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# Annual Comprehensive Financial Report



2023

GREATER ROCKFORD AIRPORT AUTHORITY  
FOR THE FISCAL YEAR ENDING  
APRIL 30, 2023 & APRIL 30, 2022

ROCKFORD, ILLINOIS

**GREATER ROCKFORD AIRPORT AUTHORITY**  
**ROCKFORD, ILLINOIS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED APRIL 30, 2023**

**Prepared by:**

**Michelle Cassaro**  
**Deputy Director of Finance and Administration**

**Tracey Halbrader**  
**Finance Manager**

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

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ROCKFORD, ILLINOIS**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Greater Rockford Airport Authority including:

Letter of Transmittal

List of Principal Officials

Organizational Chart

GFOA Certificate of Achievement for Excellence in Financial Reporting

September 12, 2023

To the Board of Commissioners:

We are pleased to present the Annual Comprehensive Financial Report (Annual Report) for the Greater Rockford Airport Authority (the Authority) (Chicago Rockford International Airport) for the fiscal year ended April 30, 2023. The Annual Report contains financial statements and statistical information that fully disclose all the material financial operations of the Authority.

The Annual Report consists of management's representations concerning the finances of the Authority. Accordingly, management assumes full responsibility for the completeness and accuracy of the information presented in this report.

The letter of transmittal is designed to complement and should be read in conjunction with Management's Discussion and Analysis (MD&A). The MD&A, which immediately follows the Independent Auditor's Report, provides an introduction, overview, and analysis of the Authority financial statements.

This year's Annual Report is prepared in accordance with the guidelines set forth by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards a Certificate of Achievement to all public entities whose annual financial reports are judged to conform to the high standards of public financial reporting, including generally accepted accounting principles promulgated by the Government Accounting Standards Board (GASB).

## → THE AUTHORITY

The Authority is an independent municipal corporation of the State of Illinois, created by and formed in 1946 shortly after the State of Illinois adopted the Airport Authorities Act of 1945. At the time, the original Board of Commissioners requested and received a grant of 1,500 acres of Federal land located near Rockford, Illinois, for airport use. This land was formerly used as a U.S. Army base, known as Camp Grant, during WWI and WWII. Physical development of the airport began in 1947 with aircraft use in 1949.

The Airport is continually growing air cargo operations by developing modern facilities for cargo handling and maintaining runways. The Airport is home to the second largest UPS hub in North America and a major base of operations for Amazon Air. Passenger service is provided in the newly renovated 40,000 square foot terminal. In addition, the airport campus includes an aviation maintenance repair facility, an aviation education maintenance program, and several aviation and industrial tenants.

The Authority is located within Winnebago County and is empowered to levy a property tax on real properties located within the Authority area, which encompasses an area of approximately 216 square miles and includes all land within Cherry Valley, Harlem, Owen and Rockford Townships with the exception of roughly 12 square miles of rural land in Owen Township. Although ten other Townships in Winnebago County are not included within the boundaries of the Authority, nearly 83% of Winnebago County's land area and 73% of Winnebago County's 2022 equalized assessed valuation are within the Authority Area.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Transmittal Letter - Continued  
April 30, 2023**

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The Authority is governed by a seven-member Board of Commissioners (Board). Policy-making and legislative authority rests with the Board that is responsible, among other responsibilities, for passing ordinances, resolutions, adopting the budget, and hiring the Executive Director.

The Executive Director is responsible for carrying out the policies, ordinances and resolutions of the Board, for overseeing the day-to-day operations of the Authority, and overseeing hiring practices. Meetings of the Board are scheduled twice per month on the third and fourth Thursdays. Meetings are open to the public.

**→ FINANCIAL REPORTING ENTITY**

The financial statements contained within this Annual Report include all departments and operations for which the Authority is financially accountable. Financial accountability is defined in Note 1 to the financial statements. On this basis, no governmental organizations other than the Authority itself are included in the financial reporting entity.

**→ INTERNAL CONTROLS**

The Authority's internal control structure is an important and integral part of its entire accounting system. The current structure in place is designed to provide reasonable, but not absolute assurance that: assets are safeguarded against loss from unauthorized use or disposition; transactions are executed in accordance with management's authorization; financial records are reliable for preparing financial statements and maintaining accountability for assets; there is compliance with applicable laws and regulations; and there is effectiveness and efficiency of operations. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits that are likely to be derived from them, and that the evaluation of cost and benefits requires estimates and judgment by management.

We believe that the Authority's internal control framework adequately safeguards assets and provides reasonable assurance and proper recording of financial transactions. Management also believes that the data in this Annual Report, as presented, is accurate in all material respects, that it presents fairly the financial position, results of operations and cash flows of the Authority, and that all disclosures necessary to enable the reader to gain maximum understanding of the Authority's financial affairs have been included.

**→ BUDGET PROCESS**

Management annually creates a comprehensive line-item budget that is adopted by the Board of Commissioners in a public meeting before the beginning of each fiscal year. The budget narratives are detailed projections of the expected financial operation over the next year in accordance with the Authority's long-range financial plans. The budget is created using zero-based budgeting techniques where staff estimates all revenues and expenditures as though each revenue and/or expenditure was being initiated for the first time.

Management's control of the budget is maintained at the department level. It is the responsibility of each department to administer its operations in such a manner as to ensure that the use of funds is consistent with the goals and programs authorized by the Board of Commissioners. The annual budget is presented on our website site at <http://flyrfd.com/minutes/>.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Transmittal Letter - Continued**

**April 30, 2023**

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**➔ ECONOMIC CONDITIONS**

The Greater Rockford Airport Authority is in Rockford, Illinois. Rockford, the fifth largest city in Illinois, is located 65 miles northwest of Chicago's O'Hare International Airport and 17 miles south of the Wisconsin border. Rockford is part of the Rockford Metropolitan Statistical Area (MSA), which includes Boone, Ogle and Winnebago Counties. The region is considered an excellent location for aerospace, manufacturing, logistics services, warehouses, and distribution centers.

The current economic condition of the region has declined over the previous year. Local unemployment rates increased from 5.1% to 6.8% over last year, however, the rate is in line with pre-pandemic levels. The Metropolitan Statistical Area (MSA) includes over 335,000 people. The number of employed individuals in the county is about 150,000. The economic condition and outlook for the region has declined over the prior year primarily due to a major automobile assembly plant in the area shutting down after nearly 60 years laying off over 1,300 workers and affecting hundreds of others working for nearby suppliers.

Allegiant Air continues to be our principal carrier for regularly scheduled non-stop passenger service. Currently Allegiant Air offers service to Las Vegas, Orlando/Sanford, Clearwater/St. Pete/Tampa Bay, Punta Gorda/Fort Myers, Phoenix/Mesa, and Sarasota/Bradenton. RFD continues to plan to grow convenient, quality passenger service in both the domestic and international markets.

Passenger enplanements increased 18% in calendar year 2022. Increases were seen in domestic flights throughout the year as passengers return to travel post pandemic. Domestic passenger numbers are continuing to increase in 2023, even experiencing some record numbers as passengers remain eager to travel. Apple Vacations has not provided international service since the start of the pandemic. The airport continues to communicate with Apple vacations and other airlines with hopes of returning international service back to RFD.

Many airports experienced a decrease in cargo activity from the prior year, however, RFD had over 3.43 billion pounds of landed weight arrive in calendar year 2022, a 0.9% increase over the previous year. The most recent FAA cargo report states that RFD is the 13th largest cargo airport in the United States up from 14th in 2021. The Authority expects to exceed three billion pounds of landed weight again in calendar year 2023. Amazon saw a slight increase in landed weight while UPS experienced a slight decrease. In addition, RFD continues to have several international carriers providing cargo services.

**➔ INDEPENDENT AUDITOR**

The Authority's independent accounting firm, Lauterbach & Amen, LLP, has rendered an unmodified opinion on the Authority's financial statements for the fiscal years ended April 30, 2023, which states that the financial statements present fairly, in all material respects, the results of the Authority's financial position, changes in financial position and cash flows. The Auditor's report on the financial statements is included in the financial section of the report.

The Authority participates in the federal single audit program, which consists of a single audit of federally funded programs administered by the Authority. Participation in the single audit program is mandatory as a condition for continued funding eligibility. The single audit performed by the Authority's independent accounting firm, Lauterbach & Amen, LLP, met the requirements set forth by the Federal Single Audit Act of 1996 and related Uniform Guidance. The independent auditor's report, which is issued based upon work performed in accordance with those requirements, noted no instances of non-compliance by the Authority with any applicable state or federal laws, regulations, or other matters that are required to be reported for the fiscal year ended April 30, 2023.



**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Transmittal Letter - Continued  
April 30, 2023**

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**→ MAJOR ACTIVITIES AND INITIATIVES**

**State invests \$2.6 million in aviation careers in the region**

The Rock Valley College (RVC) Aviation Career Education Center, located at RFD, received a new CRJ 200 Aircraft from Sky West Airlines to assist with aviation and maintenance training courses. The Workforce Connection and AAR corporation administer the grant and provide support to the RVC students. The aircraft will allow students to gain more hands-on experience on a larger operational commercial jet.



**RFD Welcomes Menzies Aviation to its International Cargo Center**

Menzies Aviation, the world’s largest aviation services provider with operations in 58 countries, will expand its US cargo operations to RFD. The company will occupy the International Cargo Center at RFD and provide cargo and freighter handling services to chartered and scheduled flights. The Greater Rockford Airport Authority Board approved a lease agreement for a 10-year lease term which commences on June 1, 2023.



**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Transmittal Letter - Continued  
April 30, 2023**

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**RFD Joins Organizations Around the World in Supporting Individuals with Non-Visible Disabilities**

RFD announced its partnership in the global Hidden Disabilities Sunflower Program. The program, which launched in 2016 at London Gatwick Airport, helps identify passengers who wish to discreetly alert staff that they may need a bit of extra time because of a hidden disability. Hidden disabilities can be physical, mental, or neurological conditions that may limit or challenge a person's movement, senses, or activities but are not obvious to others. Sunflower badges are available to RFD staff and volunteers who have been trained to recognize and acknowledge badge holders and provide additional services as needed.



**→ AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Greater Rockford Airport Authority for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2022. The Certificate is the highest form of recognition for excellence in state and local government financial reporting.

To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (Annual Report). This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. The Authority has received a Certificate of Achievement for each of the last twenty-five consecutive years. A Certificate of Achievement is valid for a period of only one year. We believe our current Annual Report conforms to the Certificate of Achievement program requirements.

In addition, GFOA awarded the Authority the Distinguished Budget Presentation Award for its fiscal year 2023 budget. This was the twenty-third consecutive year the Authority was presented with this award.

**→ ACKNOWLEDGEMENTS**

The completion of the Annual Report was made possible with the guidance and support of The Board of Commissioners and their commitment to the continuous improvement of governance and financial reporting. In addition, the preparation of the current report on a timely basis was due to the dedication and service of the members of the Finance department.

*Michelle Cassaro*

Michelle Cassaro  
Deputy Director of Finance and Administration

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**List of Principal Officials  
April 30, 2023**

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**Board of Commissioners**

Paul R. Cicero, Chairman  
*City of Rockford*

Thomas Myers, Vice Chairman  
*City of Loves Park*

Thomas Del Santo, Secretary  
*Winnebago County*

Pat Agnew, Assistant Secretary  
*City of Rockford*

Michael Schablaske, Treasurer  
*Winnebago County*

Tonya Lamia, Assistant Treasurer  
*Village of Machesney Park*

Leslie West, Commissioner  
*City of Rockford*

**Senior Management**

Michael P. Dunn

Executive Director

Zachary Oakley

Deputy Director of Operations and Planning

Michelle Cassaro

Deputy Director of Finance and Administration

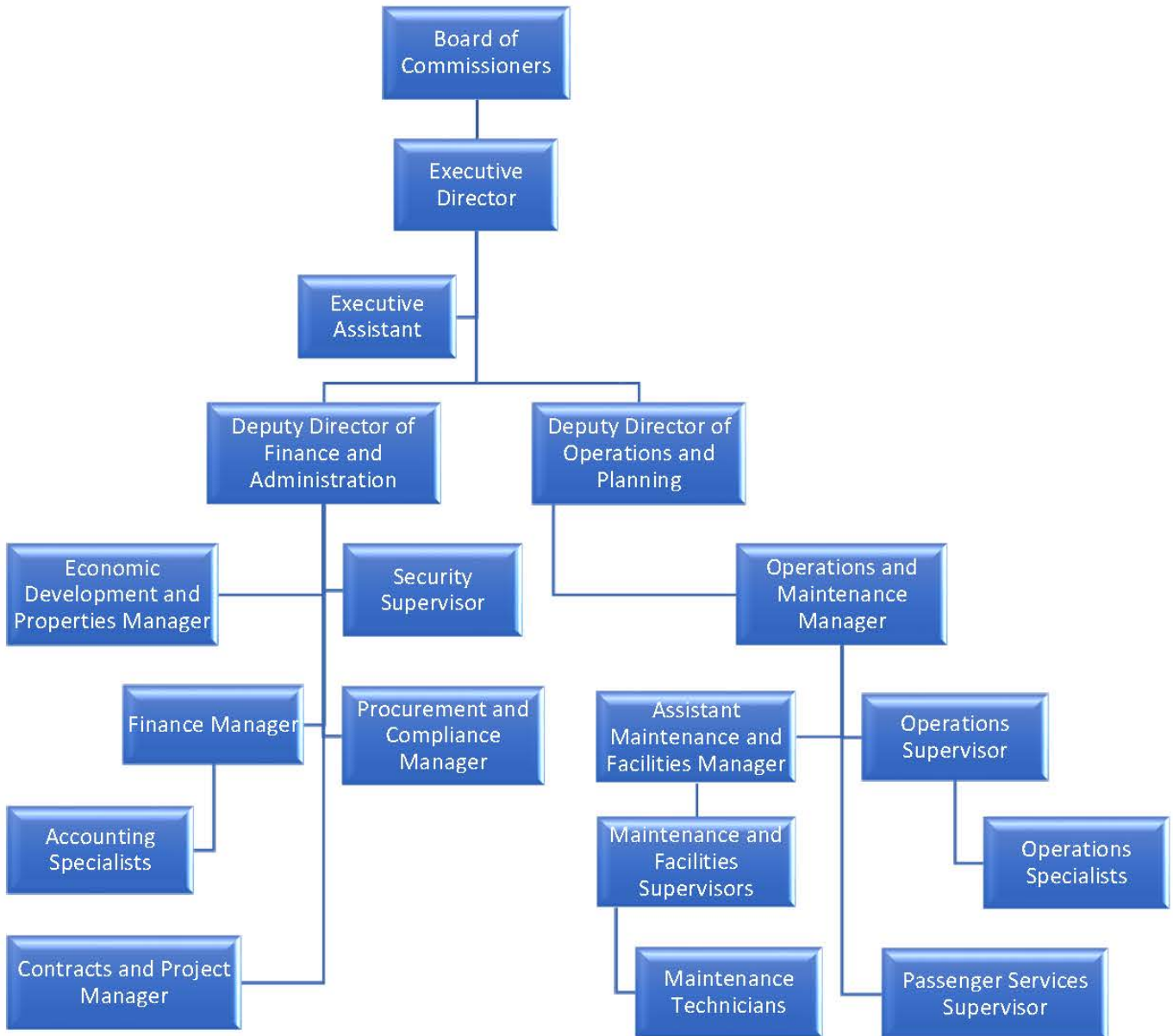
Tracey Halbrader

Finance Manager

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Organizational Chart  
April 30, 2023**

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Greater Rockford Airport Authority  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2022

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Authority's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

September 12, 2023

Board of Commissioners  
Greater Rockford Airport Authority  
Rockford, Illinois

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the accompanying financial statements of the Greater Rockford Airport Authority, Rockford, (the Authority), Illinois, as of and for the year ended April 30, 2023, 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 respective financial position of the Authority, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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 Auditor's 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 opinions.

### **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, and 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.



## **Auditor's 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 auditor's report that includes our opinions. 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 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 management's discussion and analysis, the budgetary comparison schedules, the required pension and other post-employment benefit (OPEB) schedules, as 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 opinions on the financial statements that collectively comprise the Greater Rockford Airport Authority, Rockford, Illinois' basic financial statements. The other supplementary information 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, other supplementary information is 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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 September 12, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the 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.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

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This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended April 30, 2023, for the Greater Rockford Airport Authority. Please read it in conjunction with the transmittal letter which can be found in the introductory section of this report and the Authority's financial statements, which can be found in the basic financial statements section of this report.

**FINANCIAL HIGHLIGHTS**

- The Authority's net position increased \$5.75 million, or 3.3 percent as a result of this year's operations.
- During the year, revenues totaled \$23.90 million, while expenses totaled \$27.63 million, resulting in an decrease to net position of \$3.73 million, prior to capital contributions of \$9.48 million.
- The Authority's net position totaled \$180.38 million on April 30, 2023, which includes \$148.05 million net investment in capital assets and \$32.32 million unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances.

**Financial Statements**

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Authority's assets and liabilities with the difference between the two reported as net position. Over time, increases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods.

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.

The Authority utilizes a single proprietary fund. 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. Goods or services from such activities are provided to outside parties.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

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**USING THIS ANNUAL REPORT - Continued**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Authority's I.M.R.F. employee pension obligation, other post-employment benefit obligation, and budgetary comparison schedule.

**FINANCIAL ANALYSIS**

The following table represents the net position as of April 30, 2023. Net position serves over time as a useful indicator of a government's financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by \$180.38 million.

|                                    | Net Position   |             |
|------------------------------------|----------------|-------------|
|                                    | 2023           | 2022        |
| Current Assets                     | \$ 107,238,924 | 32,239,983  |
| Capital Assets                     | 209,970,170    | 210,212,500 |
| Other Assets                       | 8,199,220      | 11,834,898  |
| Total Assets                       | 325,408,314    | 254,287,381 |
| Deferred Outflows                  | 1,475,415      | 119,755     |
| Total Assets/Deferred Outflows     | 326,883,729    | 254,407,136 |
| Long-Term Liabilities              | 62,109,856     | 67,393,385  |
| Other Liabilities                  | 7,639,660      | 6,354,438   |
| Total Liabilities                  | 69,749,516     | 73,747,823  |
| Deferred Inflows                   | 76,757,431     | 6,029,931   |
| Total Liabilities/Deferred Inflows | 146,506,947    | 79,777,754  |
| Net Position                       |                |             |
| Net Investment in Capital Assets   | 148,052,666    | 145,224,588 |
| Restricted                         | —              | 2,984,843   |
| Unrestricted                       | 32,324,116     | 26,419,951  |
| Total Net Position                 | 180,376,782    | 174,629,382 |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

**FINANCIAL ANALYSIS - Continued**

A large portion of the Authority's net position, \$148.05 million, reflects its investment in capital assets (for example, land, construction in progress, buildings and improvements, land improvements, equipment, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to citizens. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of \$32.32 million, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

|   | <u>Change in Net Position</u> |                           |
|---|-------------------------------|---------------------------|
|   | <u>2023</u>                   | <u>2022</u>               |
| Operating Revenues                          |                               |                           |
| Airport Fees                                | \$ 9,918,498                  | 9,599,272                 |
| Lease Revenue                               | 1,662,961                     | 5,125,894                 |
| Services and Other                          | 1,814,803                     | 1,392,612                 |
| Nonoperating Revenues                       | 10,508,649                    | 15,295,567                |
| Total Revenues                              | <u>23,904,911</u>             | <u>31,413,345</u>         |
| Operating Expenses                          |                               |                           |
| Personnel Services                          | 4,846,892                     | 4,389,582                 |
| Pension Expense                             | 143,665                       | (774,979)                 |
| OPEB Expense                                | (48,884)                      | (149,936)                 |
| Contractual Services                        | 4,993,861                     | 4,906,656                 |
| Commodities                                 | 2,449,972                     | 2,252,480                 |
| Other                                       | 353,110                       | 560,070                   |
| Nonoperating Expenses                       | 1,494,141                     | 1,609,676                 |
| Depreciation                                | 13,402,004                    | 11,536,570                |
| Total Expenses                              | <u>27,634,761</u>             | <u>24,330,119</u>         |
| Change in Net Position Before Contributions | (3,729,850)                   | 7,083,226                 |
| Capital Contributions                       | <u>9,477,250</u>              | <u>15,019,407</u>         |
| Change in Net Position                      | 5,747,400                     | 22,102,633                |
| Net Position - Beginning                    | <u>174,629,382</u>            | <u>152,526,749</u>        |
| Net Position - Ending                       | <u><u>180,376,782</u></u>     | <u><u>174,629,382</u></u> |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

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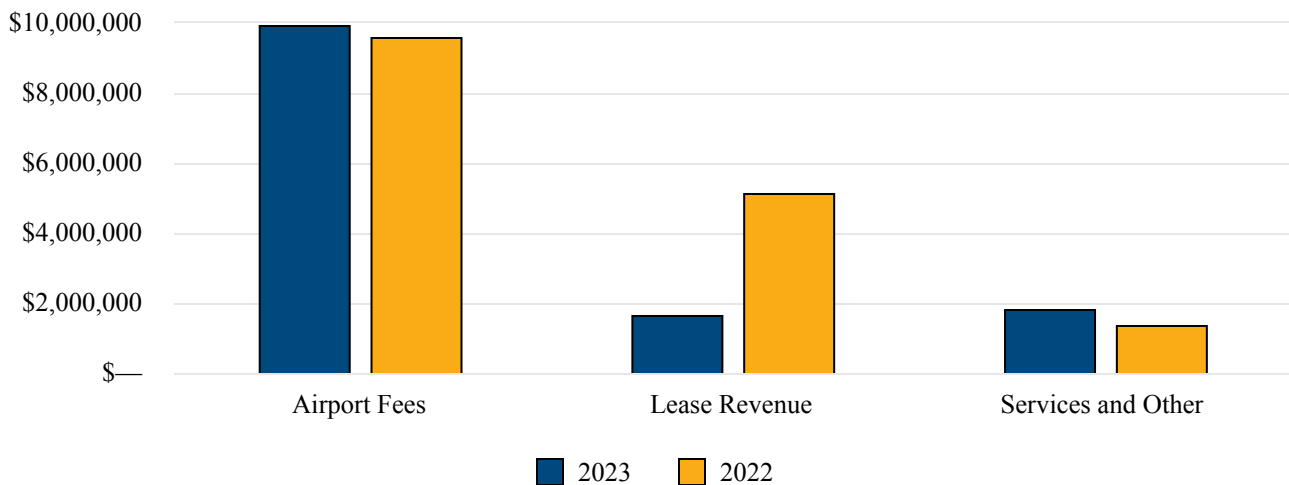
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**FINANCIAL ANALYSIS - Continued**

Net position increased by 3.3 percent, \$180.38 million in 2023 compared to \$174.63 million in 2022. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$32.32 million at April 30, 2023. The increase in net position in 2023 was due primarily to an increase in revenue related to airport fees as well as a reimbursement grant received in the current year.

The Authority's summary of operating revenues for the fiscal years ended April 30, 2023 and April 30, 2022:

**Comparison of Operating Revenues**



Airport fees are variable in nature and include on-airport fuel flowage, landing fees, aircraft parking, passenger parking, and rental car commissions. Total airport fees were \$9.92 million in 2023, compared to \$9.60 million in 2022, an overall increase of \$0.32 million or 3.3 percent. The increase was due to the implementation of cargo related fuel flowage fees during the year and a full year of aircraft parking fees offset by an anticipated decrease in cargo operations.

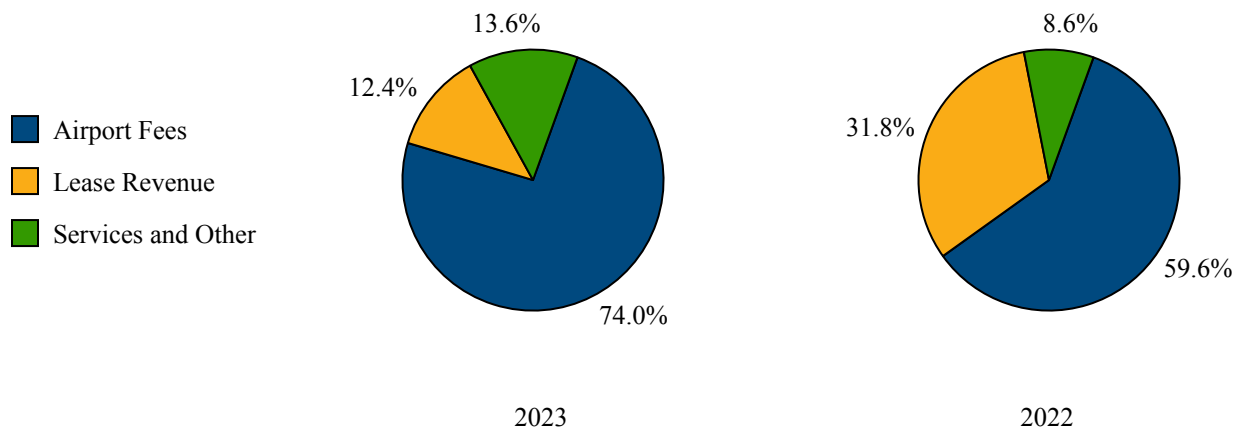
Lease revenues are collected from the tenants for the use of real and improved property on the airport grounds. Total lease revenues were \$1.66 million in 2023, compared to \$5.13 million in 2022, an overall decrease of \$3.46 million or 67.6 percent. The decrease was due to changes in revenue recognition under new GASB Statement No. 87.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management’s Discussion and Analysis  
April 30, 2023**

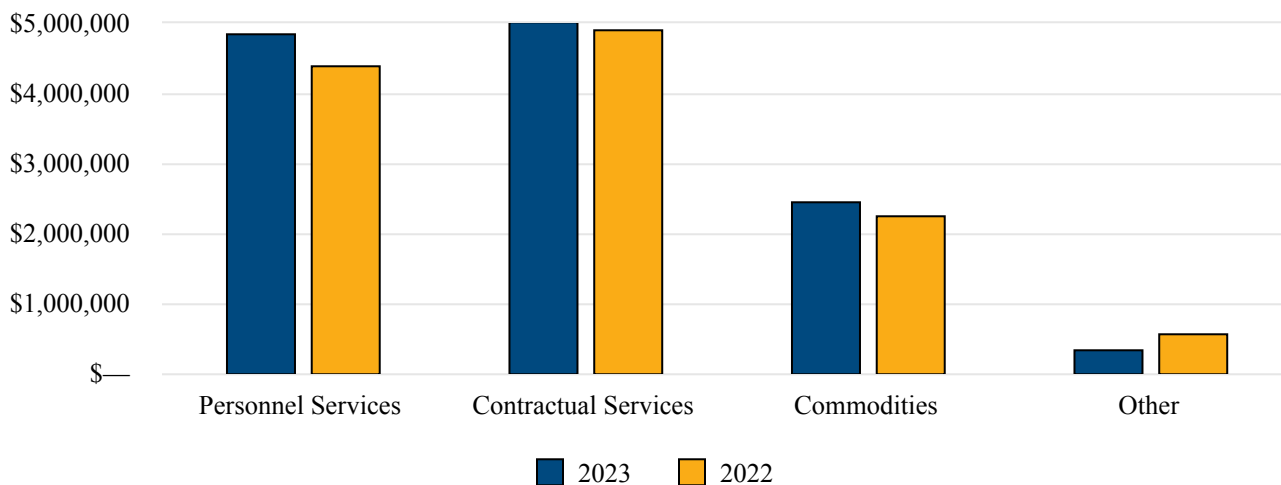
**FINANCIAL ANALYSIS - Continued**

Services fees and other revenues consists of several revenues collected for operating the airport. Total service fees and other revenues were \$1.81 million in 2023, compared to \$1.39 million in 2022, an overall increase of \$0.42 million or 30.3 percent. The increase was due to an early lease termination resulting in a lump sum payout.



The Authority's summary of operating expenses for the fiscal years ended April 30, 2023 and April 30, 2022:

**Comparison of Operating Expenses**



Personnel expenses include salaries and wages, insurance, and payroll costs. Total personnel expenses were \$4.85 million in 2023, compared to \$4.39 million in 2022, an overall increase of \$0.46 million or 10.4 percent. This increase represents increases in wages resulting from a new negotiated Collective Bargaining Agreement as well as an increase in staffing as open positions were filled.



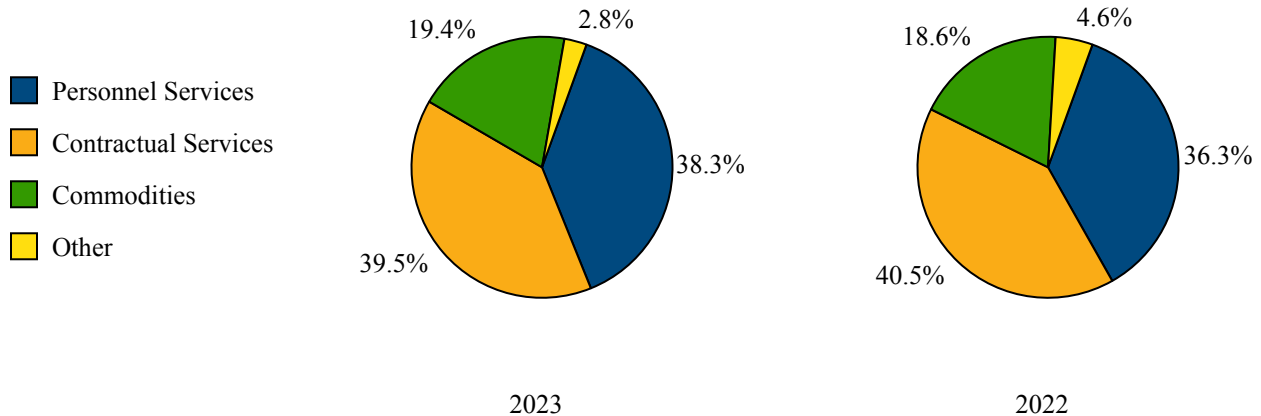
**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management’s Discussion and Analysis  
April 30, 2023**

**FINANCIAL ANALYSIS - Continued**

Contractual services include parking expenses, equipment rental, legal services, and other services. Total contractual services were \$4.99 million in 2023, compared to \$4.91 million in 2022, an overall increase of \$0.09 million or 1.8 percent. The increase was due to an increase in parking expenses related to snow removal and salaries.

Commodities include building repair and maintenance materials, fuel, and supplies. Total commodities were \$2.45 million in 2023, compared to \$2.25 million in 2022, an overall increase of \$0.20 million or 8.8 percent. The increase was due to increased costs of maintenance supplies including fuel, equipment parts, and pavement marking materials.



Non-operating revenue is comprised of property and corporate replacement taxes, interest income from investments, intergovernmental revenues, and Passenger Facility Charges (PFCs). Also included are non-routine revenue and expense.

**BUDGETARY HIGHLIGHTS**

The Authority made no budget amendments during the year. Operating revenues for the year totaled \$13,396,262, compared to budgeted revenues of \$16,098,575. Revenues for all functions came in over budget, except for lease revenue, which came in under budget by \$4,575,006 due to changes in revenue recognition under the new GASB Statement No. 87.

Actual operating expenditures (excluding depreciation expense and GASB 68 pension and GASB 75 OPEB adjustments) for the year were \$192,646 lower than budgeted at \$12,643,835 actual compared to \$12,836,481 budgeted.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

**CAPITAL ASSETS**

The Authority's investment in capital assets as of April 30, 2023 was \$209,970,170 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, vehicles, equipment, infrastructure, and office equipment.

|                                   | Capital Assets<br>Net of Depreciation |                    |
|-----------------------------------|---------------------------------------|--------------------|
|                                   | 2023                                  | 2022               |
| Land                              | \$ 16,659,524                         | 16,659,524         |
| Construction in Progress - Grants | 1,450,733                             | 9,481,709          |
| Construction in Progress - GRAA   | 11,482,634                            | 31,851,621         |
| Buildings                         | 91,074,126                            | 81,766,058         |
| Vehicles                          | 104,186                               | 24,073             |
| Equipment                         | 6,103,122                             | 6,947,353          |
| Infrastructure                    | 82,585,620                            | 62,997,828         |
| Office Equipment                  | 510,225                               | 484,334            |
|                                   | <u>209,970,170</u>                    | <u>210,212,500</u> |
| Totals                            | <u>209,970,170</u>                    | <u>210,212,500</u> |

This year's major additions included:

|                                 |                   |
|---------------------------------|-------------------|
| Midfield Cargo Building Phase 3 | \$ 8,117,776      |
| Midfield Road                   | 840,336           |
| Fuel Farm Phase 1               | 538,016           |
| South Cargo Apron Expansion     | <u>526,795</u>    |
|                                 | <u>10,022,923</u> |

Additional information on the Authority's capital assets can be found in Note 3 of this report.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2023**

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**DEBT ADMINISTRATION**

As of April 30, 2023, the Authority had total outstanding debt of \$61,917,504 as compared to \$64,987,912 the previous year, a decrease of \$3,070,408. The following is a comparative statement of outstanding debt:

|  | <u>Long-Term Debt Outstanding</u> |                   |
|--|-----------------------------------|-------------------|
|  | <u>2023</u>                       | <u>2022</u>       |
| General Obligation Alternate Revenue Source (ARS) Bonds \$ | <u>61,917,504</u>                 | <u>64,987,912</u> |

Additional information on the Authority's long-term debt can be found in Note 3 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Authority's elected and appointed officials considered many factors when setting the fiscal year 2023-24 budget, including tax rates and fees that will be charged for its various activities. The state of the economy was a major factor, as the Authority is faced with a similar economic environment as many other local municipalities are faced with, including inflation, supply chain disruptions and employee retention.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, customers, investors and creditors and for all those with an interest in the government's finances, 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 the Authority's Deputy Director of Finance and Administration, Michelle Cassaro, at the Greater Rockford Airport Authority, 60 Airport Drive, Rockford, Illinois 61109.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

### Government-Wide Financial Statements

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Statement of Net Position  
April 30, 2023**

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**See Following Page**

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Statement of Net Position  
April 30, 2023**

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| <b>ASSETS</b>                                   |                           |
|---|---------------------------|
| Current Assets                                  |                           |
| Cash and Investments                            | \$ 24,567,937             |
| Restricted Cash                                 | 5,611,478                 |
| Receivables - Net of Allowances                 |                           |
| Taxes   | 3,321,433                 |
| Accounts  | 2,556,135                 |
| Leases  | 70,262,167                |
| Due from Other Governments                      | 749,918                   |
| Prepays   | 169,856                   |
| Total Current Assets                            | <u>107,238,924</u>        |
| Noncurrent Assets                               |                           |
| Capital Assets                                  |                           |
| Nondepreciable                                  | 29,592,891                |
| Depreciable                                     | 376,874,217               |
| Accumulated Depreciation                        | <u>(196,496,938)</u>      |
| Total Capital Assets                            | 209,970,170               |
| Other Assets                                    |                           |
| Due from Other Governments                      | <u>8,199,220</u>          |
| Total Noncurrent Assets                         | <u>218,169,390</u>        |
| Total Assets                                    | <u>325,408,314</u>        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                           |
| Deferred Items - IMRF                           | <u>1,475,415</u>          |
| Total Assets and Deferred Outflows of Resources | <u><u>326,883,729</u></u> |

The notes to the financial statements are an integral part of this statement.

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## LIABILITIES

|  |                   |
|--|-------------------|
| Current Liabilities                    |                   |
| Accounts Payable                       | \$ 3,824,411      |
| Accrued Payroll                        | 161,777           |
| Accrued Interest                       | 401,778           |
| Other Payables                         | 111,217           |
| Current Portion of Long-Term Debt      | 3,140,477         |
| Total Current Liabilities              | <u>7,639,660</u>  |
| Noncurrent Liabilities                 |                   |
| Claims Payable                         | 239,954           |
| Compensated Absences Payable           | 171,251           |
| Net Pension Liability - IMRF           | 1,041,638         |
| Total OPEB Liability - RBP             | 466,729           |
| Landfill Closure and Postclosure Care  | 540,000           |
| Storm Water Treatment Plan             | 830,445           |
| General Obligation Bonds Payable - Net | 58,819,839        |
| Total Noncurrent Liabilities           | <u>62,109,856</u> |
| Total Liabilities                      | <u>69,749,516</u> |

## DEFERRED INFLOWS OF RESOURCES

|   |                    |
|---|--------------------|
| Property Taxes                                      | 3,321,433          |
| Leases  | 73,084,884         |
| Deferred Items - IMRF                               | 351,114            |
| Total Deferred Inflows of Resources                 | <u>76,757,431</u>  |
| Total Liabilities and Deferred Inflows of Resources | <u>146,506,947</u> |

## NET POSITION

|  |                    |
|--|--------------------|
| Investment in Capital Assets                                       | 148,052,666        |
| Unrestricted   | <u>32,324,116</u>  |
| Total Net Position   | <u>180,376,782</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>326,883,729</u> |

The notes to the financial statements are an integral part of this statement.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Statement of Revenues, Expenses, and Changes in Net Position  
For the Fiscal Year Ended April 30, 2023**

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|                                  |                           |
|----------------------------------|---------------------------|
| Operating Revenues               |                           |
| Airport Fees                     | \$ 9,918,498              |
| Lease Revenue                    | 1,662,961                 |
| Service Fees and Other           | 1,814,803                 |
| Total Operating Revenues         | <u>13,396,262</u>         |
| Operating Expenses               |                           |
| Personnel Services               | 4,846,892                 |
| Pension Expense                  | 143,665                   |
| OPEB Expense                     | (48,884)                  |
| Contractual Services             | 4,993,861                 |
| Commodities                      | 2,449,972                 |
| Other                            | 353,110                   |
| Depreciation                     | 13,402,004                |
| Total Operating Expenses         | <u>26,140,620</u>         |
| Operating (Loss)                 | <u>(12,744,358)</u>       |
| Nonoperating Revenues (Expenses) |                           |
| Property and Corporate Taxes     | 5,112,388                 |
| Passenger Facility Charges       | 535,237                   |
| Intergovernmental Revenue        | 2,937,639                 |
| Disposal of Capital Assets       | (127,647)                 |
| Investment Income                | 2,051,032                 |
| Interest Expenses                | (1,494,141)               |
|                                  | <u>9,014,508</u>          |
| (Loss) Before Contributions      | (3,729,850)               |
| Capital Contributions            | <u>9,477,250</u>          |
| Change in Net Position           | 5,747,400                 |
| Net Position - Beginning         | <u>174,629,382</u>        |
| Net Position - Ending            | <u><u>180,376,782</u></u> |

The notes to the financial statements are an integral part of this statement.



**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Statement of Cash Flows - Proprietary Fund  
For the Fiscal Year Ended April 30, 2023**

|   |                          |
|---|--------------------------|
| Cash Flows from Operating Activities  |                          |
| Receipts from Customers and Users   | \$ (43,412,784)          |
| Payments to Employees   | (4,752,111)              |
| Payments to Suppliers   | 63,609,495               |
|   | <u>15,444,600</u>        |
| Cash Flows from Capital and Related<br>Financing Activities                               |                          |
| Purchase of Capital Assets  | (3,827,176)              |
| Disposal of Capital Assets  | 17,105                   |
| Retirement of Debt  | (3,237,623)              |
| Interest Expense  | (1,494,141)              |
|   | <u>(8,541,835)</u>       |
| Cash Flows from Investing Activities  |                          |
| Investment Income   | <u>2,051,032</u>         |
| Net Change in Cash and Cash Equivalents   | 8,953,797                |
| Cash and Cash Equivalents - Beginning   | <u>21,225,618</u>        |
| Cash and Cash Equivalents - Ending  | <u><u>30,179,415</u></u> |
| Reconciliation of Operating Income to Net Cash<br>Provided (Used) by Operating Activities |                          |
| Operating (Loss)  | (12,744,358)             |
| Adjustments to Reconcile Operating<br>Income to Net Income to Net Cash                    |                          |
| Provided by (Used in) Operating Activities  |                          |
| Depreciation Expense  | 13,402,004               |
| Other Income  | 8,585,264                |
| Other Income (Expense) - IMRF and OPEB  | 94,781                   |
| (Increase) Decrease in Current Assets   | (65,394,310)             |
| Increase (Decrease) in Current Liabilities  | 71,501,219               |
|   | <u>15,444,600</u>        |
| Net Cash Provided by Operating Activities   | <u><u>15,444,600</u></u> |
| Noncash Capital and Related Financing Activities  |                          |
| Capital Contributions   | <u><u>9,477,250</u></u>  |

The notes to the financial statements are an integral part of this statement.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Greater Rockford Airport Authority, Illinois (the Authority) is a municipal corporation and body politic of the State of Illinois, organized in 1946 pursuant to the provision of the Airport Authorities Act (Act) of 1945 to acquire, develop, and manage the Chicago Rockford International Airport. As a municipal Corporation, the Authority is independent and not an agency of the State of Illinois or any other local governmental unit.

The Authority is governed by a seven-member Board of Commissioners. The members are appointed as follows:

- The Mayor of the City of Rockford, 3 members;
- Winnebago County Board Chairman, 2 members;
- The Mayor of the City of Loves Park, 1 member; and
- The Village President of the Village of Machesney Park, 1 member.

The Authority members serve five-year terms, except that any person appointed to fill a vacancy will be appointed to serve the unexpired term. Members of the Board of Commissioners are eligible for reappointment. The Board selects an Executive Director to staff the respective departments and oversee the day-to-day operations.

The Authority is authorized to levy ad valorem taxes on all real property located within Winnebago County and is not subject to federal, state or local income taxes or sales taxes.

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Authority's accounting policies established in GAAP and used by the Authority are described below.

**REPORTING ENTITY**

The Authority's financial reporting entity comprises of the Greater Rockford Airport Authority. In determining the financial reporting entity, the Authority complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Authority. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

**BASIS OF PRESENTATION**

In the Statement of Net Position, the Authority's activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term obligations/deferred inflows. The Authority's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Authority first utilizes restricted resources to finance qualifying activities.

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.

The Authority utilizes a single proprietary fund. 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. Goods or services from such activities are provided to outside parties.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

**Basis of Accounting**

The Authority’s basic financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Authority are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

**Cash and Investments**

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Authority’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Restricted Cash and Investments**

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by bond covenants.

**Receivables**

In the financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances include charges for services and property taxes.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in the financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more that provide more than one year of economic benefit are capitalized. Routine maintenance and repairs are expensed as incurred. Significant betterment and improvements are capitalized and depreciated over their estimated useful lives. Donated capital assets, donated works of art and similar items, in addition to capital assets received in a service concession arrangement, are recorded at their estimated acquisition value at the date of donation. Airport Improvement Projects (AIP) financed by State of Illinois are capitalized as contributed capital using the most available information as provided by the Illinois Division of Aeronautics.

Depreciation on all assets is computed and recorded using the straight-line half year method of depreciation over the following estimated useful lives:

|                  |              |
|------------------|--------------|
| Buildings        | 20 Years     |
| Vehicles         | 3 - 10 Years |
| Equipment        | 3 - 10 Years |
| Infrastructure   | 20 Years     |
| Office Equipment | 3 - 10 Years |

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Compensated Absences**

The Authority accrues vacation and sick pay benefits as earned by its employees. Employees are expected to use their accrued vacation in the calendar year in which it is accrued. An employee whose employment terminates will be paid for accrued unused vacation days. Sick leave not used in a calendar year can be carried over to subsequent years up to a maximum of 100 days. Upon termination of employment, an employee may receive payment in the amount of 25% of accrued sick time.

**Long-Term Obligations**

Long-term debt and other long-term obligations are reported as liabilities in the financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

**Net Position**

In the financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

The Authority prepares its budget partially on a cash basis. This basis is a departure from accounting principles generally accepted in the United States of America in that capital expenditures, including capital outlays and improvements, debt service and grant service, are entirely recognized in the year purchased or paid. Therefore, depreciation is not budgeted. All other revenues and expenses are budgeted on an accrual basis.

The budget process begins each October. The Deputy Director of Finance and Administration prepares a preliminary budget for review and approval by respective department heads. Upon favorable review by department heads, the Executive Director submits the budget for review, approval and adoption by the Board. The budget can be amended by the Board subsequent to its adoption.

There were no budget amendments in the fiscal year ended April 30, 2023.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

Permitted Deposits and Investments - Illinois Statutes authorizes the Authority to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and iPRIME.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

**Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk**

*Deposits and Investments.* At year-end, the carrying amount of the Authority's deposits totaled \$20,347,263 and the bank balances totaled \$20,361,704. In addition, the Authority has \$9,832,152 invested in iPRIME, which has an average maturity of less than one year.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a policy on interest rate risk however investments are structured so funds are available to meet ongoing operations and those funds intended for longer term purposes are invested to maturity dates to reflect potential future uses with limited maturity lengths.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority may invest public funds in certain types of security as allowed by the Public Funds Investment Act, 30 ILCS 235 et seq. "Public Funds" are defined as current operating funds, special funds, interest and sinking funds, and funds of any kind belonging to or in the custody of the Authority. While the Public Funds Investment Act allows the investment of public funds in a wider range of possible securities, it is the policy of the Authority that its investments be limited to the allowed securities as identified hereof. Allowable securities are as follows:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Any interest-bearing account, deposit (including certificates of deposit), or any other investment constituting direct obligations of any bank, collateralized pursuant to Section 6, and as defined by the Illinois Banking Act and only those insured by the Federal Deposit Insurance Corporation (FDIC).
- Any repurchase agreements not to exceed 330 days as provided for in 30 ILCS 235/2 (h) so long as such repurchase agreements comply with said statute and are supported by the full faith and credit of the United States of America.

At year-end, the Authority's investments in iPRIME are rated AAAM by Standard & Poor's.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

**Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk - Continued**

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority has a policy regarding custodial credit risk which requires that funds on deposit in excess of FDIC or FSLIC limits be secured by either securities guaranteed by the full faith and credit of the United States of America or obligations of the United States of America or its agencies. The Authority's policy also requires that the amount of collateral provided shall not be less than 105% of the fair market value of the funds secured. Pledged collateral shall be held by the Authority or in safekeeping, evidenced by a safekeeping agreement. Collateral in safekeeping must be held by a third party or by an escrow agent of the pledging institution. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's investment policy does not address custodial credit risk for investments.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. The Authority's investment policy allows for no more than 40% of the total investment portfolio, exclusive of U.S. Treasury securities held in safekeeping to be held at one financial institution. The Authority does not have any investments exposed to concentration of credit risk.

**PROPERTY TAXES**

Property taxes for 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Winnebago County and are payable in two installments in June and September. The County collects such taxes and remits them periodically. No allowances for uncollectible is provided as historical collections have shown that over 99% of all funds are received.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LEASES RECEIVABLE**

The Authority has entered into various right-to-use lease agreements as lessor for equipment. An initial lease receivable was recorded in the amount of \$74,311,488 during the current fiscal year. The Authority is required to receive various monthly principal and interest payments. The Authority used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement. The Authority owns property and leases them to tenants for various terms under long-term, noncancellable lease agreements. The leases expire at various dates through 2083. The future principal and interest lease payments as of the year-end were as follows:

| Fiscal<br>Year | Principal         | Interest          |
|----------------|-------------------|-------------------|
| 2024           | \$ 4,282,950      | 2,304,317         |
| 2025           | 2,641,714         | 2,262,711         |
| 2026           | 2,336,038         | 2,180,234         |
| 2027           | 2,391,880         | 2,097,422         |
| 2028           | 2,501,368         | 2,012,266         |
| 2029-2033      | 14,546,429        | 8,628,218         |
| 2034-2038      | 19,341,767        | 5,684,850         |
| 2039-2043      | 10,316,151        | 2,931,422         |
| 2044-2048      | 3,628,354         | 1,775,112         |
| 2049-2053      | 1,599,241         | 1,300,804         |
| 2054-2058      | 1,621,283         | 1,033,624         |
| 2059-2063      | 1,228,821         | 764,994           |
| 2064-2068      | 820,660           | 599,470           |
| 2069-2073      | 923,531           | 448,371           |
| 2074-2078      | 1,037,234         | 275,261           |
| 2079-2083      | 1,044,746         | 87,059            |
| Totals         | <u>70,262,167</u> | <u>34,386,135</u> |

During the fiscal year, the Authority has recognized \$1,226,604 of lease revenue.



**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

Capital asset activity for the year was as follows:

|                                      | Beginning<br>Balances | Increases         | Decreases         | Ending<br>Balances |
|--------------------------------------|-----------------------|-------------------|-------------------|--------------------|
| <b>Nondepreciable Capital Assets</b> |                       |                   |                   |                    |
| Land                                 | \$ 16,659,524         | —                 | —                 | 16,659,524         |
| Construction in Progress - Grants    | 9,481,709             | 975,257           | 9,006,233         | 1,450,733          |
| Construction in Progress - GRAA      | 31,851,621            | 12,238,457        | 32,607,444        | 11,482,634         |
|                                      | <u>57,992,854</u>     | <u>13,213,714</u> | <u>41,613,677</u> | <u>29,592,891</u>  |
| <b>Depreciable Capital Assets</b>    |                       |                   |                   |                    |
| Buildings                            | 111,968,587           | 15,091,406        | 17,105            | 127,042,888        |
| Vehicles                             | 566,868               | 99,714            | 49,627            | 616,955            |
| Equipment                            | 19,205,264            | 189,066           | —                 | 19,394,330         |
| Infrastructure                       | 207,635,779           | 26,128,130        | 5,004,895         | 228,759,014        |
| Office Equipment                     | 864,957               | 196,073           | —                 | 1,061,030          |
|                                      | <u>340,241,455</u>    | <u>41,704,389</u> | <u>5,071,627</u>  | <u>376,874,217</u> |
| <b>Less Accumulated Depreciation</b> |                       |                   |                   |                    |
| Buildings                            | 30,202,529            | 5,766,233         | —                 | 35,968,762         |
| Vehicles                             | 542,795               | 19,601            | 49,627            | 512,769            |
| Equipment                            | 12,257,911            | 1,033,297         | —                 | 13,291,208         |
| Infrastructure                       | 144,637,951           | 6,412,691         | 4,877,248         | 146,173,394        |
| Office Equipment                     | 380,623               | 170,182           | —                 | 550,805            |
|                                      | <u>188,021,809</u>    | <u>13,402,004</u> | <u>4,926,875</u>  | <u>196,496,938</u> |
| Total Net Depreciable Capital Assets | <u>152,219,646</u>    | <u>28,302,385</u> | <u>144,752</u>    | <u>180,377,279</u> |
| Total Net Capital Assets             | <u>210,212,500</u>    | <u>41,516,099</u> | <u>41,758,429</u> | <u>209,970,170</u> |

Depreciation expense for the Authority totaled \$13,402,004.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Alternate Revenue Source (ARS) Bonds**

The Authority issues general obligation alternate revenue source bonds to provide funds for the acquisition and construction of major capital facilities. General obligation alternate revenue source bonds are direct obligations and pledge the full faith and credit of the Authority. Bonds currently outstanding are as follows:

| Issue   | Beginning<br>Balances | Issuances | Retirements      | Ending<br>Balances |
|---|-----------------------|-----------|------------------|--------------------|
| General Obligation (ARS) Bonds of 2015A, due in annual installments of \$547,204 including interest at 2.65% through November 1, 2035.  | \$ 6,254,198          | —         | 390,033          | 5,864,165          |
| General Obligation (ARS) Bonds of 2015B, due in annual installments of \$334,654 including interest at 2.65% through December 1, 2035.  | 3,830,539             | —         | 234,058          | 3,596,481          |
| General Obligation (ARS) Bonds of 2015C, due in annual installments of \$267,664 including interest at 2.65% through December 1, 2035.  | 3,064,476             | —         | 187,134          | 2,877,342          |
| General Obligation (ARS) Bonds of 2017 due in annual installments of \$347,100 including interest rates at 4.00% through 2/1/2027, then adjusted to the 10-year treasury rate + 1.55% for the next ten years. A final repayment schedule is not available due to the variable interest rates. | 3,858,699             | —         | 194,183          | 3,664,516          |
| General Obligation (ARS) Bonds of 2021, due in annual installments of \$2,015,000 to \$2,985,000 plus interest at 0.23% to 2.99% through December 15, 2041.   | 47,980,000            | —         | 2,065,000        | 45,915,000         |
|   | <u>64,987,912</u>     | <u>—</u>  | <u>3,070,408</u> | <u>61,917,504</u>  |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

| Type of Debt   | Beginning<br>Balances | Additions        | Deductions       | Ending<br>Balances | Amounts<br>Due within<br>One Year |
|--|-----------------------|------------------|------------------|--------------------|-----------------------------------|
| Compensated Absences                                       | \$ 188,172            | 51,784           | 25,892           | 214,064            | 42,813                            |
| Net Pension Liability - IMRF                               | (2,984,843)           | 4,026,481        | —                | 1,041,638          | —                                 |
| Total OPEB Liability - RBP                                 | 515,613               | —                | 48,884           | 466,729            | —                                 |
| Landfill Closure and Postclosure Care                      | 707,215               | —                | 167,215          | 540,000            | —                                 |
| Storm Water Treatment Plan                                 | 770,012               | 60,433           | —                | 830,445            | —                                 |
| General Obligation Alternate Revenue<br>Source (ARS) Bonds | 64,987,912            | —                | 3,070,408        | 61,917,504         | 3,097,665                         |
|  | <u>64,184,081</u>     | <u>4,138,698</u> | <u>3,312,399</u> | <u>65,010,380</u>  | <u>3,140,478</u>                  |

The compensated absences, the net pension liability, the total OPEB liability, the landfill closure costs, the stormwater retention, and the general obligation alternate revenue source (ARS) bonds are liquidated by the Authority.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

| Fiscal<br>Year | General Obligation<br>Alternate Revenue<br>Source (ARS) Bonds |                   |
|----------------|---|-------------------|
|                | Principal   | Interest          |
| 2024           | \$ 3,097,665  | 1,471,352         |
| 2025           | 3,138,849   | 1,430,646         |
| 2026           | 3,185,982   | 1,384,161         |
| 2027           | 3,238,699   | 1,330,075         |
| 2028           | 3,301,825   | 1,271,146         |
| 2029           | 3,366,911   | 1,203,241         |
| 2030           | 3,443,053   | 1,129,254         |
| 2031           | 3,525,037   | 1,048,634         |
| 2032           | 3,607,835   | 964,281           |
| 2033           | 3,697,352   | 874,515           |
| 2034           | 3,793,053   | 780,120           |
| 2035           | 3,889,886   | 680,447           |
| 2036           | 3,655,489   | 576,048           |
| 2037           | 2,870,869   | 486,481           |
| 2038           | 2,665,000   | 411,371           |
| 2039           | 2,740,000   | 336,218           |
| 2040           | 2,815,000   | 257,580           |
| 2041           | 2,900,000   | 175,382           |
| 2042           | 2,985,000   | 89,252            |
| Totals         | <u>61,917,505</u>   | <u>15,900,204</u> |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Chapter 70, Section 5/14.1 of the Illinois Compiled Statutes provides the Authority shall not exceed 2.3% of the aggregate valuation of all taxable property within the Authority, as equalized or assessed by the Department of Revenue or, until January 1, 1983, if greater, the sum that is produced by multiplying the Authority's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.”

Pursuant to the Airport Authorities Act, the Authority is given the right to issue tax secured bonds without the approval of voters within its boundaries for construction and development of an airport, provided that:

- The total of the bonds previously issued or to be issued does not exceed three-quarters percent (0.75%) of the total assessed valuation of all taxable properties within the Authority’s boundaries, and
- The plans and specifications are submitted to the State of Illinois Department of Transportation, Division of Aeronautics for approval.

The Authority is also subject to a 2.875% debt limitation with respect to all outstanding indebtedness. This limit is calculated as of the date of issuance of any debt, except tax anticipation notes, tax anticipation warrants and revenue bonds.

|                                    | Without<br>Voter<br>Approval | With<br>Voter<br>Approval | Total<br>Debt<br>Limitations |
|------------------------------------|------------------------------|---------------------------|------------------------------|
| Assessed Valuation - 2022          | \$ 3,586,860,924             | 3,586,860,924             | 3,586,860,924                |
| Debt Limit Percentages             | 0.750%                       | 2.300%                    | 2.875%                       |
| Total Legal Debt Limit             | 26,901,457                   | 82,497,801                | 103,122,252                  |
| Amount of Debt Applicable to Limit | —                            | —                         | —                            |
| Legal Debt Margin                  | 26,901,457                   | 82,497,801                | 103,122,252                  |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**NET POSITION CLASSIFICATIONS**

Net investment in capital assets was comprised of the following at year-end:

|   |                           |
|---|---------------------------|
| Business-Type Activities                                |                           |
| Capital Assets - Net of Accumulated Depreciation        | \$ 209,970,170            |
| Less Capital Related Debt:                              |                           |
| General Obligation Alternate Revenue Source (ARS) Bonds | <u>(61,917,504)</u>       |
| Net Investment in Capital Assets                        | <u><u>148,052,666</u></u> |

**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

The Authority purchases commercial insurance coverage for the various risks the Authority may encounter in its operations. Such risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and workers compensation. The Authority has had no settlements in the past five years exceeding the insurance coverage purchased.

The Authority established a partial self-insurance program beginning January 1, 2008 to cover the risks of health claims and has retained the services of an outside agency to administer its self-insurance claims. The Authority does not assume unlimited liability for health claims as it maintains stop-loss coverage which covers medical expenses when they are incurred for amounts over \$3,500 annually for each participant. Changes in the balances of claims liabilities are as follows:

|                            | <u>2023</u>           | <u>2022</u>           |
|----------------------------|-----------------------|-----------------------|
| Claims Payable - Beginning | \$ 224,461            | 237,712               |
| Incurred Claims            | 76,800                | 11,215                |
| Claims Paid                | <u>(61,307)</u>       | <u>(24,466)</u>       |
| Claims Payable - Ending    | <u><u>239,954</u></u> | <u><u>224,461</u></u> |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**COMMITMENTS AND CONTINGENCIES**

**Landfill Closure and Postclosure Care**

The Authority operated two (2) landfill sites and both are closed. Landfill #1 was issued a Certification of Closure by the Illinois Environmental Protection Agency (Illinois EPA) on October 10, 2002. The 15-year post-closure care period for Landfill #1 began on December 1, 2001. On December 10, 2018, the Illinois EPA approved the Affidavit for Certification of Post Closure Care and indicated that post-closure care at Landfill#1 was completed as of July 2, 2018. The Illinois EPA also indicated that financial assurance is no longer required for Landfill #1 and that the December 10, 2018 approval of the Affidavit for Certification of Post Closure Care was the final action by the Illinois EPA for Landfill #1. Landfill #2 was issued a Certification of Closure by the Illinois EPA on September 26, 2017. The 21-year post-closure care period for Landfill #2 began on May 2, 2011.

State and Federal laws and regulations require the placement of a final cover and that the Authority perform certain maintenance and monitoring functions at the sites for a minimum of fifteen (15) years thereafter. The Authority has accrued the estimated cost of these future monitoring activities. The liability estimates are based upon engineering estimates and regulatory requirements at the respective dates. However, actual costs may be higher due to inflation, changes in technology, changes in regulations, or further interpretations and directives from regulatory agencies. It is unknown and unforeseen at this time if any funds will be paid in the next 12 months.

The Authority has created a trust to finance closure and post closure care costs. At year-end \$540,000 is held for this purpose. Future annual contributions to this trust will be funded by excess funds, if any, after the year-end.

**Storm Water Treatment Plan**

In accordance with the requirements of the Illinois EPA, the Authority has developed a Storm Water Treatment Plan (the Plan). To complete the Plan, the Authority has projected the estimated capital costs to be approximately \$1,500,000. UPS made monthly payments through July 1999 to fund the obligation. In accordance with the agreement with UPS, interest earned on unspent funds is to be used for the capital needs related to the Storm Water Treatment Plan or returned to UPS. Unspent funding and the related earnings totaling \$830,445 are included with investments for long-term purposes and as a liability on the balance sheet at April 30, 2023. UPS currently pays \$12,500 per month for the current operations of the treatment facility. Amazon contributes \$12,000 monthly to the storm water treatment plan fund.

**Federal State Assisted Programs**

The Authority participates in several programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of April 30, 2023, significant amounts of grant expenditures have not been audited but the Authority believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on the overall financial position of the Authority. The Authority reports contributions of capital assets received from the federal or state governments as capital contributions.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**COMMITMENTS AND CONTINGENCIES - Continued**

**Significant Tenants**

The Authority has three tenants that provide more than 10% of operating revenues. United Parcel Service (UPS) contributes lease revenues as well as service fee revenue to the airport totaling \$4,328,646 in 2023 equaling 32.31% of total operating revenue. Amazon contributed lease and service fee revenues totaling \$2,334,145 in 2023 equaling 17.42% of total operating revenue. Emery contributed lease and service fee revenues totaling \$2,527,516 in 2023 equaling 18.87% of total operating revenue.

**Construction Projects**

The Authority has active construction projects as of April 30, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

**CONTINGENT LIABILITIES**

**Litigation**

The Authority is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Authority's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

**Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

The Authority contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.



**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF)**

**Plan Descriptions**

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Plan Membership.* As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

|  |                       |
|--|-----------------------|
| Inactive Plan Members Currently Receiving Benefits               | 58                    |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 25                    |
| Active Plan Members  | <u>43</u>             |
| <br>Total  | <br><u><u>126</u></u> |

*Contributions.* As set by statute, the Authority's Regular Plan Members are required to contribute 4.50% 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. For the year-ended April 30, 2023, the Authority's contribution was 6.32% of covered payroll.

*Net Pension Liability/(Asset).* The Authority's net pension liability/(asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

|                            |                     |
|----------------------------|---------------------|
| Actuarial Cost Method      | Entry Age<br>Normal |
| Asset Valuation Method     | Fair Value          |
| Actuarial Assumptions      |                     |
| Interest Rate              | 7.25%               |
| Salary Increases           | 2.85% to 13.75%     |
| Cost of Living Adjustments | 2.75%               |
| Inflation                  | 2.25%               |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.* For nondisabled 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 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-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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:

| Asset Class               | Target | Long-Term<br>Expected Real<br>Rate of Return |
|---------------------------|--------|--|
| Fixed Income              | 25.50% | 4.90%  |
| Domestic Equities         | 35.50% | 6.50%  |
| International Equities    | 18.00% | 7.60%  |
| Real Estate               | 10.50% | 6.20%  |
| Blended                   | 9.50%  | 6.25% - 9.90%                                |
| Cash and Cash Equivalents | 1.00%  | 4.00%  |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Authority calculated using the discount rate as well as what the Authority's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|                               | 1% Decrease<br>(6.25%) | Current<br>Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|-------------------------------|------------------------|----------------------------|------------------------|
| Net Pension Liability/(Asset) | \$ 3,195,294           | 1,041,638                  | (660,450)              |

**Changes in the Net Pension Liability/(Asset)**

|   | Total<br>Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Position<br>(B) | Net Pension<br>Liability/<br>(Asset)<br>(A) - (B) |
|---|--------------------------------------|---------------------------------------|---|
| Balances at December 31, 2021   | \$ 18,155,271                        | 21,140,114                            | (2,984,843)                                       |
| Changes for the Year:   |                                      |                                       |   |
| Service Cost  | 311,030                              | —                                     | 311,030   |
| Interest on the Total Pension Liability   | 1,288,293                            | —                                     | 1,288,293   |
| Difference Between Expected and Actual<br>Experience of the Total Pension Liability | (331,818)                            | —                                     | (331,818)   |
| Changes of Assumptions  | —                                    | —                                     | —   |
| Contributions - Employer  | —                                    | 241,993                               | (241,993)   |
| Contributions - Employees   | —                                    | 149,995                               | (149,995)   |
| Net Investment Income   | —                                    | (2,877,830)                           | 2,877,830   |
| Benefit Payments, Including Refunds<br>of Employee Contributions                    | (1,082,453)                          | (1,082,453)                           | —   |
| Other (Net Transfer)  | —                                    | (273,134)                             | 273,134   |
| Net Changes   | 185,052                              | (3,841,429)                           | 4,026,481   |
| Balances at December 31, 2022   | 18,340,323                           | 17,298,685                            | 1,041,638   |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

For the year ended April 30, 2023, the Authority recognized pension expense of \$367,280. At April 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>(Inflows) of<br>Resources | Totals    |
|--|--------------------------------------|---------------------------------------|-----------|
| Difference Between Expected and Actual Experience                | \$ —                                 | (319,065)                             | (319,065) |
| Change in Assumptions  | —                                    | (32,049)                              | (32,049)  |
| Net Difference Between Projected and Actual                      |                                      |                                       |           |
| Earnings on Pension Plan Investments                             | 1,415,809                            | —                                     | 1,415,809 |
| Total Pension Expense to be Recognized in Future Periods         | 1,415,809                            | (351,114)                             | 1,064,695 |
| Pension Contributions Made Subsequent<br>to the Measurement Date | 59,606                               | —                                     | 59,606    |
| Total Deferred Amounts Related to IMRF                           | 1,475,415                            | (351,114)                             | 1,124,301 |

\$59,606 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024. 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:

| Fiscal<br>Year | Net Deferred<br>Outflows/<br>(Inflows)<br>of Resources |
|----------------|--|
| 2024           | \$ (325,901)   |
| 2025           | 100,852  |
| 2026           | 414,634  |
| 2027           | 875,110  |
| 2028           | —  |
| Thereafter     | —  |
| Totals         | 1,064,695  |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The Authority’s defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Authority. RBP is a single-employer defined benefit OPEB plan administered by the Authority. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Authority Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* Employees who retired prior to April 30, 2015, at the discretion of the Authority’s Board, are provided health, dental and life insurance benefits. The Authority pays 80% of the health insurance premium for this group of employees. The Authority requires all retirees in this group enrolled in the Authority’s health care plan to subscribe to a Medicare plan upon eligibility. As of April 30, 2023, all retirees are eligible for Medicare.

*Plan Membership.* As of April 30, 2023, the measurement date, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits               | 11               |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | —                |
| Active Plan Members  | <u>36</u>        |
| Total  | <u><u>47</u></u> |

**Total OPEB Liability**

The Authority’s total OPEB liability was measured as of April 30, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |
|--|---|
| Inflation                                | 3.00%   |
| Salary Increases                         | 4.00%   |
| Discount Rate                            | 4.14%   |
| Healthcare Cost Trend Rates              | Starting at 7.4% for PPO and 7.7% for HSA with an ultimate rate of 4.5% for 2038 and later. |
| Retirees' Share of Benefit-Related Costs | 100% of the Blended Cost of Coverage  |

The discount rate was based on the Bond Buyer 20-Bond G.O. Index.

Mortality rates were based on PubG.H-2010(B) Improved Generationally using MP-2020 Improvement Rates.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Change in the Total OPEB Liability**

|   | <u>Total<br/>OPEB<br/>Liability</u> |
|---|-------------------------------------|
| Balance at April 30, 2022                         | \$ 515,613                          |
| Changes for the Year:                             |                                     |
| Service Cost                                      | 23,922                              |
| Interest on the Total OPEB Liability              | 16,101                              |
| Difference Between Expected and Actual Experience | (44,104)                            |
| Changes of Assumptions or Other Inputs            | (16,774)                            |
| Benefit Payments                                  | (28,029)                            |
| Net Changes                                       | <u>(48,884)</u>                     |
| Balance at April 30, 2023                         | <u>466,729</u>                      |

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 4.14%, while the prior valuation used 3.21%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

|                      | 1% Decrease | Current<br>Discount Rate | 1% Increase |
|----------------------|-------------|--------------------------|-------------|
|                      | (3.14%)     | (4.14%)                  | (5.14%)     |
| Total OPEB Liability | \$ 436,251  | 466,729                  | 500,184     |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

|                      | 1% Decrease<br>(Varies) | Healthcare<br>Cost Trend<br>Rates<br>(Varies) | 1% Increase<br>(Varies) |
|----------------------|-------------------------|---|-------------------------|
| Total OPEB Liability | \$ 509,958              | 466,729                                       | 429,108                 |

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

For the year ended April 30, 2023, the Authority recognized OPEB revenue of \$20,855. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.



## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefit Plan

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
April 30, 2023**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2015        | \$ 271,796                          | \$ 271,796   | \$ —                              | \$ 2,649,088    | 10.26%   |
| 2016        | 278,360                             | 278,360  | —                                 | 2,590,713       | 10.74%   |
| 2017        | 250,643                             | 250,643  | —                                 | 2,641,410       | 9.49%  |
| 2018        | 250,676                             | 250,676  | —                                 | 2,763,493       | 9.07%  |
| 2019        | 233,382                             | 233,382  | —                                 | 2,750,226       | 8.49%  |
| 2020        | 198,487                             | 198,487  | —                                 | 2,900,651       | 6.84%  |
| 2021        | 295,495                             | 295,495  | —                                 | 3,074,870       | 9.61%  |
| 2022        | 263,352                             | 263,352  | —                                 | 3,135,197       | 8.40%  |
| 2023        | 223,615                             | 223,615  | —                                 | 3,539,476       | 6.32%  |

Notes to the Required Supplementary Information:

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Normal   |
| Amortization Method           | Level % Pay (Closed)   |
| Remaining Amortization Period | 21 Years   |
| Asset Valuation Method        | 5-Year Smoothed Fair Value   |
| Inflation                     | 2.25%  |
| Salary Increases              | 2.85% to 13.75%, Including Inflation   |
| Investment Rate of Return     | 7.25%  |
| Retirement Age                | See the Notes to the Financial Statements  |
| 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 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-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. |

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**April 30, 2023**

|  | 12/31/15     | 12/31/16   |
|--|--------------|------------|
| Total Pension Liability  |              |            |
| Service Cost   | \$ 272,656   | 269,855    |
| Interest   | 1,128,206    | 1,147,485  |
| Differences Between Expected and Actual Experience                             | (209,310)    | 72,842     |
| Change of Assumptions  | 16,911       | (17,630)   |
| Benefit Payments, Including Refunds<br>of Member Contributions                 | (921,344)    | (937,817)  |
| Net Change in Total Pension Liability  | 287,119      | 534,735    |
| Total Pension Liability - Beginning  | 15,367,094   | 15,654,213 |
| Total Pension Liability - Ending   | 15,654,213   | 16,188,948 |
| Plan Fiduciary Net Position  |              |            |
| Contributions - Employer   | \$ 271,796   | 265,201    |
| Contributions - Members  | 147,352      | 115,528    |
| Net Investment Income  | 73,427       | 987,700    |
| Benefit Payments, Including Refunds<br>of Member Contributions                 | (921,344)    | (937,817)  |
| Other (Net Transfer)   | 62,947       | (48,693)   |
| Net Change in Plan Fiduciary Net Position                                      | (365,822)    | 381,919    |
| Plan Net Position - Beginning  | 14,936,469   | 14,570,647 |
| Plan Net Position - Ending   | 14,570,647   | 14,952,566 |
| Employer's Net Pension Liability/(Asset)                                       | \$ 1,083,566 | 1,236,382  |
| Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability  | 93.08%       | 92.36%     |
| Covered Payroll  | \$ 2,649,088 | 2,567,293  |
| Employer's Net Pension Liability/(Asset) as a Percentage of<br>Covered Payroll | 40.90%       | 48.16%     |

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2015 through 2017.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

| 12/31/17   | 12/31/18    | 12/31/19    | 12/31/20    | 12/31/21    | 12/31/22    |
|------------|-------------|-------------|-------------|-------------|-------------|
| 263,423    | 254,298     | 273,123     | 291,994     | 297,231     | 311,030     |
| 1,190,461  | 1,152,442   | 1,203,366   | 1,249,082   | 1,264,966   | 1,288,293   |
| (550,713)  | 379,727     | 225,750     | (51,422)    | (140,477)   | (331,818)   |
| (484,357)  | 443,414     | —           | (160,146)   | —           | —           |
| (895,702)  | (946,630)   | (1,067,443) | (1,094,775) | (1,131,289) | (1,082,453) |
| (476,888)  | 1,283,251   | 634,796     | 234,733     | 290,431     | 185,052     |
| 16,188,948 | 15,712,060  | 16,995,311  | 17,630,107  | 17,864,840  | 18,155,271  |
| 15,712,060 | 16,995,311  | 17,630,107  | 17,864,840  | 18,155,271  | 18,340,323  |
| 267,580    | 268,292     | 198,486     | 295,495     | 290,620     | 241,993     |
| 132,366    | 124,038     | 127,417     | 164,162     | 143,556     | 149,995     |
| 2,745,178  | (989,640)   | 2,935,878   | 2,550,787   | 3,289,806   | (2,877,830) |
| (895,702)  | (946,630)   | (1,067,443) | (1,094,775) | (1,131,289) | (1,082,453) |
| (927,285)  | 380,150     | (21,307)    | (405,557)   | (246,635)   | (273,134)   |
| 1,322,137  | (1,163,790) | 2,173,031   | 1,510,112   | 2,346,058   | (3,841,429) |
| 14,952,566 | 16,274,703  | 15,110,913  | 17,283,944  | 18,794,056  | 21,140,114  |
| 16,274,703 | 15,110,913  | 17,283,944  | 18,794,056  | 21,140,114  | 17,298,685  |
| (562,643)  | 1,884,398   | 346,163     | (929,216)   | (2,984,843) | 1,041,638   |
| 103.58%    | 88.91%      | 98.04%      | 105.20%     | 116.44%     | 94.32%      |
| 2,621,801  | 2,713,469   | 2,831,485   | 3,074,870   | 3,190,125   | 3,333,232   |
| (21.46%)   | 69.45%      | 12.23%      | (30.22%)    | (93.57%)    | 31.25%      |

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Retiree Benefit Plan  
Schedule of Changes in the Employer's Total OPEB Liability  
April 30, 2023**

|   | <u>4/30/19</u>            |
|---|---------------------------|
| Total OPEB Liability  |                           |
| Service Cost  | \$ 9,656                  |
| Interest  | 27,074                    |
| Difference Between Expected<br>and Actual Experience                    | —                         |
| Change of Assumptions or Other Inputs                                   | 10,294                    |
| Benefit Payments  | <u>(73,056)</u>           |
| Net Change in Total OPEB Liability                                      | <u>(26,032)</u>           |
| Total OPEB Liability - Beginning  | <u>718,531</u>            |
| <br>Total OPEB Liability - Ending                                       | <br><u><u>692,499</u></u> |
| <br>Covered-Employee Payroll  | <br>\$ 2,795,493          |
| <br>Total OPEB Liability as a Percentage<br>of Covered-Employee Payroll | <br><br>24.77%            |

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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

*Changes of Assumptions.* Change of assumption related to the discount rate were made in 2019 through 2023.

| 4/30/20   | 4/30/21   | 4/30/22   | 4/30/23   |
|-----------|-----------|-----------|-----------|
| 10,089    | 10,723    | 5,823     | 23,922    |
| 25,509    | 19,009    | 14,776    | 16,101    |
| —         | (139,311) | —         | (44,104)  |
| 74,575    | 53,060    | (141,302) | (16,774)  |
| (39,681)  | (40,923)  | (29,233)  | (28,029)  |
| 70,492    | (97,442)  | (149,936) | (48,884)  |
| 692,499   | 762,991   | 665,549   | 515,613   |
| 762,991   | 665,549   | 515,613   | 466,729   |
| 2,894,899 | 2,967,271 | 3,262,649 | 3,253,590 |
| 26.36%    | 22.43%    | 15.80%    | 14.35%    |

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedule
- Consolidated Year-End Financial Report

**GREATER ROCKFORD AIRPORT AUTHORITY  
ROCKFORD, ILLINOIS**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2023**

|                                    | Original<br>and Final |                     |
|------------------------------------|-----------------------|---------------------|
|                                    | Budget                | Actual              |
| Operating Revenues                 |                       |                     |
| Airport Fees - Airside             | \$ 7,428,364          | 8,477,532           |
| Airport Fees - Landside            | 1,302,581             | 1,440,966           |
| Lease Revenue - On Airport         | 5,426,960             | 881,054             |
| Lease Revenue - Off Airport        | 811,007               | 781,907             |
| Airport Service Fees               | 412,850               | 418,826             |
| Other                              | 716,813               | 1,395,977           |
| Total Operating Revenues           | <u>16,098,575</u>     | <u>13,396,262</u>   |
| Operating Expenses                 |                       |                     |
| Operations                         |                       |                     |
| Personnel Services                 | 5,213,307             | 4,846,892           |
| Pension Expense                    | —                     | 143,665             |
| OPEB Expense                       | —                     | (48,884)            |
| Contractual Services               | 5,152,038             | 4,993,861           |
| Commodities                        | 2,030,936             | 2,449,972           |
| Other                              | 440,200               | 353,110             |
| Depreciation                       | —                     | 13,402,004          |
| Total Operating Expenses           | <u>12,836,481</u>     | <u>26,140,620</u>   |
| Operating Income (Loss)            | <u>3,262,094</u>      | <u>(12,744,358)</u> |
| Nonoperating Revenues (Expenses)   |                       |                     |
| Property and Corporate Taxes       | 3,751,661             | 5,112,388           |
| Passenger Facility Charges         | 435,781               | 535,237             |
| Intergovernmental Revenue          | 248,064               | 2,937,639           |
| Disposal of Capital Assets         | 10,000                | (127,647)           |
| Investment Income                  | 12,777                | 2,051,032           |
| Interest Expense                   | (1,466,799)           | (1,494,141)         |
|                                    | <u>2,991,484</u>      | <u>9,014,508</u>    |
| Income (Loss) Before Contributions | 6,253,578             | (3,729,850)         |
| Capital Contributions              | <u>16,400,000</u>     | <u>9,477,250</u>    |
| Change in Net Position             | <u>22,653,578</u>     | 5,747,400           |
| Net Position - Beginning           |                       | <u>174,629,382</u>  |
| Net Position - Ending              |                       | <u>180,376,782</u>  |



**GREATER ROCKFORD AIRPORT AUTHORITY**

**Consolidated Year-End Financial Report  
April 30, 2023**

| CSFA #      | Program Name                  | State      | Federal   | Other      | Total      |
|-------------|-------------------------------|------------|-----------|------------|------------|
| 494-60-0327 | Airport Improvement Program   | \$ 301,266 | 8,873,347 | 300,776    | 9,475,389  |
| 494-60-2511 | Aviation Fuel Tax Program     | 2,748,501  | —         | —          | 2,748,501  |
|             | All Other Costs Not Allocated | —          | —         | 15,410,871 | 15,410,871 |
|             | Totals                        | 3,049,767  | 8,873,347 | 15,711,647 | 27,634,761 |



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

September 12, 2023

Board of Commissioners  
Greater Rockford Airport Authority  
Rockford, Illinois

We have audited, in accordance with the 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 the Greater Rockford Airport Authority, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 12, 2023.

**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 opinions 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 Authority'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.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **STATISTICAL SECTION (Unaudited)**

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

### **Financial Trends**

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the Authority's most significant local revenue sources.

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Net Position by Component - Last Ten Fiscal Years**  
**April 30, 2023 (Unaudited)**

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**See Following Page**

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Net Position by Component - Last Ten Fiscal Years**  
**April 30, 2023 (Unaudited)**

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|                                  | 2014               | 2015               | 2016               | 2017               |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| Net Position                     |                    |                    |                    |                    |
| Net Investment in Capital Assets | \$ 102,196,797     | 104,978,065        | 104,161,337        | 95,357,089         |
| Restricted                       | —                  | 932,238            | —                  | —                  |
| Unrestricted                     | 3,090,110          | 1,328,079          | 10,020,280         | 16,378,130         |
|                                  |                    |                    |                    |                    |
| Total Net Position               | <u>105,286,907</u> | <u>107,238,382</u> | <u>114,181,617</u> | <u>111,735,219</u> |

Source: The Authority Finance Department

| 2018        | 2019        | 2020        | 2021        | 2022        | 2023        |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 96,396,493  | 99,308,620  | 111,588,746 | 136,729,458 | 145,224,588 | 148,052,666 |
| 562,643     | —           | —           | 929,216     | 2,984,843   | —           |
| 12,000,552  | 24,759,558  | 12,377,761  | 14,868,074  | 26,419,951  | 32,324,116  |
| 108,959,688 | 124,068,178 | 123,966,507 | 152,526,748 | 174,629,382 | 180,376,782 |

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Revenues, Expenses, and Changes in Net Position - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

|   | 2014                | 2015                | 2016                |
|---|---------------------|---------------------|---------------------|
| Operating Revenues                          |                     |                     |                     |
| Airport Fees                                | \$ 2,034,860        | 2,079,168           | 2,121,537           |
| Lease Revenue                               | 1,777,845           | 1,785,244           | 1,936,549           |
| Charge for Services and Other Revenue       | 670,126             | 1,094,545           | 1,080,769           |
| Total Operating Revenues                    | <u>4,482,831</u>    | <u>4,958,957</u>    | <u>5,138,855</u>    |
| Operating Expenses                          |                     |                     |                     |
| Personnel and Benefits                      | 3,952,436           | 3,900,047           | 4,026,916           |
| Contractual Services                        | 2,988,291           | 2,976,222           | 3,402,197           |
| Commodities                                 | 1,148,389           | 947,332             | 678,855             |
| Other                                       | 335,495             | 483,742             | 418,571             |
| Total Operating Expenditures                | <u>8,424,611</u>    | <u>8,307,343</u>    | <u>8,526,539</u>    |
| Operating Income (Loss) Before Depreciation | (3,941,780)         | (3,348,386)         | (3,387,684)         |
| Depreciation                                | 9,748,753           | 10,261,167          | 10,484,932          |
| Operating (Loss)                            | <u>(13,690,533)</u> | <u>(13,609,553)</u> | <u>(13,872,616)</u> |
| Nonoperating Revenues (Expenses)            |                     |                     |                     |
| Taxes - Property and Corporate              | 3,719,117           | 3,490,444           | 3,469,200           |
| Interest Income                             | 16,182              | 5,300               | 3,335               |
| Passenger Facility Charges                  | 512,191             | 466,839             | 495,649             |
| Intergovernmental Revenue                   | —                   | —                   | —                   |
| Other Income                                | 136,887             | 192,934             | 302,444             |
| Interest Expense                            | (90,201)            | (103,512)           | (111,194)           |
| Gain (Loss) on Sale of Capital Asset        | —                   | —                   | 503,044             |
| Intergovernmental Contribution              | —                   | —                   | —                   |
| Bond Issuance Expense                       | —                   | —                   | (224,100)           |
| Other Expense                               | —                   | —                   | —                   |
| Total Nonoperating Revenues (Expenses)      | <u>4,294,176</u>    | <u>4,052,005</u>    | <u>4,438,378</u>    |
| Income (Loss) Before Capital Contribution   | (9,396,357)         | (9,557,548)         | (9,434,238)         |
| Capital Contributions                       | 2,996,611           | 11,509,023          | 17,542,390          |
| Change in Net Position                      | <u>(6,399,746)</u>  | <u>1,951,475</u>    | <u>8,108,152</u>    |
| Net Position Year End Composed of:          |                     |                     |                     |
| Net Investment in Capital Assets            | 102,196,797         | 104,978,065         | 104,161,337         |
| Restricted                                  | —                   | 932,238             | —                   |
| Unrestricted                                | <u>3,090,110</u>    | <u>1,328,079</u>    | <u>10,020,280</u>   |
| Total Net Position                          | <u>105,286,907</u>  | <u>107,238,382</u>  | <u>114,181,617</u>  |

Source: The Authority Finance Department



| 2017         | 2018         | 2019         | 2020        | 2021        | 2022        | 2023         |
|--------------|--------------|--------------|-------------|-------------|-------------|--------------|
| 2,571,899    | 4,331,016    | 5,936,000    | 6,695,839   | 7,246,661   | 9,599,272   | 9,918,498    |
| 1,620,438    | 1,913,107    | 2,389,049    | 3,687,863   | 3,995,685   | 5,125,894   | 1,662,961    |
| 627,136      | 887,164      | 1,101,719    | 1,523,471   | 1,368,161   | 1,392,612   | 1,814,803    |
| 4,819,473    | 7,131,287    | 9,426,768    | 11,907,173  | 12,610,507  | 16,117,778  | 13,396,262   |
| 3,957,557    | 4,495,847    | 3,579,555    | 4,306,190   | 4,090,592   | 3,464,667   | 4,941,673    |
| 2,570,490    | 2,886,151    | 3,985,004    | 4,282,610   | 4,378,338   | 4,906,656   | 4,993,861    |
| 592,246      | 1,046,229    | 2,447,588    | 1,775,127   | 2,062,698   | 2,252,480   | 2,449,972    |
| 377,857      | 421,174      | 203,057      | 289,673     | 514,790     | 560,070     | 353,110      |
| 7,498,150    | 8,849,401    | 10,215,204   | 10,653,600  | 11,046,418  | 11,183,873  | 12,738,616   |
| (2,678,677)  | (1,718,114)  | (788,436)    | 1,253,573   | 1,564,089   | 4,933,905   | 657,646      |
| 11,114,108   | 12,009,242   | 10,938,517   | 8,867,295   | 9,299,882   | 11,536,570  | 13,402,004   |
| (13,792,785) | (13,727,356) | (11,726,953) | (7,613,722) | (7,735,793) | (6,602,665) | (12,744,358) |
| 3,385,292    | 3,397,623    | 3,491,584    | 3,513,179   | 3,627,999   | 4,569,145   | 5,112,388    |
| 14,532       | 24,694       | 43,072       | 32,452      | 16,348      | 46,511      | 2,051,032    |
| 497,802      | 484,770      | 551,280      | 487,044     | 366,703     | 556,030     | 535,237      |
| 525,365      | 563,609      | 372,136      | 295,404     | 9,768,953   | 9,913,017   | 2,937,639    |
| 276,832      | 86,279       | —            | —           | —           | —           | —            |
| (974,449)    | (1,535,629)  | (1,417,329)  | (947,363)   | (633,763)   | (1,609,676) | (1,494,141)  |
| 10,966       | —            | (6,168)      | 103,811     | 351,222     | 210,864     | (127,647)    |
| —            | (2,199,824)  | —            | —           | —           | —           | —            |
| (11,875)     | —            | —            | —           | —           | —           | —            |
| —            | (58,231)     | (183)        | —           | —           | —           | —            |
| 3,724,465    | 763,291      | 3,034,392    | 3,484,527   | 13,497,462  | 13,685,891  | 9,014,508    |
| (10,068,320) | (12,964,065) | (8,692,561)  | (4,129,195) | 5,761,669   | 7,083,226   | (3,729,850)  |
| 7,743,851    | 10,188,537   | 24,748,774   | 4,032,524   | 22,798,573  | 15,019,407  | 9,477,250    |
| (2,324,469)  | (2,775,528)  | 16,056,213   | (96,671)    | 28,560,242  | 22,102,633  | 5,747,400    |
| 95,357,086   | 96,396,493   | 99,303,620   | 111,588,746 | 136,729,458 | 145,224,588 | 148,052,666  |
| —            | 562,643      | —            | —           | 929,216     | 2,984,843   | —            |
| 16,378,130   | 12,000,552   | 24,759,558   | 12,377,761  | 14,868,074  | 26,419,951  | 32,324,116   |
| 111,735,216  | 108,959,688  | 124,063,178  | 123,966,507 | 152,526,748 | 174,629,382 | 180,376,782  |

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Revenues by Sources - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

| Fiscal<br>Year | Airport Fees            |   |                                 |                          |
|----------------|-------------------------|---|---------------------------------|--------------------------|
|                | Airside                 |   | Landside                        |                          |
|                | Fuel<br>Flowage<br>Fees | Landing and<br>Aircraft Parking<br>Fees | Passenger<br>Parking<br>Revenue | Rental Car<br>Commission |
| 2014           | \$ 39,680               | 1,807,066                               | —                               | 188,114                  |
| 2015           | 50,088                  | 1,842,680                               | —                               | 186,400                  |
| 2016           | 43,988                  | 1,872,817                               | —                               | 204,732                  |
| 2017           | 36,170                  | 2,341,279                               | —                               | 194,450                  |
| 2018           | 36,241                  | 3,612,607                               | 478,509                         | 203,659                  |
| 2019           | 41,195                  | 4,590,501                               | 1,095,804                       | 208,499                  |
| 2020           | 45,124                  | 5,417,661                               | 1,032,512                       | 200,542                  |
| 2021           | 35,773                  | 6,278,684                               | 770,678                         | 161,526                  |
| 2022           | 38,689                  | 8,157,838                               | 1,131,601                       | 271,142                  |
| 2023           | 864,581                 | 7,612,952                               | 1,164,418                       | 276,548                  |

| Lease Revenue |         |          |             |         | GASB 87<br>Adjustme | Other     | Total<br>Operating<br>Income |
|---------------|---------|----------|-------------|---------|---------------------|-----------|------------------------------|
| On Airport    |         |          | Off Airport |         |                     |           |                              |
| Building      | Land    | Terminal | Building    | Land    |                     |           |                              |
| 774,906       | 374,624 | 66,320   | 155,374     | 406,621 | —                   | 670,126   | 4,482,831                    |
| 759,077       | 348,650 | 57,145   | 163,704     | 456,668 | —                   | 1,094,544 | 4,958,956                    |
| 850,454       | 365,012 | 66,636   | 168,440     | 459,623 | —                   | 1,107,152 | 5,138,854                    |
| 588,337       | 373,220 | 71,644   | 132,470     | 454,767 | —                   | 627,136   | 4,819,473                    |
| 844,244       | 386,352 | 70,848   | 120,012     | 491,652 | —                   | 887,164   | 7,131,288                    |
| 1,205,216     | 405,643 | 99,672   | 191,519     | 486,999 | —                   | 1,101,719 | 9,426,767                    |
| 2,294,067     | 536,979 | 122,557  | 201,172     | 533,088 | —                   | 1,523,471 | 11,907,173                   |
| 2,574,388     | 498,062 | 108,942  | 195,371     | 618,922 | —                   | 1,368,161 | 12,610,507                   |
| 3,729,489     | 588,711 | 85,783   | 160,772     | 561,140 | —                   | 1,392,612 | 16,117,777                   |
| 4,723,792     | 603,848 | 87,491   | 157,838     | 624,066 | (4,534,076)         | 1,814,804 | 13,396,262                   |

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Total Expenses by Function and Department - Last Ten Fiscal Years  
April 30, 2023 (Unaudited)**

| Industry                 | 2014             |                     | 2015             |                     |
|--------------------------|------------------|---------------------|------------------|---------------------|
|                          | Total Expense    | Percentage of Total | Total Expense    | Percentage of Total |
| Finance & Administration | \$ 1,742,428     | 20.7%               | \$ 1,761,923     | 21.2%               |
| Facilities & Maintenance | 3,445,157        | 40.9%               | 3,216,946        | 38.8%               |
| Operations               | 1,804,597        | 21.4%               | 1,262,810        | 15.2%               |
| Marketing                | 319,744          | 3.8%                | 307,114          | 3.7%                |
| Terminal Services        | 568,735          | 6.8%                | 639,049          | 7.7%                |
| AirFest                  | 9,799            | 0.1%                | 600,476          | 7.2%                |
| Business Development     | 201,643          | 2.4%                | 224,822          | 2.7%                |
| Passenger Development    | 332,508          | 3.9%                | 294,203          | 3.5%                |
| <b>Total</b>             | <b>8,424,611</b> | <b>100.0%</b>       | <b>8,307,343</b> | <b>100.0%</b>       |

| Industry                 | 2019              |                     | 2020              |                     |
|--------------------------|-------------------|---------------------|-------------------|---------------------|
|                          | Total Expense     | Percentage of Total | Total Expense     | Percentage of Total |
| Finance & Administration | \$ 1,605,853      | 15.7%               | \$ 2,080,910      | 19.5%               |
| Facilities & Maintenance | 5,852,997         | 57.3%               | 5,553,194         | 52.2%               |
| Operations               | 1,454,786         | 14.2%               | 1,555,284         | 14.6%               |
| Marketing                | 183,016           | 1.8%                | 364,098           | 3.4%                |
| Terminal Services        | 497,912           | 4.9%                | 501,069           | 4.7%                |
| AirFest                  | —                 | —%                  | —                 | —%                  |
| Business Development     | 620,640           | 6.1%                | 599,045           | 5.6%                |
| Passenger Development    | —                 | —%                  | —                 | —%                  |
| <b>Total</b>             | <b>10,215,204</b> | <b>100.0%</b>       | <b>10,653,600</b> | <b>100.0%</b>       |

Source: The Authority Finance Department

| 2016          |                     | 2017          |                     | 2018          |                     |
|---------------|---------------------|---------------|---------------------|---------------|---------------------|
| Total Expense | Percentage of Total | Total Expense | Percentage of Total | Total Expense | Percentage of Total |
| \$ 1,736,000  | 20.4%               | \$ 1,905,796  | 25.1%               | \$ 2,307,294  | 26.1%               |
| 2,861,555     | 33.6%               | 3,035,463     | 40.0%               | 4,042,352     | 45.6%               |
| 1,341,597     | 15.7%               | 1,408,065     | 18.5%               | 1,528,735     | 17.3%               |
| 370,597       | 4.3%                | 183,262       | 2.4%                | 148,465       | 1.7%                |
| 596,200       | 7.0%                | 584,137       | 7.7%                | 430,287       | 4.9%                |
| 657,142       | 7.7%                | —             | —%                  | —             | —%                  |
| 963,778       | 11.3%               | 481,426       | 6.3%                | 392,268       | 4.4%                |
| —             | —%                  | —             | —%                  | —             | —%                  |
| 8,526,869     | 100.0%              | 7,598,149     | 100.0%              | 8,849,401     | 100.0%              |

| 2021          |                     | 2022          |                     | 2023          |                     |
|---------------|---------------------|---------------|---------------------|---------------|---------------------|
| Total Expense | Percentage of Total | Total Expense | Percentage of Total | Total Expense | Percentage of Total |
| \$ 1,778,728  | 16.1%               | \$ 1,638,362  | 14.6%               | \$ 2,514,856  | 19.7%               |
| 6,532,523     | 59.1%               | 6,459,376     | 57.8%               | 6,834,761     | 53.7%               |
| 1,641,786     | 14.9%               | 1,693,525     | 15.1%               | 1,897,910     | 14.9%               |
| 112,642       | 1.0%                | 755,499       | 6.8%                | 926,069       | 7.3%                |
| 550,362       | 5.0%                | 637,111       | 5.7%                | 565,018       | 4.4%                |
| —             | —%                  | —             | —%                  | —             | —%                  |
| 430,377       | 3.9%                | —             | —%                  | —             | —%                  |
| —             | —%                  | —             | —%                  | —             | —%                  |
| 11,046,418    | 100.0%              | 11,183,873    | 100.0%              | 12,738,614    | 100.0%              |

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Major Tenants - Current Fiscal Year and Ten Year Comparison  
April 30, 2023 (Unaudited)**

| Taxpayer               | 2023              |                                       | 2014             |                                       |
|------------------------|-------------------|---------------------------------------|------------------|---------------------------------------|
|                        | Revenue           | Percentage of Total Operating Revenue | Revenue          | Percentage of Total Operating Revenue |
| United Parcel Service  | \$ 4,328,646      | 24.14%                                | \$ 1,629,585     | 36.35%                                |
| Emery Air Charter      | 2,527,516         | 14.10%                                | 432,346          | 9.64%                                 |
| Amazon                 | 2,334,145         | 13.02%                                |                  |                                       |
| ATI, Inc.              | 1,166,536         | 6.51%                                 |                  |                                       |
| Atlas Air              | 1,040,391         | 5.80%                                 |                  |                                       |
| World Fuel Service     | 696,067           | 3.88%                                 |                  |                                       |
| AAR Corporation        | 405,736           | 2.26%                                 |                  |                                       |
| Korean Air             | 349,770           | 1.95%                                 |                  |                                       |
| Allegiant Air          | 286,100           | 1.60%                                 | 201,655          | 4.50%                                 |
| Chronos                | 260,458           | 1.45%                                 |                  |                                       |
| Packaging Coordinators |                   |                                       | 333,268          | 7.43%                                 |
| Rock Road              |                   |                                       | 92,198           | 2.06%                                 |
| William Charles        |                   |                                       | 90,000           | 2.01%                                 |
| Pride Aircraft         |                   |                                       | 82,381           | 1.84%                                 |
| Frontier Airlines      |                   |                                       | 74,358           | 1.66%                                 |
| Kaney Aviation         |                   |                                       | 55,410           | 1.24%                                 |
| Heritage Aero          |                   |                                       | 53,914           | 1.20%                                 |
| Totals                 | <u>13,395,365</u> | <u>74.71%</u>                         | <u>3,045,115</u> | <u>67.93%</u>                         |

Source: The Authority Finance Department

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Assessed Value and Actual Values, Levies, and Rates - Last Ten Tax Levy Years  
April 30, 2023 (Unaudited)**

| Tax<br>Levy<br>Year | Assessed<br>Valuations<br>(in Thousands) | Tax Levy     |      |              | GRAA   | County  | GRAA %<br>County |
|---------------------|--|--------------|------|--------------|--------|---------|------------------|
|                     |  | Operating    | Debt | Total        |        |         |                  |
| 2013                | \$ 2,806,901                             | \$ 2,927,598 | —    | \$ 2,927,598 | 0.1043 | 10.7573 | 0.97%            |
| 2014                | 2,648,100                                | 2,814,930    | —    | 2,814,930    | 0.1063 | 11.1185 | 0.96%            |
| 2015                | 2,593,502                                | 2,782,827    | —    | 2,782,827    | 0.1073 | 11.4860 | 0.93%            |
| 2016                | 2,624,282                                | 2,894,611    | —    | 2,894,611    | 0.1103 | 11.4189 | 0.97%            |
| 2017                | 2,680,628                                | 2,954,052    | —    | 2,954,052    | 0.1102 | 10.7426 | 1.03%            |
| 2018                | 2,787,979                                | 2,991,528    | —    | 2,991,528    | 0.1073 | 11.0650 | 0.97%            |
| 2019                | 2,963,183                                | 2,995,778    | —    | 2,995,778    | 0.1011 | 10.4196 | 0.97%            |
| 2020                | 3,122,477                                | 3,237,021    | —    | 3,237,021    | 0.0987 | 9.4410  | 1.05%            |
| 2021                | 3,300,169                                | 3,366,398    | —    | 3,366,398    | 0.0955 | 9.0320  | 1.06%            |
| 2022                | 3,586,861                                | 3,436,009    | —    | 3,436,009    | 0.0926 | 9.0320  | 1.03%            |

Source: Winnebago County Clerk

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Direct Property Tax Rates - Last Ten Tax Levy Years  
April 30, 2023 (Unaudited)**

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|                        | 2013   | 2014   | 2015   | 2016   |
|------------------------|--------|--------|--------|--------|
| Authority Direct Rates |        |        |        |        |
| General - Corporate    | 0.0750 | 0.0750 | 0.0750 | 0.0750 |
| General - Other        | 0.0293 | 0.0313 | 0.0323 | 0.0353 |
| <br>                   |        |        |        |        |
| Total Direct Rates     | 0.1043 | 0.1063 | 0.1073 | 0.1103 |

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Source: The Authority Finance Department



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| 2017   | 2018   | 2019   | 2020   | 2021   | 2022   |
|--------|--------|--------|--------|--------|--------|
| 0.0750 | 0.0750 | 0.0750 | 0.0710 | 0.0694 | 0.0693 |
| 0.0352 | 0.0323 | 0.0323 | 0.0277 | 0.0261 | 0.0233 |
| 0.1102 | 0.1073 | 0.1073 | 0.0987 | 0.0955 | 0.0926 |

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**GREATER ROCKFORD AIRPORT AUTHORITY**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
April 30, 2023 (Unaudited)**

| Tax<br>Levy<br>Year | <u>Tax Levy</u><br>General Purposes | <u>Collections</u><br>(See Notes<br>(1) and (2))<br>General Purposes | Percentage of<br>Tax Levy<br>Extension<br>Collected |
|---------------------|-------------------------------------|--|---|
| 2014                | \$ 2,927,598                        | \$ 2,909,105   | 99.4%   |
| 2014                | 2,814,930                           | 2,787,502  | 99.0%   |
| 2015                | 2,782,827                           | 2,763,791  | 99.3%   |
| 2016                | 2,894,611                           | 2,877,582  | 99.4%   |
| 2017                | 2,954,052                           | 2,928,995  | 99.2%   |
| 2018                | 2,991,528                           | 2,981,413  | 99.7%   |
| 2019                | 2,995,778                           | 2,981,932  | 99.5%   |
| 2020                | 3,237,021                           | 3,075,993  | 95.0%   |
| 2021                | 3,352,688                           | 3,156,062  | 94.1%   |
| 2022                | 3,419,661                           | —  | 0.0%  |

Notes:

(1) Current collections as shown above represent those collections made by Winnebago County on the current levy and all delinquent property taxes collected that are distributed to the Authority. Delinquent property taxes collected by the County Treasurer are distributed to the taxing units by use of the current tax rate and cannot be applied to specific years.

(2) The 2022 levy will be collected in the fiscal year ending April 30, 2024.

# GREATER ROCKFORD AIRPORT AUTHORITY

## Principal Property Tax Payers

April 30, 2023 (Unaudited)

| Taxpayer                              | Type of Business            | 2022               |  | 2013               |                                      |
|---------------------------------------|-----------------------------|--------------------|--|--------------------|--------------------------------------|
|                                       |                             | Assessed Valuation | Percentage of Total Assessed Valuation | Assessed Valuation | Percentage of Taxable Assessed Value |
| CBL/Cherryvale                        | Retail                      | \$ 15,456,839      | 0.31%                                  | \$ 12,901,090      | 0.34%                                |
| Lowes Home Center Inc                 | Retail                      | 14,619,426         | 0.29%                                  | 13,759,595         | 0.36%                                |
| Greater Rockford Airport              | Airport                     | 14,189,721         | 0.28%                                  | 6,157,826          | 0.16%                                |
| Wesley Willows                        | Retirement/Real Estate      | 12,621,514         | 0.25%                                  |                    |                                      |
| Woodward, Inc                         | Aerospace                   | 12,282,322         | 0.24%                                  |                    |                                      |
| Simon Property/Forest Plaza LLC       | Retail/Real Estate Holdings | 9,089,342          | 0.18%                                  | 6,536,961          | 0.17%                                |
| Swedish American Hospital             | Hospital                    | 7,872,662          | 0.16%                                  |                    |                                      |
| PCI Pharma Services                   | Pharmaceutical              | 7,608,109          | 0.15%                                  |                    |                                      |
| Meijer Stores Limited Partnership     | Retail                      | 7,559,899          | 0.15%                                  |                    |                                      |
| Becknell Investors Inc.               | Real Estate Holdings        | 6,951,791          | 0.14%                                  |                    |                                      |
| National Retail Properties LP         | Retail/Real Estate Holdings | 6,547,071          | 0.13%                                  |                    |                                      |
| Beloit Memorial Hospital              | Medical Facility            | 5,962,737          | 0.12%                                  |                    |                                      |
| Legacy Varin Property Management LLC  | Real Estate Holdings        | 5,916,456          | 0.12%                                  |                    |                                      |
| Wal-Mart Property                     | Retail                      | 5,423,956          | 0.11%                                  |                    |                                      |
| Edward Rose Associates, Inc           | Real Estate Holdings        | 5,360,269          | 0.11%                                  | 4,302,884          | 0.11%                                |
| Anderson Rockford Properties LLC      | Auto Dealership             | 5,148,700          | 0.10%                                  | 4,589,423          | 0.12%                                |
| Kelley Williamson Co                  | Fuel/Retail                 | 4,887,583          | 0.10%                                  |                    |                                      |
| Fairhaven Christian Retirement Center | Retirement/Real Estate      | 4,819,925          | 0.10%                                  |                    |                                      |
| Commonwealth Edison                   | Energy                      | 4,712,564          | 0.09%                                  |                    |                                      |
| Goellner Enterprises Inc              | Manufacturing               | 4,617,380          | 0.09%                                  |                    |                                      |
| Menard Inc                            | Retail                      |                    |  | 7,992,488          | 0.21%                                |
| Two Star Property Co Inc              | Retail/Real Estate Holdings |                    |  | 4,641,091          | 0.12%                                |
| United Parcel Service, Inc            | Parcel Delivery Services    |                    |  | 4,563,506          | 0.12%                                |
| Jeffrey Petry                         | Real Estate Holdings        |                    |  | 4,424,089          | 0.12%                                |
|                                       |                             | 161,648,266        | 3.22%                                  | 69,868,953         | 1.83%                                |

Source: Winnebago County Clerk

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Outstanding Debt - Last Ten Fiscal Years  
April 30, 2023 (Unaudited)**

| Fiscal Year | Outstanding Debt         |                |                 |                 |   | Total Primary Government |
|-------------|--------------------------|----------------|-----------------|-----------------|---|--------------------------|
|             | General Obligation Bonds | Capital Leases | Lines of Credit | Promissory Note |   |                          |
| 2014        | \$ 3,691,250             | —              | —               | —               | — | 3,691,250                |
| 2015        | 3,843,313                | 1,066,195      | —               | —               | — | 4,909,508                |
| 2016        | 20,560,719               | 900,991        | 4,104,776       | —               | — | 25,566,486               |
| 2017        | 24,664,894               | 730,980        | 16,762,190      | —               | — | 42,158,064               |
| 2018        | 23,505,559               | 556,021        | 676,151         | 16,644,215      | — | 41,381,946               |
| 2019        | 28,284,344               | 375,971        | 2,242,095       | 16,285,490      | — | 47,187,900               |
| 2020        | 31,761,324               | 190,682        | 389,492         | 3,283,693       | — | 35,625,191               |
| 2021        | 28,771,120               | —              | —               | 10,295,958      | — | 39,067,078               |
| 2022        | 64,987,912               | —              | —               | —               | — | 64,987,912               |
| 2023        | 61,917,504               | —              | —               | —               | — | 61,917,504               |

Source: The Authority Finance Department

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

| Fiscal Year | General Obligation Bonds | Less: Amounts Available in Debt Service | Total        | Percentage of Total Taxable Assessed Value of Property * | Per Capita ** |
|-------------|--------------------------|---|--------------|--|---------------|
| 2014        | \$ 3,691,250             | \$ —                                    | \$ 3,691,250 | 0.13%  | \$ 10.71      |
| 2015        | 4,909,508                | —                                       | 4,909,508    | 0.15%  | 11.22         |
| 2016        | 20,560,719               | —                                       | 20,560,719   | 0.79%  | 60.34         |
| 2017        | 24,664,894               | —                                       | 24,664,894   | 0.94%  | 72.62         |
| 2018        | 23,505,559               | —                                       | 23,505,559   | 0.88%  | 69.50         |
| 2019        | 28,284,344               | —                                       | 28,284,344   | 1.01%  | 83.90         |
| 2020        | 31,761,321               | —                                       | 31,761,321   | 1.07%  | 94.50         |
| 2021        | 28,771,120               | —                                       | 28,771,120   | 0.92%  | 82.34         |
| 2022        | 64,987,912               | —                                       | 64,987,912   | 1.97%  | 193.26        |
| 2023        | 61,917,504               | —                                       | 61,917,504   | 1.73%  | 184.64        |

Source: The Authority Finance Department

\*Assessed values are based on calendar years shown on Schedule of Assessed Values, Levies, and Rates

\*\*Population is found on the Schedule of Demographic Indicators for Rockford MSA

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Staffing - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

|                        | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------|------|------|------|------|------|------|------|------|------|------|
| Board of Commissioners | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    | 7    |
| Administration/Finance | 8    | 8    | 8    | 8    | 9    | 9    | 9    | 9    | 9    | 11   |
| Marketing              | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Facilities/Maintenance | 16   | 16   | 16   | 17   | 17   | 18   | 20   | 20   | 21   | 24   |
| Operations             | 7    | 8    | 8    | 8    | 8    | 8    | 9    | 9    | 9    | 9    |
| Terminal Services      | 4    | 3    | 3    | —    | —    | —    | —    | —    | —    | —    |
| AirFest                | —    | 1    | 1    | —    | —    | —    | —    | —    | —    | —    |
| Cargo Development      | 1    | 3    | 3    | 2    | —    | —    | —    | —    | —    | —    |
| Passenger Development  | 2    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Totals                 | 45   | 46   | 46   | 42   | 41   | 42   | 45   | 45   | 46   | 51   |

Source: The Authority Finance Department

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Air Commerce - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

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**See Following Page**

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Air Commerce - Last Ten Fiscal Years**

**April 30, 2023 (Unaudited)**

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|                                       | 2014        | 2015        | 2016        | 2017          |
|---------------------------------------|-------------|-------------|-------------|---------------|
| Passenger Enplanements                |             |             |             |               |
| Scheduled                             | 106,240     | 100,334     | 107,139     | 109,223       |
| Charter                               | 2,846       | 3,043       | 4,140       | 3,687         |
| Total                                 | 109,086     | 103,377     | 111,279     | 112,910       |
| Cargo                                 |             |             |             |               |
| Enplaned                              | 136,392,407 | 141,181,977 | 155,612,074 | 186,182,879   |
| Deplaned                              | 110,561,901 | 110,902,191 | 109,563,405 | 134,230,657   |
| Total                                 | 246,954,308 | 252,084,168 | 265,175,479 | 320,413,536   |
| Cargo Aircraft Landed Weight (Pounds) | 779,424,820 | 788,127,660 | 806,624,170 | 1,028,789,640 |
| Fuel Flowage (Gallons)                | 9,744,711   | 9,799,912   | 10,967,938  | 13,104,477    |
| Aircraft Operations                   | 38,163      | 34,816      | 36,154      | 35,246        |

Source: The Authority Finance Department



| 2018          | 2019          | 2020          | 2021          | 2022          | % of Change<br>from Prior<br>Year | 2023          |
|---------------|---------------|---------------|---------------|---------------|-----------------------------------|---------------|
| 110,874       | 114,679       | 106,982       | 81,914        | 115,725       |                                   | 119,214       |
| 4,007         | 3,144         | 2,476         | 719           | 2,852         |                                   | 2,341         |
| 114,881       | 117,823       | 109,458       | 82,633        | 118,577       | 2.51%                             | 121,555       |
| 302,530,574   | 363,236,903   | 418,408,351   | 467,097,097   | 524,527,228   |                                   | 526,889,774   |
| 223,733,967   | 302,179,345   | 351,177,711   | 423,636,789   | 521,786,974   |                                   | 516,880,763   |
| 526,264,541   | 665,416,248   | 769,586,062   | 890,733,886   | 1,046,314,202 | (0.24%)                           | 1,043,770,537 |
| 1,668,351,840 | 2,146,277,900 | 2,573,370,170 | 2,875,266,440 | 3,541,978,087 | (5.84%)                           | 3,334,999,808 |
| 17,957,741    | 25,495,761    | 27,297,232    | 34,414,791    | 54,507,916    | (9.98%)                           | 49,067,536    |
| 40,076        | 40,237        | 41,211        | 45,497        | 46,445        | (2.38%)                           | 45,341        |

# GREATER ROCKFORD AIRPORT AUTHORITY

## Schedule of Rates and Charges - Last Ten Fiscal Years April 30, 2023 (Unaudited)

|   | 2014     | 2015    | 2016    |
|---|----------|---------|---------|
| Fuel                                      |          |         |         |
| Class A                                   | \$ 0.090 | 0.090   | 0.090   |
| Class B                                   | 0.110    | 0.110   | 0.110   |
| Class C                                   | 0.110    | 0.110   | 0.110   |
| Landing Fee                               |          |         |         |
| Signatory - Per 1,000 lbs                 |          |         |         |
| Over 120,00,00 lbs - Annual               | 1.934    | 1.934   | 1.934   |
| Under 120,000,000 lbs - Annual            | 1.964    | 1.964   | 1.964   |
| Non-signatory - Per 1,000 lbs             | 2.455    | 2.455   | 3.094   |
| Terminal Usage                            |          |         |         |
| Signatory & Charter Flights               | 65.000   | 65.000  | 65.000  |
| Non-signatory & Charter Flights           | 130.000  | 130.000 | 200.000 |
| Ticket Counter/Computer Use Fee Per Enpl. | 0.200    | 0.200   | 0.200   |
| International Rubbish Fee                 |          |         |         |
| 4x4 Hopper (200 Gallons)                  | 410.000  | 410.000 | 410.000 |
| Black Cart (60 Gallons)                   | 105.000  | 105.000 | 105.000 |
| Gray Cart (40 Gallons)                    | 85.000   | 85.000  | 85.000  |

Source: The Authority Finance Department

| 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    |
|---------|---------|---------|---------|---------|---------|---------|
| 0.090   | 0.090   | 0.100   | 0.100   | 0.100   | 0.100   | 0.050   |
| 0.110   | 0.110   | 0.110   | 0.110   | 0.110   | 0.110   | 0.050   |
| 0.110   | 0.110   | 0.110   | 0.110   | 0.110   | 0.110   | 0.050   |
| 1.934   | 1.934   | 1.934   | 1.934   | 1.934   | 1.934   | 1.934   |
| 1.964   | 1.964   | 1.964   | 1.964   | 1.964   | 1.964   | 1.964   |
| 3.094   | 3.094   | 4.504   | 4.504   | 4.504   | 4.504   | 4.504   |
| 65.000  | 65.000  | 65.000  | 65.000  | 65.000  | 65.000  | 65.000  |
| 200.000 | 200.000 | 200.000 | 200.000 | 200.000 | 200.000 | 200.000 |
| 0.200   | 0.200   | 0.200   | 0.200   | 0.200   | 0.200   | 0.200   |
| 410.000 | 410.000 | 460.000 | 460.000 | 460.000 | 460.000 | 460.000 |
| 105.000 | 105.000 | 105.000 | 105.000 | 105.000 | 105.000 | 105.000 |
| 85.000  | 85.000  | 85.000  | 85.000  | 85.000  | 85.000  | 85.000  |

**GREATER ROCKFORD AIRPORT AUTHORITY**

**Schedule of Largest Employers in the Greater Rockford Area - Years Ended April 30, 2023 and 2014  
April 30, 2023 (Unaudited)**

| Employer                              | Product/Service             | 2023          | Percentage of |            | 2014          | Percentage of |            |
|---------------------------------------|-----------------------------|---------------|---------------|------------|---------------|---------------|------------|
|                                       |                             |               | MSA           | Employment |               | MSA           | Employment |
| UW Health/Swedish American            | Health Care                 | 3,780         | 2.57%         |            | 2,988         | 1.71%         |            |
| Mercyhealth/Rockford Health System    | Health Care                 | 3,000         | 2.04%         |            | 3,000         | 1.71%         |            |
| OSF Health Care                       | Health Care                 | 2,200         | 1.50%         |            | 1,800         | 1.03%         |            |
| UPS                                   | Parcel Sorting Hub          | 2,000         | 1.36%         |            | 1,200         | 0.69%         |            |
| Collins Aerospace/Hamilton Sundstrand | Aerospace Components        | 2,000         | 1.36%         |            | 2,200         | 1.26%         |            |
| Woodward Governor Company             | Aerospace                   | 2,000         | 1.36%         |            | 1,400         | 0.80%         |            |
| Amazon                                | Logistics                   | 1,535         | 1.04%         |            |               |               |            |
| Walmart                               | Retail                      | 1,470         | 1.00%         |            | 1,611         | 0.92%         |            |
| Stellantis/Chrysler                   | Automobiles                 | 1,459         | 0.99%         |            | 4,500         | 2.57%         |            |
| Lowe's                                | Distribution Center, Retail | 1,110         | 0.75%         |            |               |               |            |
| Schnucks                              | Food Store                  |               |               |            | 1,300         | 0.80%         |            |
| Packaging Coordinators Inc            | Pharmaceutical Packaging    |               |               |            | 1,100         | 0.68%         |            |
|                                       |                             | <u>20,554</u> | <u>13.97%</u> |            | <u>21,099</u> | <u>12.17%</u> |            |

Source: Rockford Area Economic Development Council and Bureau of Economic Analysis, updated May 2021. Not all numbers have been updated due to a lack of information from lay-offs and furloughs from COVID-19

Note: Schedule does not include government employees in the Greater Rockford Area.

## GREATER ROCKFORD AIRPORT AUTHORITY

### Demographic and Economic Statistics - Last Ten Calendar Years Ended April 30, 2023 (Unaudited)

| Fiscal Year | (1)<br>Population<br>of Rockford<br>MSA | (2)<br>Assessed<br>Valuations<br>(in thousands) | Per<br>Capita<br>EAV | (3)<br>Unemployment<br>Rate |
|-------------|---|---|----------------------|-----------------------------|
| 2013        | 344,692                                 | \$ 2,806,901                                    | \$ 8,143             | 10.5%                       |
| 2014        | 342,409                                 | 2,648,100                                       | 7,734                | 8.2%                        |
| 2015        | 340,727                                 | 2,593,502                                       | 7,612                | 6.9%                        |
| 2016        | 339,635                                 | 2,624,282                                       | 7,727                | 6.6%                        |
| 2017        | 338,194                                 | 2,680,628                                       | 7,926                | 6.5%                        |
| 2018        | 337,110                                 | 2,787,979                                       | 8,270                | 5.6%                        |
| 2019        | 336,116                                 | 2,963,183                                       | 8,816                | 5.7%                        |
| 2020        | 349,431                                 | 3,122,477                                       | 8,936                | 8.0%                        |
| 2021        | 336,278                                 | 3,300,169                                       | 9,814                | 5.1%                        |
| 2022        | 335,342                                 | 3,567,875                                       | 10,640               | 6.8%                        |

Sources:

(1) Estimates per U.S. Census Bureau (web)

(2) Winnebago County Clerk

(3) Illinois Department of Employment Security, Economic Information and Analysis

# GREATER ROCKFORD AIRPORT AUTHORITY

## Chicago Rockford International Airport Information

April 30, 2023 (Unaudited)

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|                |   |  |                       |
|----------------|---|--|-----------------------|
| Location:      | 4 Miles South of Downtown Rockford, IL                  |  |                       |
| Area:          | 3,000 Acres   |  |                       |
| Elevation:     | 742 ft.   |  |                       |
| Runways:       | RFD   |  |                       |
| Terminal:      | Airlines  |  | 2,211 sq. ft.         |
|                | Tenants   |  | 4,443 sq. ft.         |
|                | Public/Common   |  | 72,107 sq. ft.        |
|                | Mechanical  |  | 7,714 sq. ft.         |
|                | Total   |  | <u>86,475 sq. ft.</u> |
|                | Number of Passenger Gates                               |  | 5                     |
|                | Number of Loading Bridges                               |  | 5                     |
|                | Number of Concessionaires in Terminal                   |  | 1                     |
|                | Number of Rental car agencies in Terminal               |  | 2                     |
| Apron:         | 170 Acres, 60 Hard Stands for Commercial Aircraft       |  |                       |
| Parking:       | Spaces Assigned: Short-Term                             |  | 1,750                 |
|                | Rental Cars   |  | 190                   |
|                | Employees   |  | 54                    |
| Cargo:         | UPS Buildings   |  | 670,000 sq. ft.       |
|                | Amazon Cargo Facility                                   |  | 192,000 sq. ft.       |
|                | International Air Cargo #1                              |  | 90,000 sq. ft.        |
|                | International Air Cargo #2                              |  | 100,000 sq. ft.       |
|                | International Air Cargo #3                              |  | 50,000 sq. ft.        |
| International: | Customs/Immigration Federal Inspection Service Facility |  |                       |
|                | Bonded Warehouses                                       |  |                       |
| Tower:         | FAA Staffed 24/7, Class D Airspace with TRSA            |  |                       |