June and September of 2020.

2020 property taxes payable in 2021 are recognized as revenues in fiscal year 2021. 2021 property taxes became an enforceable lien on January 1, 2021 and are payable in calendar year 2022, but the levy has not been passed as of June 30, 2021; therefore, these taxes are not accrued at June 30, 2021.

11. RISK MANAGEMENT

The Authority is exposed to various risks including but not limited to losses from torts, theft of, damage to and destruction of assets, and natural disasters. The Authority has purchased commercial insurance to cover health, general liability, automobile, equipment and other types of risks. The amount of settlements did not exceed insurance coverage during the year ended June 30, 2021 or the prior five fiscal years.

The Authority is self-insured for losses arising from workers' compensation. During the year ended June 30, 2021, the Authority paid $ 25,337 in workers' compensation claims.

Liabilities for all retained risks are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Authority's estimated liability for self-insured losses is determined based on historical data and is recorded as a liability on the balance sheet.

Estimated liability at July 1, 2020	$	52,000
Current year estimate adjustment		(8,163)
Claim payments		(25,337)
Estimated liability at June 30, 2021	$	18,500

State and local government entities other than public entity risk pools are required to report an estimated loss from a claim as an expenditure/expense and a liability when both of the following conditions are met:

- Information available before the financial statements are issued indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements.

- The amount of the loss can be reasonably estimated.

12. COMMITMENTS AND CONTINGENCIES

The Authority has several construction projects underway as of the end of the fiscal year. A portion of some projects will be funded through Passenger Facility Charges. The Airport's financial obligation for construction commitments at June 30, 2021 are as follows:

FBO Facility Improvements	$	298,550
Terminal ADA Capacity Improvements (Phase IV)		127,129
Charlie Ramp Self Fuel Facility		39,903
	$	465,582

REQUIRED SUPPLEMENTARY INFORMATION

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF CHANGES IN THE NET PENSION (ASSET) LIABILITY AND RELATED RATIOS

Last Seven Calendar Years

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	$ 265,569	$ 253,792	$ 237,911	$ 235,372	$ 247,190	$ 237,920	$ 261,545
Interest on the total pension liability	1,237,820	1,179,558	1,110,922	1,090,497	1,025,821	991,787	941,394
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience of the total pension liability	46,297	300,432	491,548	183,289	214,700	(235,225)	(449,614)
Changes of assumptions	(140,526)	-	464,246	(507,065)	(17,829)	17,196	440,639
Benefit payments, including refunds of employee contributions	(954,103)	(918,001)	(792,197)	(669,854)	(569,934)	(518,580)	(501,920)
Net change in total pension liability	455,057	815,781	1,512,430	332,239	899,948	493,098	692,044
Total pension liability at beginning of year	17,417,648	16,601,867	15,089,437	14,757,198	13,857,250	13,364,152	12,672,108
Total pension liability at end of year	17,872,705	17,417,648	16,601,867	15,089,437	14,757,198	13,857,250	13,364,152
Plan Fiduciary Net Position							
Contributions - employer	320,232	225,843	325,821	448,554	250,616	290,439	301,020
Contributions - employees	110,548	144,139	134,261	116,048	114,981	111,132	102,557
Net investment income	2,437,146	2,975,000	(696,097)	2,197,018	920,745	(160,202)	448,394
Benefit payments, including refunds of employee contributions	(954,103)	(918,001)	(792,197)	(669,854)	(569,934)	(518,580)	(520,861)
Other (net transfer)	(10,222)	(15,081)	(13,596)	(11,834)	(14,135)	22,543	(5,918)
Net change in plan fiduciary net position	1,903,601	2,411,900	(1,041,808)	2,079,932	702,273	(254,668)	325,192
Plan fiduciary net position at beginning of year	16,889,011	14,477,111	15,518,919	13,438,987	12,736,714	12,991,382	12,666,190
Plan fiduciary net position at end of year	18,792,612	16,889,011	14,477,111	15,518,919	13,438,987	12,736,714	12,991,382
Net pension (asset) liability	$ (919,907)	$ 528,637	$ 2,124,756	$ (429,482)	$ 1,318,211	$ 1,120,536	$ 372,770
Plan fiduciary net position as a percentage of the total pension liability	105.15%	96.96%	87.20%	102.85%	91.07%	91.91%	97.21%
Covered valuation payroll	$ 2,456,605	$ 2,423,186	$ 2,392,632	$ 2,218,694	$ 2,272,132	$ 2,225,651	$ 2,110,540
Net pension (asset) liability as a percentage of covered valuation payroll	(37.45)%	21.82%	88.80%	(19.36)%	58.02%	50.35%	17.35%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Seven Fiscal Years

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a percentage of Covered Valuation Payroll
2021	$ 264,181	$ 264,181	$ -	$ 2,360,185	11.19%
2020	$ 243,208	$ 243,208	$ -	$ 2,516,469	9.66%
2019	$ 226,345	$ 226,345	$ -	$ 2,370,401	9.55%
2018	$ 257,698	$ 257,698	$ -	$ 2,369,971	10.87%
2017	$ 238,485	$ 238,485	$ -	$ 2,219,476	10.75%
2016	$ 286,127	$ 286,127	$ -	$ 2,221,348	12.88%
2015	$ 260,369	$ 260,369	$ -	$ 2,177,430	11.96%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the calendar year 2020 Contribution Rate *

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine the calendar year 2020 contribution rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	23-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.25%
Price Inflation:	2.50%, approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases:	3.35% to 14.25%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality rates were used with fully generational scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality rates were used with fully generational projection scale based on MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information:	There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information is presented for those years for which information is available.

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Four Fiscal Years

Measurement date June 30:	2021	2020	2019	2018
Total OPEB liability				
Service cost	$ 15,836	$ 16,910	$ 21,816	$ 21,683
Interest	12,077	18,804	20,886	23,396
Differences between expected and actual experience	-	(98,150)	-	-
Changes of assumptions	16,927	(64,779)	7,461	6,417
Benefit payments	-	(55,028)	(100,737)	(96,918)
Other	-	(65,234)	835	705
Net change in total OPEB liability	44,840	(247,477)	(49,739)	(44,717)
Total OPEB liability - beginning	454,010	701,487	751,226	795,943
Total OPEB liability - ending	$ 498,850	$ 454,010	$ 701,487	$ 751,226
Plan fiduciary net pension - ending	$ -	$ -	$ -	$ -
Employer's net OPEB liability	$ 498,850	$ 454,010	$ 701,487	$ 751,226
Covered-employee payroll	$ 2,221,017	$ 2,131,040	$ 2,110,599	$ 2,063,881
Employer's total OPEB liability as a percentage of covered-employee payroll	22.46%	21.30%	33.24%	36.40%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for these years for which information is available.

SUPPLEMENTAL FINANCIAL INFORMATION

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET BY SUB-FUND

June 30, 2021

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Operations and Maintenance	Capital Improvement Account	Clear Zone Account	Restricted Investment Accounts	FBO Project	Property and Equipment Account	IMRF and FICA Account
CURRENT ASSETS							
Cash and cash equivalents	$ 6,156,331	$ 97,466	$ 393	$ -	$ 252,035	$ -	$ -
Restricted cash and cash equivalents	-	-	-	16,857	-	-	-
Receivables							
Rental	240,452	-	-	-	-	-	-
Taxes	895,882	141,622	-	-	-	-	238,801
Federal, state and local grants	788,336	1,478,872	-	-	-	-	-
Other	-	-	-	-	-	-	-
Restricted receivables - taxes	-	-	-	190,774	-	-	-
Inter-account receivables (payables)	546,859	(1,681,178)	(20,837)	201,605	1,576,954	-	361,018
Other	121,524	-	-	-	-	-	-
Total current assets	8,749,384	36,782	(20,444)	409,236	1,828,989	-	599,819
NONCURRENT ASSETS							
Capital Assets							
Capital assets, net of accumulated depreciation of $ 118,633,511	-	-	-	-	-	40,362,802	-
Land	-	-	-	-	-	13,243,044	-
Construction in progress	-	13,223,145	20,444	-	8,085,349	-	-
Total capital assets	-	13,223,145	20,444	-	8,085,349	53,605,846	-
Net pension asset	-	-	-	-	-	-	919,907
Total noncurrent assets	-	13,223,145	20,444	-	8,085,349	53,605,846	919,907
TOTAL ASSETS	8,749,384	13,259,927	-	409,236	9,914,338	53,605,846	1,519,726
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows from pensions	-	-	-	-	-	-	587,300
Deferred outflows from other postemployment benefits	-	-	-	-	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-	-	587,300
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 8,749,384	$ 13,259,927	$ -	$ 409,236	$ 9,914,338	$ 53,605,846	$ 2,107,026

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET BY SUB-FUND

June 30, 2021

Capital Improvement Project Reserve	Post Employment Benefits and Worker's Compensation Compliance Fund	Passenger Facility Charges #2	Passenger Facility Charges #3	Passenger Facility Charges #4	Passenger Facility Charges #6	Passenger Facility Charges #7	Passenger Facility Charges #8	Property Taxes	Total All Accounts
$ 1,279	$ 969,190	$ 12,208	$ 469	$ 26,833	$ 760	$ 235	$ 7,263	$ 1,646,632	$ 9,171,094
-	-	-	-	-	-	-	-	-	16,857
-	-	-	-	-	-	-	-	-	240,452
-	-	-	-	-	-	-	-	-	1,276,305
-	-	-	-	-	-	-	-	-	2,267,208
-	-	-	-	-	-	-	23,220	-	23,220
-	-	-	-	-	-	-	-	-	190,774
390,000	(328)	52,000	(22,270)	-	230,286	1,352,524	(1,341,309)	(1,645,324)	-
-	-	-	-	-	-	-	-	-	121,524
391,279	968,862	64,208	(21,801)	26,833	231,046	1,352,759	(1,310,826)	1,308	13,307,434
-	-	-	-	-	-	-	-	-	40,362,802
-	-	-	-	-	-	-	-	-	13,243,044
-	-	-	-	-	-	-	-	-	21,328,938
-	-	-	-	-	-	-	-	-	74,934,784
-	-	-	-	-	-	-	-	-	919,907
-	-	-	-	-	-	-	-	-	75,854,691
391,279	968,862	64,208	(21,801)	26,833	231,046	1,352,759	(1,310,826)	1,308	89,162,125
-	-	-	-	-	-	-	-	-	587,300
-	27,207	-	-	-	-	-	-	-	27,207
-	27,207	-	-	-	-	-	-	-	614,507
$ 391,279	$ 996,069	$ 64,208	$ (21,801)	$ 26,833	$ 231,046	$ 1,352,759	$ (1,310,826)	$ 1,308	$ 89,776,632

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET BY SUB-FUND - CONTINUED

June 30, 2021

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	Operations and Maintenance	Capital Improvement Account	Clear Zone Account	Restricted Investment Accounts	FBO Project	Property and Equipment Account	IMRF and FICA Account
CURRENT LIABILITIES							
Current maturities of long-term debt	$ 511,590	$ -	$ -	$ -	$ -	$ -	$ -
Current maturities of long-term debt, payable from restricted investment accounts	-	-	-	246,840	-	-	-
Accounts payable	35,805	828,663	-	289	-	-	-
Accrued wages, vacation and sick leave, current portion	217,410	-	-	-	-	-	-
Other	121,697	-	-	-	-	-	28,244
Total current liabilities	886,502	828,663	-	247,129	-	-	28,244
LONG-TERM LIABILITIES							
Accrued vacation and sick leave, net of current portion	151,798	-	-	-	-	-	-
Other postemployment benefits liability	-	-	-	-	-	-	-
Long-term debt, less current maturities	7,344,394	-	-	4,325,000	-	-	-
Total long-term liabilities	7,496,192	-	-	4,325,000	-	-	-
TOTAL LIABILITIES	8,382,694	828,663	-	4,572,129	-	-	28,244
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows from pensions	-	-	-	-	-	-	1,597,997
Deferred inflows from other postemployment benefits	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	-	-	-	-	-	-	1,597,997
NET POSITION							
Net investment in capital assets	(7,855,984)	13,223,145	20,444	(4,571,840)	8,085,349	53,605,846	-
Restricted for PFC projects	-	-	-	-	-	-	-
Unrestricted	8,222,674	(791,881)	(20,444)	408,947	1,828,989	-	480,785
Total net position	366,690	12,431,264	-	(4,162,893)	9,914,338	53,605,846	480,785
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 8,749,384	$ 13,259,927	$ -	$ 409,236	$ 9,914,338	$ 53,605,846	$ 2,107,026

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET BY SUB-FUND - CONTINUED

June 30, 2021

Capital Improvement Project Reserve	Post Employment Benefits and Worker's Compensation Compliance Fund	Passenger Facility Charges #2	Passenger Facility Charges #3	Passenger Facility Charges #4	Passenger Facility Charges #6	Passenger Facility Charges #7	Passenger Facility Charges #8	Property Taxes	Total All Accounts
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 511,590
-	-	-	-	-	-	-	-	-	246,840
-	18,500	-	-	-	-	-	-	-	883,257
-	-	-	-	-	-	-	-	-	217,410
-	-	-	-	-	-	-	-	-	149,941
-	18,500	-	-	-	-	-	-	-	2,009,038
-	-	-	-	-	-	-	-	-	151,798
-	498,850	-	-	-	-	-	-	-	498,850
-	-	-	-	-	-	-	-	-	11,669,394
-	498,850	-	-	-	-	-	-	-	12,320,042
-	517,350	-	-	-	-	-	-	-	14,329,080
-	-	-	-	-	-	-	-	-	1,597,997
-	191,573	-	-	-	-	-	-	-	191,573
-	191,573	-	-	-	-	-	-	-	1,789,570
-	-	-	-	-	-	-	-	-	62,506,960
-	-	64,208	(21,801)	26,833	231,046	1,352,759	(1,310,826)	-	342,219
391,279	287,146	-	-	-	-	-	-	1,308	10,808,803
391,279	287,146	64,208	(21,801)	26,833	231,046	1,352,759	(1,310,826)	1,308	73,657,982
$ 391,279	$ 996,069	$ 64,208	$ (21,801)	$ 26,833	$ 231,046	$ 1,352,759	$ (1,310,826)	$ 1,308	$ 89,776,632

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY SUB-FUND

For the Year Ended June 30, 2021

	Operations and Maintenance	Capital Improvement Account	Clear Zone Account	Restricted Investment Accounts	FBO Project	Property and Equipment Account	IMRF and FICA Account
OPERATING REVENUES							
Rents and fees	$ 4,077,798	$ -	$ -	$ -	$ -	$ -	$ -
Total operating revenues	4,077,798	-	-	-	-	-	-
OPERATING EXPENSES							
Operations and maintenance	4,889,095	-	-	-	-	-	-
Depreciation	-	-	-	-	-	4,796,372	-
IMRF and FICA	-	-	-	-	-	-	118,676
Total operating expenses	4,889,095	-	-	-	-	4,796,372	118,676
INCOME (LOSS) FROM OPERATIONS	(811,297)	-	-	-	-	(4,796,372)	(118,676)
NON-OPERATING REVENUES (EXPENSES)							
Tax revenue	2,141,258	291,635	-	401,780	-	-	502,861
Interest income	10,234	1,015	1	79	87	-	-
Passenger facility charges	-	-	-	-	-	-	-
Interest expense	34,290	(701)	-	(159,144)	-	-	-
Farm income, net	162,898	-	-	-	-	-	-
Miscellaneous income (expense)	332,879	-	-	-	-	-	-
Net non-operating revenues (expenses)	2,681,559	291,949	1	242,715	87	-	502,861
INTER-ACCOUNT TRANSFERS AND CONTRIBUTIONS							
Contribution revenue	5,701,130	5,410,159	-	-	-	-	-
Capital asset and land acquisition transfers	-	(785,716)	(149,172)	-	-	934,888	-
Other transfers	(2,405,418)	1,104,634	149,171	(13,779)	1,175,389	-	-
Total inter-account transfers and contributions	3,295,712	5,729,077	(1)	(13,779)	1,175,389	934,888	-
CHANGE IN NET POSITION	5,165,974	6,021,026	-	228,936	1,175,476	(3,861,484)	384,185
NET POSITION, BEGINNING OF YEAR,	(4,799,284)	6,410,238	-	(4,391,829)	8,738,862	57,467,330	96,600
NET POSITION, END OF YEAR	$ 366,690	$ 12,431,264	$ -	$ (4,162,893)	$ 9,914,338	$ 53,605,846	$ 480,785

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING SCHEDULE OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION BY SUB-FUND

For the Year Ended June 30, 2021

	Capital Improvement Project Reserve	Post Employment Benefits and Worker's Compensation Compliance Fund	Passenger Facility Charges #2	Passenger Facility Charges #3	Passenger Facility Charges #4	Passenger Facility Charges #6	Passenger Facility Charges #7	Passenger Facility Charges #8	Property Taxes	Total All Accounts
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,077,798
	-	-	-	-	-	-	-	-	-	4,077,798
	-	(153,952)	-	-	-	-	-	-	-	4,735,143
	-	-	-	-	-	-	-	-	-	4,796,372
	-	-	-	-	-	-	-	-	-	118,676
	-	(153,952)	-	-	-	-	-	-	-	9,650,191
	-	153,952	-	-	-	-	-	-	-	(5,572,393)
	-	-	-	-	-	-	-	-	-	3,337,534
	3	3,164	15	18	67	2	1	64	3,841	18,591
	-	-	-	-	-	-	-	113,417	-	113,417
	-	-	-	-	-	-	-	-	-	(125,555)
	-	-	-	-	-	-	-	-	-	162,898
	-	-	(5)	-	-	-	9	-	-	332,883
	3	3,164	10	18	67	2	10	113,481	3,841	3,839,768
	-	-	-	-	-	-	-	-	-	11,111,289
	-	-	-	-	-	-	-	-	-	-
	-	190,467	-	(29,270)	-	-	(1,900)	(112,762)	(56,532)	-
	-	190,467	-	(29,270)	-	-	(1,900)	(112,762)	(56,532)	11,111,289
	3	347,583	10	(29,252)	67	2	(1,890)	719	(52,691)	9,378,664
	391,276	(60,437)	64,198	7,451	26,766	231,044	1,354,649	(1,311,545)	53,999	64,279,318
	$ 391,279	$ 287,146	$ 64,208	$ (21,801)	$ 26,833	$ 231,046	$ 1,352,759	$ (1,310,826)	$ 1,308	$ 73,657,982

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET
RESTRICTED INVESTMENT ACCOUNTS

June 30, 2021

	General Obligation Issues		
	2011 Bond Fund	2017 Bond Fund	Total
ASSETS			
RESTRICTED INVESTMENT ACCOUNTS			
Cash and cash equivalents	$ 15,642	$ 1,215	$ 16,857
Receivables - taxes	106,727	84,047	190,774
Inter-account receivables (payables)	112,745	88,860	201,605
TOTAL ASSETS	$ 235,114	$ 174,122	$ 409,236
LIABILITIES AND NET POSITION			
LIABILITIES PAYABLE FROM RESTRICTED INVESTMENT ACCOUNTS			
Current maturities of long-term debt	$ 218,840	$ 28,000	$ 246,840
Accounts payable	289	-	289
	219,129	28,000	247,129
LONG-TERM DEBT, less current maturities	-	4,325,000	4,325,000
Total liabilities	219,129	4,353,000	4,572,129
NET POSITION			
Net investment in capital assets	(218,840)	(4,353,000)	(4,571,840)
Unrestricted	234,825	174,122	408,947
Total net position	15,985	(4,178,878)	(4,162,893)
TOTAL LIABILITIES AND NET POSITION	$ 235,114	$ 174,122	$ 409,236

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
RESTRICTED INVESTMENT ACCOUNTS

For the Year Ended June 30, 2021

	General Obligation Issues		
	2011 Bond Fund	2017 Bond Fund	Total
OPERATING REVENUES			
Rents and fees pledged as security for revenue bonds	$ -	$ -	$ -
INCOME FROM OPERATIONS	-	-	-
NON-OPERATING REVENUES (EXPENSES)			
Tax revenue	224,973	176,807	401,780
Interest income	40	39	79
Interest expense	(11,534)	(147,610)	(159,144)
Net non-operating revenues (expenses)	213,479	29,236	242,715
OTHER TRANSFERS	-	(13,779)	(13,779)
CHANGE IN NET POSITION	213,479	15,457	228,936
NET POSITION, BEGINNING OF YEAR	(197,494)	(4,194,335)	(4,391,829)
NET POSITION, END OF YEAR	$ 15,985	$ (4,178,878)	$ (4,162,893)

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2021

	Budget	Actual	Actual Under/(Over) Budget
PERSONNEL			
Compensation	$ 2,523,054	$ 2,401,419	$ 121,635
Overtime	91,285	52,042	39,243
Holidays	54,336	38,936	15,400
Other pay	17,047	22,692	(5,645)
IMRF and FICA	543,459	118,676	424,783
Employee insurance	571,516	516,404	55,112
Post Employment Benefits	29,955	16,035	13,920
Training	79,950	27,125	52,825
Education	16,765	7,544	9,221
Official business	3,300	760	2,540
Uniforms	32,348	21,143	11,205
Board expense	700	303	397
Total	3,963,715	3,223,079	740,636
SERVICES			
Legal and litigation	67,500	100,411	(32,911)
Audit and accounting services	29,200	31,200	(2,000)
Computer services	40,900	41,526	(626)
Engineering and architectural	1,000	715	285
Professional services	62,000	61,421	579
Insurance	89,496	83,469	6,027
Dues and subscriptions	39,160	37,047	2,113
Advertising	207,000	189,455	17,545
Telephones	38,248	41,947	(3,699)
Property taxes	71,664	74,760	(3,096)
Electricity	373,495	307,530	65,965
Gas	37,200	37,338	(138)
Water and sewer	25,230	15,688	9,542
Equipment rental/maintenance	9,445	4,472	4,973
Disposal service	6,909	7,090	(181)
Vehicle repairs	7,270	23,407	(16,137)
Electrical repairs	6,990	10,284	(3,294)
Heating, ventilating and A/C repairs	5,520	12,860	(7,340)
Plumbing repairs	7,060	5,660	1,400

(continued)

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2021

	Budget	Actual	Actual Under/(Over) Budget
SERVICES - Continued			
Radio repairs	$ 344	$ -	$ 344
Communications equipment/repair	1,316	564	752
Rental properties	10,750	17,984	(7,234)
Commercial rental properties	1,250	-	1,250
Roof repairs	1,500	1,798	(298)
Elevator/escalator	5,320	6,774	(1,454)
Signage	14,770	10,817	3,953
Fuel farm parts	-	2,591	(2,591)
Other maintenance/repairs	2,870	2,760	110
Security improvements	-	1,497	(1,497)
Miscellaneous	69,780	83,335	(13,555)
Total	1,235,787	1,214,400	18,787
MATERIALS AND SUPPLIES			
Security system	11,431	23,713	(12,282)
Office supplies	10,548	8,040	2,508
Software/hardware	10,500	9,572	928
Printing	12,575	2,402	10,173
Postage	3,600	3,635	(35)
Promotions	5,000	1,000	4,000
Staff development	500	-	500
Fuel and oil for vehicles	59,951	49,204	10,747
Fuel parts and equipment	5,605	-	5,605
Asphalt, concrete and stone	15,980	12,173	3,807
Landscape	2,764	1,160	1,604
Chemicals	86,182	58,988	27,194
Vehicle parts	47,861	48,216	(355)
Vehicle replacement	287,809	-	287,809
Electrical parts	34,298	29,604	4,694
Heating, ventilating and A/C parts	10,427	9,482	945
Plumbing parts	3,284	2,890	394
Hardware	6,935	9,490	(2,555)
Signage	1,483	1,212	271
Paint	62,439	71,364	(8,925)
Hand tools	2,971	2,860	111
Janitor supplies	24,919	32,442	(7,523)

(continued)

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2021

MATERIALS AND SUPPLIES - Continued	Budget	Actual	Actual Under/(Over) Budget
Residential rental properties	$ 6,175	$ 22,607	$ (16,432)
Commercial rental properties	15,300	32,722	(17,422)
Safety supplies	41,437	30,440	10,997
Identification	6,615	8,036	(1,421)
Supplies - Sky Club	2,450	1,275	1,175
Liquor	1,000	157	843
Merchandise	1,500	1,398	102
Miscellaneous	24,009	72,737	(48,728)
Total	805,548	546,819	258,729
EQUIPMENT			
Furniture	2,500	1,034	1,466
Equipment	5,400	-	5,400
Groundskeeping	3,743	6,457	(2,714)
Custodial	6,511	6,265	246
Radios	8,846	7,934	912
Special tools	2,868	1,783	1,085
Total	29,868	23,473	6,395
GRAND TOTAL	$ 6,034,918	5,007,771	$ 1,027,147
OPERATIONS AND MAINTENANCE EXPENSES INCLUDED ELSEWHERE			
Post Employment Benefits and Worker's Compensation Compliance Fund		(153,952)	
LESS OPERATIONS AND MAINTENANCE EXPENSES SHOWN ELSEWHERE			
IMRF & FICA		(118,676)	
OPERATIONS AND MAINTENANCE EXPENSES PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		$ 4,735,143	

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT AND CLEAR ZONE
For the Year Ended June 30, 2021

	Budget	Actual	Actual Under/(Over) Budget
AIRFIELD			
Perimeter Fence & Drainage Improvements, Phase IV	$ 128,178	$ 1,524,742	$ (1,396,564)
Design & Construct Runway, Remove Runway 18/36 & Extend Golf & Yankee	-	73,630	(73,630)
2020 Pavement Maintenance Program	200,000	90,328	109,672
PSB ARFF Access Road & Perimeter Road Rehabilitation, Phase II	54,000	15,008	38,992
Rehabilitate Runway 4/22	97,682	1,743,246	(1,645,564)
Storm Water Pollution Prevention Plan	29,000	29,270	(270)
Pavement Maintenance - Surface Seal / Crack Fill	250,000	211,974	38,026
Total	758,860	3,688,198	(2,929,338)
BUILDINGS / GENERAL AVIATION DEVELOPMENT			
FBO Facilities, GA Terminal, Hangar Improvements	948,000	710,581	237,419
Rental Property Roof, Siding & Gutters Replacement	50,000	49,725	275
Rehabilitate Public Parking Lots & North Airport Road	282,500	-	282,500
Paint Buildings	68,500	-	68,500
Public Safety Department Improvements	575,000	-	575,000
Total	1,924,000	760,306	1,163,694
TERMINAL			
Terminal Office / Common Space Improvemnts	75,000	88,106	(13,106)
Terminal ADA & Capacity Improvements, Phase 4	3,263,000	2,244,723	1,018,277
Terminal ADA & Capacity Improvements, Phase IV-Terminal Parking Lot Expansion	8,000	-	8,000
Total	3,346,000	2,332,829	1,026,277
LAND DEVELOPMENT/COMPATIBILITY			
Land Acquisition	150,000	151,072	(1,072)
Commerce Park / Land Development	7,500	-	7,500
Property Demolition	-	19,500	(19,500)
Commercial Property Road Improvements	-	27,180	(27,180)
Total	157,500	197,752	(40,252)
EQUIPMENT			
Update emergency phone systems	100,000	-	100,000
Acquire Ground Power Unit	-	70,613	(70,613)
Acquire SRE High Speed Runway Broom	69,500	-	69,500
Acquire Zero Turn Mower w/72" Deck	18,500	17,775	725
Acquire Pick Up Truck w/Plow & Lift Gate	41,000	43,561	(2,561)
Acquire Patrol Vehicle	10,000	10,168	(168)
Acquire Front Mount Mower w/Broom & Cab	33,574	36,312	(2,738)
Acquire Front Mount Mower w/Broom & Cab	33,574	36,312	(2,738)
Fuel Tanks, Self-Serve 100LL/Avgas	80,000	82,923	(2,923)
Acquire Maintenance Tech Van	31,000	30,550	450
Acquire Admin Vehicle	41,265	-	41,265
Acquire Police Interceptor/Patrol Vehicle	44,282	48,826	(4,544)
Acquire Police Interceptor/Patrol Vehicle	38,740	42,870	(4,130)
Acquire Pick up Truck w/Flat Bed	38,180	-	38,180
Total	579,615	419,910	159,705
OTHER			
Contingencies	20,000	6,390	13,610
Total	20,000	6,390	13,610
GRAND TOTAL	$ 6,785,975	$ 7,405,385	$ (606,304)

See accompanying independent auditors' report.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

STATISTICAL

2021

2021

STATISTICAL SECTION
(Unaudited)

The Statistical Section presents comparative data for revenue, expenses, obligation coverage, demographic statistics, schedule of insurance in force and industry specific statistics. Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social and economic data and financial trends of the Authority.

Financial Trends & Revenue Capacity

These schedules contain trend information to help the reader understand how the Authority's financial performances and well-being have changed over time. Also contained in these schedules is information to help the reader understand the Authority's most significant revenue sources and the Authority's capacity to insure itself against risk.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and also the ability of the Authority to issue additional debt in the future.

Operating Information

These schedules contain information to help the reader understand and to provide context for the Authority's operations and how this relates to the Authority's financial position.

Economic & Demographic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

STATISTICAL SECTION

Page

SPRINGFIELD AIRPORT AUTHORITY
TOTAL ANNUAL REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30,

	2021	2020	2019	2018
OPERATING REVENUES				
Rents, fees and grants	$ 4,077,798	$ 4,197,390	$ 4,084,853	$ 3,860,829
NON-OPERATING REVENUES				
Tax revenue	3,337,534	3,161,555	3,052,464	2,952,890
Interest income	18,591	21,473	24,400	35,532
Passenger facility charges	113,417	250,078	313,849	357,310
Farm income, net	162,898	159,435	181,691	163,350
Micellaneous income	332,883	100,427	1,098	118
Total non-operating revenues	3,965,323	3,692,968	3,573,502	3,509,200
Total revenues	8,043,121	7,890,358	7,658,355	7,370,029
OPERATING EXPENSES				
Operations and maintenance	4,735,143	5,026,169	4,486,331	5,267,479
Depreciation	4,796,372	4,794,568	4,823,381	4,709,882
IMRF and FICA	118,676	478,413	584,881	259,991
Total operating expenses	9,650,191	10,299,150	9,894,593	10,237,352
NON-OPERATING EXPENSES				
Interest expense	125,555	345,055	255,611	351,180
Bond issuance costs	-	-	-	-
Total non-operating expenses	125,555	345,055	255,611	351,180
Total expenses	9,775,746	10,644,205	10,150,204	10,588,532
CONTRIBUTION REVENUE	11,111,289	3,884,249	4,328,842	1,868,650
CHANGE IN NET POSITION	$ 9,378,664	$ 1,130,402	$ 1,836,993	$ (1,349,853)
NET POSITION AT END OF YEAR COMPOSED OF:				
Net investment in capital assets	$ 62,506,960	$ 60,237,587	$ 58,599,729	$ 53,578,269
Restricted	342,219	372,563	525,878	1,361,768
Unrestricted	10,808,803	3,669,168	4,023,309	6,371,886
Total net position	$ 73,657,982	$ 64,279,318	$ 63,148,916	$ 61,311,923

SPRINGFIELD AIRPORT AUTHORITY
TOTAL ANNUAL REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30,

2017	2016	2015	2014	2013	2012
$ 3,709,715	$ 3,687,182	$ 3,680,996	$ 3,833,034	$ 3,732,852	$ 4,469,962
2,981,397	2,738,123	2,727,424	2,701,034	2,583,646	2,559,104
21,493	20,966	15,293	15,145	18,781	23,690
418,037	390,342	350,812	359,349	263,964	257,472
147,720	148,400	178,666	184,434	186,998	170,381
14,750	20,904	495,709	44,898	62,233	77,725
3,583,397	3,318,735	3,767,904	3,304,860	3,115,622	3,088,372
7,293,112	7,005,917	7,448,900	7,137,894	6,848,474	7,558,334
4,461,121	4,468,942	4,501,154	4,513,294	4,376,368	5,543,596
4,778,205	4,853,465	4,706,181	4,781,878	4,640,015	4,290,753
760,613	676,709	545,862	482,870	418,427	394,182
9,999,939	9,999,116	9,753,197	9,778,042	9,434,810	10,228,531
240,005	369,572	385,448	408,796	469,224	523,873
-	-	-	-	-	53,260
240,005	369,572	385,448	408,796	469,224	577,133
10,239,944	10,368,688	10,138,645	10,186,838	9,904,034	10,805,664
1,264,450	3,367,670	4,149,322	4,128,395	2,782,832	8,039,227
$ (1,682,382)	$ 4,899	$ 1,459,577	$ 1,079,451	$ (272,728)	$ 4,791,897
$ 53,994,100	$ 51,246,527	$ 50,616,692	$ 51,280,188	$ 50,877,282	$ 51,415,629
1,005,722	1,741,210	956,729	765,429	804,797	1,122,020
7,661,954	11,356,421	12,765,838	10,834,065	10,118,152	9,535,310
$ 62,661,776	$ 64,344,158	$ 64,339,259	$ 62,879,682	$ 61,800,231	$ 62,072,959

SPRINGFIELD AIRPORT AUTHORITY

Revenues By Source, Expenses By Function And Net Income (Loss)
Operations and Maintenance
Presented in Constant Dollars (2012 = 100)
Last Ten Fiscal Years

	2021	2020	2019	2018
Revenues				
Airlines	$ 303,499	$ 368,620	$ 382,849	$ 400,113
Fixed Base Operations	1,084,901	1,091,979	883,387	592,319
Government	345,441	326,273	336,398	328,943
Terminal	482,506	596,589	608,878	587,514
Car Rental	275,245	320,432	359,055	384,652
East Quadrant	178,104	178,107	172,938	191,281
Other Tenants	621,381	625,761	350,474	331,532
Non-Tenants	2,962,552	2,110,469	2,120,788	2,111,815
Total	6,253,629	5,618,229	5,214,767	4,928,169
Expenses				
Personnel	3,008,710	3,219,534	3,196,698	3,271,776
Services	1,012,834	980,270	964,393	1,051,762
Materials and Services	690,996	675,694	436,597	518,879
Equipment	599,005	571,380	61,475	24,709
Total	5,311,545	5,446,879	4,659,162	4,867,125
Net Income	$ 942,084	$ 171,351	$ 555,605	$ 61,044
CPI-U as of June 30	271.7	257.8	256.1	252.0
Full Time Equivalent Employees	41	42	39	37

SPRINGFIELD AIRPORT AUTHORITY

Revenues By Source, Expenses By Function And Net Income (Loss)
Operations and Maintenance
Presented in Constant Dollars (2012 = 100)
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
$ 387,678	$ 380,204	$ 407,252	$ 368,266	$ 368,275	$ 391,125
466,499	260,832	227,522	221,095	219,102	220,535
343,223	349,189	347,309	449,339	451,972	389,816
589,035	582,569	592,749	559,412	586,208	694,188
375,795	384,588	376,872	420,019	379,817	381,839
203,273	204,349	191,778	187,842	181,301	187,475
309,655	299,857	315,669	312,227	297,549	290,976
2,389,121	2,236,560	2,398,040	2,424,669	2,516,791	3,188,447
5,064,279	4,698,150	4,857,191	4,942,869	5,001,016	5,744,401
3,174,166	3,231,961	3,187,191	3,209,486	3,108,596	3,099,570
974,809	1,009,742	1,000,973	1,140,001	1,152,182	2,482,548
521,075	376,424	455,506	444,991	488,480	343,086
26,374	38,047	10,436	12,325	10,165	8,112
4,696,423	4,656,173	4,654,106	4,806,803	4,759,423	5,933,316
$ 367,856	$ 41,977	$ 203,085	$ 136,067	$ 241,593	$ (188,915)
245	241	238.6	238.3	233.5	229.5
38	39	42	40	40	37

SPRINGFIELD AIRPORT AUTHORITY

Property Tax Levies and Collections
Last Ten Fiscal Years (Cash Basis)

		1	2	3	4	5	
Levied	Collected In FY	General - other than Insurance & Audit (Levied) $	Insurance - not Workers Comp, Unemp Comp & Health (Levied) $	Audit (Levied) $	IMRF & FICA (Levied) $	G.O. Bonds (Levied) $	
2020	2021-22	1,936,042	89,500	29,200	509,500	222,748	2011
						175,010	2017
2019	2020-21	1,878,692	87,500	29,200	503,500	230,374	2011
						167,610	2017
2018	2019-20	1,816,790	85,500	31,200	496,500	237,581	2011
						160,516	2017
2017	2018-19	1,723,984	82,751	27,584	479,957	245,495	2011
						154,469	2017
2016	2017-18	1,667,959	81,232	22,077	473,852	251,819	2011
						184,125	2017
2015	2016-17	1,642,017	82,366	26,570	464,972	255,071	2011
2014	2015-16	1,635,673	81,260	26,213	435,131	262,127	2011
2013	2014-15	1,604,973	81,400	23,000	359,000	291,909	2011
2012	2013-14	1,469,114	83,200	22,000	445,000	296,418	2011
2011	2012-13	1,370,531	95,400	21,600	456,000	180,073	2002
						179,701	2011

Property taxes - taxpayer pays the amount shown in Column 9 in cents per $100 of assessed valuation; i.e., about 10 cents per $100. A residence valued at $120,000 is assessed 1/3, or $40,000. The Airport portion of the tax bill for taxes that are being paid in calendar 2021 is $40,000 X .1042 = $41.68 and for calendar 2020 was $40.48. The rate of .1042 for 2020 taxes payable in 2021 is what appeared on property owner's tax bills received in the Spring of 2021.

SPRINGFIELD AIRPORT AUTHORITY

Property Tax Levies and Collections
Last Ten Fiscal Years (Cash Basis) - Continued

6	7	8	9	10	11
Total (Levied) $	Assessed Valuation of Property in SAA Taxing District $	Percent Change In Assessed Valuation	Tax Rate Per $100 of Assessed Valuation $	Collections $	Collections As A Percentage of Taxes (Levied)
2,962,000	2,798,710,430	+0.4%	0.1042	Not known yet	Not known yet
2,896,876	2,787,825,513	-0.7%	0.1019	2,840,794	98.1%
2,828,317	2,806,481,352	+2.0%	0.0990	2,778,417	98.2%
2,714,240	2,758,374,314	+1.9%	0.0984	2,714,863	100.0%
2,686,064	2,707,725,991	+1.9%	0.0992	2,685,063	99.9%
2,470,996	2,656,985,002	+1.4%	0.0930	2,472,478	100.1%
2,440,404	2,621,271,487	+3.0%	0.0931	2,438,215	99.9%
2,360,292	2,543,734,049	+0.8%	0.0928	2,354,402	99.8%
2,315,732	2,524,291,679	+0.3%	0.0916	2,380,775	102.9%*
2,303,305	2,515,694,634	+0.7%	0.0914	2,298,798	99.8%

Column 6 = Column 1 through 5; Column 9 = column 6 divided by column 7. Some years this calculation will be slightly different than the amount shown in column 9 because of the difference between taxes levied as shown on this page and taxes actually extended by the County.

* Higher than normal due to about $71,900 Park South Tax Increment Financing (TIF) funds received.

SPRINGFIELD AIRPORT AUTHORITY

SUMMARY OF TAX ASSESSMENTS AND COLLECTIONS

FOR TAXES ASSESSED IN 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, AND 2011

	Property Tax			Replacement	Estimated
General Accounts:	Valuation	Rate	Taxes	Tax	Tax
2020	$ 2,798,710,430	.0720	$ 2,015,071	$ 411,380	$ 2,426,451
2019	2,787,825,513	.0698	1,945,902	295,257	2,241,159
2018	2,806,481,352	.0674	1,891,568	273,060	2,164,628
2017	2,758,374,314	.0665	1,834,319	245,382	2,079,701
2016	2,707,725,991	.0656	1,776,268	298,087	2,074,355
2015	2,656,985,002	.0659	1,750,953	269,888	2,020,841
2014	2,621,271,487	.0665	1,743,146	294,802	2,037,948
2013	2,543,734,049	.0672	1,709,389	272,893	1,982,282
2012	2,524,291,679	.0622	1,570,109	272,193	1,842,302
2011	2,515,694,634	.0590	1,484,260	265,202	1,749,462
General Obligation Bond And Interest Accounts:					
2020	2,798,710,430	.0143	400,216	-	400,216
2019	2,787,825,513	.0143	398,660	-	398,660
2018	2,806,481,352	.0142	398,520	-	398,520
2017	2,758,374,314	.0145	399,964	-	399,964
2016	2,707,725,991	.0161	435,944	-	435,944
2015	2,656,985,002	.0096	255,070	-	255,070
2014	2,621,271,487	.0100	262,127	-	262,127
2013	2,543,734,049	.0115	292,529	-	292,529
2012	2,524,291,679	.0118	297,866	-	297,866
2011	2,515,694,634	.0143	359,744	-	359,744
I.M.R.F. And F.I.C.A. Account:					
2020	2,798,710,430	.0179	500,969	-	500,969
2019	2,787,825,513	.0178	496,233	-	496,233
2018	2,806,481,352	.0174	488,328	-	488,328
2017	2,758,374,314	.0174	479,957	-	479,957
2016	2,707,725,991	.0175	473,852	-	473,852
2015	2,656,985,002	.0175	464,972	-	464,972
2014	2,621,271,487	.0166	435,131	-	435,131
2013	2,543,734,049	.0141	358,667	-	358,667
2012	2,524,291,679	.0176	444,275	-	444,275
2011	2,515,694,634	.0181	455,341	-	455,341
Total All Accounts:					
2020	2,798,710,430	.1042	2,916,256	411,380	3,327,636
2019	2,787,825,513	.1019	2,840,795	295,257	3,136,052
2018	2,806,481,352	.0990	2,778,416	273,060	3,051,476
2017	2,758,374,314	.0984	2,714,240	245,382	2,959,622
2016	2,707,725,991	.0992	2,686,064	298,087	2,984,151
2015	2,656,985,002	.0930	2,470,995	269,888	2,740,883
2014	2,621,271,487	.0931	2,440,404	294,802	2,735,206
2013	2,543,734,049	.0928	2,360,585	272,893	2,633,478
2012	2,524,291,679	.0916	2,312,250	272,193	2,584,443
2011	2,515,694,634	.0914	2,299,345	265,202	2,564,547

SPRINGFIELD AIRPORT AUTHORITY

SUMMARY OF TAX ASSESSMENTS AND COLLECTIONS

FOR TAXES ASSESSED IN 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, AND 2011

General Accounts:	Reserve For Losses and Costs	Estimate Collectible	Amount Collected	Receivable At June 30
2020	$ 40,301	$ 2,386,150	$ 1,348,646	$ 1,037,504
2019	38,918	2,202,241	1,089,784	1,112,457
2018	37,831	2,126,797	1,190,361	936,436
2017	36,687	2,043,014	1,199,138	843,876
2016	35,525	2,038,830	1,133,266	905,564
2015	35,019	1,985,822	1,109,141	876,681
2014	34,863	2,003,085	1,116,779	886,306
2013	34,188	1,948,094	1,064,410	883,684
2012	31,402	1,810,900	985,398	825,502
2011	29,685	1,719,777	925,248	794,529
General Obligation Bond And Interest Accounts:				
2020	8,005	392,211	201,437	190,774
2019	7,973	390,687	171,401	219,286
2018	7,970	390,550	202,463	188,087
2017	8,000	391,964	217,078	174,886
2016	8,719	427,225	216,535	210,690
2015	5,101	249,969	129,337	120,632
2014	5,243	256,884	130,882	126,002
2013	5,850	286,679	143,416	143,263
2012	5,957	291,909	145,455	146,454
2011	7,195	352,549	171,700	180,849
I.M.R.F. And F.I.C.A. Account:				
2020	10,019	490,950	252,149	238,801
2019	9,925	486,308	213,352	272,956
2018	9,767	478,561	248,089	230,472
2017	9,599	470,358	260,494	209,864
2016	9,478	464,374	235,364	229,010
2015	9,300	455,672	235,771	219,901
2014	8,703	426,428	217,265	209,163
2013	7,174	351,493	175,841	175,652
2012	8,886	435,389	216,949	218,440
2011	9,107	446,234	217,328	228,906
Total All Accounts:				
2020	58,325	3,269,311	1,802,232	1,467,079
2019	56,816	3,079,236	1,474,537	1,604,699
2018	55,568	2,995,908	1,640,913	1,354,995
2017	54,286	2,905,336	1,676,710	1,228,626
2016	53,722	2,930,429	1,585,165	1,345,264
2015	49,420	2,691,463	1,474,249	1,217,214
2014	48,809	2,686,397	1,464,926	1,221,471
2013	47,212	2,586,266	1,383,667	1,202,599
2012	46,245	2,538,198	1,347,802	1,190,396
2011	45,987	2,518,560	1,314,276	1,204,284

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF BONDED DEBT AND INTEREST REQUIREMENTS

June 30, 2021

Principal Requirements

Fiscal Year Ended June 30,	General Obligation Bonds of 2011	General Obligation Bonds of 2017
2022	$ 218,840	$ 28,000
2023	-	271,100
2024	-	271,100
2025	-	271,100
2026	-	271,100
2027	-	271,100
2028	-	318,900
2029	-	318,900
2030	-	318,900
2031	-	318,900
2032	-	318,900
2033	-	275,000
2034	-	275,000
2035	-	275,000
2036	-	275,000
2037	-	275,000
	$ 218,840	$ 4,353,000

Total Principal Requirements	$ 4,571,840
Less Assets Restricted for Debt Service	16,857
Net General Bonded Debt	$ 4,554,983

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF BONDED DEBT AND INTEREST REQUIREMENTS - Continued

June 30, 2021

Fiscal Year Ended June 30,	Interest Requirements: General Obligation Bonds of 2011	Interest Requirements: General Obligation Bonds of 2017	Total Annual Cash Requirements
2022	$ 3,908	$ 147,010	397,758
2023	-	126,814	397,914
2024	-	126,814	397,914
2025	-	126,814	397,914
2026	-	126,814	397,914
2027	-	126,814	397,914
2028	-	78,872	397,772
2029	-	78,872	397,772
2030	-	78,872	397,772
2031	-	78,872	397,772
2032	-	78,872	397,772
2033	-	25,094	300,094
2034	-	25,094	300,094
2035	-	25,094	300,094
2036	-	25,094	300,094
2037	-	25,094	300,094
	$ 3,908	$ 1,300,910	$ 5,876,658

SPRINGFIELD AIRPORT AUTHORITY

Ratio of Bonded Debt to Assessed Valuation and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Collected in Calendar Year (and Levied in Previous Year to Year Shown)

	2021	2020	2019	2018	2017
Assessed Valuation of SAA Taxing District	$ 2,798,710,430	$ 2,787,825,513	$ 2,806,481,352	$ 2,758,374,314	$ 2,707,725,991
.75% Limit	20,990,328	20,908,691	21,048,610	20,687,807	20,307,944
General Obligation Debt	4,571,840	4,810,680	5,042,020	5,265,860	5,485,200
Available G.O. Debt	16,418,488	16,098,011	16,006,590	15,421,947	14,822,744
Percentage of G.O. Debt to Assessed Valuation	0.170%	0.173%	0.180%	0.203%	0.049%
Percentage of G.O. Debt to Limit	21.78%	23.01%	23.95%	25.45%	6.59%
Population of Taxing District*	135,385	136,363	137,875	138,705	139,434
Net Bonded Debt Per Capita	$33.77	$35.28	$36.57	$39.55	$9.42

*Source: Springfield Sangamon County Regional Planning Commission

SPRINGFIELD AIRPORT AUTHORITY

Ratio of Bonded Debt to Assessed Valuation and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Collected in Calendar Year (and Levied in Previous Year to Year Shown) - Continued

	2016	2015	2014	2013	2012
Assessed Valuation of SAA Taxing District	$ 2,656,985,002	$ 2,621,271,487	$ 2,543,734,049	$ 2,524,291,679	$ 2,515,694,634
.75% Limit	19,927,387	19,659,536	19,078,005	18,932,188	18,867,710
General Obligation Debt	1,313,040	1,531,880	1,775,790	2,019,700	2,316,650
Available G.O. Debt	18,614,347	18,127,656	17,302,215	16,912,488	16,551,060
Percentage of G.O. Debt to Assessed Valuation	0.058%	0.070%	0.070%	0.080%	0.092%
Percentage of G.O. Debt to Limit	7.79%	9.31%	10.67%	12.28%	1.84%
Population of Taxing District*	138,535	139,152	139,152	138,174	138,174
Net Bonded Debt Per Capita	$11.06	$12.76	$14.51	$16.77	$2.50

SPRINGFIELD AIRPORT AUTHORITY

Ratio of Annual Debt Service to Total Operations
and Maintenance Expenditures
Last Ten Fiscal Years

	2021	2020	2019	2018
Principal	$ 748,804	$ 465,373*	$ 556,605***	$ 514,844
Interest	127,807	345,055	259,670	353,687
Total debt service	$ 876,611	$ 810,428	$ 816,275	$ 868,531
Operating expenses (not including depreciation)	$ 4,853,819	$ 5,504,582	$ 5,071,212	$ 5,229,864
Plus: Principal	748,804	465,373	556,605	514,844
Total expenditures	$ 5,602,623	$ 5,969,955	$ 556,605	$ 5,744,708
Ratio of debt service to total expenditures	15.6%	13.6%	14.5%	15.1%

* Excludes refinaced debt of $7,507,771
** Excludes refinanced debt of $3,950,000
*** Excludes retirement of Revenue Bonds in 2019 of $4,400,000 and 2017 of $4,254,000

SPRINGFIELD AIRPORT AUTHORITY

Ratio of Annual Debt Service to Total Operations
and Maintenance Expenditures
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
$ 609,530***	$ 2,005,496	$ 618,163	$ 470,956	$ 801,510**	$ 425,750
253,081	368,092	384,725	416,763	469,224	523,873
$ 862,611	$ 2,373,588	$ 1,002,888	$ 887,719	$ 1,270,734	$ 949,623
$ 5,221,734	$ 5,145,651	$ 5,047,016	$ 4,990,246	$ 4,794,795	$ 5,937,778
609,530	2,005,496	618,163	470,956	801,510	425,750
$ 5,831,264	$ 7,151,147	$ 5,665,179	$ 5,461,202	$ 5,596,305	$ 6,363,528
33.2%	17.7%	16.3%	16.3%	22.7%	14.9%

SPRINGFIELD AIRPORT AUTHORITY

Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds	G.O. Bonds	Notes - SE Quadrant T-Hangars	Notes - Leasehold Improvements	Notes - FBO Rehabilitation
2021	$ -	$ 4,571,840	$ 2,009,684	$ 893,133	$ 4,953,167
2020	-	4,810,680	2,233,958	84,212	4,193,964
2019	-	5,042,020	2,456,085	1,056,949	2,933,381
2018	4,400,000	5,265,860	2,724,318	1,115,564	-
2017	4,400,000	5,485,200	2,962,405	1,172,981	-
2016	8,654,000	1,313,040	3,196,201	1,229,875	-
2015	8,654,000	1,531,880	3,426,862	1,285,870	-
2014	8,654,000	1,775,790	3,625,769	-	-
2013	8,654,000	2,019,700	3,852,815	-	-
2012	8,654,000	2,316,650	4,037,798	319,577	-

SPRINGFIELD AIRPORT AUTHORITY

Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	Notes - Vendor	Notes - Terminal Remodeling	Total Outstanding Debt	Debt Per Capita	Debt As A Share Of Assessed Valuation of Taxing District
2021	$ -	$ -	$ 12,427,824	$ 91.80	0.44%
2020	-	-	12,222,814	89.63	0.44%
2019	-	-	11,488,435	83.33	0.41%
2018	-	-	13,505,742	97.50	0.49%
2017	-	-	14,020,586	101.08	0.52%
2016	100,000	1,500,000	14,493,116	103.94	0.55%
2015	100,000	1,500,000	16,498,612	119.09	0.63%
2014	-	-	14,055,559	101.01	0.55%
2013	-	-	14,526,515	104.40	0.58%
2012	-	-	15,328,025	110.93	0.61%

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CAPITAL AIRPORT
AT SPRINGFIELD

SPRINGFIELD AIRPORT AUTHORITY

Revenue Bond Coverage

The Authority has no revenue bonds issued currently outstanding.

SPRINGFIELD AIRPORT AUTHORITY

Schedule of General Obligation (G.O.) Bond Coverage

Last Ten Fiscal Years

Gross Operating Revenue

Fiscal Year	Total Revenue	Less Revenue Pledged For Bonds	Less Operating Expenses Before Depreciation & Amortization	Available For G.O. Bonds
2021	$ 8,043,121	$ -	$ 4,853,819	$ 3,189,302
2020	7,890,358	-	5,504,582	2,385,776
2019	7,658,355	48,702	5,071,212	2,538,441
2018	7,370,029	200,276	4,940,831	2,228,922
2017	7,293,112	309,318	5,221,734	1,762,060
2016	7,005,917	535,024	5,145,651	1,325,242
2015	7,448,900	533,318	5,047,016	1,868,566
2014	7,137,894	533,284	4,990,246	1,714,364
2013	6,848,474	557,326	4,794,795	1,496,353
2012	7,558,334	604,746	5,937,778	1,015,810

SPRINGFIELD AIRPORT AUTHORITY

Schedule of General Obligation (G.O.) Bond Coverage

Last Ten Fiscal Years

General Obligation Bond Requirement

Fiscal Year	Principal	Interest	Total	Coverage (Times)
2021	$ 246,840	$ 159,144	$ 405,984	7.9
2020	238,840	166,806	398,146	6.0
2019	231,340	173,727	405,067	6.3
2018	233,840	216,996	440,836	5.1
2017	219,340	37,767	257,107	6.9
2016	218,840	43,020	261,860	5.1
2015	218,840	47,916	266,756	7.0
2014	243,910	52,508	296,418	5.8
2013	243,910	58,541	302,451	4.9
2012	296,950	37,796	334,746	3.0

SPRINGFIELD AIRPORT AUTHORITY

Principal Taxpayers
December 31, 2020

Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Mall at White Oaks LLC	Retail Sales	$ 7,645,929	1	0.31%
Horace Mann Educators Corp.	Insurance	4,905,551	2	0.20%
Memorial Health System	Health Care	4,595,374	3	0.19%
Wells Fargo Home Mortgage	Mortgage Co.	4,493,317	4	0.18%
Memorial Health System	Health Care	4,463,793	5	0.18%
White Oaks Plaza LLC	Retail Sales	4,367,437	6	0.18%
Springfield Clinic LLP #1	Health Care	4,141,882	7	0.17%
Wal-Mart RE Business Trust	Retail Sales	4,109,582	8	0.17%
Springfield Clinic LLP #2	Health Care	3,880,204	9	0.16%
Memorial Health System	Health Care	3,719,895	10	0.15%
		$ 46,322,964		1.89%

Source: County Clerk's Office

SPRINGFIELD AIRPORT AUTHORITY

Largest Non-Manufacturing Employers in City of Springfield
Current Year and Nine Years Ago

Non-Manufacturing Employers	Employer Service	# of Employees 2021	% of Work Force	# of Employees 2012	% of Work Force
1. State of Illinois	Government	17,800	32.86%	17,300	27.59%
2. Memorial Health System	Health Care	5,238	9.67%	5,883	9.38%
3. Hospital Sisters Health System	Health Care	4,434	8.19%	3,065	4.89%
4. Springfield Clinic	Health Care	2,449	4.52%	2,211	3.53%
5. Springfield Public Schools	Education	2,130	3.93%	2,244	3.58%
6. University of IL - Springfield	Education	1,642	3.03%	1,151	1.84%
7. SIU - School of Medicine	Health Care	1,470	2.71%	1,517	2.42%
8. City of Springfield	Government	1,410	2.60%	1,498	2.39%
9. Horace Mann Educators	Insurance	1,066	1.97%	n/a	0%
10. Blue Cross / Blue Shield	Health Insurance	900	1.66%	1,143	1.82%
	Total Workforce	38,539		36,012	

Source: Illinois Department of Employment Security; Springfield Sangamon Growth Alliance

SPRINGFIELD AIRPORT AUTHORITY

Sangamon County Demographic Statistics

Population Age Distribution-Normal Data:

Census Year	Under 18	18 - 44	45 - 64	Over 64	Total
2010	46,816	66,765	56,522	27,362	197,465
2000	47,238	71,424	44,781	25,508	188,951
1990	49,977	70,138	33,821	24,450	178,386
1980	54,093	65,445	34,514	22,037	176,089
1970	59,111	47,589	35,817	18,818	161,335
1960	42,924	54,078	32,889	16,648	146,539
1950	39,849	48,962	29,695	12,978	131,484
1940	35,538	46,822	25,994	9,558	117,912

Population Age Distribution-Relative Data:

Census Year	Under 18	18 - 44	45 - 64	Over 64	Total
2010	23.70%	33.80%	28.60%	13.90%	100.00%
2000	25.00%	37.80%	23.70%	13.50%	100.00%
1990	28.02%	39.32%	18.96%	13.70%	100.00%
1980	30.72%	37.17%	19.60%	12.51%	100.00%
1970	36.64%	29.50%	22.20%	11.66%	100.00%
1960	29.29%	36.90%	22.45%	11.36%	100.00%
1950	30.31%	37.24%	22.58%	9.87%	100.00%
1940	30.14%	39.71%	22.04%	8.11%	100.00%

Source: U.S. Census Bureau

SPRINGFIELD AIRPORT AUTHORITY

City of Springfield

Property Tax Values and Construction
Last Ten Years

Calendar Year	Building (1) Permits Issued	Building (1) Permits Value	Average Building Cost	Property Tax (2) Value Total
2020	4,792	$ 115,326,764	$ 24,067	$ 2,441,727,834
2019	5,584	249,605,097	44,700	2,433,947,756
2018	2,162	193,440,102	89,473	2,452,965,521
2017	2,650	155,154,797	58,549	2,411,860,806
2016	2,868	142,313,416	49,621	2,301,030,351
2015	3,086	199,134,264	64,528	2,301,030,351
2014	3,310	161,782,726	48,877	2,270,421,746
2013	3,186	254,923,577	80,014	2,245,819,217
2012	3,520	193,633,649	55,010	2,237,598,949
2011	2,960	255,756,699	86,404	2,219,417,306

(1) Source: City of Springfield

(2) Source: Sangamon County Clerk's Office and City of Springfield

SPRINGFIELD AIRPORT AUTHORITY

City of Springfield

Per Capita Income and Unemployment Rate
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Income	Median Age	Unemployment Rate
2020	116,250	Not Available	Not Available	Not Available	8.3%
2019	116,250	$10,198,822	$49,301.00	38.5	3.2%
2018	116,250	$10,131,128	$48,793.00	39.0	5.1%
2017	116,250	$9,634,500	$46,165.00	38.9	4.6%
2016	116,250	$9,450,300	$45,003.00	38.6	5.0%
2015	116,250	$9,204,307	$43,590.00	38.7	5.7%
2014	116,250	$9,006,852	$42,552.00	38.7	5.6%
2013	116,250	$8,774,090	$41,459.00	40.0	7.4%
2012	116,250	$8,573,776	$40,439.00	39.9	8.2%
2011	116,250	$8,530,580	$40,304.00	38.3	7.7%

Sources: U.S. Census Bureau, U.S. Dept of Commerce-Bureau of Economic Analysis, U.S. Dept of Labor-Bureau of Labor Statistics

SPRINGFIELD AIRPORT AUTHORITY

Tenant Rents & Fees
Most Significant Own-Source Revenue

	Amount Paid FY21	Percent of Total	Amount Paid FY20	Percent of Total	Difference From FY21 to FY20
American Airlines	$ 145,717	4%	$ 176,379	4%	$ (30,662)
United Airlines	187,537	5%	213,051	5%	(25,514)
StandardAero/Garrett	946,129	24%	918,572	23%	27,557
Stellar Aviation/Landmark/Horizon	338,262	9%	308,060	8%	30,202
FAA - FSDO & SFA	81,121	2%	81,121	2%	0
Illinois Division of Aeronautics	160,247	4%	155,878	4%	4,369
U of I Extension	83,156	2%	81,927	2%	1,229
TSA	109,342	3%	90,416	2%	18,926
Prairie Analytical/PDC Laboratories	-	0%	64,143	2%	(64,143)
Hertz	67,064	2%	89,274	2%	(22,210)
Avis	90,081	2%	84,649	2%	5,432
Budget	73,616	2%	58,789	1%	14,827
Enterprise	95,097	2%	127,233	3%	(32,136)
Lincoln Land Community College	106,737	3%	104,134	3%	2,603
Residential	162,182	4%	151,285	4%	10,897
South & SE Quadrant T-Hangars	498,157	13%	488,365	12%	9,792
Passenger Service Center	430,699	11%	497,661	13%	(66,962)
All Other	321,091	8%	249,371	6%	71,720
Total	$ 3,896,235	100%	$ 3,940,308	100%	$ (44,073)

The following revenue categories are not considered as tenants for purposes of this schedule: Taxes - General, Taxes - IMRF/FICA, Farm, Interest, Taxes - Replacement, Miscellaneous, Air Service Grant, Fuel Rates & Charges and Federal & State Grants.

At any given time, the Authority has leases with about 155 tenants occupying hangars for individual aircraft and about 72 leases with other tenants. This revenue is relatively stable - there is generally not a significant amount of tenant turnover in any given year. Over 92% of these leases have the payment to the Authority increase by the Consumer Price Index (CPI-U), or the greater of the CPI-U or 2.5%, on an annual basis.

SPRINGFIELD AIRPORT AUTHORITY

Airport Information
Last Ten Calendar Years

Calendar Year	Enplaned Passengers	Air Carrier/ Air Taxi Operations	General Aviation Operations	Military Operations	Total Annual Operations
2020	35,580	4,274	15,788	3,622	23,684
2019	77,845	6,752	18,371	5,107	30,230
2018	79,344	6,747	20,159	4,571	31,477
2017	94,206	7,809	21,072	6,521	35,402
2016	95,885	7,073	19,514	5,888	32,475
2015	91,617	7,886	23,101	7,138	38,125
2014	87,206	8,456	21,656	7,297	37,409
2013	72,580	8,745	22,627	5,899	37,271
2012	69,213	8,923	24,235	6,190	39,348
2011	74,054	8,057	22,301	3,810	34,168

SPRINGFIELD AIRPORT AUTHORITY

Full Time Equivalent Employees
As of June 30

Last Ten Years

2021	41
2020	42
2019	39
2018	37
2017	38
2016	39
2015	42
2014	40
2013	40
2012	40

Note: Part time equivalent = .5 of full time equivalent

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF INSURANCE COVERAGE

June 30, 2021

Type of Coverage and Name of Company	Policy Number	Policy Period From	To
General Liability Sterling Aviation Markets, Inc.	AP 048395320-05	4/30/2021	4/30/2022
Commercial Auto Cincinnati Insurance	EBA 0528618	4/30/2021	4/30/2022
Property and Equipment Cincinnati Insurance	ECO 0528618	4/30/2021	4/30/2022
Officers and Directors Liability Old Republic Insurance	ALT 12100712	4/30/2021	4/30/2022
Liquor Liability U.S. Insurance	151L0000053LL06	7/21/2021	7/21/2022

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF INSURANCE COVERAGE

June 30, 2021

Type of Coverage and Name of Company	Details of Coverage	Liability Amounts	Annual Premium
General Liability Sterling Aviation Markets, Inc.	Bodily injury, personal injury, property damage all hazards usual to the operation of a municipal airport, including hangarkeepers, personal injury and advertising liability - includes deicing liability	$ 50,000,000	$ 28,825
Commercial Auto Cincinnati Insurance	All autos and trucks liability, bodily injury, uninsured motorist	1,000,000	17,159
Property and Equipment Cincinnati Insurance	Building, contents, business income, boiler, machinery and earthquake	35,003,168	37,781
Officers and Directors Liability Old Republic Insurance	Officer and employees liability	1,000,000	4,316
Liquor Liability U.S. Insurance	Dram Shop Liability	1,000,000	348

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CAPITAL AIRPORT
AT SPRINGFIELD

PASSENGER FACILITY CHARGES

2021

2021

ECK, SCHAFER & PUNKE, LLP
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Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on the Passenger Facility Charge Program and on Internal Control Over Compliance

Board of Commissioners
Springfield Airport Authority
Springfield, Illinois

Report on Compliance for the Passenger Facility Charge Program

We have audited Springfield Airport Authority's (the Authority) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide) that could have a direct and material effect on the passenger facility charge program for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for compliance with the requirements of laws and regulations applicable to its passenger facility charge program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance of the Authority's 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 Guide. Those standards and the Guide 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 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, Springfield 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 June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Eck, Schafer & Punke, LLP

Springfield, Illinois
November 16, 2021

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES

For the year ended June 30, 2021

PFC #3

Project	Expenditures
Update Geographic Information System (GIS), Airport Layout Plan (ALP) and Storm Sewer Plan	$ 29,270
Total	$ 29,270

PFC #7

Project	Expenditures
Land Acquisition - Hastie Property	$ 1,900
Total	$ 1,900

PFC #8

Project	Expenditures
Terminal ADA and Capacity Improvements, Phase IV - Terminal Parking Lot, Sidewalk, Access Road Rehabilitation and Modification	112,762
Total	$ 112,762

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ABRAHAM LINCOLN
CAPITAL AIRPORT
AT SPRINGFIELD

SINGLE AUDIT

2021

2021

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Independent Auditors' 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*

Board of Commissioners
Springfield Airport Authority
Springfield, Illinois

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 Springfield Airport Authority (the Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 16, 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 statement. 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eck, Schafer & Punke, LLP

Springfield, Illinois
November 16, 2021

ECK, SCHAFER & PUNKE, LLP
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Independent Auditors' Report on Compliance
For Each Major Program and on Internal Control
Over Compliance Required by the Uniform Guidance

Board of Commissioners
Springfield Airport Authority
Springfield, Illinois

Report on Compliance for Each Major Federal Program

We have audited Springfield Airport Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2021. The Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs 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 each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Springfield 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 June 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on the major federal program is not modified with respect to this matter.

The Authority's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

The Authority's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Eck, Schafer & Punke, LLP

Springfield, Illinois
November 16, 2021

Springfield Airport Authority

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2021

Federal Agency and Program Title	CFDA Number	Pass Through Identification	Federal Award Expenditures
U.S. Department of Transportation			
Airport Improvement Program	20.106	N/A	$ 5,043,147
COVID-19 - Airport Improvement Program	20.106	N/A	1,040,044
Passed through Illinois Department of Transportation			
COVID-19 - Airport Improvement Program	20.106	20-2421-19195	4,661,086
			10,744,277
U.S. Department of Treasury			
Passed through Illinois Department of Commerce and Economic Opportunity			
COVID-19 - Coronavirus Relief Fund	21.019	20-493182	3,971
Total Expenditures of Federal Awards			$ 10,748,248

See accompanying notes to schedule of expenditures of federal awards.

Springfield Airport Authority

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Springfield Airport Authority and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. 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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Springfield Airport Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

2. ADDITIONAL INFORMATION

A. Other Federal Assistance

As of and during the year ended June 30, 2021, Springfield Airport Authority did not receive any noncash federal assistance, federal insurance, or federal loans or loan guarantees.

B. Sub-recipient Grants

During the year ended June 30, 2021, Springfield Airport Authority did not pass through federal funds to sub-recipients.

Springfield Airport Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ Yes	X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ Yes	X None reported
Noncompliance material to financial statements noted	___ Yes	X No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	___ Yes	X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	X Yes	___ None reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	X Yes	___ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?	X Yes	___ No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

U.S. DEPARTMENT OF TRANSPORTATION

2021-001 Program Title: COVID-19-Airport Improvement Program
CFDA 20.106

Pass-through entity: Illinois Department of Transportation
Pass-through number: 20-2421-19195

Condition: The grant awards received by the Authority were provided on a cost reimbursement basis. During testing of the allowable cost compliance requirement, we examined 100% (7 of 7) of the Authority's submissions for reimbursement. It was discovered through this examination that the Authority had included duplicate expenditures of allowable costs on two separate submissions to the pass-through entity, and consequently received reimbursement for the same items twice.

Criteria: Title 2 CFR 200, Section 303, "Internal Controls", states that non-Federal entities must establish and maintain effective internal controls that ensure compliance with program requirements. These controls include understanding grant requirements, provide proper and efficient administration of the Federal award, and monitoring the effectiveness of established controls.

Effect: The submission of duplicate expenditures for reimbursement resulted in known questioned costs of $ 299,663.

Cause: Management's review of submitted expenditures and supporting documentation failed to identify the duplication.

Recommendation: We recommend the Authority comply with Title 2 CFR 200, Section 303, and maintain effective internal controls over Federal awards to ensure compliance with applicable regulations and the terms and conditions of Federal awards.

Section III - Federal Award Findings and Questioned Costs - Continued

Response and Corrective Plan: Springfield Airport Authority management agrees with the finding and recognizes that other mandated processes and controls, external to the Springfield Airport Authority, proved to be unsatisfactory in processing these transactions. Corrective action was immediately initiated by management in cooperation with the Illinois Department of Transportation's Division of Aeronautics and the Federal Aviation Administration's Chicago Airport District Office to re-submit payment requests to cover the value of the duplicate submittals. The Springfield Airport Authority has identified expenditures to rectify the duplicate submissions and worked closely with the Illinois Department of Transportation and Federal Aviation Administration through the process to correct the record ensuring all pay requests are properly verified. Furthermore, it is noted that while duplicate requests were submitted and paid, the Airport Authority still qualified for the entire grant funding amount and is able to provide the required justification for all payment requests to the level of funding awarded. Springfield Airport Authority management recognizes that the internal controls process did not immediately identify the duplicate submittals. Management has reviewed its internal control procedures in relation to these classes of transactions and will make adjustments to further cross-examine and inspect payment request submittals.

Springfield Airport Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the Year Ended June 30, 2021

Section IV - Summary Schedule of Prior Audit Findings

There were no prior audit findings required to be reported relative to Federal awards.

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AT SPRINGFIELD

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