

ABRAHAM LINCOLN CAPITAL AIRPORT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**Fiscal Year Ended
June 30, 2025**



SPRINGFIELD AIRPORT AUTHORITY

SPRINGFIELD, ILLINOIS

ANNUAL
COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2025

Prepared by

Administration and Finance Department

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INTRODUCTORY SECTION





SPRINGFIELD AIRPORT AUTHORITY

December 16, 2025

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, 2025.

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, 2025. The independent auditors' report is located on pages 17, 18, 19 and 20 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, 2024. This was the 22nd 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.

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 2025 is 133,459, down from 134,279 in 2024. The per capita personal income for 2025 is \$43,279 with a median household income of \$66,961. The median home value is \$172,197 with a median age of 41.4. There are 68,492 estimated housing units in 2025 - of those 38,823 are owner occupied with an average home value of \$214,513. The civilian labor force in 2025 is 65,672 with an unemployment rate of 5.0%.

FY 2025 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.
- 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 three Airport Improvement grants totaling \$2,983,000 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, 2025, 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 109 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 2025. 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 2025. For example, vehicle repairs in the Maintenance department include seven sub-items, such as radiator repair, wheel alignment and tire repair. 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 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 2025 budget) the actual revenues by year for each line item from 2012 to 2023, the budgeted amount and estimated revenue to be received in 2024, and the budgeted amount for 2025. 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 2025, the Authority was awarded three grants through the FAA and Illinois Division of Aeronautics:

- Rehabilitate Runway 13/31, Preliminary Design
- Expand Terminal Ramp
- Wildlife Mitigation, Phase V

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 22 and 23.

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, Breeze Airways 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. On December 1, 2023, the Authority was able to attract Breeze Airways to fly non-stop service to Orlando and Tampa Bay. 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 \$1,237,000 in assets against claims payable of about \$3,000.
- 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 2025 was \$255,241 and at June 30, 2025 the balance available was about \$1,203,000.
- 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.
- Pursuant to the Federal Regulations relating to the FAA Policies and Procedures concerning the use of airport revenue; Proceeds from taxes on aviation fuel, the Springfield Airport Authority Board of Commissioners has procured outside legal counsel to pursue the collection of an amount of up to \$1 million from the City of Springfield for collections of local sales taxes on aviation fuel contrary to Federal Policy.

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, 2025 there were eleven FAA and IDOA grants open at Abraham Lincoln Capital Airport:

The FAA/IDOA grants open:

- Smart Airport and Regional Logistics Planning Project
- Rehabilitate Runway 13/31, Preliminary Design (AIP-90)
- Public Safety Building Construction and Design, Phase I and Phase II (AIP-86)
- Wildlife Mitigation, Phase V (AIP-91)
- Install Wildlife Perimeter Fencing, Rehabilitate Runway 4/22 (AIP-73)
- Remove Runway 18/36, Phase I (AIP-74)
- Remove Runway 18/36, Phase II (AIP-78)
- Remove Runway 18/36, Phase III (AIP-82)
- ALP Update (AIP-87)
- Rehabilitate North Airport Roadway and Parking Lot
- Expand Terminal Ramp (AIP-88, 89)

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, 2025, the Authority has collected \$10,445,747.94 in PFCs, earned an additional \$284,381.92 in interest, paid \$73.15 in fees and spent \$10,343,499.68 on FAA-approved projects, with a remaining cash balance of \$101,625.11. Further information is available on pages 105 through 108 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, 2020, 2021, 2022, 2023 and 2024 reports and is submitting this report to the GFOA to determine its eligibility for a certificate for the year ending June 30, 2025. 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 Marilyn Carnduff, Shawna McCoy, 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,



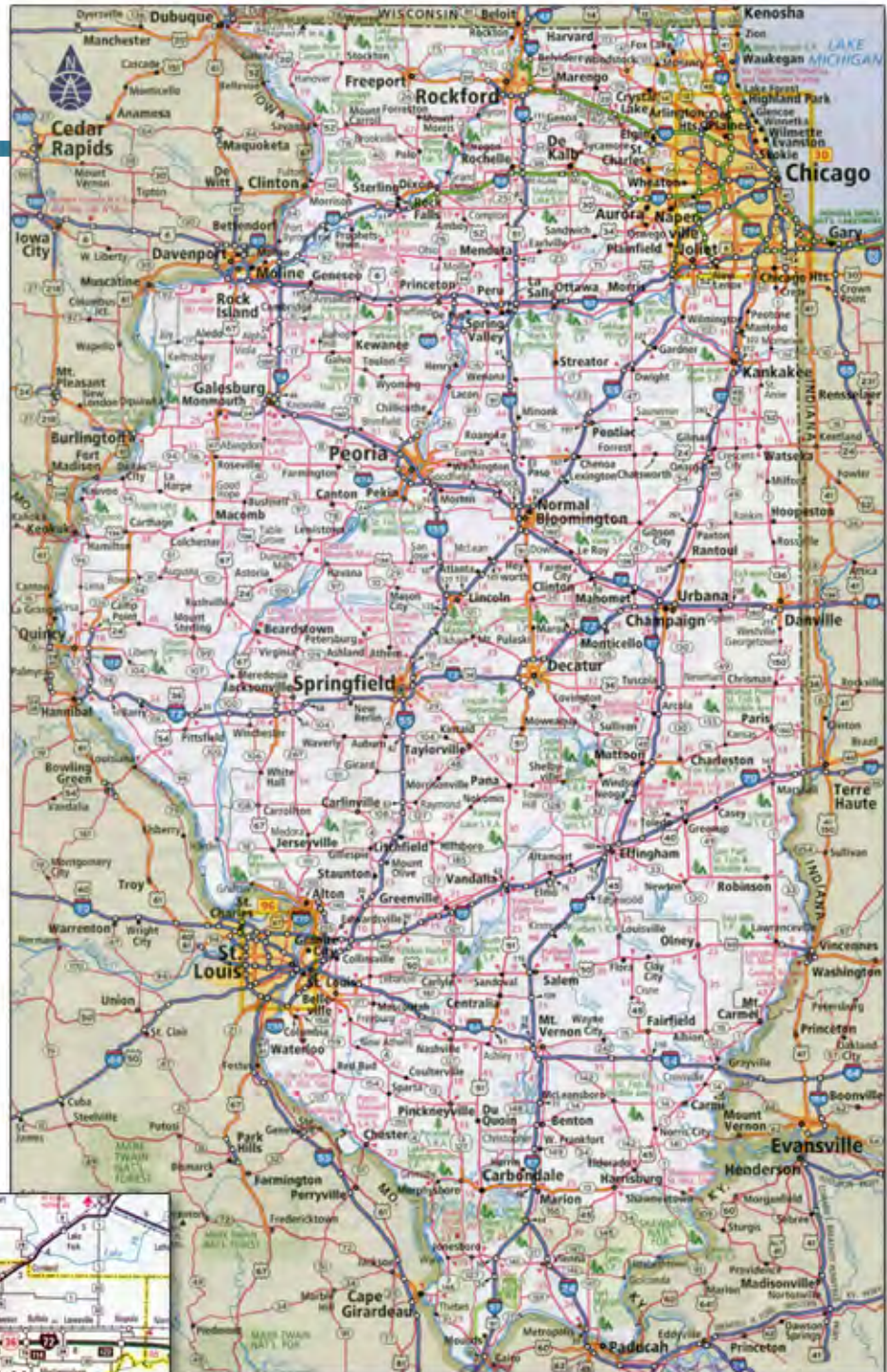
Mark E. Hanna, A.A.E.
Executive Director



Kenneth R. Boyle
Deputy Executive Director

LOCATION

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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 |
| | | | |
| INSTRUMENT LANDING SYSTEM | | | |
| Runway 4 & 22 | FAA Category I | | |
| Runway 31 | FAA Category I | | |
| TERMINAL COMPLEX | | | |
| Terminal Size | Total Space 99,300 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
23 Years



Dianne Hardwick
Vice Chair
11 Years



Elizabeth Delheimer
Commissioner
6 Years



Dr. Susan R. Shea
Commissioner
6 Years



Teresa Haley
Commissioner
4 Years



Cynthia Lamar
Commissioner
1 Year



Mark Kinnaman
Treasurer
18 Years



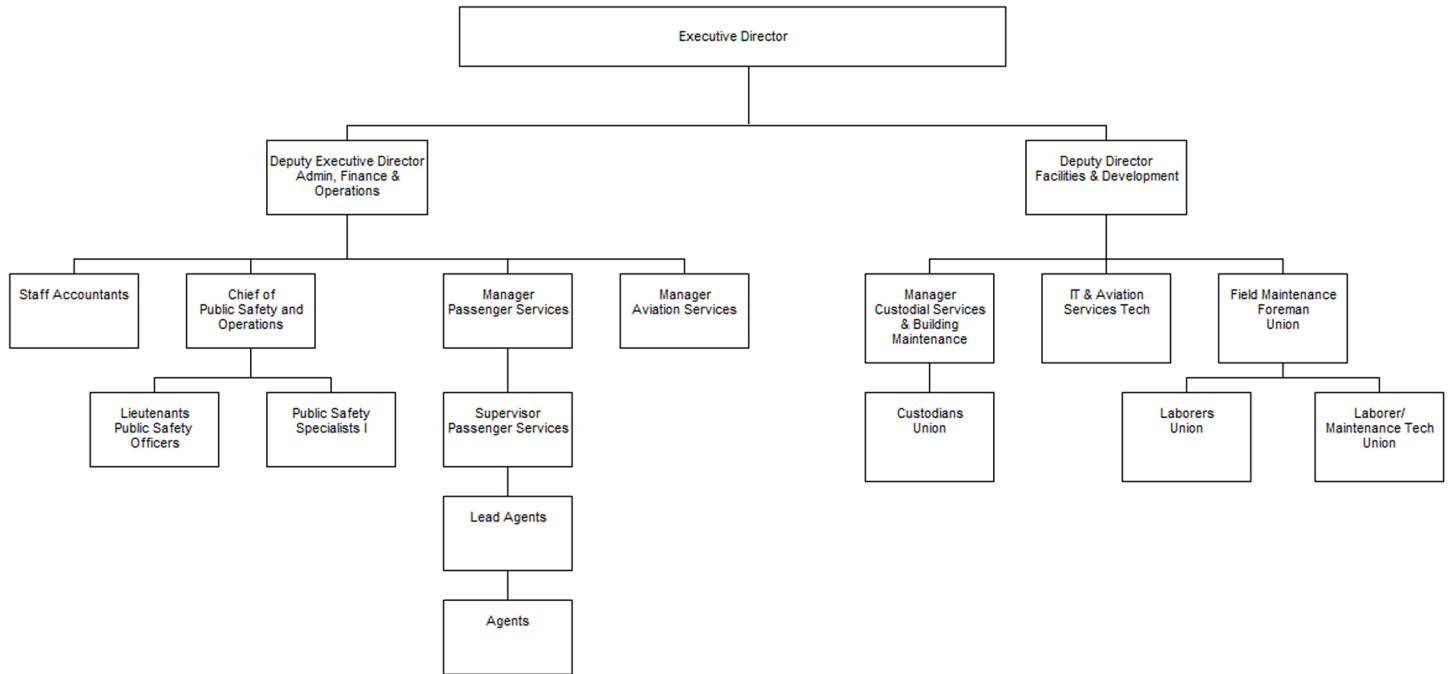
Mark E. Hanna, A.A.E.
Executive Director
18 Years



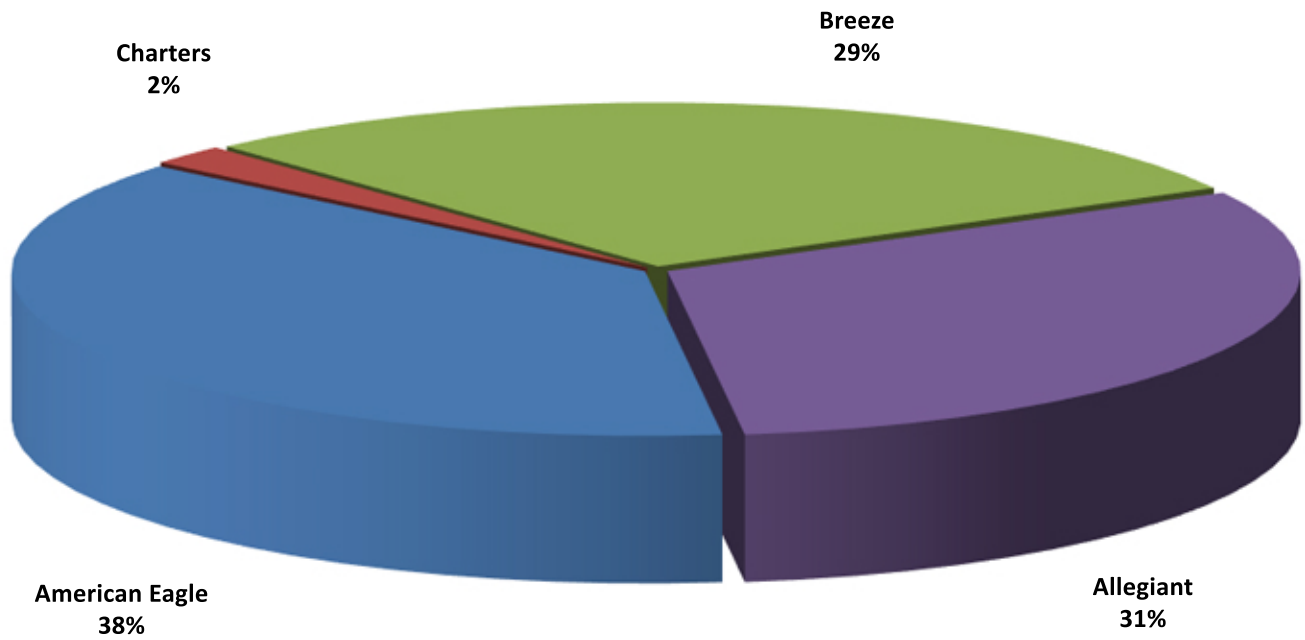
R. Beverly Peters
Secretary
16 Years

SPRINGFIELD AIRPORT AUTHORITY ORGANIZATION CHART

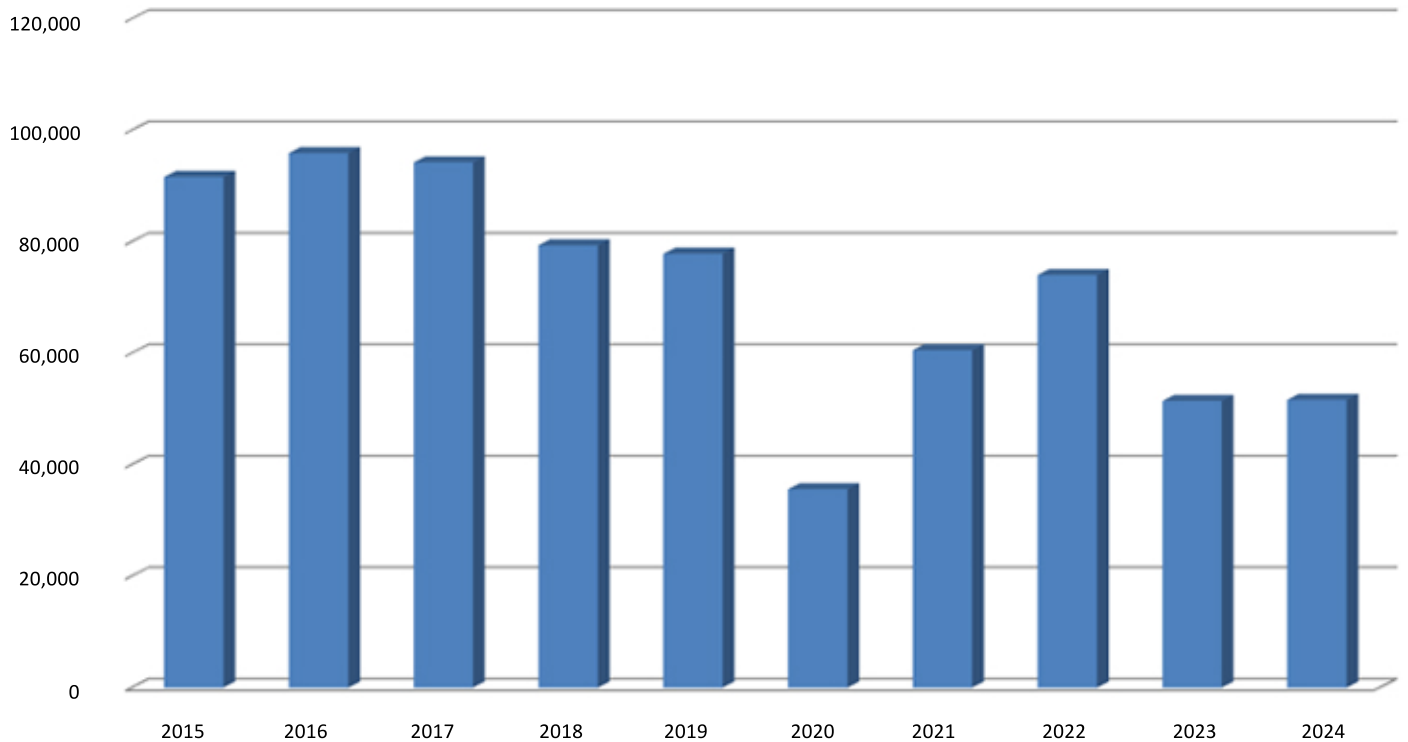
SPRINGFIELD AIRPORT AUTHORITY ORGANIZATIONAL CHART FY 2026



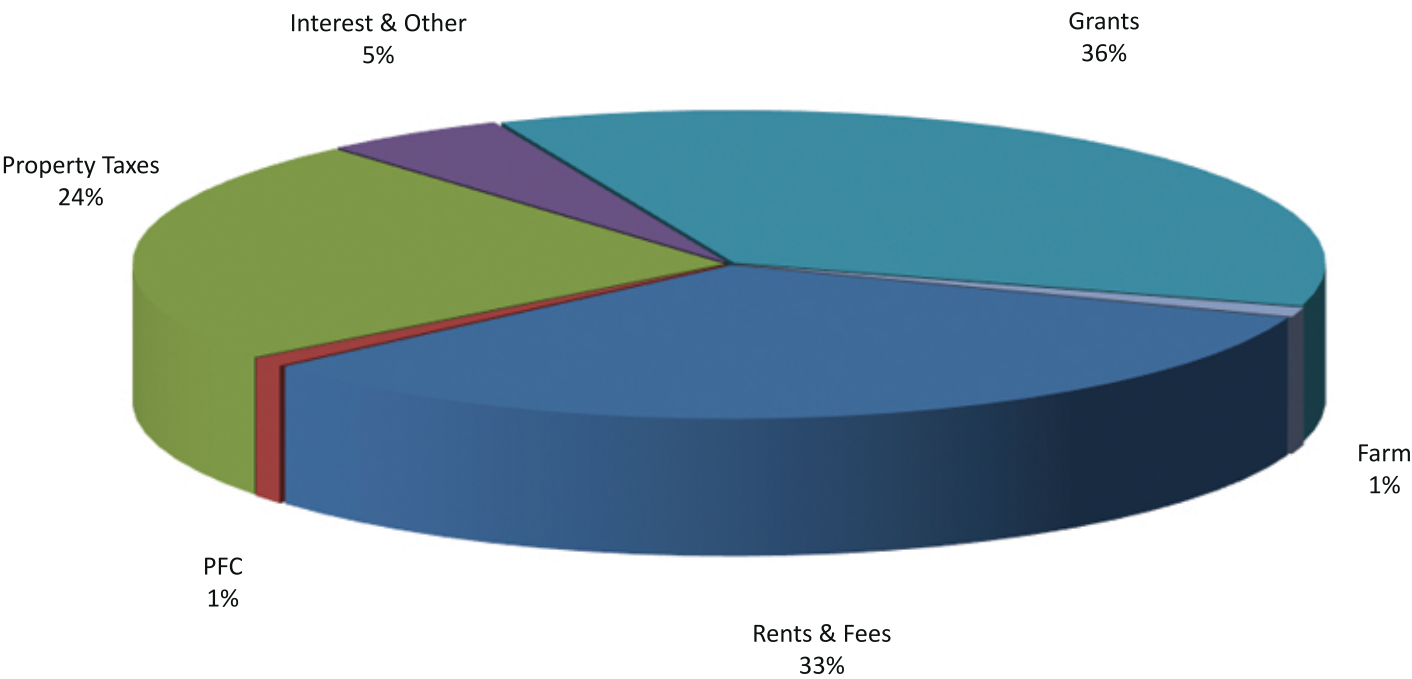
2024 Calendar Year Air Carrier Market Share



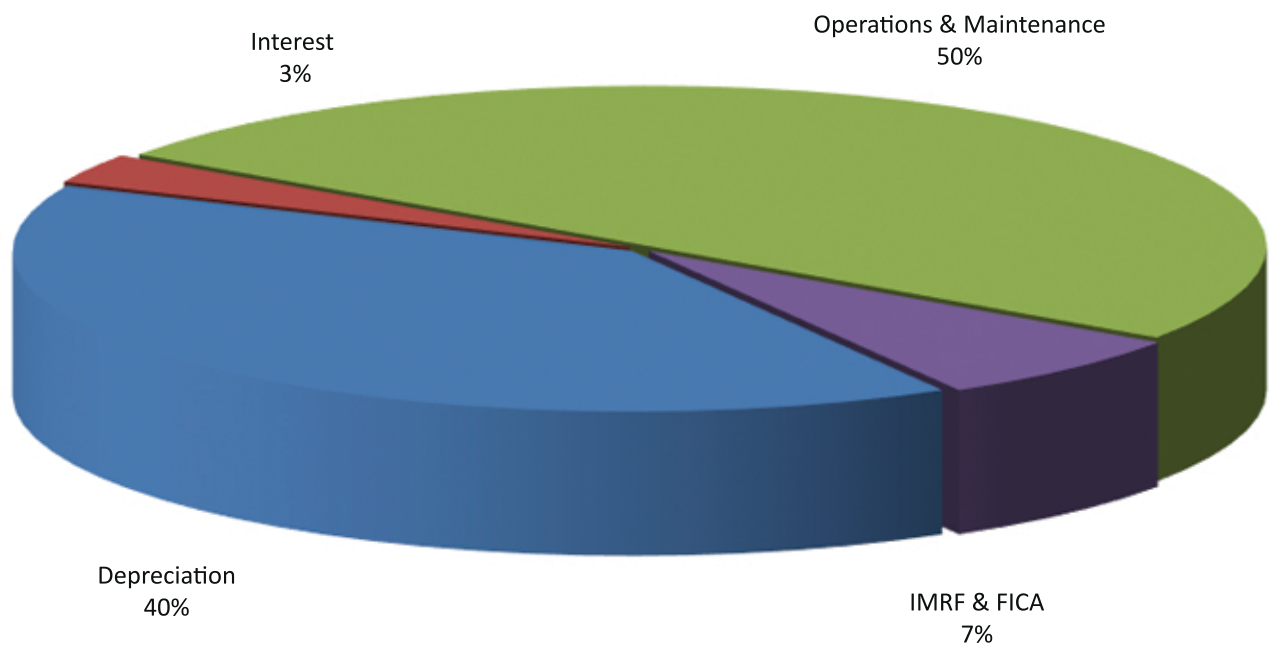
Enplaned Passenger Activity For Calendar Years 2015 - 2024



FY 2025 COMPOSITION OF THE REVENUE DOLLAR



FY 2025 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION





SPRINGFIELD AIRPORT AUTHORITY

Independent Auditors' Report

Board of Commissioners
Springfield Airport Authority
Springfield, Illinois

Opinion

We have audited the accompanying financial statements of Springfield Airport Authority (the Authority) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Springfield Airport Authority, as of June 30, 2025, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information listed in the table of contents is presented for purposes of additional information and is not a required part of the basic financial statements. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Eck, Schafer + Punke LLP

Springfield, Illinois
December 16, 2025

SPRINGFIELD AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

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, 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 #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 2025 Financial Highlights

- Assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources by \$92,563,816 as of fiscal year 2025.
- The Authority's net position increased about \$3,348,000 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) increased about \$1,205,000 over last year.
- The net gain was about \$3,348,000, compared to a net gain of about \$7,600,000 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 2025 they decreased about \$3,140,000 from FY 2024.
- In July 2024, the Airport Authority Board of Commissioners levied taxes at about 38% higher than 10 years ago - \$3,403,064 in 2024 compared to \$2,470,996 in 2015. This is a change of \$932,068 in 10 years. This means the owner of a \$120,000 home will pay \$38.44 to the Authority in property taxes. The Authority's tax rate has increased a total of 10% 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 32% from 2015 through 2024.
- Total Operating Expenses increased about \$1,483,000. This is due primarily to a \$1,200,000 increase in IMRF and FICA expenses compared to last year. Operations and Maintenance increased \$216,000. Depreciation increased \$66,000 from last fiscal year.

Financial Ratios

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

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 5,008 | 9,069 | 7,892 | 5,486 | 4,522 | 11,298 | 10,887 | 12,312 | 8,094 | 11,550 |

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

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1.9 | 9.7 | 2.2 | 2.8 | 3.7 | 6.6 | 4.8 | 7.0 | 2.2 | 5.4 |
| times | times | times | times | times | times | times | times | times | 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.

| <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 17.0 | 20.9 | 22.7 | 19.0 | 11.5 | 11.1 | 21.2 | 15.4 | 17.4 | 12.0 |

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

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| .21 | .21 | .20 | .20 | .18 | .16 | .14 | .19 | .18 | .17 |

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

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| .23 | .22 | .14 | .16 | .18 | .19 | .14 | .19 | .14 | .17 |

- 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.

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| .05 | .05 | .05 | .05 | .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 a decrease. Days Sales Outstanding decreased, and the ratio is still low, primarily due to no tenant owing a large amount at the end of FY 2025. Current ratio had a decrease and so did Debt to Equity Ratio.

Fiscal Year 2025 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 \$6 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 36 full-time, 17 part-time at June 30, 2025. 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. 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 \$3.348 million, from about \$89.215 million to \$92.564 million. Contributions decreased \$3.140 million over last year. This was due to receiving less grant money. Total capital assets, including CIP, increased about \$4.3 million. The Authority's capital assets with the completed construction projects and equipment is described on page 27.

| | FY25 | FY24 |
|----------------------------------|------------|------------|
| Current assets | \$ 14,205 | \$ 14,748 |
| Non-current assets | 97,680 | 93,251 |
| Total assets | \$ 111,885 | \$ 107,999 |
| Deferred outflows | \$ 1,047 | \$ 1,842 |
| Current liabilities | \$ 2,655 | \$ 6,654 |
| Long term liabilities | 16,811 | 13,149 |
| Total liabilities | \$ 19,466 | \$ 19,803 |
| Deferred inflows | \$ 902 | \$ 822 |
| Net investment in capital assets | \$ 79,080 | \$ 75,584 |
| Restricted | 350 | 462 |
| Unrestricted | 13,134 | 13,169 |
| Total Equity / Net Position | \$ 92,564 | \$ 89,215 |

Operating Revenues

Operating revenues increased 5.6% from the previous year.

| | FY25 | FY24 |
|--------------|----------|----------|
| Rents & fees | \$ 5,226 | \$ 4,949 |

Non-Operating Revenues

Non-operating revenues increased 2.0% from the previous year. This was due to an increase of about \$126,000 in miscellaneous income and a \$30,000 increase in Passenger Facility Charges.

| | FY25 | FY24 |
|----------------------------|-----------|----------|
| Tax revenue | \$ 3,745 | \$ 3,795 |
| Interest income | 318 | 340 |
| Passenger facility charges | 233 | 203 |
| Farm income, net | 218 | 205 |
| Miscellaneous | 506 | 380 |
| Total | \$ 5,020 | \$ 4,923 |
| Total Revenues | \$ 10,246 | \$ 9,872 |

Operating Expenses

Operating expenses increased \$1,483,000, or 7.9% compared to the previous year. This was mostly due to a increase in IMRF and FICA expenses of \$1,200,000 over last fiscal year.

| | FY25 | FY24 |
|--------------------------|-----------|-----------|
| Operations & Maintenance | \$ 6,113 | \$ 5,896 |
| Depreciation | 4,903 | 4,837 |
| IMRF & FICA | 911 | (289) |
| Total | \$ 11,927 | \$ 10,444 |

Non-Operating Expenses

Non-operating expenses increased 0.5% in FY 2025 compared to FY 2024. This was due to the fact that interest expense increased about \$2,000.

| | FY25 | FY24 |
|---|------------|-----------|
| Interest expense | \$ 392 | \$ 390 |
| Total Expenses | \$ 12,319 | \$ 10,834 |
| Change In Net Position Before Contributions | \$ (2,072) | \$ (961) |

Contribution Revenue

Contribution revenue, which is capital contributions from federal and state grants, decreased from about \$8,561,000 to about \$5,421,000. This number normally fluctuates greatly from year to year.

| | | |
|----------------------|----------|----------|
| Contribution Revenue | \$ 5,421 | \$ 8,561 |
|----------------------|----------|----------|

Change In Net Position

| | | |
|------------------------|-----------|-----------|
| Change In Net Position | \$ 3,348 | \$ 7,600 |
| Beginning Net Position | \$ 89,215 | \$ 81,616 |
| Ending Net Position | \$ 92,564 | \$ 89,215 |

Cash Flow & Fund Analysis

The Authority's balance of cash and cash equivalents decreased about \$219,000 compared to June 30, 2024. The decrease in cash and cash equivalents is primarily due to borrowings this year not exceeding the amount used for projects.

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, 2025 was about \$97,239,000.

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 2025 were StandardAero Facility Improvements, Phase I at a cost of \$3,959,831, and the Terminal ADA, Phase IV at a cost of \$7,108,794. The Authority also completed the Terminal Roadway and Parking Lot at a cost of \$2,314,320.

The larger equipment acquired in FY 2025 was a slope mower at a cost of \$40,563, two tugs at a cost of \$72,000, and a mower at a cost of \$74,600. Several other equipment items were purchased.

More detailed information on capital asset activity is available in Note 4 to the Financial Statements starting on pages 39 and 40.

Changes In Fund Net Position

Review of the changes in fund balances (net position) on pages 68 through 69 indicates the following large changes: a decrease of about \$5,492,000 in Capital Improvement due primarily to contribution revenue decreasing; an increase of about \$692,000 in Operations and Maintenance.

Long-Term Debt Activity

The outstanding long-term debt of the Authority at June 30, 2025 was about \$17,006,000, a decrease from FY 2024 of about \$320,000. This is due primarily to the payments of principal made throughout the year on the existing loans.

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

| | |
|-------------|---|
| \$3,536,000 | 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. |
| \$1,071,625 | Note Payable – for Southeast Quadrant T-Hangars-Rows G-N (financed by tenant lease payments) – this is for aircraft hangars. |
| \$4,161,580 | Note Payable – for FBO rehabilitation construction project. This note is secured with two lease agreements derived from tenants. |
| \$5,513,362 | Note Payable – for Solar Array Project. This note is secured by a lease agreement with the tenant. |
| \$2,723,447 | Note Payable – for the StandardAero Rehabilitation project. This note is secured by a lease agreement with the tenant. |

As indicated previously in the section on Financial Ratios, the Authority's debt ratio has decreased over the last ten years from .21 in FY 2016 to .17 in FY 2025. The debt to equity ratio has decreased from .23 in FY 2016 to .17 in FY 2025.

Additional information on the Authority's debt can be found in Note 5 of this report starting on page 41.

Request For Additional Information

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, 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS

| | |
|--------------------------------------|---------------|
| Cash and cash equivalents | \$ 11,043,550 |
| Restricted cash and cash equivalents | 23,008 |
| Receivables, net | |
| Rental | 174,434 |
| Taxes | 1,398,780 |
| Federal, state and local grants | 752,879 |
| Leases | 240,449 |
| Other | 38,442 |
| Restricted receivables - taxes | 179,559 |
| Other | 354,363 |
| | <hr/> |
| Total current assets | 14,205,464 |
| | <hr/> |

NONCURRENT ASSETS

| | |
|---|------------|
| Receivables - Leases | 441,001 |
| Capital Assets | |
| Capital assets, net of accumulated depreciation of \$ 137,792,282 | 53,363,015 |
| Land | 14,243,292 |
| Construction in progress | 29,632,785 |
| | <hr/> |
| Total capital assets | 97,239,092 |
| | <hr/> |
| Total noncurrent assets | 97,680,093 |
| | <hr/> |

TOTAL ASSETS

 111,885,557

DEFERRED OUTFLOWS OF RESOURCES

| | |
|--|-----------|
| Deferred outflows from pensions | 1,022,787 |
| Deferred outflows from other postemployment benefits | 23,985 |
| | <hr/> |

TOTAL DEFERRED OUTFLOWS OF RESOURCES

 1,046,772

TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES \$

 112,932,329

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

SPRINGFIELD AIRPORT AUTHORITY

BALANCE SHEET

June 30, 2025

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

CURRENT LIABILITIES

| | |
|--|------------------|
| Current maturities of long-term debt | \$ 774,344 |
| Current maturities of long-term debt, payable from restricted investment accounts | 279,000 |
| Accounts payable | 1,167,971 |
| Accrued wages, vacation and sick leave, current portion | 303,318 |
| Other postemployment benefits liability, current portion | 13,000 |
| Other | 117,408 |
| Total current liabilities | <u>2,655,041</u> |

LONG-TERM LIABILITIES

| | |
|---|-------------------|
| Accrued wages, vacation and sick leave, net of current portion | 135,539 |
| Other postemployment benefits liability, net of current portion | 337,933 |
| Net pension liability | 385,045 |
| Long-term debt, less current maturities | <u>15,952,670</u> |
| Total long-term liabilities | <u>16,811,187</u> |

TOTAL LIABILITIES

19,466,228

DEFERRED INFLOWS OF RESOURCES

| | |
|---|----------------|
| Deferred inflows from leases | 681,480 |
| Deferred inflows from pensions | 14,172 |
| Deferred inflows from other postemployment benefits | <u>206,633</u> |

TOTAL DEFERRED INFLOWS OF RESOURCES

902,285

NET POSITION

| | |
|----------------------------------|-------------------|
| Net investment in capital assets | 79,079,661 |
| Restricted for PFC projects | 350,214 |
| Unrestricted | <u>13,133,941</u> |
| Total net position | <u>92,563,816</u> |

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

\$ 112,932,329

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

SPRINGFIELD AIRPORT AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended June 30, 2025

| | |
|---|----------------------|
| OPERATING REVENUES | |
| Rents and fees | \$ 5,225,920 |
| Total operating revenues | <u>5,225,920</u> |
| OPERATING EXPENSES | |
| Operations and maintenance | 6,112,890 |
| Depreciation | 4,902,614 |
| IMRF and FICA | <u>911,321</u> |
| Total operating expenses | <u>11,926,825</u> |
| LOSS FROM OPERATIONS | <u>(6,700,905)</u> |
| NON-OPERATING REVENUES (EXPENSES) | |
| Tax revenue | 3,744,869 |
| Interest income | 293,003 |
| Lease interest income | 25,088 |
| Passenger facility charges | 233,393 |
| Interest expense | (392,232) |
| Farm income, net | 218,376 |
| Miscellaneous income | <u>506,148</u> |
| Net non-operating revenues (expenses) | <u>4,628,645</u> |
| CHANGE IN NET POSITION BEFORE CONTRIBUTIONS | (2,072,260) |
| CONTRIBUTIONS | <u>5,420,582</u> |
| CHANGE IN NET POSITION | <u>3,348,322</u> |
| NET POSITION, BEGINNING OF YEAR | <u>89,215,494</u> |
| NET POSITION, END OF YEAR | <u>\$ 92,563,816</u> |

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, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|--------------------|
| Cash received from customers and users | \$ 5,606,948 |
| Payments to suppliers | (2,944,119) |
| Payments to employees | <u>(3,395,316)</u> |
| Net cash from operating activities | <u>(732,487)</u> |

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

| | |
|---|------------------|
| Proceeds from taxes | 3,000,018 |
| Proceeds from farm income | <u>218,376</u> |
| Net cash from noncapital financing activities | <u>3,218,394</u> |

CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES

| | |
|--|--------------------|
| Cash paid for capital assets and construction in progress | (4,888,953) |
| Federal and state advances and reimbursements for the purchase of capital assets | 1,618,098 |
| Passenger facility charges receipts | 230,496 |
| Proceeds from long-term borrowings | 802,142 |
| Principal payments on short-term and long-term borrowings | (1,121,911) |
| Interest paid on borrowings | (383,879) |
| Proceeds from taxes | <u>720,568</u> |
| Net cash from capital and related financing activities | <u>(3,023,439)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|-----------------|----------------|
| Interest income | <u>318,091</u> |
|-----------------|----------------|

CHANGE IN CASH AND CASH EQUIVALENTS (219,441)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 11,285,999

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 11,066,558

CASH FLOW DISCLOSURE:

| | |
|--|----------------------------|
| Non-cash contributions for purchase of capital assets and construction in progress | \$ <u><u>4,135,580</u></u> |
|--|----------------------------|

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, 2025

CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:

| | |
|--|-----------------------------|
| Cash and cash equivalents | \$ 11,043,550 |
| Restricted cash and cash equivalents | <u>23,008</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 11,066,558</u></u> |

RECONCILIATION OF OPERATING LOSS TO
NET CASH FROM OPERATING ACTIVITIES

| | |
|---|----------------------------|
| Loss from operations | \$ (6,700,905) |
| Adjustments to reconcile operating loss to net cash from operating activities: | |
| Depreciation | 4,902,614 |
| Proceeds from miscellaneous non-operating activities | 506,148 |
| Changes in certain operating assets and liabilities: | |
| (Increase) decrease in: | |
| Receivables - rental | (125,120) |
| Other current assets | 42,804 |
| Deferred outflows of resources | 794,986 |
| Increase (decrease) in: | |
| Accounts payable and accrued liabilities | 44,122 |
| Net pension liability (asset) | (279,142) |
| Other postemployment benefits liability | (3,100) |
| Other liabilities | 5,214 |
| Deferred inflows of resources | <u>79,892</u> |
| Net cash from operating activities | <u><u>\$ (732,487)</u></u> |

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

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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."

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 assets 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 assets 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, and also deferred amounts to be recognized as lease income 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, 2025 is as follows:

| | |
|----------------------|-------------------|
| Balance at July 1 | \$ 360,575 |
| Additions | 246,798 |
| Reductions | <u>(235,917)</u> |
| Balance at June 30 | 371,456 |
| Less current portion | <u>(235,917)</u> |
| Long-term portion | <u>\$ 135,539</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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, 2025 through December 16, 2025, 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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

(j) Adoption of New Accounting Pronouncement

For the fiscal year ended June 30, 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by establishing a single, unified model for the recognition and measurement of compensated absences that are attributable to services already rendered, accumulate, and are more likely than not to be used or settled. Key changes include recognizing a liability for leave more likely than not to be used or paid, including some sick leave not previously recognized. However, leave dependent on sporadic events like jury duty is not recognized until it begins. The liability is generally measured using the employee's pay rate at the financial statement date and includes related payments. The implementation of this Statement had no impact on the amounts reported in the Authority's financial statements.

2. CASH AND CASH EQUIVALENTS

At June 30, 2025, 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.

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

2. CASH AND CASH EQUIVALENTS - Continued

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, 2025, 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, 2025, the taxes receivable balance has been reduced by an uncollectible allowance of \$ 67,284.

4. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 consists of the following:

| | <u>July 1</u> | <u>Additions</u> | <u>Retirements</u> | <u>June 30</u> |
|--|-----------------------|----------------------|----------------------|-----------------------|
| Capital assets not being depreciated | | | | |
| Land | \$ 14,243,292 | \$ - | \$ - | \$ 14,243,292 |
| Construction in progress | <u>35,677,218</u> | <u>9,232,105</u> | <u>15,276,538</u> | <u>29,632,785</u> |
| Total capital assets not being depreciated | 49,920,510 | 9,232,105 | 15,276,538 | 43,876,077 |
| Capital assets being depreciated | | | | |
| Building site and improvements | 2,739,031 | 171,811 | - | 2,910,842 |
| Runways, taxiways and aprons | 66,235,481 | - | - | 66,235,481 |
| Roads, walks, fences and landscaping | 17,670,602 | 3,185,955 | - | 20,856,557 |
| Terminal area improvements | 14,503,410 | 7,706,859 | - | 22,210,269 |
| Buildings | 56,279,449 | 4,008,234 | - | 60,287,683 |
| Utility systems | 8,021,454 | 34,254 | - | 8,055,708 |
| Equipment | <u>10,429,332</u> | <u>169,425</u> | <u>-</u> | <u>10,598,757</u> |
| Total capital assets being depreciated | <u>175,878,759</u> | <u>15,276,538</u> | <u>-</u> | <u>191,155,297</u> |
| Total capital assets | <u>\$ 225,799,269</u> | <u>\$ 24,508,643</u> | <u>\$ 15,276,538</u> | <u>\$ 235,031,374</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

4. CAPITAL ASSETS - Continued

Accumulated depreciation activity for the year ended June 30, 2025 consists of the following:

| | Balances <u>July 1</u> | <u>Additions</u> | <u>Retirements</u> | Balances <u>June 30</u> |
|---|---------------------------|----------------------|----------------------|----------------------------|
| Building site and improvements | \$ 2,300,661 | \$ 44,325 | \$ - | \$ 2,344,986 |
| Runways, taxiways and aprons | 56,077,703 | 1,319,452 | - | 57,397,155 |
| Roads, walks, fences and landscaping | 9,483,326 | 998,330 | - | 10,481,656 |
| Terminal area improvements | 10,418,051 | 656,647 | - | 11,074,698 |
| Buildings | 43,819,567 | 1,061,923 | - | 44,881,490 |
| Utility systems | 2,929,877 | 301,711 | - | 3,231,588 |
| Equipment | <u>7,860,483</u> | <u>520,226</u> | <u>-</u> | <u>8,380,709</u> |
| Total accumulated depreciation | <u>132,889,668</u> | <u>4,902,614</u> | <u>-</u> | <u>137,792,282</u> |
| Capital assets, net of accumulated depreciation | <u>\$ 92,909,601</u> | <u>\$ 19,606,029</u> | <u>\$ 15,276,538</u> | <u>\$ 97,239,092</u> |

At June 30, 2025, construction in progress totaled \$ 29,632,785 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 placed into service during the year ended June 30, 2025 consists of the following:

| | |
|--------------------------------------|----------------------|
| Roads, walks, fences and landscaping | \$ 3,185,955 |
| Building site and improvements | 171,811 |
| Equipment | 169,425 |
| Buildings | 4,008,234 |
| Utility system | 34,254 |
| Terminal area improvements | <u>7,706,859</u> |
| Total | <u>\$ 15,276,538</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

5. LONG-TERM DEBT AND RESTRICTED INVESTMENT ACCOUNTS

The Authority's long-term debt activity during the fiscal year ended June 30, 2025 consists of the following:

| | Balances <u>July 1</u> | <u>Additions</u> | <u>Retirements</u> | Balances <u>June 30</u> | Current <u>Portion</u> |
|---------------------------|---------------------------|-------------------|---------------------|----------------------------|---------------------------|
| General Obligation Bonds: | | | | | |
| \$ 4,391,000 - 2017 | | | | | |
| bonds maturing | | | | | |
| December 1, 2036 (a) | \$ 3,807,000 | \$ - | \$ 271,000 | \$ 3,536,000 | \$ 279,000 |
| Note Payable (b) | 1,312,543 | - | 240,918 | 1,071,625 | 245,044 |
| Note Payable (c) | 4,367,785 | - | 206,205 | 4,161,580 | 119,496 |
| Note Payable (d) | 5,782,186 | - | 268,824 | 5,513,362 | 264,007 |
| Note Payable (e) | <u>2,056,269</u> | <u>802,142</u> | <u>134,964</u> | <u>2,723,447</u> | <u>145,797</u> |
| Total debt | <u>\$ 17,325,783</u> | <u>\$ 802,142</u> | <u>\$ 1,121,911</u> | <u>\$ 17,006,014</u> | <u>\$ 1,053,344</u> |

(a) 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%.

(b) 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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 FBO rehabilitation construction project. The \$ 5,000,000 note is payable in monthly installments of \$ 25,410 with the remaining balance payable on April 30, 2030 at a rate of 3.94%. 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.

(d) Note from Direct Borrowings - Bank

The balance represents the Authority's debt for the Solar Array project. The \$ 6,000,000 note is payable in monthly installments of \$ 28,705 with the remaining balance payable on September 29, 2027 at rates between 0.89% and 1.39%.

(e) Note from Direct Borrowings - Bank

The balance represents the Authority's debt for the Standard Aero Rehabilitation Project. The \$ 3,000,000 note is payable in monthly installments of \$ 15,393 with the remaining balance payable on May 16, 2028 at rates between 1.95% and 2.12%.

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, 2025 consist of the following:

| | |
|---------------|-------------------|
| Cash | \$ 23,008 |
| Receivables: | |
| Taxes | 179,560 |
| Inter-account | <u>211,707</u> |
| Total | <u>\$ 414,275</u> |

The above assets are allocated to the following accounts:

| | |
|-------------------------------|-------------------|
| 2011 General Obligation Bonds | \$ 52 |
| 2017 General Obligation Bonds | <u>414,223</u> |
| Total | <u>\$ 414,275</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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

Debt service requirements to maturity are as follows:

| Fiscal Year Ending June 30 | General Obligation Bonds - <u>Principal</u> | General Obligation Bonds - <u>Interest</u> | Notes from Direct Borrowings - <u>Principal</u> | Notes from Direct Borrowings - <u>Interest</u> | <u>Total</u> |
|----------------------------------|--|---|--|---|----------------------|
| 2026 | \$ 279,000 | 118,805 | \$ 774,344 | \$ 295,963 | \$ 1,468,112 |
| 2027 | 287,500 | 110,308 | 816,681 | 278,904 | 1,493,393 |
| 2028 | 297,000 | 100,798 | 7,811,233 | 205,961 | 8,414,992 |
| 2029 | 307,500 | 90,219 | 416,545 | 149,819 | 964,083 |
| 2030 | 318,500 | 79,264 | 3,651,211 | 117,035 | 4,166,010 |
| 2031-2035 | 1,496,500 | 229,473 | - | - | 1,725,973 |
| 2036-2040 | <u>550,000</u> | <u>20,076</u> | <u>-</u> | <u>-</u> | <u>570,076</u> |
| | <u>\$ 3,536,000</u> | <u>\$ 748,943</u> | <u>\$ 13,470,014</u> | <u>\$ 1,047,682</u> | <u>\$ 18,802,639</u> |

Current Maturities by Issue:

| | |
|---|-------------------|
| General Obligation Bonds, Series 2017 (a) | <u>\$ 279,000</u> |
| Note Payable (b) | <u>\$ 245,044</u> |
| Note Payable (c) | <u>\$ 119,496</u> |
| Note Payable (d) | <u>\$ 264,007</u> |
| Note Payable (e) | <u>\$ 145,797</u> |

Net Investment in Capital Assets:

| | |
|---|----------------------|
| Total capital assets, net of accumulated depreciation | \$ 97,239,092 |
| Less related accounts payable | (1,153,417) |
| Less outstanding principal of related debt | <u>(17,006,014)</u> |
| | <u>\$ 79,079,661</u> |

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

6. PENSION OBLIGATIONS - Continued

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

| | |
|---|------------------|
| Retirees and beneficiaries currently receiving benefits | 49 |
| Inactive plan members entitled to but not yet receiving benefits | 14 |
| Active plan members | <u>34</u> |
| Total | <u><u>97</u></u> |

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 2024 was 6.58%. For the fiscal year ended June 30, 2025, the Authority contributed \$ 183,718 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 Liability

The Authority's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

6. PENSION OBLIGATIONS - Continued

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The actuarial cost method used was Entry Age Normal.
- The asset valuation method used was Fair 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 2023 valuation according to an experience study from years 2020 to 2022.
- 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 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.
- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- 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-2021.

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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, 2024:

| <u>Asset Class</u> | <u>Portfolio Target Percentage</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|--|---|
| Domestic Equity | 33.5% | 4.35% |
| International Equity | 18.0 | 5.40 |
| Fixed Income | 24.5 | 5.20 |
| Real Estate | 10.5 | 6.40 |
| Alternative Investments | 12.5 | 4.85-6.25 |
| Cash Equivalents | <u>1.0</u> | 3.60 |
| Total | <u>100%</u> | |

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:

- 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
- 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).

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 4.08%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|--|--------------------------------------|---------------------------------------|---------------------------------------|
| Balance at December 31, 2023 | \$ 20,290,305 | \$ 19,626,118 | \$ 664,187 |
| Service cost | 235,955 | - | 235,955 |
| Interest on the total pension liability | 1,432,038 | - | 1,432,038 |
| Differences between expected and actual experience of the total pension liability | 108,600 | - | 108,600 |
| Contributions - employer | - | 172,770 | (172,770) |
| Contributions - employees | - | 118,155 | (118,155) |
| Net investment income | - | 1,960,049 | (1,960,049) |
| Benefit payments, including refunds of employee contributions | (1,312,072) | (1,312,072) | - |
| Other (net transfer) | - | (195,239) | 195,239 |
| Net changes | 464,521 | 743,663 | (279,142) |
| Balance at December 31, 2024 | \$ 20,754,826 | \$ 20,369,781 | \$ 385,045 |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension 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 | \$ 2,691,251 | \$ 385,045 | \$ (1,519,872) |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

6. PENSION OBLIGATIONS - Continued

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

For the year ended June 30, 2025, the Authority recognized pension expense of \$ 685,259. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Deferred amounts to be recognized in pension expense in future periods | | |
| Differences between expected and actual experience | \$ 420,799 | \$ - |
| Changes of assumptions | - | 14,172 |
| Net difference between projected and actual earnings on pension plan investments | <u>505,558</u> | <u>-</u> |
| Total deferred amounts to be recognized in pension expense in future periods | 926,357 | 14,172 |
| Pension contributions made subsequent to the measurement date | <u>96,430</u> | <u>-</u> |
| Total deferred amounts related to pensions | <u>\$ 1,022,787</u> | <u>\$ 14,172</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 <u>December 31,</u> | Net Deferred Outflows <u>of Resources</u> |
|------------------------------------|---|
| 2025 | \$ 612,688 |
| 2026 | 754,132 |
| 2027 | (241,956) |
| 2028 | <u>(116,249)</u> |
| Total | <u>\$ 1,008,615</u> |

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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

7. OTHER POSTEMPLOYMENT BENEFIT (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, 2025, participants in the plan were as follows:

| | |
|---|------------------|
| Inactive employees currently receiving benefits | 3 |
| Inactive employees entitled to but not yet receiving benefits | - |
| Active employees | <u>32</u> |
| Total participants | <u><u>35</u></u> |

Total OPEB Liability

The Authority's total OPEB liability of \$ 350,933 was measured as of June 30, 2025, using an actuarial valuation as of June 30, 2025.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

7. OTHER POSTEMPLOYMENT BENEFIT (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, 2025, 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.

| <u>Actuarial Cost Method</u> | <u>Entry Age Normal (AMM)</u> |
|------------------------------|-------------------------------|
| Assumptions | |
| Salary rate increase | 4.00% |
| Discount rate | 4.81% |
| Inflation rate | 3.00% |
| Health care trend | 4.50% to 6.00% |
| | 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, 2025.

The actuarial assumptions used in the June 30, 2025 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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

7. OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS - Continued

Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|--------------------------|---------------------------------|
| Balance at July 1, 2024 | \$ 354,033 |
| Service cost | 10,011 |
| Interest | 14,635 |
| Changes in assumptions | (14,950) |
| Benefit payments | <u>(12,796)</u> |
| Net changes | <u>(3,100)</u> |
| Balance at June 30, 2025 | <u>\$ 350,933</u> |

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 4.81% as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.81%) or 1% higher (5.81%) than the current rate:

| | <u>1% Lower</u> | <u>Current Rate</u> | <u>1% Higher</u> |
|----------------------|-----------------|---------------------|------------------|
| Total OPEB liability | \$ 374,948 | \$ 350,933 | \$ 328,287 |

The table below presents the total OPEB liability of the Authority calculated using the health care cost trend rate of 4.50% to 6.00% 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 5.00%) or 1% higher (5.50% to 7.00%) than the current rate:

| | <u>1% Lower</u> | <u>Current Rate</u> | <u>1% Higher</u> |
|----------------------|-----------------|---------------------|------------------|
| Total OPEB liability | \$ 321,946 | \$ 350,933 | \$ 383,077 |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

7. OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS - Continued

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

For the year ended June 30, 2025, the Authority recognized OPEB expense of \$ (18,172). At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Deferred amounts to be recognized in OPEB expense in future periods | | |
| Differences between expected and actual experience | \$ - | \$ 111,569 |
| Changes of assumptions | <u>23,985</u> | <u>95,064</u> |
| Total | <u>\$ 23,985</u> | <u>\$ 206,633</u> |

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

| <u>Fiscal Year Ending June 30,</u> | <u>Net Deferred Inflows</u> |
|--|---------------------------------|
| 2026 | \$ (43,238) |
| 2027 | (44,523) |
| 2028 | (40,009) |
| 2029 | (18,252) |
| 2030 | (19,117) |
| Thereafter | <u>(17,509)</u> |
| Total | <u>\$ (182,648)</u> |

SPRINGFIELD AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 2025, the Authority recognized federal and state contributions for the purchase of capital assets in the amount of \$ 1,285,002. The Authority recognized additional contribution revenue of \$ 4,135,580 for payments made on the Authority's behalf from the state to contractors on various construction projects. In total, the Authority recognized \$ 5,420,582 in contributions revenue for the fiscal year ended June 30, 2025.

9. LEASES

The Authority is lessor for various noncancellable leases of buildings, equipment, and land/ground. Effective with the implementation of GASB No. 87, the Authority recognized lease receivables and a deferred inflow of resources in the financial statements. The Authority initially measured the lease receivables at the present value of payments expected to be received during the remaining lease terms. The lease receivables are reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivables, adjusted for lease payments received at or before the implementation or lease commencement date. The deferred inflow of resources is recognized as revenue over the remaining life of the lease terms. The remaining lease terms range from two to twelve years.

The Authority recognized \$ 246,296 in lease revenue and \$ 25,088 in interest income during the year ended June 30, 2025, related to these leases. As of June 30, 2025, the Authority's receivable for lease payments was \$ 681,450 and deferred inflow of resources from leases was \$ 681,480.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

9. LEASES - Continued

Future scheduled lease payments to be received by the Authority are as follows:

| <u>Year Ending</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|-------------------|------------------|-------------------|
| 2026 | \$ 240,449 | \$ 19,909 | \$ 260,358 |
| 2027 | 229,293 | 12,990 | 242,283 |
| 2028 | 91,719 | 6,786 | 98,505 |
| 2029 | 95,992 | 2,789 | 98,781 |
| 2030 | 4,600 | 509 | 5,109 |
| 2031-2034 | <u>19,397</u> | <u>1,039</u> | <u>20,436</u> |
| Total | <u>\$ 681,450</u> | <u>\$ 44,022</u> | <u>\$ 725,472</u> |

The Authority monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the leases receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivables.

Additionally, the Authority is lessor for various lease agreements related to aeronautical use of the airport and its facilities, along with several short-term leases. These regulated and short-term leases are excluded from the calculation of the lease receivable and deferred inflow of resources.

Future scheduled lease payments to be received by the Authority for leases not included in the lease receivable and deferred inflow of resources are as follows:

| <u>Year Ending</u> | |
|--------------------|---------------------|
| 2026 | \$ 2,654,301 |
| 2027 | 389,376 |
| 2028 | 393,839 |
| 2029 | 241,713 |
| 2030 | 144,594 |
| 2031-2035 | 740,770 |
| 2036-2040 | <u>309,175</u> |
| Total | <u>\$ 4,873,768</u> |

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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 2024 received during 2025 was passed July 2024.
- 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 2023 were distributed to the Authority in June and September of 2024.

2024 property taxes payable in 2025 are recognized as revenues in fiscal year 2025. 2025 property taxes became an enforceable lien on January 1, 2025 and are payable in calendar year 2026, but the levy has not been passed as of June 30, 2025; therefore, these taxes are not accrued at June 30, 2025.

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, 2025 or the prior five fiscal years.

The Authority is self-insured for losses arising from workers' compensation. During the year ended June 30, 2025, the Authority paid \$ 3,009 in workers' compensation claims.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

11. RISK MANAGEMENT - Continued

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.

| | <u>2025</u> | <u>2024</u> |
|----------------------------------|----------------|----------------|
| Estimated liability at July 1 | \$ - | \$ - |
| Current year estimate adjustment | 3,009 | 6,565 |
| Claim payments | <u>(3,009)</u> | <u>(6,565)</u> |
| Estimated liability at June 30 | <u>\$ -</u> | <u>\$ -</u> |

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.

SPRINGFIELD AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

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, 2025 are as follows:

| | |
|------------------------------------|---------------------|
| FBO Observation Tower | \$ 288,630 |
| North Airport Road | 157,761 |
| ARRF Station | 43,100 |
| De-icing Equipment | 162,000 |
| Smart Airport Logistics Plan | 55,578 |
| SIU Aviation School | 154,000 |
| Security System Upgrades | 100,000 |
| Hangar Improvements | 480,600 |
| Standard Aero Facility Improvement | <u>3,281,333</u> |
| | <u>\$ 4,723,002</u> |

REQUIRED SUPPLEMENTARY INFORMATION

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF CHANGES IN THE NET PENSION
(ASSET) LIABILITY AND RELATED RATIOS
Last Ten Calendar Years

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|--------------------|--------------------|---------------------|-----------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$ 235,955 | \$ 240,160 | \$ 230,493 | \$ 242,108 | \$ 265,569 | \$ 253,792 | \$ 237,911 | \$ 235,372 | \$ 247,190 | \$ 237,920 |
| Interest on the total pension liability | 1,432,038 | 1,376,752 | 1,312,317 | 1,267,058 | 1,237,820 | 1,179,558 | 1,110,922 | 1,090,497 | 1,025,821 | 991,787 |
| Changes of benefit terms | - | - | - | - | - | - | - | - | - | - |
| Difference between expected and actual experience of the total pension liability | 108,600 | 448,751 | 510,096 | 191,067 | 46,297 | 300,432 | 491,548 | 183,289 | 214,700 | (235,225) |
| Changes of assumptions | - | (29,040) | - | - | (140,526) | - | 464,246 | (507,065) | (17,829) | 17,196 |
| Benefit payments, including refunds of employee contributions | <u>(1,312,072)</u> | <u>(1,231,835)</u> | <u>(1,106,131)</u> | <u>(1,034,196)</u> | <u>(954,103)</u> | <u>(918,001)</u> | <u>(792,197)</u> | <u>(669,854)</u> | <u>(569,934)</u> | <u>(518,580)</u> |
| Net change in total pension liability | 464,521 | 804,788 | 946,775 | 666,037 | 455,057 | 815,781 | 1,512,430 | 332,239 | 899,948 | 493,098 |
| Total pension liability at beginning of year | <u>20,290,305</u> | <u>19,485,517</u> | <u>18,538,742</u> | <u>17,872,705</u> | <u>17,417,648</u> | <u>16,601,867</u> | <u>15,089,437</u> | <u>14,757,198</u> | <u>13,857,250</u> | <u>13,364,152</u> |
| Total pension liability at end of year | 20,754,826 | 20,290,305 | 19,485,517 | 18,538,742 | 17,872,705 | 17,417,648 | 16,601,867 | 15,089,437 | 14,757,198 | 13,857,250 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | 172,770 | 256,911 | 235,471 | 304,744 | 320,232 | 225,843 | 325,821 | 448,554 | 250,616 | 290,439 |
| Contributions - employees | 118,155 | 122,700 | 135,755 | 108,566 | 110,548 | 144,139 | 134,261 | 116,048 | 114,981 | 111,132 |
| Net investment income | 1,960,049 | 1,988,472 | (2,878,253) | 3,206,940 | 2,437,146 | 2,975,000 | (696,097) | 2,197,018 | 920,745 | (160,202) |
| Benefit payments, including refunds of employee contributions | <u>(1,312,072)</u> | <u>(1,231,835)</u> | <u>(1,106,131)</u> | <u>(1,034,196)</u> | <u>(954,103)</u> | <u>(918,001)</u> | <u>(792,197)</u> | <u>(669,854)</u> | <u>(569,934)</u> | <u>(518,580)</u> |
| Other (net transfer) | <u>(195,239)</u> | <u>623,110</u> | <u>(23,932)</u> | <u>125,184</u> | <u>(10,222)</u> | <u>(15,081)</u> | <u>(13,596)</u> | <u>(11,834)</u> | <u>(14,135)</u> | <u>22,543</u> |
| Net change in plan fiduciary net position | 743,663 | 1,759,358 | (3,637,090) | 2,711,238 | 1,903,601 | 2,411,900 | (1,041,808) | 2,079,932 | 702,273 | (254,668) |
| Plan fiduciary net position at beginning of year | <u>19,626,118</u> | <u>17,866,760</u> | <u>21,503,850</u> | <u>18,792,612</u> | <u>16,889,011</u> | <u>14,477,111</u> | <u>15,518,919</u> | <u>13,438,987</u> | <u>12,736,714</u> | <u>12,991,382</u> |
| Plan fiduciary net position at end of year | <u>20,369,781</u> | <u>19,626,118</u> | <u>17,866,760</u> | <u>21,503,850</u> | <u>18,792,612</u> | <u>16,889,011</u> | <u>14,477,111</u> | <u>15,518,919</u> | <u>13,438,987</u> | <u>12,736,714</u> |
| Net pension (asset) liability | <u>\$ 385,045</u> | <u>\$ 664,187</u> | <u>\$ 1,618,757</u> | <u>\$ (2,965,108)</u> | <u>\$ (919,907)</u> | <u>\$ 528,637</u> | <u>\$ 2,124,756</u> | <u>\$ (429,482)</u> | <u>\$ 1,318,211</u> | <u>\$ 1,120,536</u> |

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF CHANGES IN THE NET PENSION
(ASSET) LIABILITY AND RELATED RATIOS - CONTINUED
Last Ten Calendar Years

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan fiduciary net position as a percentage of the total pension liability | 98.14% | 96.73% | 91.69% | 115.99% | 105.15% | 96.96% | 87.20% | 102.85% | 91.07% | 91.91% |
| Covered valuation payroll | \$ 2,625,670 | \$ 2,630,692 | \$ 2,652,653 | \$ 2,412,583 | \$ 2,456,605 | \$ 2,423,186 | \$ 2,392,632 | \$ 2,218,694 | \$ 2,272,132 | \$ 2,225,651 |
| Net pension (asset) liability as a percentage of covered valuation payroll | 14.66% | 25.25% | 61.02% | (122.90)% | (37.45)% | 21.82% | 88.80% | (19.36)% | 58.02% | 50.35% |

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten 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 |
|----------------------------|-------------------------------------|---------------------|----------------------------------|---------------------------|--|
| 2025 | \$ 183,718 | \$ 183,718 | \$ - | \$ 2,732,252 | 6.72% |
| 2024 | \$ 149,486 | \$ 149,486 | \$ - | \$ 2,599,259 | 5.75% |
| 2023 | \$ 176,173 | \$ 176,173 | \$ - | \$ 2,717,558 | 6.48% |
| 2022 | \$ 234,561 | \$ 234,561 | \$ - | \$ 2,482,814 | 9.45% |
| 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% |

Summary of Actuarial Methods and Assumptions Used in the Calculation of the calendar year 2024 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 2024 contribution rates:

Actuarial Cost Method: Aggregate entry age = normal
 Amortization Method: Level percentage of payroll, closed
 Remaining Amortization Period: 19-year closed period
 Asset Valuation Method: 5-year smoothed fair value; 20% corridor
 Wage Growth: 2.75%
 Price Inflation: 2.25%, approximate; no explicit price inflation assumption is used in this valuation.
 Salary Increases: 2.75% to 13.75%, 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 2020 valuation pursuant to an experience study of the period 2017 to 2019.
 Mortality: For non-disabled retirees, 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. For disable retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements project using scale MP-2020.
 Other Information: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation.

SPRINGFIELD AIRPORT AUTHORITY

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

Last Eight Fiscal Years

| Measurement date June 30: | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB liability | | | | | | | | |
| Service cost | \$ 10,011 | \$ 10,745 | \$ 12,158 | \$ 16,083 | \$ 15,836 | \$ 16,910 | \$ 21,816 | \$ 21,683 |
| Interest | 14,635 | 14,966 | 14,734 | 10,752 | 12,077 | 18,804 | 20,886 | 23,396 |
| Differences between expected and actual experience | - | (37,371) | - | (87,863) | - | (98,150) | - | - |
| Changes of assumptions | (14,950) | 15,011 | (1,032) | (54,317) | 16,927 | (64,779) | 7,461 | 6,417 |
| Benefit payments | (12,796) | (23,389) | (24,041) | (11,253) | - | (55,028) | (100,737) | (96,918) |
| Other | - | - | - | - | - | (65,234) | 835 | 705 |
| Net change in total OPEB liability | (3,100) | (20,038) | 1,819 | (126,598) | 44,840 | (247,477) | (49,739) | (44,717) |
| Total OPEB liability - beginning | <u>354,033</u> | <u>374,071</u> | <u>372,252</u> | <u>498,850</u> | <u>454,010</u> | <u>701,487</u> | <u>751,226</u> | <u>795,943</u> |
| Total OPEB liability - ending | 350,933 | 354,033 | 374,071 | 372,252 | 498,850 | 454,010 | 701,487 | 751,226 |
| Plan fiduciary net pension - ending | - | - | - | - | - | - | - | - |
| Employer's net OPEB liability | <u>\$ 350,933</u> | <u>\$ 354,033</u> | <u>\$ 374,071</u> | <u>\$ 372,252</u> | <u>\$ 498,850</u> | <u>\$ 454,010</u> | <u>\$ 701,487</u> | <u>\$ 751,226</u> |
| Covered-employee payroll | <u>\$ 2,426,923</u> | <u>\$ 2,333,764</u> | <u>\$ 2,363,051</u> | <u>\$ 2,272,156</u> | <u>\$ 2,221,017</u> | <u>\$ 2,131,040</u> | <u>\$ 2,110,599</u> | <u>\$ 2,063,881</u> |
| Employer's total OPEB liability as a percentage of covered- employee payroll | 14.46% | 15.17% | 15.83% | 16.38% | 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.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
A T S P R I N G F I E L D

SUPPLEMENTAL FINANCIAL INFORMATION

SPRINGFIELD AIRPORT AUTHORITY
COMBINING BALANCE SHEET BY SUB-FUND

June 30, 2025

| | Operations and Maintenance | Capital Improvement Account | Clear Zone Account | Restricted Investment Accounts | FBO Project | Property and Equipment Account | IMRF and FICA Account |
|---|----------------------------------|-----------------------------------|--------------------------|--------------------------------------|----------------|--------------------------------------|-----------------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | | | |
| CURRENT ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 2,758,221 | \$ 624,817 | \$ 410 | \$ - | \$ 23,140 | \$ - | \$ - |
| Restricted cash and cash equivalents | - | - | - | 23,008 | - | - | - |
| Receivables | | | | | | | |
| Rental | 174,434 | - | - | - | - | - | - |
| Taxes | 1,040,663 | 104,529 | - | - | - | - | 253,588 |
| Federal, state and local grants | - | 752,879 | - | - | - | - | - |
| Leases | 240,449 | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Restricted receivables - taxes | - | - | - | 179,559 | - | - | - |
| Inter-account receivables (payables) | 1,397,657 | (2,210,234) | (8,165) | 211,708 | 1,576,954 | - | 923,947 |
| Other | 239,154 | 115,209 | - | - | - | - | - |
| Total current assets | 5,850,578 | (612,800) | (7,755) | 414,275 | 1,600,094 | - | 1,177,535 |
| NONCURRENT ASSETS | | | | | | | |
| Receivables - Leases | 441,001 | - | - | - | - | - | - |
| Capital Assets | | | | | | | |
| Capital assets, net of accumulated depreciation of \$ 137,792,282 | - | - | - | - | - | 53,363,015 | - |
| Land | - | - | - | - | - | 14,243,292 | - |
| Construction in progress | - | 29,580,887 | 7,755 | - | 44,143 | - | - |
| Total capital assets | - | 29,580,887 | 7,755 | - | 44,143 | 67,606,307 | - |
| Total noncurrent assets | 441,001 | 29,580,887 | 7,755 | - | 44,143 | 67,606,307 | - |
| TOTAL ASSETS | 6,291,579 | 28,968,087 | - | 414,275 | 1,644,237 | 67,606,307 | 1,177,535 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | |
| Deferred outflows from pensions | - | - | - | - | - | - | 1,022,787 |
| Deferred outflows from other postemployment benefits | - | - | - | - | - | - | - |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | - | - | - | - | - | - | 1,022,787 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 6,291,579 | \$ 28,968,087 | \$ - | \$ 414,275 | \$ 1,644,237 | \$ 67,606,307 | \$ 2,200,322 |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
COMBINING BALANCE SHEET BY SUB-FUND

June 30, 2025

| Capital Improvement Project Reserve | Post Employment Benefits and Worker's Compensation Compliance Fund | Passenger Facility Charges #6 | Passenger Facility Charges #7 | Passenger Facility Charges #8 | Property Taxes | Total All Accounts |
|--|---|-------------------------------------|-------------------------------------|-------------------------------------|---------------------|--------------------------|
| \$ 4,541,029 | \$ 1,236,863 | \$ 29,430 | \$ 236 | \$ 71,959 | \$ 1,757,445 | \$ 11,043,550 |
| - | - | - | - | - | - | 23,008 |
| - | - | - | - | - | - | 174,434 |
| - | - | - | - | - | - | 1,398,780 |
| - | - | - | - | - | - | 752,879 |
| - | - | - | - | - | - | 240,449 |
| - | - | - | - | 38,442 | - | 38,442 |
| - | - | - | - | - | - | 179,559 |
| 158,382 | (328) | 230,286 | 1,352,525 | (1,372,664) | (2,260,068) | - |
| - | - | - | - | - | - | 354,363 |
| <u>4,699,411</u> | <u>1,236,535</u> | <u>259,716</u> | <u>1,352,761</u> | <u>(1,262,263)</u> | <u>(502,623)</u> | <u>14,205,464</u> |
| - | - | - | - | - | - | 441,001 |
| - | - | - | - | - | - | 53,363,015 |
| - | - | - | - | - | - | 14,243,292 |
| - | - | - | - | - | - | 29,632,785 |
| - | - | - | - | - | - | 97,239,092 |
| - | - | - | - | - | - | 97,680,093 |
| <u>4,699,411</u> | <u>1,236,535</u> | <u>259,716</u> | <u>1,352,761</u> | <u>(1,262,263)</u> | <u>(502,623)</u> | <u>111,885,557</u> |
| - | - | - | - | - | - | 1,022,787 |
| - | 23,985 | - | - | - | - | 23,985 |
| - | 23,985 | - | - | - | - | 1,046,772 |
| <u>\$ 4,699,411</u> | <u>\$ 1,260,520</u> | <u>\$ 259,716</u> | <u>\$ 1,352,761</u> | <u>\$ (1,262,263)</u> | <u>\$ (502,623)</u> | <u>\$ 112,932,329</u> |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
COMBINING BALANCE SHEET BY SUB-FUND - CONTINUED

June 30, 2025

| | Operations and Maintenance | Capital Improvement Account | Clear Zone Account | Restricted Investment Accounts | FBO Project | Property and Equipment Account | IMRF and FICA Account |
|--|----------------------------------|-----------------------------------|--------------------------|--------------------------------------|----------------|--------------------------------------|-----------------------------|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | | | | | | | |
| CURRENT LIABILITIES | | | | | | | |
| Current maturities of long-term debt | \$ 774,344 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Current maturities of long-term debt, payable from restricted investment accounts | - | - | - | 279,000 | - | - | - |
| Accounts payable | 13,554 | 1,153,417 | - | - | - | - | - |
| Accrued wages, vacation and sick leave, current portion | 303,318 | - | - | - | - | - | - |
| Other postemployment benefits liability, current portion | - | - | - | - | - | - | - |
| Other | 88,992 | - | - | - | - | - | 28,416 |
| Total current liabilities | 1,180,208 | 1,153,417 | - | 279,000 | - | - | 28,416 |
| LONG-TERM LIABILITIES | | | | | | | |
| Accrued wages, vacation and sick leave, net of current portion | 135,539 | - | - | - | - | - | - |
| Other postemployment benefits liability, net of current portion | - | - | - | - | - | - | - |
| Net pension liability | - | - | - | - | - | - | 385,045 |
| Long-term debt, less current maturities | 12,695,670 | - | - | 3,257,000 | - | - | - |
| Total long-term liabilities | 12,831,209 | - | - | 3,257,000 | - | - | 385,045 |
| TOTAL LIABILITIES | 14,011,417 | 1,153,417 | - | 3,536,000 | - | - | 413,461 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Deferred inflows from leases | 681,480 | - | - | - | - | - | - |
| Deferred inflows from pensions | - | - | - | - | - | - | 14,172 |
| Deferred inflows from other postemployment benefits | - | - | - | - | - | - | - |
| TOTAL DEFERRED INFLOW OF RESOURCES | 681,480 | - | - | - | - | - | 14,172 |
| NET POSITION | | | | | | | |
| Net investment in capital assets | (13,470,014) | 28,427,470 | 7,755 | (3,536,000) | 44,143 | 67,606,307 | - |
| Restricted for PFC projects | - | - | - | - | - | - | - |
| Unrestricted | 5,068,696 | (612,800) | (7,755) | 414,275 | 1,600,094 | - | 1,772,689 |
| Total net position | (8,401,318) | 27,814,670 | - | (3,121,725) | 1,644,237 | 67,606,307 | 1,772,689 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 6,291,579 | \$ 28,968,087 | \$ - | \$ 414,275 | \$ 1,644,237 | \$ 67,606,307 | \$ 2,200,322 |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY

COMBINING BALANCE SHEET BY SUB-FUND - CONTINUED

June 30, 2025

| Capital Improvement Project Reserve | Post Employment Benefits and Worker's Compensation Compliance Fund | Passenger Facility Charges #6 | Passenger Facility Charges #7 | Passenger Facility Charges #8 | Property Taxes | Total All Accounts |
|--|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 774,344 |
| - | - | - | - | - | - | 279,000 |
| - | 1,000 | - | - | - | - | 1,167,971 |
| - | - | - | - | - | - | 303,318 |
| - | 13,000 | - | - | - | - | 13,000 |
| - | - | - | - | - | - | 117,408 |
| - | 14,000 | - | - | - | - | 2,655,041 |
| - | - | - | - | - | - | 135,539 |
| - | 337,933 | - | - | - | - | 337,933 |
| - | - | - | - | - | - | 385,045 |
| - | - | - | - | - | - | 15,952,670 |
| - | 337,933 | - | - | - | - | 16,811,187 |
| - | 351,933 | - | - | - | - | 19,466,228 |
| - | - | - | - | - | - | 681,480 |
| - | - | - | - | - | - | 14,172 |
| - | 206,633 | - | - | - | - | 206,633 |
| - | 206,633 | - | - | - | - | 902,285 |
| - | - | - | - | - | - | 79,079,661 |
| - | - | 259,716 | 1,352,761 | (1,262,263) | - | 350,214 |
| 4,699,411 | 701,954 | - | - | - | (502,623) | 13,133,941 |
| 4,699,411 | 701,954 | 259,716 | 1,352,761 | (1,262,263) | (502,623) | 92,563,816 |
| \$ 4,699,411 | \$ 1,260,520 | \$ 259,716 | \$ 1,352,761 | \$ (1,262,263) | \$ (502,623) | \$ 112,932,329 |

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, 2025

| | 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 | \$ 5,225,920 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total operating revenues | 5,225,920 | - | - | - | - | - | - |
| OPERATING EXPENSES | | | | | | | |
| Operations and maintenance | 6,199,848 | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | 4,902,614 | - |
| IMRF and FICA | - | - | - | - | - | - | 911,321 |
| Total operating expenses | 6,199,848 | - | - | - | - | 4,902,614 | 911,321 |
| INCOME (LOSS) FROM OPERATIONS | (973,928) | - | - | - | - | (4,902,614) | (911,321) |
| NON-OPERATING REVENUES (EXPENSES) | | | | | | | |
| Tax revenue | 2,540,155 | 241,440 | - | 399,429 | - | - | 563,845 |
| Interest income | 14,236 | 1,554 | 4 | 136 | 66 | - | - |
| Lease interest income | 25,088 | - | - | - | - | - | - |
| Passenger facility charges | - | - | - | - | - | - | - |
| Interest expense | (265,177) | - | - | (127,055) | - | - | - |
| Farm income, net | 218,376 | - | - | - | - | - | - |
| Miscellaneous income (expense) | 506,170 | - | (22) | - | - | - | - |
| Net non-operating revenues (expenses) | 3,038,848 | 242,994 | (18) | 272,510 | 66 | - | 563,845 |
| INTER-ACCOUNT TRANSFERS AND CONTRIBUTIONS | | | | | | | |
| Contribution revenue | - | 5,420,582 | - | - | - | - | - |
| Capital asset and land acquisition transfers | - | (15,104,726) | (171,812) | - | - | 15,276,538 | - |
| Other transfers | (1,373,340) | 3,949,198 | 171,830 | - | - | - | - |
| Total inter-account transfers and contributions | (1,373,340) | (5,734,946) | 18 | - | - | 15,276,538 | - |
| CHANGE IN NET POSITION | 691,580 | (5,491,952) | - | 272,510 | 66 | 10,373,924 | (347,476) |
| NET POSITION, BEGINNING OF YEAR, | (9,092,898) | 33,306,622 | - | (3,394,235) | 1,644,171 | 57,232,383 | 2,120,165 |
| NET POSITION, END OF YEAR | \$ (8,401,318) | \$ 27,814,670 | \$ - | \$ (3,121,725) | \$ 1,644,237 | \$ 67,606,307 | \$ 1,772,689 |

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, 2025

| Capital Improvement Project Reserve | Post Employment Benefits and Worker's Compensation Compliance Fund | Passenger Facility Charges #6 | Passenger Facility Charges #7 | Passenger Facility Charges #8 | Property Taxes | Total All Accounts |
|--|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,225,920 |
| - | - | - | - | - | - | 5,225,920 |
| - | (86,958) | - | - | - | - | 6,112,890 |
| - | - | - | - | - | - | 4,902,614 |
| - | - | - | - | - | - | 911,321 |
| - | (86,958) | - | - | - | - | 11,926,825 |
| - | 86,958 | - | - | - | - | (6,700,905) |
| - | - | - | - | - | - | 3,744,869 |
| 263,117 | 9,175 | 74 | 1 | 530 | 4,110 | 293,003 |
| - | - | - | - | - | - | 25,088 |
| - | - | - | - | 233,393 | - | 233,393 |
| - | - | - | - | - | - | (392,232) |
| - | - | - | - | - | - | 218,376 |
| - | - | - | - | - | - | 506,148 |
| 263,117 | 9,175 | 74 | 1 | 233,923 | 4,110 | 4,628,645 |
| - | - | - | - | - | - | 5,420,582 |
| - | - | - | - | - | - | - |
| (2,223,028) | (35,000) | - | - | (346,204) | (143,456) | - |
| (2,223,028) | (35,000) | - | - | (346,204) | (143,456) | 5,420,582 |
| (1,959,911) | 61,133 | 74 | 1 | (112,281) | (139,346) | 3,348,322 |
| 6,659,322 | 640,821 | 259,642 | 1,352,760 | (1,149,982) | (363,277) | 89,215,494 |
| \$ 4,699,411 | \$ 701,954 | \$ 259,716 | \$ 1,352,761 | \$ (1,262,263) | \$ (502,623) | \$ 92,563,816 |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
COMBINING BALANCE SHEET
RESTRICTED INVESTMENT ACCOUNTS

June 30, 2025

| | General Obligation Issues | | |
|---|---------------------------|-------------|-------------|
| | 2011 | 2017 | |
| | Bond Fund | Bond Fund | Total |
| ASSETS | | | |
| RESTRICTED INVESTMENT ACCOUNTS | | | |
| Cash and cash equivalents | \$ - | \$ 23,008 | \$ 23,008 |
| Receivables - taxes | - | 179,559 | 179,559 |
| Inter-account receivables (payables) | 52 | 211,656 | 211,708 |
| TOTAL ASSETS | \$ 52 | \$ 414,223 | \$ 414,275 |
| LIABILITIES AND NET POSITION | | | |
| LIABILITIES PAYABLE FROM RESTRICTED INVESTMENT ACCOUNTS | | | |
| Current maturities of long-term debt | \$ - | \$ 279,000 | \$ 279,000 |
| Accounts payable | - | - | - |
| | | 279,000 | 279,000 |
| LONG-TERM DEBT, less current maturities | - | 3,257,000 | 3,257,000 |
| Total liabilities | - | 3,536,000 | 3,536,000 |
| NET POSITION | | | |
| Net investment in capital assets | - | (3,536,000) | (3,536,000) |
| Unrestricted | 52 | 414,223 | 414,275 |
| Total net position | 52 | (3,121,777) | (3,121,725) |
| TOTAL LIABILITIES AND NET POSITION | \$ 52 | \$ 414,223 | \$ 414,275 |

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, 2025

| | 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 | - | 399,429 | 399,429 |
| Interest income | - | 136 | 136 |
| Interest expense | - | (127,055) | (127,055) |
| Net non-operating revenues (expenses) | - | 272,510 | 272,510 |
| OTHER TRANSFERS | - | - | - |
| CHANGE IN NET POSITION | - | 272,510 | 272,510 |
| NET POSITION, BEGINNING OF YEAR | 52 | (3,394,287) | (3,394,235) |
| NET POSITION, END OF YEAR | \$ 52 | \$ (3,121,777) | \$ (3,121,725) |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2025

| | | | Actual Under/(Over) |
|--------------------------------------|------------------|------------------|------------------------|
| | Budget | Actual | Budget |
| PERSONNEL | | | |
| Compensation | \$ 3,047,810 | \$ 2,955,488 | \$ 92,322 |
| Overtime | 130,049 | 117,311 | 12,738 |
| Holidays | 76,648 | 48,121 | 28,527 |
| Other pay | 16,378 | 7,027 | 9,351 |
| IMRF and FICA | 502,092 | 685,259 | (183,167) |
| Employee insurance | 543,997 | 479,085 | 64,912 |
| Post Employment Benefits | 10,000 | 24,973 | (14,973) |
| Training | 74,200 | 42,250 | 31,950 |
| Education | 7,900 | 290 | 7,610 |
| Official business | 2,200 | 1,883 | 317 |
| Uniforms | 40,400 | 35,741 | 4,659 |
| Board expense | 350 | 26 | 324 |
| Total | <u>4,452,024</u> | <u>4,397,454</u> | <u>54,570</u> |
| SERVICES | | | |
| Legal and litigation | 94,000 | 160,307 | (66,307) |
| Audit and accounting services | 33,100 | 33,650 | (550) |
| Computer services | 67,007 | 49,897 | 17,110 |
| Engineering and architectural | 2,500 | - | 2,500 |
| Professional services | 99,900 | 99,078 | 822 |
| Insurance | 139,950 | 211,558 | (71,608) |
| Dues and subscriptions | 40,340 | 37,198 | 3,142 |
| Advertising | 205,000 | 515,015 | (310,015) |
| Telephones | 34,244 | 29,803 | 4,441 |
| Property taxes | 97,062 | 90,832 | 6,230 |
| Electricity | 360,770 | 316,122 | 44,648 |
| Gas | 65,500 | 46,608 | 18,892 |
| Water and sewer | 45,270 | 25,922 | 19,348 |
| Equipment rental/maintenance | 29,670 | 9,813 | 19,857 |
| Disposal service | 15,121 | 13,886 | 1,235 |
| Vehicle repairs | 12,670 | 22,173 | (9,503) |
| Electrical repairs | 22,300 | 4,978 | 17,322 |
| Heating, ventilating and A/C repairs | 17,810 | 2,817 | 14,993 |
| Plumbing repairs | 9,300 | 3,176 | 6,124 |

(continued)

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2025

| | Budget | Actual | Actual Under/(Over) Budget |
|------------------------------------|------------------|------------------|----------------------------------|
| SERVICES - Continued | | | |
| Radio repairs | \$ 600 | \$ - | \$ 600 |
| Communications equipment/repair | 4,340 | 4,678 | (338) |
| Rental properties | 13,860 | 2,117 | 11,743 |
| Commercial rental properties | 1,250 | - | 1,250 |
| Roof repairs | 3,000 | - | 3,000 |
| Elevator/escalator | 9,900 | 7,074 | 2,826 |
| Signage | 16,240 | 1,679 | 14,561 |
| Fuel farm parts | - | 8,139 | (8,139) |
| Other maintenance/repairs | 3,324 | 3,187 | 137 |
| Security improvements | 3,400 | 1,406 | 1,994 |
| Incentives | 91,600 | 31,800 | 59,800 |
| Miscellaneous | 65,290 | 54,414 | 10,876 |
| Total | <u>1,604,318</u> | <u>1,787,327</u> | <u>(183,009)</u> |
| MATERIALS AND SUPPLIES | | | |
| Security system | 14,580 | 2,175 | 12,405 |
| Office supplies | 12,840 | 9,263 | 3,577 |
| Software/hardware | 15,500 | 18,050 | (2,550) |
| Printing | 7,650 | 646 | 7,004 |
| Postage | 4,250 | 2,797 | 1,453 |
| Promotions | 7,500 | 3,256 | 4,244 |
| Staff development | 875 | - | 875 |
| Fuel and oil for vehicles | 118,429 | 67,926 | 50,503 |
| Fuel parts and equipment | 16,435 | - | 16,435 |
| Asphalt, concrete and stone | 16,035 | 12,889 | 3,146 |
| Landscape | 2,250 | - | 2,250 |
| Chemicals | 196,570 | 130,095 | 66,475 |
| Vehicle parts | 61,745 | 88,739 | (26,994) |
| Vehicle replacement | 255,241 | - | 255,241 |
| Electrical parts | 39,682 | 54,225 | (14,543) |
| Heating, ventilating and A/C parts | 20,166 | 10,301 | 9,865 |
| Plumbing parts | 6,810 | 3,577 | 3,233 |
| Hardware | 10,914 | 11,406 | (492) |
| Signage | 350 | 36 | 314 |
| Paint | 64,487 | 43,046 | 21,441 |
| Hand tools | 3,916 | 3,494 | 422 |
| Janitor supplies | 40,060 | 40,892 | (832) |

(continued)

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE
For the Year Ended June 30, 2025

| | Budget | Actual | Actual Under/(Over) Budget |
|---|---------------------|---------------------|----------------------------------|
| MATERIALS AND SUPPLIES - Continued | | | |
| Residential rental properties | \$ 15,475 | \$ 26,784 | \$ (11,309) |
| Commercial rental properties | 22,800 | 54,702 | (31,902) |
| Safety supplies | 39,191 | 26,097 | 13,094 |
| Identification | 22,520 | 5,917 | 16,603 |
| Supplies - Sky Club | 2,280 | 2,572 | (292) |
| Liquor | 500 | - | 500 |
| Merchandise | 1,000 | 688 | 312 |
| Miscellaneous | 21,355 | 68,337 | (46,982) |
| Total | <u>1,041,406</u> | <u>687,910</u> | <u>353,496</u> |
| EQUIPMENT | | | |
| Furniture | - | - | - |
| Equipment | 1,500 | - | 1,500 |
| Groundskeeping | - | 732 | (732) |
| Custodial | 990 | - | 990 |
| Radios | 8,276 | 7,549 | 727 |
| Special tools | - | 4,135 | (4,135) |
| Total | <u>10,766</u> | <u>12,416</u> | <u>(1,650)</u> |
| GRAND TOTAL | <u>\$ 7,108,514</u> | <u>6,885,107</u> | <u>\$ 223,407</u> |
| OPERATIONS AND MAINTENANCE EXPENSES INCLUDED ELSEWHERE | | | |
| Post Employment Benefits and Worker's Compensation Compliance Fund | | (86,958) | |
| LESS OPERATIONS AND MAINTENANCE EXPENSES SHOWN ELSEWHERE | | | |
| IMRF & FICA | | <u>(685,259)</u> | |
| OPERATIONS AND MAINTENANCE EXPENSES PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION | | <u>\$ 6,112,890</u> | |

See accompanying independent auditors' report.

SPRINGFIELD AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT AND CLEAR ZONE
For the Year Ended June 30, 2025

| | Budget | Actual | Actual Under/(Over) Budget |
|---|----------------------|---------------------|----------------------------------|
| AIRFIELD | | | |
| Expand Fuel Farm | \$ 667,700 | \$ 4,500 | \$ 663,200 |
| Rehab Runway 13/31, Phase I | 434,000 | 74,601 | 359,399 |
| Expand Terminal Ramp | 1,900,000 | 135,979 | 1,764,021 |
| Rehab 4/22 De-Crack | 124,675 | 81,612 | 43,063 |
| Rehab Runway 18/36, Phase I | 301,108 | 6,426 | 294,682 |
| Rehab Runway 18/36, Phase II | 47,437 | 28,443 | 18,994 |
| Rehab Runway 18/36, Phase III | 343,717 | 141,559 | 202,158 |
| FBO Observation Tower | 300,000 | 3,370 | 296,630 |
| High Speed Runway Broom | 683,076 | - | 683,076 |
| Rehab Runway 18/36, Phase IV | 328,250 | 66,011 | 262,239 |
| Rehab North Airport Road and Parking Lot | 4,322,193 | 1,044,702 | 3,277,491 |
| Perimeter Fence, Phase IV | - | 40,817 | (40,817) |
| Total | <u>9,452,156</u> | <u>1,628,020</u> | <u>7,824,136</u> |
| BUILDINGS / GENERAL AVIATION DEVELOPMENT | | | |
| Rehabilitate Public Safety Building, Phase I - Design | 100,000 | 63,704 | 36,296 |
| Rehabilitate Public Safety Building / FSDO - Construction | 1,671,112 | - | 1,671,112 |
| StandardAero Facility Improvements, Phase II | 2,500,000 | 65,419 | 2,434,581 |
| Hangar C1 and C2 Improvements | 250,000 | 59,275 | 190,725 |
| SIU Aviation School | - | 366,526 | (366,526) |
| StandardAero Facility Improvements, Phase I | 1,010,000 | 1,078,743 | (68,743) |
| StandardAero Facility Improvements, Phase II, Design | 298,000 | 168,724 | 129,276 |
| Security System Update | 175,000 | 182,221 | (7,221) |
| SMART Airport | 650,000 | 332,365 | 317,635 |
| Total | <u>6,654,112</u> | <u>2,316,977</u> | <u>4,337,135</u> |
| TERMINAL | | | |
| Terminal/Office/Meeting Room/Common Area Improvements | 400,000 | - | 400,000 |
| Terminal Improvements - Bag Claim/PBB - Design | 250,000 | - | 250,000 |
| Terminal ADA Parking Lot | - | 6,393 | (6,393) |
| ADA Terminal Improvements, Phase IV | - | 28,010 | (28,010) |
| Total | <u>650,000</u> | <u>34,403</u> | <u>615,597</u> |
| LAND DEVELOPMENT/COMPATIBILITY | | | |
| Commerce Park / Land Development | 15,000 | 17,137 | (2,137) |
| Airport Property Demolition | 15,000 | - | 15,000 |
| Wildlife Mitigation, Phase V Environmental & Design | 349,000 | 17,450 | 331,550 |
| Land Acquisition | - | 176,462 | (176,462) |
| Solar Farm, Phase II | - | 264,575 | (264,575) |
| Total | <u>379,000</u> | <u>475,624</u> | <u>(96,624)</u> |
| EQUIPMENT | | | |
| 2012 Chevy Tahoe Replacement | 73,852 | 58,261 | 15,591 |
| Zero Turn Mower | - | 18,000 | (18,000) |
| Brushcat | - | 8,948 | (8,948) |
| Wollard Tugs | - | 74,600 | (74,600) |
| Slope Mower | - | 40,564 | (40,564) |
| 2,500 Gallon De-Icing Trailer | 99,201 | - | 99,201 |
| Commercial Preassure Washer | - | 7,082 | (7,082) |
| Total | <u>173,053</u> | <u>207,455</u> | <u>(34,402)</u> |
| OTHER | | | |
| Pavement Maintenance Program | 200,000 | 90,053 | 109,947 |
| Contingencies | 20,000 | 136,805 | (116,805) |
| Total | <u>220,000</u> | <u>226,858</u> | <u>(6,858)</u> |
| GRAND TOTAL | <u>\$ 17,528,321</u> | <u>\$ 4,889,337</u> | <u>\$ 12,638,984</u> |

See accompanying independent auditors' report.

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ABRAHAM LINCOLN
CAPITAL AIRPORT
A T S P R I N G F I E L D

STATISTICAL SECTION





SPRINGFIELD AIRPORT AUTHORITY

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
A T S P R I N G F I E L D

STATISTICAL SECTION

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ABRAHAM LINCOLN
CAPITAL AIRPORT

A T S P R I N G F I E L D

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

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|
| OPERATING REVENUES | | | | | | | | | | |
| Rents, fees and grants | \$ 5,225,920 | \$ 4,948,811 | \$ 4,648,155 | \$ 4,516,774 | \$ 4,077,798 | \$ 4,197,390 | \$ 4,084,853 | \$ 3,860,829 | \$ 3,709,715 | \$ 3,687,182 |
| NON-OPERATING REVENUES | | | | | | | | | | |
| Tax revenue | 3,744,869 | 3,795,291 | 4,038,940 | 3,837,739 | 3,337,534 | 3,161,555 | 3,052,464 | 2,952,890 | 2,981,397 | 2,738,123 |
| Interest income | 293,003 | 316,167 | 30,929 | 25,474 | 18,591 | 21,473 | 24,400 | 35,532 | 21,493 | 20,966 |
| Lease interest income | 25,088 | 24,019 | 12,019 | 9,841 | - | - | - | - | - | - |
| Passenger facility charges | 233,393 | 203,480 | 263,280 | 348,720 | 113,417 | 250,078 | 313,849 | 357,310 | 418,037 | 390,342 |
| Farm income, net | 218,376 | 204,999 | 265,430 | 191,185 | 162,898 | 159,435 | 181,691 | 163,350 | 147,720 | 148,400 |
| Micellaneous income | 506,148 | 380,211 | 104,048 | 137,746 | 332,883 | 100,427 | 1,098 | 118 | 14,750 | 20,904 |
| Total non-operating revenues | 5,020,877 | 4,924,167 | 4,714,646 | 4,550,705 | 3,965,323 | 3,692,968 | 3,573,502 | 3,509,200 | 3,583,397 | 3,318,735 |
| Total revenues | 10,246,797 | 9,872,978 | 9,362,801 | 9,067,479 | 8,043,121 | 7,890,358 | 7,658,355 | 7,370,029 | 7,293,112 | 7,005,917 |
| OPERATING EXPENSES | | | | | | | | | | |
| Operations and maintenance | 6,112,890 | 5,896,498 | 5,629,577 | 5,464,023 | 4,735,143 | 5,026,169 | 4,486,331 | 5,267,479 | 4,461,121 | 4,468,942 |
| Depreciation | 4,902,614 | 4,836,643 | 4,971,544 | 4,815,651 | 4,796,372 | 4,794,568 | 4,823,381 | 4,709,882 | 4,778,205 | 4,853,465 |
| IMRF and FICA | 911,321 | (288,854) | 665,758 | (421,825) | 118,676 | 478,413 | 584,881 | 259,991 | 760,613 | 676,709 |
| Total operating expenses | 11,926,825 | 10,444,287 | 11,266,879 | 9,857,849 | 9,650,191 | 10,299,150 | 9,894,593 | 10,237,352 | 9,999,939 | 9,999,116 |
| NON-OPERATING EXPENSES | | | | | | | | | | |
| Interest expense | 392,232 | 389,603 | 360,476 | 295,714 | 125,555 | 345,055 | 255,611 | 351,180 | 240,005 | 369,572 |
| Total non-operating expenses | 392,232 | 389,603 | 360,476 | 295,714 | 125,555 | 345,055 | 255,611 | 351,180 | 240,005 | 369,572 |
| Total expenses | 12,319,057 | 10,833,890 | 11,627,355 | 10,153,563 | 9,775,746 | 10,644,205 | 10,150,204 | 10,588,532 | 10,239,944 | 10,368,688 |
| CONTRIBUTION REVENUE | 5,420,582 | 8,560,863 | 6,670,964 | 4,637,235 | 11,111,289 | 3,884,249 | 4,328,842 | 1,868,650 | 1,264,450 | 3,367,670 |
| CHANGE IN NET POSITION | \$ 3,348,322 | \$ 7,599,951 | \$ 4,406,410 | \$ 3,551,151 | \$ 9,378,664 | \$ 1,130,402 | \$ 1,836,993 | \$ (1,349,853) | \$ (1,682,382) | \$ 4,899 |
| NET POSITION AT END OF YEAR COMPOSED OF: | | | | | | | | | | |
| Net investment in capital assets | \$ 79,079,661 | \$ 75,583,818 | \$ 68,957,945 | \$ 66,038,378 | \$ 62,506,960 | \$ 60,237,587 | \$ 58,599,729 | \$ 53,578,269 | \$ 53,994,100 | \$ 51,246,527 |
| Restricted | 350,214 | 462,420 | 509,617 | 602,212 | 342,219 | 372,563 | 525,878 | 1,361,768 | 1,005,722 | 1,741,210 |
| Unrestricted | 13,133,941 | 13,169,256 | 12,147,981 | 10,568,543 | 10,808,803 | 3,669,168 | 4,023,309 | 6,371,886 | 7,661,954 | 11,356,421 |
| Total net position | \$ 92,563,816 | \$ 89,215,494 | \$ 81,615,543 | \$ 77,209,133 | \$ 73,657,982 | \$ 64,279,318 | \$ 63,148,916 | \$ 61,311,923 | \$ 62,661,776 | \$ 64,344,158 |

SPRINGFIELD AIRPORT AUTHORITY

Revenues By Source, Expenses By Function And Net Income (Loss) Operations and Maintenance Presented in Constant Dollars (2014= 100) Last Ten Fiscal Years

| | 2025 | 2024 | 2023 | 2022 |
|--------------------------------|------------|------------|--------------|------------|
| <u>Revenues</u> | | | | |
| Airlines | \$ 190,281 | \$ 195,751 | \$ 335,390 | \$ 349,095 |
| Fixed Base Operations | 1,409,196 | 1,424,133 | 1,110,101 | 1,080,744 |
| Government | 283,325 | 161,714 | 168,943 | 191,097 |
| Terminal | 530,408 | 481,350 | 534,509 | 521,730 |
| Car Rental | 263,232 | 254,137 | 314,141 | 338,131 |
| East Quadrant | 268,069 | 275,008 | 268,606 | 256,486 |
| Other Tenants | 839,143 | 812,716 | 773,841 | 774,924 |
| Non-Tenants * | 2,835,201 | 2,944,267 | 3,017,825 | 2,783,825 |
| Total | 6,618,855 | 6,549,076 | 6,523,356 | 6,296,033 |
| <u>Expenses</u> | | | | |
| Personnel | 3,080,331 | 2,902,480 | 3,111,624 | 3,053,489 |
| Services | 1,367,847 | 1,385,732 | 1,116,317 | 1,143,235 |
| Materials and Services | 477,760 | 752,612 | 721,107 | 767,742 |
| Equipment | 840,418 | 823,748 | 519,119 | 1,253,480 |
| Total | 5,766,356 | 5,864,572 | 5,468,168 | 6,217,945 |
| <u>Net Income</u> | \$ 852,500 | \$ 684,504 | \$ 1,055,188 | \$ 78,088 |
| CPI-U as of June 30 | 321.5 | 314.2 | 305.1 | 296.3 |
| Full Time Equivalent Employees | 43 | 41 | 39 | 42 |

* The Authority has pursued compliance of the U.S. Department of Transportation, Federal Aviation Administration's CFR 14 Chapter I, Policy and Procedures Concerning the Use of Airport Revenue; Proceeds From Taxes on Aviation Fuel. In short, the City of Springfield, IL has failed to demonstrate they have spent local sales taxes proceeds that were collected over the grandfathered rate imposed on aviation fuels for lawful purposes. According to historical fuel sales records, approximately \$975,170.15 of non-airport sponsor-imposed fuel sales tax receipts have been retained by the City of Springfield and have not been released for lawful spending. The Authority has pursued good faith efforts for nearly a decade to develop a cooperative solution to this matter with the City of Springfield under the administrations of Mayors J. Michael Houston and James O. Langfelder. All such efforts have failed. Special legal counsel for the Authority has been assigned to further pursue closure of this matter. Legal action is pending, and the Authority anticipates the retained funds will be released for lawful spending on airport-related purposes.

SPRINGFIELD AIRPORT AUTHORITY

Revenues By Source, Expenses By Function And Net Income (Loss)
Operations and Maintenance
Presented in Constant Dollars (2014 = 100)
Last Ten Fiscal Years

| | 2021 | | 2020 | | 2019 | | 2018 | | 2017 | | 2016 |
|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|
| \$ | 318,707 | \$ | 387,091 | \$ | 402,033 | \$ | 420,162 | \$ | 407,104 | \$ | 399,256 |
| | 1,139,265 | | 1,146,697 | | 927,652 | | 622,000 | | 489,874 | | 273,902 |
| | 362,751 | | 342,622 | | 353,255 | | 345,426 | | 360,422 | | 366,687 |
| | 506,684 | | 626,483 | | 639,389 | | 616,953 | | 618,551 | | 611,761 |
| | 289,038 | | 336,489 | | 377,047 | | 403,927 | | 394,626 | | 403,859 |
| | 187,028 | | 187,032 | | 181,604 | | 200,866 | | 213,459 | | 214,589 |
| | 652,517 | | 657,117 | | 368,036 | | 348,145 | | 325,171 | | 314,883 |
| | 3,111,002 | | 2,216,222 | | 2,227,058 | | 2,217,636 | | 2,508,838 | | 2,348,632 |
| | 6,566,992 | | 5,899,753 | | 5,476,073 | | 5,175,114 | | 5,318,045 | | 4,933,569 |
| | | | | | | | | | | | |
| | 3,159,473 | | 3,380,862 | | 3,356,881 | | 3,435,721 | | 3,333,220 | | 3,393,911 |
| | 1,063,586 | | 1,029,391 | | 1,012,718 | | 1,104,465 | | 1,023,656 | | 1,060,339 |
| | 725,621 | | 709,552 | | 458,474 | | 544,879 | | 546,201 | | 395,286 |
| | 629,021 | | 600,011 | | 64,555 | | 25,947 | | 27,695 | | 39,953 |
| | 5,577,701 | | 5,719,816 | | 4,892,627 | | 5,111,011 | | 4,930,772 | | 4,889,489 |
| | | | | | | | | | | | |
| \$ | 989,291 | \$ | 179,937 | \$ | 583,446 | \$ | 64,103 | \$ | 387,272 | \$ | 44,080 |
| | | | | | | | | | | | |
| | 271.7 | | 257.8 | | 256.1 | | 252 | | 245 | | 241 |
| | | | | | | | | | | | |
| | 41 | | 42 | | 39 | | 37 | | 38 | | 39 |

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) \$ |
| 2024 | 2025-26 | 2,257,689 | 124,081 | 33,100 | 568,530 | 397,805 2017 |
| 2023 | 2024-25 | 2,120,404 | 123,020 | 33,100 | 553,626 | 398,055 2017 |
| 2022 | 2023-24 | 2,006,459 | 108,344 | 32,850 | 545,700 | 398,065 2017 |
| 2021 | 2022-23 | 2,004,738 | 98,155 | 31,450 | 511,500 | 397,835 2017 |
| 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 |

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 2025 is \$40,000 X .0972 = \$38.88 and for calendar 2024 was \$40.96. The rate of .1024 for 2024 taxes payable in 2025 is what appeared on property owner's tax bills received in the Spring of 2024.

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) |
| 3,403,064 | 3,500,217,258 | +10.5% | 0.0972 | Not known yet | Not known yet |
| 3,244,955 | 3,167,596,302 | +6.8% | 0.1024 | 3,240,451 | 99.9% |
| 3,102,099 | 2,965,215,102 | +5.5% | 0.1047 | 3,104,580 | 100.0% |
| 3,047,672 | 2,809,526,539 | +0.4% | 0.1058 | 2,972,479 | 97.5% |
| 2,962,000 | 2,798,710,430 | +0.4% | 0.1042 | 2,916,257 | 98.5% |
| 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% |

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.

SPRINGFIELD AIRPORT AUTHORITY

SUMMARY OF TAX ASSESSMENTS AND COLLECTIONS

FOR TAXES ASSESSED IN 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 AND 2015

| General Accounts: | Property Tax | | | Replacement | Estimated |
|--------------------------------|------------------|--------|--------------|-------------|-----------|
| | Valuation | Rate | Taxes | Tax | Tax |
| 2024 | \$ 3,500,717,258 | 0.0686 | \$ 2,401,491 | \$ 375,103 | 2,776,594 |
| 2023 | 3,167,596,302 | 0.0723 | 2,290,172 | 559,373 | 2,849,545 |
| 2022 | 2,965,215,102 | .0729 | 2,161,642 | 928,296 | 3,089,938 |
| 2021 | 2,809,526,539 | .0739 | 2,076,240 | 889,480 | 2,965,720 |
| 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 |
| General Obligation | | | | | |
| Bond And Interest Accounts: | | | | | |
| 2024 | 3,500,717,258 | .0114 | 391,100 | - | 391,100 |
| 2023 | 3,167,596,302 | .0126 | 391,135 | - | 391,135 |
| 2022 | 2,965,215,102 | .0134 | 389,392 | - | 389,392 |
| 2021 | 2,809,526,539 | .0142 | 398,953 | - | 398,953 |
| 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 |
| I.M.R.F. And F.I.C.A. Account: | | | | | |
| 2024 | 3,500,717,258 | .0161 | 552,343 | - | 552,343 |
| 2023 | 3,167,596,302 | .0174 | 540,139 | - | 540,139 |
| 2022 | 2,965,215,102 | .0184 | 534,688 | - | 534,688 |
| 2021 | 2,809,526,539 | .0177 | 497,286 | - | 497,286 |
| 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 |
| Total All Accounts: | | | | | |
| 2024 | 3,500,717,258 | .0961 | 3,344,934 | 375,103 | 3,720,037 |
| 2023 | 3,167,596,302 | .1023 | 3,221,446 | 559,373 | 3,780,819 |
| 2022 | 2,965,215,102 | .1047 | 3,085,722 | 928,296 | 4,014,018 |
| 2021 | 2,809,526,539 | .1058 | 2,972,479 | 889,480 | 3,861,959 |
| 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 |

SPRINGFIELD AIRPORT AUTHORITY

SUMMARY OF TAX ASSESSMENTS AND COLLECTIONS

FOR TAXES ASSESSED IN 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 AND 2015

| General Accounts: | Reserve For Losses and Costs | Estimate Collectible | Amount Collected | Receivable At June 30 |
|---|------------------------------------|-------------------------|---------------------|--------------------------|
| 2024 | \$ 48,030 | 2,728,564 | \$ 1,583,374 | 1,145,190 |
| 2023 | 45,803 | 2,803,742 | 1,677,639 | 1,126,103 |
| 2022 | 43,233 | 3,046,705 | 1,878,796 | 1,167,909 |
| 2021 | 41,525 | 2,924,195 | 1,808,309 | 1,115,886 |
| 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 |
| General Obligation Bond And Interest Accounts: | | | | |
| 2024 | 7,982 | 383,118 | 211,541 | 171,577 |
| 2023 | 7,982 | 383,153 | 211,395 | 171,758 |
| 2022 | 7,947 | 381,445 | 201,622 | 179,823 |
| 2021 | 7,979 | 390,974 | 204,557 | 186,417 |
| 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 |
| I.M.R.F. And F.I.C.A. Account: | | | | |
| 2024 | 11,272 | 541,071 | 298,755 | 242,316 |
| 2023 | 11,023 | 529,116 | 291,927 | 237,189 |
| 2022 | 10,912 | 523,776 | 276,854 | 246,922 |
| 2021 | 9,946 | 487,340 | 254,976 | 232,364 |
| 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 |
| Total All Accounts: | | | | |
| 2024 | 67,284 | 3,652,753 | 2,093,670 | 1,559,083 |
| 2023 | 64,808 | 3,716,011 | 2,180,961 | 1,535,050 |
| 2022 | 62,092 | 3,951,926 | 2,357,272 | 1,594,654 |
| 2021 | 59,450 | 3,802,509 | 2,267,842 | 1,534,667 |
| 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 |

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ABRAHAM LINCOLN
CAPITAL AIRPORT
A T S P R I N G F I E L D

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF BONDED DEBT AND INTEREST REQUIREMENTS

June 30, 2025

| Fiscal Year Ended June 30, | <u>Principal</u> <u>Requirements</u> | <u>Interest</u> <u>Requirements</u> | Total Annual Cash Requirements |
|-------------------------------|---|---|--------------------------------------|
| | General Obligation Bonds of 2017 | General Obligation Bonds of 2017 | |
| 2026 | 279,000 | 118,805 | 397,805 |
| 2027 | 287,500 | 110,308 | 397,808 |
| 2028 | 297,000 | 100,798 | 397,798 |
| 2029 | 307,500 | 90,219 | 397,719 |
| 2030 | 318,500 | 79,264 | 397,764 |
| 2031 | 330,000 | 67,915 | 397,915 |
| 2032 | 341,500 | 56,164 | 397,664 |
| 2033 | 275,000 | 45,169 | 320,169 |
| 2034 | 275,000 | 35,131 | 310,131 |
| 2035 | 275,000 | 25,094 | 300,094 |
| 2036 | 275,000 | 15,056 | 290,056 |
| 2037 | 275,000 | 5,019 | 280,019 |
| | <u>\$ 3,536,000</u> | <u>\$ 748,942</u> | <u>\$ 4,284,942</u> |

| | |
|---|---------------|
| Total Principal Requirements | \$ 3,536,000 |
| Less Assets Restricted for Debt Service | <u>23,008</u> |
| Net General Bonded Debt | \$ 3,512,992 |

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 Shown)

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--|------------------|------------------|------------------|------------------|------------------|
| Assessed Valuation of SAA Taxing District | \$ 3,500,717,258 | \$ 3,167,596,302 | \$ 2,965,215,102 | \$ 2,809,526,539 | \$ 2,798,710,430 |
| .75% Limit | 26,255,379 | 23,756,972 | 22,239,113 | 21,071,449 | 20,990,328 |
| General Obligation Debt | 3,536,000 | 3,807,000 | 4,070,000 | 4,325,000 | 4,571,840 |
| Available G.O. Debt | 22,719,379 | 19,949,972 | 18,169,113 | 16,746,449 | 16,418,488 |
| Percentage of G.O. Debt to Assessed Valuation | 0.101% | 0.120% | 0.137% | 0.154% | 0.163% |
| Percentage of G.O. Debt to Limit | 13.47% | 16.02% | 18.30% | 20.53% | 21.78% |
| Population of Taxing District* | 133,459 | 134,279 | 135,662 | 135,385 | 136,363 |
| Net Bonded Debt Per Capita | \$26.50 | \$28.35 | \$30.00 | \$33.77 | \$35.28 |

*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 Shown) - Continued

| | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|------------------|------------------|------------------|------------------|------------------|
| Assessed Valuation of SAA Taxing District | \$ 2,787,825,513 | \$ 2,806,481,352 | \$ 2,758,374,314 | \$ 2,707,725,991 | \$ 2,656,985,002 |
| .75% Limit | 20,908,691 | 21,048,610 | 20,687,807 | 20,307,944 | 19,927,387 |
| General Obligation Debt | 4,810,680 | 5,042,020 | 5,265,860 | 5,485,200 | 1,313,040 |
| Available G.O. Debt | 16,098,011 | 16,006,590 | 15,421,947 | 14,822,744 | 18,614,347 |
| Percentage of G.O. Debt to Assessed Valuation | 0.173% | 0.180% | 0.191% | 0.203% | 0.049% |
| Percentage of G.O. Debt to Limit | 23.01% | 23.95% | 25.45% | 6.59% | 7.79% |
| Population of Taxing District* | 137,875 | 138,705 | 139,434 | 138,535 | 139,152 |
| Net Bonded Debt Per Capita | \$36.57 | \$39.55 | \$9.42 | \$11.06 | \$12.76 |

SPRINGFIELD AIRPORT AUTHORITY

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

| | 2025 | 2024 | 2023 | 2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Principal | \$ 1,121,911 | \$ 1,861,048 | \$ 681,268 | \$ 1,559,729 |
| Interest | 383,879 | 386,037 | 357,695 | 292,735 |
| Total debt service | <u>\$ 1,505,790</u> | <u>\$ 2,247,085</u> | <u>\$ 1,038,963</u> | <u>\$ 1,852,464</u> |
| Operating expenses (not including depreciation) | \$ 7,024,211 | \$ 5,607,644 | \$ 6,295,335 | \$ 5,042,198 |
| Plus: Principal | 1,121,911 | 1,861,048 | 681,268 | 1,559,725 |
| Total expenditures | <u>\$ 8,146,122</u> | <u>\$ 7,468,692</u> | <u>\$ 6,976,603</u> | <u>\$ 6,601,923</u> |
| Ratio of debt service to total expenditures | 18.5% | 30.1% | 14.9% | 28.1% |

* Excludes refinanced debt of \$7,507,771

** 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

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|------------|-------------|--------------|------------|--------------|-------------|
| \$ 748,804 | \$ 465,373* | \$ 556,605** | \$ 514,844 | \$ 609,530** | \$2,005,496 |
| 127,807 | 345,055 | 259,670 | 353,687 | 253,081 | 368,092 |
| \$ 876,611 | \$ 810,428 | \$ 816,275 | 868,531 | \$ 862,611 | \$2,373,588 |

| | | | | | |
|--------------|--------------|--------------|--------------|--------------|-------------|
| \$ 4,853,819 | \$ 5,504,582 | \$ 5,071,212 | \$ 5,229,864 | \$ 5,221,734 | \$5,145,651 |
| 748,804 | 465,373 | 556,605 | 514,844 | 609,530 | 2,005,496 |
| \$ 5,602,623 | \$ 5,969,955 | \$ 5,627,817 | 5,744,708 | \$ 5,831,264 | \$7,151,147 |

| | | | | | |
|-------|-------|-------|-------|-------|-------|
| 15.6% | 13.6% | 14.5% | 15.1% | 14.7% | 33.2% |
|-------|-------|-------|-------|-------|-------|

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 |
|----------------|------------------|---------------|-------------------------------------|--------------------------------------|----------------------------------|
| 2025 | \$ - | \$3,536,000 | \$1,071,625 | \$ - | \$ 4,161,580 |
| 2024 | - | 3,807,000 | 1,312,543 | - | 4,367,785 |
| 2023 | - | 4,070,000 | 1,549,010 | - | 4,567,821 |
| 2022 | - | 4,325,000 | 1,781,164 | - | 4,761,935 |
| 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 | - |

SPRINGFIELD AIRPORT AUTHORITY

Ratios of Outstanding Debt By Type Last Ten Fiscal Years

| Fiscal Year | Notes - Solar Array | Notes - Terminal Remodeling | Notes - Standard Aero Rehab | Total Outstanding Debt | Debt Per Capita | Debt As A Share Of Assessed Valuation of Taxing District |
|-------------|------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------|---|
| 2025 | \$5,513,362 | \$ | \$ 2,723,447 | \$ 17,006,014 | \$127.43 | 0.49% |
| 2024 | 5,782,186 | - | 2,056,269 | 17,325,783 | 129.03 | 0.55% |
| 2023 | 6,000,000 | - | - | 16,186,831 | 119.32 | 0.55% |
| 2022 | - | - | - | 10,868,099 | 80.23 | 0.39% |
| 2021 | - | - | - | 12,427,824 | 91.80 | 0.44% |
| 2020 | - | - | - | 11,322,814 | 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 | - | 1,600,000 | - | 15,993,116 | 103.94 | 0.55% |

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ABRAHAM LINCOLN
CAPITAL AIRPORT

A T S P R I N G F I E L D

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 |
|-------------|---------------|--------------------------------|--|--------------------------|
| 2025 | \$ 10,246,797 | \$ | \$ 7,024,211 | \$ 3,222,586 |
| 2024 | 9,872,978 | - | 5,607,644 | 4,265,334 |
| 2023 | 9,362,801 | - | 6,295,335 | 3,067,466 |
| 2022 | 9,067,479 | - | 5,042,198 | 4,025,281 |
| 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 |

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) |
|----------------|------------|------------|------------|---------------------|
| 2025 | \$ 279,000 | \$ 127,055 | \$ 406,055 | 7.9 |
| 2024 | 271,000 | 135,065 | 406,065 | 10.5 |
| 2023 | 263,000 | 135,065 | 398,065 | 7.7 |
| 2022 | 255,000 | 150,433 | 405,433 | 9.9 |
| 2021 | 246,840 | 159,144 | 405,984 | 7.9 |
| 2020 | 238,840 | 166,806 | 405,646 | 5.9 |
| 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 |

SPRINGFIELD AIRPORT AUTHORITY

Principal Taxpayers Current Year and Nine Years Ago

| Taxpayer | Type of Business | Taxable Assessed Value 2025 | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value 2016 | Percentage of Total City Taxable Assessed Value |
|-----------------------------|------------------|--------------------------------------|--|--------------------------------------|--|
| Mall at White Oaks LLC | Retail Sales | \$ 8,152,002 | 0.30% | \$ 8,100,422 | 0.36% |
| Horace Mann Educators Corp. | Insurance | 5,383,316 | 0.20% | 5,167,320 | 0.23% |
| Memorial Health System | Health Care | 5,042,932 | 0.18% | 4,785,939 | 0.21% |
| Springfield Clinic LLP #1 | Health Care | 5,451,069 | 0.20% | 4,430,401 | 0.20% |
| Wells Fargo Home MTG INC | Mortgage Co. | 4,930,934 | 0.18% | 4,784,443 | 0.21% |
| Memorial Health System #2 | Health Care | 4,898,536 | 0.18% | 3,968,830 | 0.17% |
| Wal-Mart RE Business Trust | Retail Sales | 4,509,828 | 0.16% | 4,317,603 | 0.19% |
| Springfield Clinic LLP #2 | Health Care | 4,458,096 | 0.16% | 4,140,037 | 0.18% |
| White Oaks Plaza LLC | Retail Sales | 4,349,097 | 0.16% | 4,496,870 | 0.20% |
| Luthern Retirement Center | | 3,800,196 | 0.14% | | |
| Town and Country Group | | | | 3,890,896 | 0.17% |
| | | <u>\$ 50,976,006</u> | <u>1.86%</u> | <u>\$ 48,082,761</u> | <u>2.12%</u> |

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 | % of Work Force | # of Employees | % of Work Force |
|-----------------------------------|------------------|-------------------|--------------------|-------------------|--------------------|
| | | 2025 | | 2016 | |
| 1. State of Illinois | Government | 17,800 | 32.11% | 17,600 | 29.62% |
| 2. Memorial Health System | Health Care | 5,238 | 9.48% | 4,455 | 7.50% |
| 3. Hospital Sisters Health System | Health Care | 4,434 | 8.03% | n/a | 0.00% |
| 4. Springfield Clinic | Health Care | 3,500 | 6.33% | 2,631 | 4.43% |
| 5. Springfield Public Schools | Education | 2,130 | 3.86% | 2,150 | 3.62% |
| 6. University of IL - Springfield | Education | 1,642 | 2.97% | 1,696 | 2.85% |
| 7. SIU - School of Medicine | Health Care | 1,470 | 2.66% | 1,546 | 2.60% |
| 8. City of Springfield | Government | 1,410 | 2.55% | 1,431 | 2.41% |
| 9. Horace Mann Educators | Insurance | 1,066 | 1.93% | 1008 | 1.70% |
| 10. Illinois National Guard | Military | 967 | 1.75% | n/a | 0.00% |
| 11. Blue Cross/Blue Shield | Health Care | | | 1,310 | 2.21% |
| 12. St. Johns Hospital | Health Care | | | 4,217 | 7.10% |
| Total Workforce | | 39,657 | 71.67% | 38,044 | 64.04% |

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 |
|-------------|----------|----------------------|---------|---------|---------|
| 2020 | 43,195 | Age 18 - 64: 116,432 | | 36,716 | 196,343 |
| 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 |
|-------------|----------|---------------------|---------|---------|---------|
| 2020 | 22.00% | Age 18 - 64: 59.30% | | 18.70% | 100.00% |
| 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 |
|------------------|--------------------------------|-------------------------------|--------------------------|---------------------------------|
| 2024 | 4,555 | \$ 220,354,524 | \$ 48,376 | \$ 3,037,346,206 |
| 2023 | 5,114 | \$ 187,470,165 | \$ 36,658 | \$ 2,743,462,716 |
| 2022 | 5,377 | \$ 203,964,717 | \$ 37,933 | \$ 2,572,076,883 |
| 2021 | 5,026 | 160,543,788 | 31,943 | 2,442,813,790 |
| 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 |

(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 Calendar Years

| Fiscal Year | Population | Personal Income | Per Capita Income | Median Age | Unemployment Rate |
|-------------|------------|--------------------|-------------------|---------------|----------------------|
| 2025 | 112,544 | Not Available | Not Available | Not Available | 4.8% |
| 2024 | 112,544 | Not Available | Not Available | Not Available | 4.8% |
| 2023 | 114,394 | \$10,870,452 | \$52,782 | 38 | 4.3% |
| 2022 | 114,394 | \$10,870,452 | \$52,782 | 38 | 4.3% |
| 2021 | 114,394 | \$10,870,452 | \$52,782 | 38 | 4.3% |
| 2020 | 116,250 | \$10,870,452 | \$52,782 | 38 | 8.3% |
| 2019 | 116,250 | \$10,198,822 | \$49,301 | 39 | 3.2% |
| 2018 | 116,250 | \$10,131,128 | \$48,793 | 39 | 5.1% |
| 2017 | 116,250 | \$9,634,500 | \$46,165 | 39 | 4.6% |
| 2016 | 116,250 | \$9,450,300 | \$45,003 | 39 | 5.0% |

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 FY25 | Percent of Total | Amount Paid FY24 | Percent of Total | Difference From FY25 to FY24 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------------------|
| American Airlines | \$ 190,915 | 4% | \$ 203,731 | 4% | \$ (12,816) |
| United Airlines | - | 0% | 492 | 0% | (492) |
| StandardAero/Garrett | 1,467,843 | 29% | 1,456,757 | 31% | 11,086 |
| Stellar Aviation/Landmark/Horizon | 412,061 | 8% | 399,935 | 8% | 12,126 |
| FAA - FSDO & SFA | 279,206 | 5% | 81,121 | 2% | 198,085 |
| TSA | 50,757 | 1% | 82,131 | 2% | (31,374) |
| Illinois Department of Military Affairs | 162,230 | 3% | 109,612 | 2% | 52,618 |
| Avis | 90,898 | 2% | 103,343 | 2% | (12,445) |
| Budget | 107,234 | 2% | 85,335 | 2% | 21,899 |
| Enterprise | 156,026 | 3% | 161,792 | 3% | (5,766) |
| U of I Extension | 88,260 | 2% | 86,955 | 2% | 1,305 |
| Lincoln Land Community College | 123,967 | 2% | 119,873 | 3% | 4,094 |
| Bunn-O-Matic | 57,735 | 1% | 56,082 | 1% | 1,653 |
| Illinois Division of Aeronautics | 186,323 | 4% | 171,701 | 4% | 14,622 |
| Residential | 184,798 | 4% | 183,563 | 4% | 1,235 |
| South & SE Quadrant T-Hangars | 633,949 | 12% | 616,676 | 13% | 17,273 |
| Passenger Service Center | 478,354 | 9% | 471,025 | 10% | 7,329 |
| All Other | 430,060 | 8% | 377,458 | 8% | 52,602 |
| Total | \$ 5,100,614 | 100% | \$ 4,767,582 | 100% | \$ 333,032 |

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 |
|------------------|------------------------|-------------------------------------|-----------------------------------|------------------------|----------------------------|
| 2024 | 51,622 | 8,278 | 10,928 | 2,539 | 21,745 |
| 2023 | 51,425 | 8,719 | 9,225 | 4,060 | 22,004 |
| 2022 | 74,028 | 7,969 | 16,310 | 4,442 | 28,721 |
| 2021 | 60,535 | 6,875 | 21,933 | 6,461 | 35,269 |
| 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 |

SPRINGFIELD AIRPORT AUTHORITY

Full Time Equivalent Employees As of June 30

Last Ten Years

| | |
|------|----|
| 2025 | 43 |
| 2024 | 41 |
| 2023 | 39 |
| 2022 | 42 |
| 2021 | 41 |
| 2020 | 42 |
| 2019 | 39 |
| 2018 | 37 |
| 2017 | 38 |
| 2016 | 39 |

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

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF INSURANCE COVERAGE

June 30, 2025

| Type of Coverage and Name of Company | Policy Number | Policy Period | |
|--|------------------|---------------|------------|
| | | From | To |
| General Liability National Union Fire Ins Co | AP 048395320-08 | 04/30/2025 | 04/30/2026 |
| Commercial Auto Cincinnati Insurance | EBA 0528618 | 04/30/2025 | 04/30/2026 |
| Property and Equipment Cincinnati Insurance | ECO 0528618 | 04/30/2025 | 04/30/2026 |
| Officers and Directors Liability Old Republic Insurance | ALT 12106798 | 04/30/2025 | 04/30/2026 |
| Solar Axis Surplus Insurance Co. | 389770124ES | 04/30/2025 | 04/30/2026 |

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF INSURANCE COVERAGE

June 30, 2025

| Type of Coverage and Name of Company | Details of Coverage | Liability Amounts | Annual Premium |
|--|---|----------------------|-------------------|
| General Liability National Union Fire Ins Co | 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 | \$ 38,315 |
| Commercial Auto Cincinnati Insurance | All autos and trucks liability, bodily injury, uninsured motorist | 1,000,000 | 25,813 |
| Property and Equipment Cincinnati Insurance | Building, contents, business income, boiler, machinery and earthquake | 55,099,188 | 130,995 |
| Officers and Directors Liability Old Republic Insurance | Officer and employees liability | 1,000,000 | 4,164 |
| Solar Axis Surplus Insurance Co. | Solar | Up to 6,000,000 | 23,200 |

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ABRAHAM LINCOLN
CAPITAL AIRPORT

A T S P R I N G F I E L D

PASSENGER FACILITY CHARGES





SPRINGFIELD AIRPORT AUTHORITY

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

Opinion on 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 Authority's passenger facility charge program for the year ended June 30, 2025. The passenger facility charge program is identified in the schedule of expenditures of passenger facility charges.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended June 30, 2025.

Basis for Opinion on Passenger Facility Charge Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the passenger facility charge program.

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Eck, Schafer + Punkte LLP

Springfield, Illinois
December 16, 2025

SPRINGFIELD AIRPORT AUTHORITY

SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES

For the year ended June 30, 2025

PFC #8

| <u>Project</u> | <u>Expenditures</u> |
|---|--------------------------|
| Terminal ADA/Capacity Improvements, Ph IV - Terminal Parking Lot, Sidewalk, Access Road Rehab & Modification | \$ 346,204 |
| Total | <u><u>\$ 346,204</u></u> |

SINGLE AUDIT SECTION





SPRINGFIELD AIRPORT AUTHORITY

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, 2025, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 16, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 + Punkte LLP

Springfield, Illinois
December 16, 2025

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

Opinion on Each Major Federal Program

We have audited Springfield Airport Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2025. The Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Authority as of and for the year ended June 30, 2025, and have issued our report thereon dated December 16, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Eck, Schafer + Punkte LLP

Springfield, Illinois
December 16, 2025

Springfield Airport Authority

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

| <u>Federal Agency and Program Title</u> | <u>Assistance Listing</u> | <u>Pass Through Identification</u> | <u>Federal Award Expenditures</u> |
|---|-------------------------------|--|---------------------------------------|
| U.S. Department of Transportation | | | |
| Passed through Illinois Department of Transportation | | | |
| Airport Improvement Program | 20.106 | N/A | \$ 4,589,555 |
| Highway Planning and Construction | 20.205 | 23-1439-38460 | <u>265,892</u> |
| | | | <u>\$ 4,855,447</u> |

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, 2025

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 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, 2025, Springfield Airport Authority did not receive any noncash federal assistance, federal insurance, or federal loans or loan guarantees.

B. Sub-recipients

During the year ended June 30, 2025, 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, 2025

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?

_____ Yes X 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)?

_____ Yes X No

Identification of major programs:

Assistance Listing(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

Springfield Airport Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the Year Ended June 30, 2025

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No current year findings required to be reported relative to Federal awards.

Section IV - Summary Schedule of Prior Audit Findings

No prior audit findings.

ABRAHAM LINCOLN CAPITAL AIRPORT

**SPRINGFIELD AIRPORT AUTHORITY
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SPRINGFIELD, ILLINOIS 62707
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