THE BIRMINGHAM AIRPORT AUTHORITY

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

A COMPONENT UNIT OF THE CITY OF BIRMINGHAM, ALABAMA FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

Prepared By: Birmingham Airport Authority Finance Department



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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Birmingham Airport Authority Alabama

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christophen P. Monill

Executive Director/CEO



BOARD OF DIRECTORS



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Darlene Wilson BAA Board Vice Chair Relay Accounting Management



David Germany BAA Board Treasurer Protective Life Corporation



BAA Board Secretary Lightfoot, Franklin & White, LLC



Ronald F. Mathieu, C.M. **President & CEO**



Cathryn Smith Executive Assistant & Board Administrator



Bobbie Knight President of Miles College



Jennifer Reid Edge Huie, Fernambucg & Stewart, LLP



Tommy Spina Criminal Defense Lawyer



Mayor Randall Woodfin City of Birmingham, AL





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Ed Seoane, MBA, CPSM

Vice President of Purchasing



Paulette Maddox, MHRM Vice President of Human Resources



Matthew Nelson Vice President of Facilities





EXECUTIVE TEAM



Jim Payne, C.M., A.C.E. **Chief Operating Officer**



Cameron Thompson, A.C.E. Vice President of Operations



Marcelo Lima, A.A.E. Vice President of Planning & Development



Korey Campbell, MBA **Vice President of Finance & Chief Financial Officer**



T.J. Williams **Vice President of Air** Service Development





Kim Hunt, C.M. **Vice President of** Communications



LETTER OF TRANSMITTAL TO THE BOARD

November I, 2023

Board of Directors Birmingham Airport Authority 5900 Messer Airport Highway Birmingham, Alabama 35212

Ladies and Gentlemen:

It is our pleasure to present the Annual Comprehensive Financial Report (ACFR) of the Birmingham Airport Authority (the Authority), for the fiscal years ended June 30, 2023 and 2022. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with management of the Authority. To the best of our knowledge and belief, the enclosed information is accurate and complete in all material respects and reported in a manner designed to present fairly the financial position, results of operations, and cash flows in accordance with the Generally Accepted Accounting Principles (GAAP).

GAAP requires that management provide a narrative overview and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors in the financial section of the ACFR.

ORGANIZATION

The Authority is an independent authority of the City of Birmingham (the City) that was established in June 1986. Birmingham-Shuttlesworth International Airport (the Airport) is operated by the Authority pursuant to a 50-year lease (the City Lease), which became effective on September 16, 1986 and expires on September 15, 2045. Under the terms of the City Lease, all real property acquired by the Authority is conveyed to the City and becomes subject to the terms and conditions of the City Lease. The Authority is governed by a seven-member Board of Directors (the Board). The Board appoints a President and CEO who is responsible for managing the overall operation of the Airport. Directors of the Board are nominated by the Mayor of the City and appointed by the City Council. Directors are appointed to staggered six-year terms. The Mayor is a non-voting ex-officio director. The current members of the Board are Bill Smith (Chairperson), Darlene Wilson (Vice Chairperson), David Germany (Treasurer), Ashby Pate (Secretary), Bobbie Knight, Jennifer Egbe, Tommy Spina, and Randall Woodfin (Mayor Ex Officio Member).

The operations and improvements at the Airport are funded by airport user charges, Passenger Facility Charges, Customer Facility Charges, bond funds, and funds received from the Federal Aviation Administration (FAA) and the Transportation Security Administration. No general tax fund revenues are used to operate or maintain the Airport. Mr. Ronald F. Mathieu C.M., President and Chief Executive Officer, has overall responsibility for the management, administration, and planning of organizational activities for the Authority. Mr. Mathieu has an experienced staff to aid him in carrying out the responsibilities of the position.

The City Lease requires that the annual operating budget and the five-year capital improvement budget of the Authority be submitted to the Mayor of the City and the City Council for approval. The Authority maintains financial records in accordance with generally accepted accounting principles and practices and is subject to an independent audit at any time at the discretion of the City. On June I, 1990, the City Lease was amended such that the Authority's financial obligation under the City Lease was subordinated to any pledge of the Authority of its revenues to secure any indebtedness.

ECONOMIC CONDITIONS

The Birmingham-Hoover Metropolitan Statistical Area (MSA) unemployment rate for June 2023 was 2.5%, compared to 2.9% in June 2022. The area's unemployment rate was not quite as good as the 2.2% rate for the state of Alabama but better than the 3.6% rate for the entire United States. COVID-I9 was declared a global pandemic near the end of the Airport's 2020 fiscal year and impacted travel at all airports across the country. Traffic locally and nationally has rebounded in a great way since then. Through the first quarter of fiscal year 2024, passenger enplanements at the Airport were II% greater than the prior year and 4% greater than in fiscal year 2019.

The primary service region for the Birmingham-Shuttlesworth International Airport, the MSA has a diverse economic base and is the principal center of finance, trade, health care, manufacturing, transportation, and education in the State of Alabama. The MSA includes the following six counties, ordered based on population size (largest to smallest): Jefferson, Shelby, St. Clair, Blount, Chilton, and Bibb. Jefferson County, which had an estimated population of approximately 665,409 in 2022, is the center of the MSA and covers 6,145 square miles. Birmingham, situated in the county seat, had an estimated population of nearly 197,000 according to the US Census Bureau.

With nearly 2.9 million passengers this past fiscal year, the Airport is Alabama's busiest commercial service airport. In FY 2023, the Airport was served by four major airlines providing travelers with 108 peak daily flights and nonstop service to 18 airports in 15 cities. The Airport is also served by three all-cargo operators, Federal Express, Mountain Air, and United Parcel Service, and recently started a new cargo partnership with Kuehne+Nagel. Kuehne+Nagel is a global logistics company that has been operating weekly international cargo flights into the Airport since April 2023. The cargo enplaned and deplaned by these carriers, combined with the "belly" cargo transported by the passenger airlines, totaled 25,000 tons of cargo at the Airport in FY 2023. The Airport also receives significant activity from General Aviation aircraft. According to the FAA's Air Traffic Activity System, the Airport had more than 97,000 itinerant and local operations in FY 2023, with 42% of those operations categorized as general aviation activity. General aviation is a broad classification covering all aviation activity other than scheduled commercial service and military aviation. General aviation activity therefore covers a range that includes personal, business, training, and emergency service activity.



MAJOR INITIATIVES AND DEVELOPMENT

The Authority's five-year Capital Improvement Plan (CIP) for fiscal years 2024 – 2028 has appropriation requirements of approximately \$106.1 million dollars, which includes approximately \$84.8 million in federal funds. This CIP was developed in conjunction with the latest master plan study and pavement management system recommendations. The improvements identified in this 5-year CIP will be funded by FAA Airport Improvement Program (AIP) funds, as well as funds from the Bipartisan Infrastructure Law (BIL), and local airport funds. The Authority continually reviews its CIP to address changing economic and air traffic demands, operating conditions, and assessments of facility conditions.

In 2023, the Authority completed critical airport projects to ensure the continuity of safe and efficient aviation and passenger activity. Completed projects include the installation of exit lane breach control system at the two terminal exits of the sterile area. These systems will enhance security at the terminal while also providing a return on investment within 2.5 years. The Authority also completed the Runway 18 Safety Area Improvement project that enhanced the safety of Runway 18/36. The year also included the completion of numerous design projects and commencement of new construction projects that will be completed in 2024.

During fiscal year 2024, the Authority will complete additional airfield improvement projects, as well as the new Air Cargo Facility Building Two project. The 53,000-air cargo facility will be completed in the Spring of 2024 and will provide for additional air cargo capacity at BHM. This project, once complete, will cost the Authority approximately \$28 million in local funds to construct. Other projects underway include the Rehabilitation of Taxiway B, F, and the Overflow Apron, as well as runway safety area improvements to the Runway ends of 6, 24 and 36.

FINANCIAL INFORMATION

The Authority's management is responsible for the accuracy and fair presentation of the data. To the best of our knowledge, the data presented is materially accurate and reported in a manner that fairly represents the financial results of the Authority. Management's Discussion and Analysis (MD&A), starting on page 24, summarizes the Authority's Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position and reviews the changes from fiscal year 2022 to fiscal 2023 and certain comparisons from fiscal year 2021 to 2022. The actual financial statements and related footnotes are presented on pages 32 to 83. The information contained in the MD&A should be considered in conjunction with the information contained in this report.

INTERNAL CONTROL STRUCTURE FRAMEWORK

The financial statements of the Authority are prepared following U.S. generally accepted accounting principles applicable to governmental unit enterprise funds. This results in financial statements prepared on an accrual basis. Internal control is a process affected by an entity's governing board, management, and other personnel and designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) safeguarding of assets from loss from unauthorized use or disposition; (b) execution of transactions in accordance with management's authorization; (c) reliability of financial records for preparing financial statements and maintaining accountability for assets; (d) effectiveness and efficiency of operations; and (e) compliance with applicable laws and regulations, including contracts and grant agreements.

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Internal controls, no matter how well designed and operated, can provide only reasonable assurance to management and the board regarding achievement of an entity's control objectives. The likelihood of achievement is affected by limitations inherent to internal control. Such limitations include:

- Human judgment in decision-making can be faulty.
- Breakdowns in internal controls can occur due to errors or mistakes.
- Controls can be circumvented by the collusion of two or more people or management override of internal controls.
- Costs of an entity's internal controls should not exceed the benefits that are expected to be derived.
- Custom, culture and the corporate governance system inhibit irregularities by management, but they are not absolute deterrents.

All internal control evaluations occur within the above framework. We believe that the Authority's internal controls adequately meet the objectives listed above and have devoted considerable time this past year to attract and retain individuals in our Finance Department who embrace the concept of a healthy internal control environment.

INDEPENDENT AUDIT

Our independent auditor, Banks, Finley, White & Co., audit the financial statements of the Authority on an annual basis. The financial section of this report includes the independent auditor's report on the basic financial statements.

The Authority is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of I984, the U.S. Office of Management and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200, "Audits of State and Local Governments". All schedules and reports required under these federal and state regulations are included in the compliance section of this report.

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

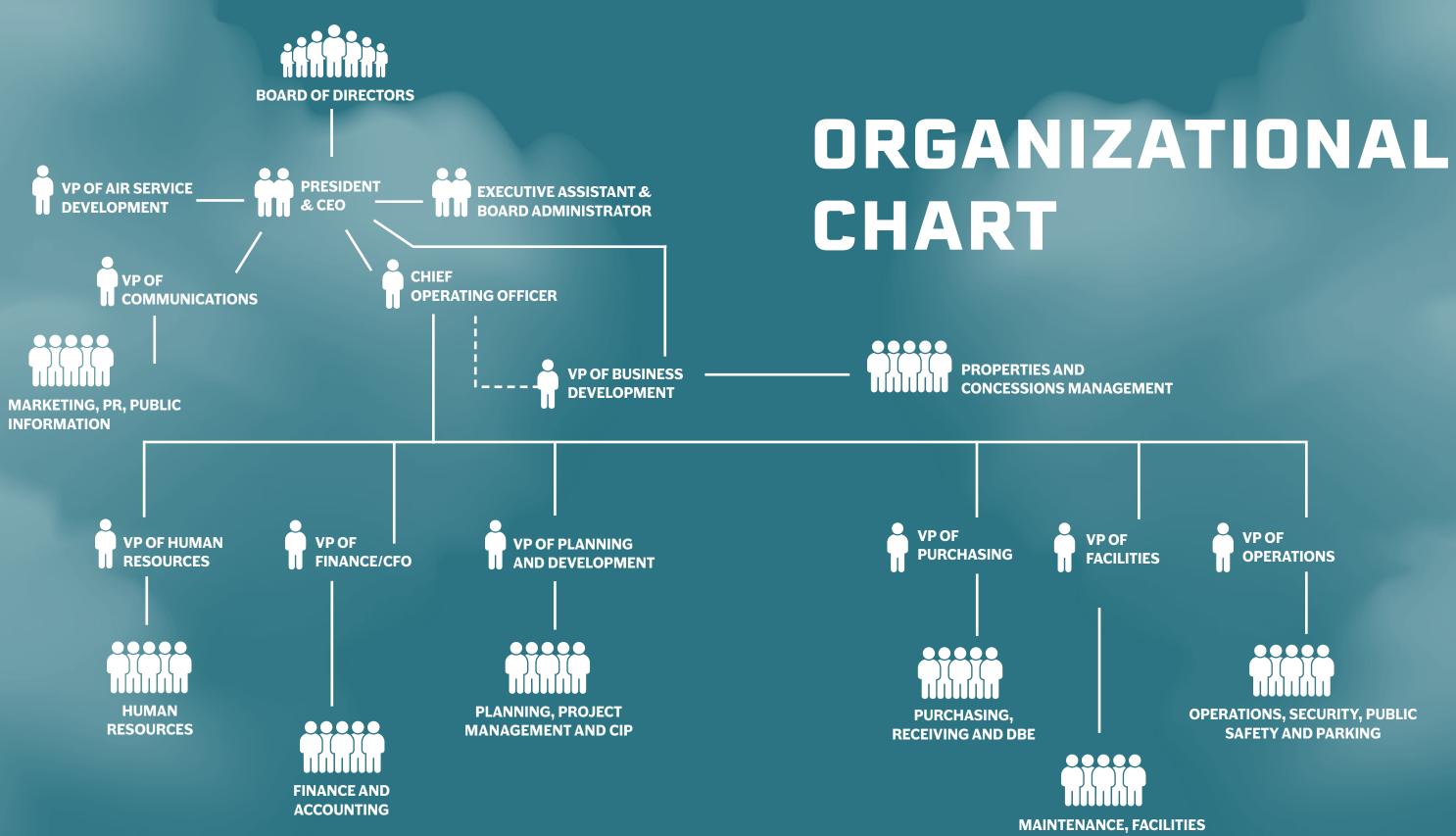
Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Birmingham Airport Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the sixth consecutive year that the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Respectfully Submitted,

Ronald F. Mathieu, C.M. **President and Chief Executive Officer**

Korey Campbell Chief Financial Officer



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AND CUSTODIAL

MISSION who we are. what we do.

To operate a safe, efficient, hospitable and state-of-the-art airport that promotes a healthy economy and environment

WHAT WE ASPIRE TO BE.

To be a driving force of economic development for the region and a showcase for Southern hospitality

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FINANCIAL

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BANKS, FINLEY, WHITE & CO.



To the Board of Directors of the **Birmingham Airport Authority** Birmingham, Alabama

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINIONS

We have audited the accompanying financial statements of the business-type activities, of the Birmingham Airport Authority (the Authority) as of and for the year ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2023 and 2022, 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.

CHANGE IN ACCOUNTING PRINCIPLE

As described in Note 2 and 20 to the financial statements, in 2023, the Authority adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

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 and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit expressed.
- financial statements.
- 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.

• 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

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

• 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

 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

AUDITOR'S REPORT

REQUIRED SUPPLEMENTARY INFORMATION

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information schedules on pages 24-32 and 83-91 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 Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER INFORMATION

The schedule of expenditures of federal awards and schedule of passenger facility charges collected and expended are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 themselves, and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of passenger facility charges collected and expended are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, we have also issued our report dated October 3I, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Authority's internal control over financial reporting and compliance.

Birmingham, Alabama October 3I, 2023

Bank, Finley White \$ 6

FISCAL YEARS ENDED JUNE 30, 2023, 2022, AND 2021

The following Management Discussion and Analysis (MD&A) of the Birmingham Airport Authority (the Authority) presents a narrative overview of the financial activities of the Authority, which operates the Birmingham-Shuttlesworth International Airport (the Airport), for the fiscal years ended June 30, 2023, and 2022 with selected comparative information for the fiscal year ended June 30, 2021.

Following this MD&A are the basic financial statements of the Authority, the notes to the financial statements, and supplementary information. The report includes the following three basic financial statements: the statements of net position, the statements of revenues, expenses and changes in net position, and the statements of cash flows. The accompanying notes to the financial statements are essential to a full understanding of the data contained in the financial statements. The supplementary information 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.

AIRPORT ACTIVITIES AND HIGHLIGHTS

Activities at the Airport during fiscal year 2023 increased by II.3%, II.5%, 3.2%, and 9.0% for Enplanements, Total Passengers, Passenger Air Carrier Operations, and Passenger Air Carrier Landing Weight in comparison to fiscal year 2022. During fiscal year 2022, Enplanements, Total Passengers, Passenger Air Carrier Operations, and Passenger Air Carrier Landing Weight all increased in comparison to fiscal year 2021.

The large decreases in fiscal years 202I can be attributed to the severe impact that the COVID-I9 pandemic and resulting restrictions had on the aviation industry.

Four major passenger carriers, ten regional carriers, and three regularly scheduled all-cargo carriers served the Airport during the fiscal year. Additionally, two cargo charter airlines began bringing international cargo into BHM in April 2023. With the exception of the two cargo charters, the carriers serving the Airport in 2023 was unchanged from fiscal years 2022 and 2021.



11.3%



11.5%

TOTAL PASSENGERS



3.2%

AIR CARRIER OPERATIONS



9.0%

AIR CARRIER LANDING WEIGHT

	2023	2022	2021
ENPLANEMENTS	1,434,680	1,289,296	747,272
% INCREASE/(DECREASE)	11.3%	72.5%	(33.2%)

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	2023	2022	2021
TOTAL PASSENGERS	2,874,268	2,577,690	1,493,167
% INCREASE/(DECREASE)	11.5%	72.6%	(33.5%)
PASSENGER AIR CARRIER OPERATIONS	31,866	30,864	23,540
% INCREASE/(DECREASE)	3.2%	31.1%	(29.3%)
PASSENGER AIR CARRIER LANDING WEIGHT	1,629,185	1,494,718	1,064,578
% INCREASE/(DECREASE)	9.0%	40.4%	(28.4%)

FINANCIAL POSITION SUMMARY

The statements of net position present the financial position of the Authority. The statements include all assets, deferred outflows of resources, liabilities, deferred inflow of resources, and net position of the Authority. A summary comparison of the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2023, 2022 and 202I is as follows:

STATEMENTS OF NET POSITION JUNE 30, 2023, 2022, & 2021

ASSETS	2023	2022 RESTATED	2021
CURRENT ASSETS	134,004,929	97,746,891	61,411,724
NON-CURRENT ASSETS	18,064,487	39,781,805	30,761,254
CAPITAL ASSETS	522,067,770	530,488,083	537,884,721
TOTAL ASSETS	\$674,137,186	\$668,016,779	\$630,057,699
DEFERRED OUTFLOWS OF RESOURCES	4,864,165	10,045,593	9,494,729
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$679,001,351	\$678,062,372	\$639,552,428
LIABILITIES			
CURRENT LIABILITIES	12,095,656	12,004,809	8,616,893
NON-CURRENT LIABILITIES	133,288,472	141,227,054	134,641,399
TOTAL LIABILITIES	\$145,384,128	\$153,231,863	\$143,258,292
DEFERRED INFLOWS OF RESOURCES	22,788,157	31,589,568	28,731,953

STATEMENTS OF NET POSITION JUNE 30, 2023, 2022, & 2021 (CONT.)

NET POSITION	2023	2022 RESTATED	2021
NET INVESTMENT IN CAPITAL ASSETS	390,924,343	393,718,715	421,175,955
RESTRICTED	27,922,749	21,914,658	10,257,180
UNRESTRICTED	91,981,974	77,607,568	36,129,045
TOTAL NET POSITION	\$510,829,066	\$493,240,941	\$467,562,183
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	\$679,001,351	\$678,062,372	\$639,552,428

Total assets were nearly flat in fiscal year 2023, increasing by less than 1.0%, from \$678.1 million in 2022 to \$679.0 million in 2023. The Authority's total assets increased by 6.0% in fiscal year 2022, largely due to an increase in investments and lease receivables. Deferred outflows of resources declined by almost 52.0% to \$4.8 million in the fiscal year due to a \$5.0 million decrease in deferred outflow related to pension. Deferred outflows of resources grew by 5.8% in fiscal year 2022 to \$10.0 million from \$9.5 million in fiscal year 2021 because of an increase in the deferred outflows related to pension.

The Authority's total liabilities decreased by \$7.8 million in fiscal year 2023 to \$145.4 million. A \$7.2 million decrease in revenue bonds was responsible for the decline. Total liabilities increased by \$10.0 million from fiscal year 2021 to \$153.2 million as of June 30, 2022. The change was caused mostly by an \$8.7 million increase in net pension liability. In fiscal year 2023, deferred inflows of resources dropped by \$8.8 million to \$22.8 million because of a decrease in deferred inflows related to leases and pension. Deferred inflows of resources grew by 9.9% to \$31.6 million in fiscal year 2022 because of the implementation of GASB 87 and the recognition of \$13.8 million in deferred inflow of resources related to leases.

Net Position over time is an indicator of the Authority's financial standing. The Authority's net position exceeded liabilities by \$510.8 million on June 30, 2023. This represents a \$17.6 million increase from June 30, 2022, compared to a \$25.7 million increase from June 30, 2020 to 2021. The components of net position include net investment in capital assets, restricted funds used for debt service, federal grants and programs, and unrestricted funds. Net investment in capital assets decreased by 0.7% to \$390.9 million and by 6.5% to \$393.7 million in fiscal years 2023 and 2022, respectively. Restricted net position improved to \$27.9 million in fiscal year 2023, which was a \$6.0 million increase from fiscal year 2022. The \$11.7 million increase in fiscal year 2022 was due to the \$10.8 million growth in the restricted net position for debt service. Unrestricted net position grew by \$14.4 million in the current fiscal year compared to a \$41.5 million increase from fiscal year 2021 to 2022.

The largest portion of the Authority's net position is its investment in capital assets (e.g., land, buildings, infrastructure improvements, and equipment), less the amount of related debt outstanding. The Authority uses these capital assets to provide services to its passengers, tenants, and business partners; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it is noted that the resources required to repay this debt must be provided annually from operations.

An additional portion of the Authority's net position represents bond reserve funds, passenger and customer facility charges, federal grant contributions, and other assets that are subject to various restrictions and federal regulations. The remaining unrestricted net assets may be used to meet any of the Authority's ongoing obligations.

FINANCIAL OPERATIONS HIGHLIGHTS

Net position increased by \$17.6 million in fiscal year 2023, compared to an increase of \$25.7 million in 2022.

- Operating Revenues grew by 29.4% from \$44.5 million in fiscal year 2022 to \$57.6 million in respectively.
- car, restaurant, retail, and other concession revenues grew by \$2.2 million.
- building and facilities services.
- million.
- related grants as the Authority has exhausted nearly all of its grant proceeds.
- Non-Operating Revenues from fiscal year 2021 to 2022 grew by \$2.4 million to \$16.2 million, an
- construction projects completed during the fiscal year.
- million to \$11.9 million.

fiscal year 2023, largely due to increases in aviation and concession revenue as passenger traffic continues to recover from the COVID-19 pandemic. Airline space rentals increased by nearly \$6.0 million while automobile parking and rental car revenues grew by \$2.3 million and \$1.1 million,

 Operating Revenues grew by 34.7% from \$33.0 million in fiscal year 2021 to \$44.5 million in fiscal year 2022, largely due to increases in parking and other concession revenue as passenger traffic recovered from the COVID-19 pandemic. Automobile parking increased by \$7.2 million while rental

• Operating Expenses before depreciation and amortization increased by 45.9% from \$23.4 million in fiscal year 2022 to \$34.I million in fiscal year 2023. Expenses grew in each category but the largest occurred in Salaries and Benefits and Other Operating Expenses. The \$3.7 million increase in Salaries and Benefits was largely the result of a \$2.1 million increase in non-cash pension expense. Other Operating Expenses increased from \$6.3 million to \$9.9 million, mostly due to increases in

 Operating Expenses before depreciation and amortization increased by 4.2% from \$22.4 million in fiscal year 2021 to \$23.4 million in fiscal year 2022. The growth in expenses was largely driven by a 56.4% increase in Other Operating Expenses from \$4.0 million to \$6.3 million due to increases in building and facilities services. This increase was partially offset by a 17.4% decrease in Salaries and benefits of \$1.5

• Non-Operating Revenues declined from \$16.2 million in fiscal year 2022 to \$13.3 million in fiscal year 2023, a decrease of 17.8%. The decrease was primarily caused by a \$5.3 million decline in COVID-19

increase of 17.5%. The increases in Passenger Facility Charges, Customer Facility Charges, and Interest Income were somewhat offset by the \$1.6 million decrease in COVID-19 related grants.

• Non-Operating Expenses grew from \$5.5 million in fiscal year 2021 to \$6.0 million in fiscal year 2022, mostly due to a \$943 thousand increase in interest expense. This was offset somewhat by a \$415 thousand decrease in Other Non-Operating Expenses related to the 2020 bond refunding.

 Capital contributions in the form of grants received from the Federal government declined from \$II.9 million in fiscal year 2022 to \$5.3 million in fiscal year 2023 due to a lower volume of grant eligible

• From fiscal year 2021 to 2022, capital contributions from Federal Agencies decreased from \$28.5

SUMMARY OF OPERATIONS & CHANGES IN NET POSITION **FISCAL YEARS ENDED JUNE 30, 2023, 2022 AND 2021**

OPERATING REVENUES	2023	2022 RESTATED	2021
	25,717,176	17,835,735	16,397,963
	25,717,176	17,635,735	10,397,903
CONCESSION REVENUES	26,382,904	22,152,856	12,698,687
OTHER REVENUES	5,455,159	4,485,487	3,919,389
TOTAL OPERATING REVENUES	\$57,555,239	\$44,474,078	\$33,016,039
OPERATING EXPENSES			
SALARIES & BENEFITS	10,780,739	7,061,838	8,544,770
PROFESSIONAL & CONTRACTED SERVICES	10,237,504	7,933,618	8,087,158
MATERIALS, SUPPLIES & MAINTENANCE	3,191,022	2,035,599	1,739,358
OTHER OPERATING EXPENSES	9,876,260	6,323,897	4,043,414
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION & AMORTIZATION	\$34,085,525	\$23,354,952	\$22,414,700
DEPRECIATION & AMORTIZATION	19,442,814	17,450,371	19,597,391
TOTAL OPERATING EXPENSES	\$53,528,339	\$40,805,323	\$42,012,091
OPERATING INCOME (LOSS) BEFORE NON-OPERATING REVENUES (EXPENSES)	4,026,900	3,668,755	(8,996,052)
NON-OPERATING REVENUES			
FEDERAL GRANTS (ARPA, CARES, CRRSAA)	324,704	5,594,884	7,147,198
PASSENGER FACILITY CHARGES	5,555,672	5,141,308	3,175,906
CUSTOMER FACILITY CHARGES	4,316,754	3,855,981	2,989,088
INTEREST INCOME	2,055,919	1,502,452	271,625
OTHER NON-OPERATING REVENUES	1,032,294	73,508	171,464
TOTAL	\$13,285,343	\$16,168,133	\$13,755,281

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	2023	2022 RESTATED	2021	
NON-OPERATING EXPENSES				
INTEREST EXPENSE	5,043,572	5,085,440	4,142,760	
OTHER NON-OPERATING EXPENSES		929,271	1,344,158	
TOTAL	\$5,043,572	\$6,014,711	\$5,486,918	
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$8,241,771	\$10,153,422	\$8,268,363	
INCOME (LOSS) BEFORE CAPITAL CON- TRIB- UTIONS FROM FEDERAL AGENCIES	12,268,671	13,822,177	(727,689)	
CAPITAL CONTRIBUTIONS FROM FEDERAL AGENCIES	5,319,454	11,856,581	28,530,055	
NET POSITION				
INCREASE (DECREASE) IN NET POSITION	17,588,125	25,678,758	27,802,366	
TOTAL NET POSITION, BEGINNING OF THE YEAR	\$493,240,941	\$467,562,183	\$439,759,817	
TOTAL NET POSITION, END OF THE YEAR	\$510,829,066	\$493,240,941	\$467,562,183	

SUMMARY OF CASH FLOW ACTIVITIES

The following shows a summary of the major sources and uses of cash and cash equivalents for the past three years. Cash and cash equivalents are considered cash-on-hand, bank deposits and highly liquid investments with an original maturity of three months or less:

FISCAL YEARS ENDED JUNE 30. 2023. 2022. AND 2021

	2023	2022 RESTATED	2021
CASH FLOWS FROM OPERATING ACTIVITIES	15,673,077	19,222,078	11,352,044
CASH FLOWS FROM NON- CAPITAL FINANCING ACTIVITIES	324,704	5,594,884	7,147,198
CASH FLOWS FROM (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES	(351,375)	6,232,358	(21,970,029)
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES	2,655,423	(31,523,669)	(19,205,170)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	\$18,301,829	(\$474,349)	(\$22,675,975)
CASH & CASH EQUIVALENTS			
BEGINNING OF THE YEAR	\$54,872,215	\$55,346,564	\$78,022,521
END OF THE YEAR	\$73,174,044	\$54,872,215	\$55,346,564

FINANCIAL STATEMENTS

The Authority's financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a proprietary fund with revenues recognized when earned and expenses recognized when incurred. Capital assets are capitalized and (except land and construction in progress) are depreciated over their useful lives. Amounts are restricted for debt service and, where applicable, for construction activities. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

AIRLINE RATES AND CHARGES

Effective August 15, 2016, the Authority entered into a new five-year agreement with each of the four major airlines serving Birmingham. Under the terms of the agreement, the airlines were charged residual landing fee rates for the airfield and compensatory rates for the terminal building, reduced by a 35%-50% non-airline terminal building revenue credit, depending on the Capital Improvement Fund balance. The agreement included an end of term option that allowed for a renewal of an additional five years.

The Authority and the airlines mutually agreed to allow that agreement to expire on June 30, 2021. The expired agreement remained in holdover status on a month-to-month basis until the end of fiscal year 2022. The Authority and the airlines entered into a new airline agreement that became effective on July I, 2022 and expires on June 30, 2025. The material changes of the new agreement include the following:

- a. Elimination of rate differentiation for signatory and non-signatory airlines. All airlines pay the same rates for landing fees and terminal usage.
- b. Elimination of revenue sharing.
- c. Recovery of amortization costs for capital projects.
- d. Joint use calculation is based on enplanements and joint use space has been expanded to include TSA passenger screening and CBRA areas.
- e. Revised the cost centers and allocation process.
- f. Authority may issue a credit to lower airline costs at the discretion of CEO.
- g. Security deposits are required.
- h. Updated the maintenance responsibility matrix.

The airline cost per enplaned passenger represents the cost of an airline to operate at an airport. It is calculated by adding the airport charges paid by the airlines during a fiscal year and dividing that sum by the number of passengers enplaned during the twelve-month period.

In fiscal year 2023 the Authority experienced a net increase of \$18.3 million in cash and cash equivalents. This was an \$18.8 million improvement compared to fiscal year 2022. The Authority saw a net decrease of \$474 thousand in cash and cash equivalents in fiscal year 2022 which was a \$22.2 million improvement when compared to fiscal year 2021. At the end of fiscal year 2023, cash and cash equivalents was \$73.2 million, compared to \$54.9 million in fiscal year 2022, and \$55.3 million in fiscal year 2021.

AIRLINE REVENUES, ENPLANEMENTS, AND CPE			
	2023	2022	2021
TERMINAL BUILDING	\$13,639,077	\$8,163,141	\$7,719,186
AIRCRAFT PARKING	\$488,755	\$721,402	\$539,713
LANDING FEES	\$10,397,831	\$7,567,180	\$6,841,777
TOTAL AIRLINE CHARGES	\$24,525,663	\$16,451,723	\$15,100,677
ENPLANEMENTS	1,434,680	1,289,296	747,272
AIRLINE COST PER ENPLANEMENT	\$17.09	\$12.76	\$20.21

CAPITAL ACQUISITIONS & CONSTRUCTION ACTIVITIES

During fiscal year 2023, the Authority expended \$12.6 million on capital activities. Most of these expenditures were for the design and construction of the new Air Cargo Facility (\$2.6 million), the Runway 6-24 Connector Seal Coat (\$1.9 million), and the Runway I8 RSA Improvements (\$1.1 million). The balance was largely spent on other airfield and terminal projects. Please refer to the Notes to the Financial Statements, Note 7 "Changes in Capital Assets", for more information related to the Authority's capital acquisitions and construction activities.

LONG-TERM DEBT OUTSTANDING

On July 9, 2020, the Authority issued the Birmingham Airport Authority Airport Revenue Refunding Bonds, Series 2020. The bonds consisted of a principal amount of \$102,130,000 and a premium of \$19,959,828, for a total of \$122,089,828. The Series 2020 Bonds were issued to provide funds to refund the Authority's Series 2010 Bonds outstanding in the principal amount of \$138,590,000. Other sources of funds used to refund the Series 2010 bonds included \$19,151,475 from debt service reserve and other reserve funds.

The Series 2020 Bonds mature no later than July I, 2040, and require semiannual interest payments on January I and July I, beginning January I, 202I, at rates ranging between 4.0 and 5.0 percent. Principal payments on the Series 2020 Bonds are due annually beginning July I, 2023.

The Series 2020 net bond proceeds of \$139,386,888 (after payment of \$1,853,034 in issuance cost) were deposited into the refunding escrow fund with Synovus Bank to refund the Series 2010 bonds. As of June 30, 2023, the outstanding balance on the Series 2020 bonds, net of the bond premium was \$113.7 million.

Please refer to the Notes to the Financial Statements, Note IO "Revenue Bonds Payable", for more information related to the Authority's long-term debt outstanding.

The underlying ratings of the Airport's obligations for fiscal year 2023:

AS OF 6/30/2023



Fitch's Bond Rating

A3 **Moody's Bond Rating**

PASSENGER FACILITY CHARGE (PFC)

The Authority initially received approval from the FAA to impose a PFC of \$3.00 per enplaned passenger beginning August I, 1997, not to exceed \$7,657,558, primarily to finance the rehabilitation of the main runway. Subsequently, the Authority requested and received approval to increase the charge per enplanement to \$4.50, and to increase the total collection amount to \$215,544,765. The Authority has used PFCs to finish the rehabilitation of the main runway, to pay for the rehabilitation of the air carrier apron, to relocate a sanitary sewer lift station, to service on the Series 2020 Bonds, which were issued to refund the Series 2010 Bonds. The collection period is scheduled to end on July I, 203I. Through June 30, 2023, the Authority has collected PFCs, including interest earnings thereon, totaling \$125,365,744. For further details related to the current year's activity, see the Schedule of Passenger Facility Charges in the Compliance Section of this report.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those interested. Questions concerning any of the information provided in this report or request for additional information should be addressed in writing to the Vice President of Finance / CFO, Birmingham Airport Authority, 5900 Messer Airport Highway, Birmingham, Alabama 35212, or call 205-595-0533.

STATEMENTS OF NET POSITION

JUNE 30, 2023 AND 2022

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT UNRESTRICTED ASSETS	2023	2022 RESTATED	
CASH & CASH EQUIVALENTS	40,971,297	36,913,811	
INVESTMENTS	51,819,910	34,697,642	
GRANTS RECEIVABLE	378,728	1,745,083	
ACCOUNTS RECEIVABLE *	3,682,295	1,441,004	
LEASE RECEIVABLE, CURRENT	3,417,753	3,304,443	
PREPAID EXPENSES	505,878	627,694	
INVENTORY	269,378	261,505	
TOTAL CURRENT UNRESTRICTED ASSETS	\$101,045,239	\$78,991,182	
CURRENT RESTRICTED ASSETS			
PASSENGER FACILITY CHARGES FUNDS			
CASH & CASH EQUIVALENTS	6,287,021	6,156,443	
ACCOUNTS RECEIVABLE	452,048	454,048	
* (NET OF ALLOWANCE FOR LINCOLLECTIBLES OF \$114 904 AND \$78 340 IN 2023 AND 2022 RESPECTIVELY)			

* (NET OF ALLOWANCE FOR UNCOLLECTIBLES OF \$114,904 AND \$78,340 IN 2023 AND 2022, RESPECTIVELY)

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CURRENT RESTRICTED ASSETS

CUSTOMER FACILITY CHARGES FUNDS

CASH & CASH EQUIVALENTS

ACCOUNTS RECEIVABLE

REVENUE BOND RESERVE FUNDS

CASH & CASH EQUIVALENTS

TOTAL CURRENT RESTRICTED ASSETS

TOTAL CURRENT ASSETS

NON-CURRENT ASSETS

UNRESTRICTED INVESTMENTS

RESTRICTED INVESTMENTS

LEASE RECEIVABLE, NON-CURRENT

NET OPEB ASSET

PREPAID EXPENSES

CAPITAL ASSETS

CAPITAL ASSETS, NET OF ACCUMULATED DEP

LEASE AND SUBSCRIPTION RIGHT-TO-USE ASS NET OF ACCUMULATED DEPRECIATION

TOTAL CAPITAL ASSETS

TOTAL NON-CURRENT ASSETS

TOTAL ASSETS

2023	2022 RESTATED
6,960,121	4,114,236
304,895	343,257
18,955,605	7,687,725
\$32,959,690	\$18,755,709
\$134,004,929	\$97,746,891

2023	2022 RESTATED
9,755,882	22,247,360
	5,490,000
7,501,953	10,919,705
311,801	575,090
494,851	549,650

PRECIATION	521,813,364	530,448,138
SETS,	254,406	39,945
	\$522,067,770	\$530,488,083
	\$540,132,257	\$570,269,888
	\$674,137,186	\$668,016,779

See Accompanying Notes to the Financial Statements.

STATEMENTS OF NET POSITION (CONT.)

DEFERRED OUTFLOWS OF RESOURCES	2023	2022 RESTATED
DEFERRED REFUNDING		265,632
DEFERRED OUTFLOW OF RESOURCES RELATED TO OPEB	461,313	341,633
DEFERRED OUTFLOW OF RESOURCES RELATED TO PENSION	4,402,852	9,438,328
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$4,864,165	\$10,045,593
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$679,001,351	\$678,062,372

See Accompanying Notes to the Financial Statements.

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

CURRENT LIABILITIES	2023	2022 RESTATED	
PAYABLE FROM UNRESTRICTED ASSETS	PAYABLE FROM UNRESTRICTED ASSETS		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	1,732,255	6,734,859	
DEFERRED REVENUE	835,803	457,055	
ADVANCES & DEPOSITS	65,437	61,432	
LEASE LIABILITIES, CURRENT	69,045	13,621	
TOTAL PAYABLE FROM UNRESTRICTED ASSETS	\$2,702,540	\$7,266,967	
PAYABLE FROM RESTRICTED ASSETS			
CONSTRUCTION CONTRACTS PAYABLE	1,779,866	2,354,592	
ACCRUED INTEREST PAYABLE	2,383,250	2,383,250	
CURRENT MATURITIES OF REVENUE BONDS PAYABLE	5,230,000		
TOTAL PAYABLE FROM RESTRICTED ASSETS	\$9,393,116	\$4,737,842	
TOTAL CURRENT LIABILITIES	\$12,095,656	\$12,004,809	

NON-CURRENT LIABILITIES
COMPENSATED EMPLOYEE ABSENCES
LEASE LIABILITIES, NON-CURRENT
REVENUE BONDS PAYABLE, NET OF UNAMORTIZED BOND PREMIUM
NET PENSION LIABILITY
TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITIES
LIABILITIES, DEFERRED INFLOWS
DEFERRED INFLOWS OF RESOURCES
DEFERRED INFLOW OF RESOURCES RELATED TO LEASES
DEFERRED INFLOW OF RESOURCES RELATED TO PENSION
DEFERRED INFLOW OF RESOURCES RELATED TO OPEB
TOTAL DEFERRED INFLOWS OF RESOU
NET POSITION
NET INVESTMENT IN CAPITAL ASSETS
RESTRICTED
FOR DEBT SERVICE
FEDERAL GRANTS & PROGRAMS
TOTAL RESTRICTED
TOTAL LINBESTRICTED

TOTAL NET POSITION

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

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2023	2022 RESTATED
1,237,621	582,809
114,597	27,231
113,656,960	120,844,315
18,279,294	19,772,699
\$133,288,472	\$141,227,054
\$145,384,128	\$153,231,863

5 OF RESOURCES, AND NET POSITION

	2023	2022 RESTATED
	10,292,959	13,795,241
	11,665,334	16,807,180
	829,864	987,147
RCES	\$22,788,157	\$31,589,568
	\$390,924,343	\$393,718,715

16,572,355	10,794,475
11,350,394	11,120,183
\$27,922,749	\$21,914,658
\$91,981,974	\$77,607,568
\$510,829,066	\$493,240,941
\$679,001,351	\$678,062,372

See Accompanying Notes to the Financial Statements.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

OPERATING REVENUES	2023	2022 RESTATED
AVIATION REVENUES	25,717,176	17,835,735
CONCESSION REVENUES	26,382,904	22,152,856
AIRPORT RENTALS	3,803,996	3,002,030
AVIATION SERVICES	1,078,820	996,365
MISCELLANEOUS REVENUES	572,343	487,092
TOTAL OPERATING REVENUES	\$57,555,239	\$44,474,078
OPERATING EXPENSES		
SALARIES AND BENEFITS	10,780,739	7,061,838
PROFESSIONAL AND CONTRACTED SERVICES	10,237,504	7,933,618
MATERIALS, SUPPLIES & MAINTENANCE	3,191,022	2,035,599
OTHER OPERATING EXPENSES	9,876,260	6,323,897
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION & AMORTIZATION	\$34,085,525	\$23,354,952
DEPRECIATION & AMORTIZATION	19,442,814	17,450,371
TOTAL OPERATING EXPENSES	\$53,528,339	\$40,805,323
OPERATING INCOME BEFORE NON-OPERATING REVENUES (EXPENSES)	\$4,026,900	\$3,668,755
NON-OPERATING REVENUES (EXPENSES)		
FEDERAL GRANTS - ARPA, CARES, & CRRSAA	324,704	5,594,884
PASSENGER FACILITY CHARGES	5,555,672	5,141,308
CUSTOMER FACILITY CHARGES	4,316,754	3,855,981

NON-OPERATING REVENUES (EXPENSES)
INTEREST EXPENSE
INSURANCE SETTLEMENT
GAIN ON DISPOSAL OF CAPITAL ASSETS
NET INCREASE (DECREASE) IN THE FAIR VALUE OF INVESTMENTS
TOTAL NON-OPERATING REVENUES (EXP
INCOME BEFORE CAPITAL CONTRIBUTIO FROM FEDERAL AGENCY
CAPITAL CONTRIBUTIONS FROM FEDERAL AGENCY
NET POSITION
INCREASE IN NET POSITION
TOTAL NET POSITION, BEGINNING OF TH
TOTAL NET POSITION, END OF THE YEAR

ES) CONT.	2023	2022 RESTATED
	2,055,919	1,502,452
	(5,043,572)	(5,085,440)
	19,071	51,903
ſS	6,306	21,605
	1,006,917	(929,271)
XPENSES)	\$8,241,771	\$10,153,422
IONS	12,268,671	13,822,177
	5,319,454	11,856,581
	17,588,125	25,678,758
HE YEAR	\$493,240,941	\$467,562,183

See Accompanying Notes to the Financial Statements.

\$510,829,066

\$493,240,941

STATEMENTS OF CASH FLOWS

FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

CASH FLOWS FROM OPERATING ACTIVITIES20232022 RESTATEDCASH RECEIVED FROM CUSTOMERS & TENANTS55,462,27244,609,376CASH PAID TO SUPPLIERS FOR GOODS & SERVICES(31,579,859)(16,175,055)CASH PAID FOR PERSONNEL COSTS(8,184,907)(9,264,146)OTHER (PAYMENTS FOR)/RECEIPTS FROM OPERATING ACTIVITIES(24,429)51,903NET CASH PROVIDED BY OPERATING ACTIVITIES\$15,673,077\$19,222,078NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,7045,594,884NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884NET CASH PROVIDED BY NONCAPITAL & RELATED FINANCING ACTIVITIES(10,492,913)DISPOSAL OF CAPITAL & RELATED FINANCING ACTIVITIES21,605RECEIPTS FROM CAPITAL & RELATED FINANCING ACTIVITIES21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL & RELATED FINANCING ACTIVITIES(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL RELATED FINANCING ACTIVITIES(31,797,253)(31,797,253)INTEREST RECEIVED ON INVESTING ACTIVITIES(31,797,253)(31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES(31,797,253)(31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES(31,797,253)(31,797,253)<			
CASH PAID TO SUPPLIERS FOR GOODS & SERVICES(31,579,859)(16,175,055)CASH PAID FOR PERSONNEL COSTS(8,184,907)(9,264,146)OTHER (PAYMENTS FOR)/RECEIPTS FROM OPERATING ACTIVITIES(24,429)51,903NET CASH PROVIDED BY OPERATING ACTIVITIES\$15,673,077\$19,222,078CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITES\$324,7045,594,884NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,704\$5,594,884NON-CAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITES(10,492,913)DISPOSAL OF CAPITAL & RELATED FINANCING ACTIVITES21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166(4,766,500)(4,766,500)INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES(31,797,253)INTEREST RECEIVED ON INVESTING ACTIVITIES(31,797,253)INTEREST RECEIVED ON INVESTING ACTIVITIES(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES(31,797,253)INTEREST RECEIVED ON INVESTING ACTIVITIES(31,523,669)<	CASH FLOWS FROM OPERATING ACTIVITIES	2023	2022 RESTATED
CASH PAID FOR PERSONNEL COSTS(8,184,907)(9,264,146)OTHER (PAYMENTS FOR/RECEIPTS FROM OPERATING ACTIVITIES(24,429)51,903NET CASH PROVIDED BY OPERATING ACTIVITIES\$15,673,077\$19,222,078CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES\$324,7045,594,884NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,704\$5,594,884NON-CAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES(10,492,913)DISPOSAL OF CAPITAL ASETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS(12,183,472)21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST FAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES11,88,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	CASH RECEIVED FROM CUSTOMERS & TENANTS	55,462,272	44,609,376
OTHER (PAYMENTS FOR)/RECEIPTS FROM OPERATING ACTIVITIES(24,429)51,903NET CASH PROVIDED BY OPERATING ACTIVITIES\$15,673,077\$19,222,078CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITESNON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,704\$5,594,884NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIESACQUISITION & CONSTRUCTION OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS	CASH PAID TO SUPPLIERS FOR GOODS & SERVICES	(31,579,859)	(16,175,055)
ACTIVITIES(24,429)31,903NET CASH PROVIDED BY OPERATING ACTIVITIES\$15,673,077\$19,222,078CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES5,594,884NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,704\$5,594,884NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES(10,492,913)DISPOSAL OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584SALES (PURCHASES) OF INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	CASH PAID FOR PERSONNEL COSTS	(8,184,907)	(9,264,146)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIESNON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,7045,594,884NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIESCASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES(10,492,913)DISPOSAL OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS		(24,429)	51,903
NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)324,7045,594,884NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIESACQUISITION & CONSTRUCTION OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS	NET CASH PROVIDED BY OPERATING ACTIVITIES	\$15,673,077	\$19,222,078
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES\$324,704\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIESACQUISITION & CONSTRUCTION OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIESINTEREST RECEIVED ON INVESTMENTS1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	CASH FLOWS FROM NONCAPITAL FINANCING ACTIV	ITIES	
NONCAPITAL FINANCING ACTIVITIES\$324,104\$5,594,884CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIESACQUISITION & CONSTRUCTION OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	NON-CAPITAL GRANTS (ARPA, CARES, CRRSA)	324,704	5,594,884
ACQUISITION & CONSTRUCTION OF CAPITAL ASSETS(12,183,472)(10,492,913)DISPOSAL OF CAPITAL ASSETS21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES18,301,829(474,349)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423\$55,346,564		\$324,704	\$5,594,884
DISPOSAL OF CAPITAL ASSETS21,605RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIESINTEREST RECEIVED ON INVESTMENTS1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	CASH FLOWS FROM CAPITAL & RELATED FINANCING AC	TIVITIES	
RECEIPTS FROM FEDERAL GRANTS, PASSENGER FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584INTEREST RECEIVED ON INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	ACQUISITION & CONSTRUCTION OF CAPITAL ASSETS	(12,183,472)	(10,492,913)
FACILITY CHARGES, & CUSTOMER FACILITY CHARGES16,598,59721,470,166INTEREST PAID ON CAPITAL DEBT(4,766,500)(4,766,500)NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIES1,467,008273,584INTEREST RECEIVED ON INVESTMENTS1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	DISPOSAL OF CAPITAL ASSETS		21,605
NET CASH PROVIDED BY (USED FOR) CAPITAL & RELATED FINANCING ACTIVITIES(\$351,375)\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIESINTEREST RECEIVED ON INVESTMENTS1,467,008273,584SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564		16,598,597	21,470,166
& RELATED FINANCING ACTIVITIES\$6,232,358CASH FLOWS FROM INVESTING ACTIVITIESINTEREST RECEIVED ON INVESTMENTS1,467,008SALES (PURCHASES) OF INVESTMENTS1,188,415(31,797,253)NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	INTEREST PAID ON CAPITAL DEBT	(4,766,500)	(4,766,500)
INTEREST RECEIVED ON INVESTMENTS 1,467,008 273,584 SALES (PURCHASES) OF INVESTMENTS 1,188,415 (31,797,253) NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES \$2,655,423 (\$31,523,669) NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS 18,301,829 (474,349) CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR \$54,872,215 \$55,346,564		(\$351,375)	\$6,232,358
SALES (PURCHASES) OF INVESTMENTS 1,188,415 (31,797,253) NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES \$2,655,423 (\$31,523,669) NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS 18,301,829 (474,349) CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR \$54,872,215 \$55,346,564	CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES\$2,655,423(\$31,523,669)NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	INTEREST RECEIVED ON INVESTMENTS	1,467,008	273,584
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS18,301,829(474,349)CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR\$54,872,215\$55,346,564	SALES (PURCHASES) OF INVESTMENTS	1,188,415	(31,797,253)
CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR \$54,872,215 \$55,346,564	NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	\$2,655,423	(\$31,523,669)
	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	18,301,829	(474,349)
CASH & CASH EQUIVALENTS, END OF THE YEAR \$73,174,044 \$54,872,215	CASH & CASH EQUIVALENTS, BEGINNING OF THE YEAR	\$54,872,215	\$55,346,564
	CASH & CASH EQUIVALENTS, END OF THE YEAR	\$73,174,044	\$54,872,215

RECONCILIATION OF CASH & CASH EQUIVANT TO STATEMENT OF NET POSITION ACCOUNT
CASH & CASH EQUIVALENTS - UNRESTRICTED A
CASH & CASH EQUIVALENTS - RESTRICTED ASS
TOTAL
RECONCILIATION OF OPERATING INCOME/(L NET CASH PROVIDED BY OPERATING ACTIV
OPERATING INCOME/(LOSS)
ADJUSTMENTS TO RECONCILE OPERATING INC
DEPRECIATION & AMORTIZATION
BAD DEBT EXPENSE
OTHER (PAYMENTS) RECEIPTS
CHANGES IN ASSETS, DEFERRED OUTFLOW
RECEIVABLES (NET)
PREPAID EXPENSES & DEFERRED REVENUE
INVENTORY
LEASE RECEIVABLES & DEFERRED INFLOWS
COMPENSATED EMPLOYEE ABSENCES
ACCOUNTS PAYABLE & ACCRUED EXPENSES
LEASE LIABILITIES
NET PENSION & OPEN LIABILITY & RELATED DEI OUTFLOWS/INFLOWS OF RESOURCES FOR PENS
TOTAL ADJUSTMENTS
NET CASH FLOWS FROM OPERATING ACTIVITIES
NONCASH INVESTING & FINANCING ACTIVIT
(DECREASE) IN FAIR VALUE OF INVESTMENT
AMORTIZATION OF BOND PREMIUM

LENTS TS	2023	2022 RESTATED			
SSETS	40,971,297	36,913,811			
ETS	32,202,747	17,958,404			
	\$73,174,044	\$54,872,215			
.OSS) TO ITIES					
	4,026,900	3,668,755			
OME/(LOSS) 1	O NET CASH PROVIDE	ED BY OPERATING			
	19,442,814	17,450,371			
	25,268	13,268			
	(24,429)	51,903			
/S/INFLOWS (OF RESOURCES, & LI	ABILITIES			
	(2,277,882)	341,444			
	504,569	228,090			
	(7,873)	14,378			
	(197,839)	(428,907)			
	654,812	46,697			
	(5,002,604)	1,755,273			
	142,790	40,852			
ERRED SION	(1,613,449)	(3,960,046)			
	\$11,646,177	\$15,553,323			
\$	\$15,673,077	\$19,222,078			
IES					
	(1,006,917)	(929,271)			
	(1,869,171)	(1,902,600)			
See Accompanying Notes to the Financial Statements.					

STATEMENTS OF FIDUCIARY NET POSITION - OPEB TRUST FUND

JUNE 30, 2023 AND 2022

ASSETS	2023	2022
CASH & CASH EQUIVALENTS	1,805,957	1,748,859
TOTAL	\$1,805,957	\$1,748,859
NET POSITION		
TOTAL NET POSITION HELD IN TRUST FOR OPEB BENEFITS	\$1,805,957	\$1,748,859

STATEMENTS OF CHANGES IN NET POSITION - OPEB TRUST FUND

FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

NET POSITION HELD IN TRUST FOR OPEB BENEFITS*	\$1,748,859	\$1,389,747
ADDITIONS		
EMPLOYER CONTRIBUTIONS	63,577	382,465
INVESTMENT INCOME	64,167	2,986
TOTAL ADDITIONS	\$127,744	\$385,451
DEDUCTIONS		
BENEFIT PAYMENTS, INCLUDING RE- FUNDS OF MEMBER CONTRIBUTIONS	63,577	20,349
ADMINISTRATIVE EXPENSE	7,069	5,990
TOTAL DEDUCTIONS	\$70,646	\$26,339
NET (DECREASE) INCREASE	57,098	359,112
TOTAL NET POSITION HELD IN TRUST FOR OPEB BENEFITS**	\$1,805,957	\$1,748,589

* Beginning of the year

** End of the year

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FINANCIAL STATEMENTS

NOTE 1: NATURE OF ORGANIZATION & REPORTING ENTITY

NATURE OF ORGANIZATION

The Birmingham Airport Authority (the Authority) was incorporated on June 6, 1986, as a nonprofit corporation under the provisions of the Code of Alabama, Title 4, Chapter 3, Article 2. The Authority is governed by a seven (7) member Board of Directors, who are nominated by the Mayor and confirmed by the City Council of the City of Birmingham (the City).

The City owns the Birmingham-Shuttlesworth International Airport (the Airport). Pursuant to a Lease Assignment and Operating Agreement (Agreement) dated September I6, 1986, and amended October I, 2009, the City transferred to the Authority custody, control and management of the Airport for a term that currently expires September 15, 2045, subject to certain conditions contained in the Agreement. The Authority pays the sum of \$10 as annual rent to the City during the term of the Agreement. As of June 30, 2023, the Authority was in compliance with the terms and conditions of the Agreement.

REPORTING ENTITY

The Authority meets the criteria set forth in accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) for inclusion as a component unit within the City's general purpose financial statements based on the City's responsibility for the appointment of the Authority members, and their approval of capital programs and certain debt issuances and the Authority's annual operating budget. As a component unit of the City, the Authority's financial statements are discretely presented on the City's general purpose financial statements. The accompanying financial statements present the financial position of the Authority only. The Authority does not have any component units and is not involved in any joint ventures.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The accounting policies of the Authority conform to accounting principles accepted in the United States of America applicable to state and local governmental agencies.

BASIS OF PRESENTATION - FUND ACCOUNTING

The Authority uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Authority has two categories of funds: proprietary and fiduciary.

PROPRIETARY FUNDS- Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The Authority has no internal service funds.

The Authority is accounted for as a proprietary fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Authority is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

FIDUCIARY FUNDS - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Authority under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Authority's own programs.

The Authority's maintains a trust fund for the other post-employment benefit (OPEB) plan fund that was established to meet its liability for the payment of the health and related benefits for its retired employees under long established employee benefit plans.

The Authority has a second trust fund to manage and maintain the funds for the qualified 40I(a) Executive Pension Plan (EPP). Additional information Details regarding the EPP can be found in Note 2I, Subsequent Events.

MEASUREMENT FOCUS

The basic financial statements presented are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. The financial statements are presented in accordance with GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments, and related GASB pronouncements.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial trust funds.

NEW ACCOUNTING PRONOUNCEMENTS

GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements (GASBS 96). This statement was issued in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (I) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of GASBS 96 are effective for periods beginning after June I5, 2022 (fiscal year 2023). The Authority implemented GASB 96 in fiscal year 2023.

In April 2022, the GASB issued Statement No. 99, "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (I) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

beginning after June 15, 2023. The Authority has implemented the provisions of Statement No. 99 that are effective upon issuance in this annual report. The Authority is evaluating the effect of other provisions of Statement No. 99 not yet effective will have on the financial statements.

In June 2022, the GASB issued Statement No. 100, "Accounting Changes and Error Corrections – Amendment of GASB Statement No. 62". This Statement prescribes the accounting and financial reporting for (I) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior period, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement are effective for financial statements for reporting period beginning after June 15, 2023. The Authority is evaluating the impact that adoption of this Statement will have on its financial statements.

In June 2022, the GASB issued Statement No. 10I, "Compensated Absences". This Statement clarifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (I) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 15, 2023. The Authority is evaluating the impact that adoption of this Statement will have on its financial statements.

USE OF ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RESTRICTED ASSETS

Funds are set aside as restricted, and they are not available for current expenses when constraints placed on their use are legally enforceable due to either:

- Externally imposed requirements by creditors (such as through debt covenants), grantors or contributors.
- Laws or regulations of other governments.

DESIGNATED ASSETS

The Authority's management designates funds for capital projects, debt service and other specific commitments; these funds would otherwise be available for operations.

INVENTORY

Inventories include the following on June 30, 2023, and 2022:

BAGGAGE HANDLING SYSTEM PARTS

JET BRIDGE PARTS

TOTAL

Inventory is valued at cost. The cost is determined on a first in, first out basis.

CAPITAL ASSETS

Capital assets are recorded at historical cost or estimated historical cost, if actual amounts are unavailable, except for donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, which are reported at acquisition value at the time of contribution. There were no such service concession arrangements during fiscal year 2023 and 2022. Depreciation has been provided over the estimated useful lives using the straight line method. Estimated useful lives by asset category are as follows:

10-35 5-30 YEARS YEARS

BUILDINGS

INFRASTRUCTURE IMPROVEMENTS

Cost of constructed fixed assets includes design and construction costs that accumulate until completion of the respective project. Interest incurred during capital asset construction periods is expensed in accordance with GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. No depreciation is provided on construction in progress until construction is complete and the asset is placed in service. When property and equipment are disposed of, the related cost and accumulated depreciation are removed from the accounts with any gains or losses on disposition being reflected in current operations. The Authority capitalizes all capital assets in excess of \$5,000. Maintenance and repairs are expensed as incurred.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The statements of net position will sometimes report a separate section for deferred outflows of resources and/or deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and, therefore, not recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and, therefore, not recognized as an outflow of resources and, therefore, not recognized as an inflow of resources (revenue) until then.

AIRPORT IMPROVEMENT PROGRAM

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program (AIP) of the Federal Aviation Administration (the FAA), with IO% of project expenditures

2023	2022
168,242	166,463
101,136	95,042
\$269,378	\$261,505



NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

provided by the Authority. Funding provided under government grants is considered earned as the related allowable expenditures are incurred.

TRANSPORTATION SECURITY ADMINISTRATION GRANT

Certain expenditures for airport capital improvements are funded through a Transportation Security Administration ("TSA") grant program, with 0% to 10% provided by the Authority. Funding provided under government grants is considered earned as the related allowable expenditures are incurred.

CARES, CRRSAA AND ARPA GRANTS

On April 29, 2020, March II, 202I, and October 29, 202I, the Authority received grant awards for funding under the Coronavirus Aid, Relief and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA), and the American Rescue Plan Act of 202I (ARPA), respectively. Funding received under these acts was provided to help offset declining revenues arising from diminished airport operations and activities because of the COVID-I9 Public Health Emergency. Funding provided for the Authority's operational and maintenance expenses are presented in operating revenues. Funding provided for the Authority's debt service and debt repayment are presented in non-operating revenues as capital contributions. The Authority was awarded a total of \$37,724,028 in combined COVID-I9 grant relief funds.

PASSENGER FACILITIES CHARGES

The Authority is authorized to impose a Passenger Facility Charge (PFC) on enplaning passengers. The PFC can be collected until the date on which the total PFC revenue collected, plus interest thereon, equals the allowable cost of the approved projects, which is \$215,544,765. The collection period ends on July I, 2031.

The PFC funds are available for authorized construction projects and debt service under an approved FAA application. PFCs, along with related interest earnings, are recorded as nonoperating revenue when earned.

CUSTOMER FACILITY CHARGE (CFC)

On November 19, 2012, the Authority's Board of Directors adopted a resolution authorizing Rental Car Agencies operating at the Airport to impose a Customer Facility Charge (CFC). The resolution was amended August 18, 2020, and again on January 19, 2021. The purpose of the CFC is to provide funding for a Quick Turn Around Facility to house all rental car companies. Effective January I, 2013, companies that operate under a Rental Car Concession Agreement at the Airport began assessing each customer an initial CFC of \$5.00 per transaction day. The total amounts collected are reported and remitted monthly to the Authority by the rental car companies.

The Authority is authorized to pledge the CFCs collected, by resolution or trust indenture, to pay the costs and expenses of purchasing property, financing, designing, constructing, operating, relocating, and maintaining the Quick Turn Around Facilities. On March 22, 2019, the Authority entered into an agreement with BBVA Compass to borrow a sum not to exceed \$10,000,000 and drew down \$7,000,000 in 2019. The Authority made monthly interest payments until the debt was paid in full on June 18, 2021.

CFCs are segregated from all other funds and assets of the Authority. The total amount collected net of borrowings, expenses and interest earned, was \$6,960,120 and \$4,114,236 as of June 30, 2023, and 2022,

respectively. A certain portion of the CFCs have been set aside as reserve CFC funds based on mutual agreement between the Authority and the rental car companies.

REVENUE CLASSIFICATIONS

Revenue is recognized when earned. The Authority will classify revenues as operating or non- operating based on the following criteria:

Operating revenues are from the revenue sources that constitute the principal ongoing activity of the operations of the Airport. The major components of operating revenue consist of aviation revenue, concession revenue, airport rentals, aviation services, and other miscellaneous fees and charges. Landing fees and terminal building rates are charged on the basis of recovery of actual costs for operating and maintaining the Airport airfield and terminal areas.

Non operating revenues are from revenue sources related to financing activities and other activities which do not constitute the principal ongoing activities of the Authority's operations. These include PFCs, interest income, and grant revenue related to specific programs.

EXPENSE CLASSIFICATIONS

The Authority will classify expenses as operating or non operating based on the following criteria: Operating expenses relate to the principal ongoing activities of the operations of the Airport. The major components of operating expenses consist of personnel costs, professional and contractual services, materials, supplies and maintenance, utilities, repairs and other services, and depreciation and amortization.

Non operating expenses relate to financing activities and other activities which do not constitute the principal ongoing activities of the Authority's operations. The primary non-operating expense is interest.

FEDERAL GRANTS

When a grant agreement is approved and all eligibility requirements have been met, the expenditures are recorded as a federal grant receivable and as a capital grant contribution.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Authority considers cash on hand, bank deposits and highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

INVESTMENTS

State statutes authorize the Authority to invest in U.S. government obligations or in bonds of the State of Alabama or in any county or municipality therein, or in certificates of deposit collaterally secured by a pledge of U.S. government obligations. Investments are accounted for in accordance with GASB Statement No. 72, Fair Value Measurement and Application, which requires that certain investments be recorded at fair value (e.g., quoted market prices).

RECEIVABLES

Accounts Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts is based on collection history, and current information regarding the creditworthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

BONDS PAYABLE, BOND ISSUE COSTS, ORIGINAL ISSUE DISCOUNT AND DEFERRED LOSS ON BOND REFUNDING

Bonds payable are recorded at the principal amount outstanding, net of any applicable premium or discount. Bonds outstanding, which have been refunded and economically defeased, are not included in long-term debt. The related assets are not included in investments. Any loss on refunding, which is the difference between the reacquisition price and the net carrying amount on the old debt, is recognized as deferred outflow of resources and amortized as a component of interest expense over the shorter of either I) the original life of the refunded debt or 2) the life of the refunding debt. Bond issue costs, original issue discount and deferred loss on refunding on long term indebtedness are deferred and amortized using the effective interest method over the life of the debt to which it relates.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Birmingham Retirement and Relief System (Retirement and Relief System Tier I and Tier II or "the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Additional information regarding the plan can be found in Note I2.

OTHER POSTEMPLOYMENT BENFITS (OPEB) LIABILITY

For purposes of measuring total/net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Additional information regarding total/net OPEB liability can be found in Note I3.

COMPENSATED ABSENCES

On January I, 2023, the Authority converted its time off policy from one that utilized vacation and sick days to a paid time off (PTO) model. The PTO program was developed to give employees more flexibility in how they can use their earned time off. Employees earn PTO at graduated rates based on their length of service. Hourly employees earn 4.6 hours, per pay period, for the first year and up to II.I hours, per pay period, for ten or more years. Salaried employees are awarded their time on January 1st of each year and earn 15 days the first year, up to 36 days for ten or more years.

After the accumulation of I60 hours (20 days), at least 80 hours (I0 days) of PTO must be taken each calendar year. PTO may carryover up to a maximum of 360 hours (45 days) into the next calendar year. Employees shall be paid by January 31st of the following calendar year for PTO time not taken, up to 208 hours (26 days) that has been earned beyond the referenced maximum. All PTO hours accumulated but unused at the employee's separation will be paid out at the employee's regular rate of pay on the first pay period after the termination, pending the return of all Airport issued property.

Accruals are also recorded for longevity pay and executive deferred compensation as part of accrued salaries and wages. As of June 30, 2023, and June 30, 2022, the PTO, longevity, and executive

ARBITRAGE REBATE

The U.S. Treasury has issued regulations on calculating the rebate due the Federal government on arbitrage profits, calculating arbitrage penalties, and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. For the years ended June 30, 2023, and 2022, the Authority had no arbitrage rebate liability.

RETENTION PAYABLE

The Authority enters into construction contracts that may include retention provisions such that a certain percentage of the contract amount is held for payment until completion of the contract and acceptance by the Authority. The Authority's policy is to record retention payable as contracted work is completed and accepted. Retention payable is included in construction contracts payable on the accompanying statements of net position.

COMPONENTS OF NET POSITION

The Authority's net position classifications are as follows:

- imposed by law or through constitutional provisions or enabling legislation.
- meet the definition of "restricted" or "net investment in capital assets."

NET POSITION FLOW ASSUMPTION

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE 3: CASH & CASH EQUIVALENTS AND INVESTMENTS

It is the Authority's policy to invest only in obligations of the U.S. Treasury, U.S. Government Agencies, State of Alabama obligations, and short term bank certificates of deposit.

• Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

• **Restricted net position** – This component of net position represents restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions

• Unrestricted net position – This component of net position consists of net position that does not

NOTE 3: CASH & CASH EQUIVALENTS AND INVESTMENTS (CONT.)

The Authority's cash and cash equivalents and investments are subject to several types of risk, which are examined in more detail below:

CUSTODIAL CREDIT RISK OF BANK DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits (in excess of FDIC insurance) may not be returned to it. The carrying amount of the Authority's deposits, certificates of deposits and cash on hand was \$40,615,557 and \$36,560,600 and the related bank balance was \$40,613,957 and \$36,559,000 at June 30, 2023 and 2022, respectively. The Authority also had restricted cash deposited with a trustee, with a carrying and bank balance amount of \$32,202,746 and \$23,448,405 at June 30, 2023 and 2022, respectively.

The Authority's deposit policy for custodial credit risk limits deposits to financial institutions that are members of the Alabama State Treasury's Security for Alabama Funds Enhancement (SAFE) Program. Under the SAFE program, the Authority's funds are protected through a collateral pool administered by the Alabama State Treasury. Banks doing business within the State of Alabama and holding deposits of public funds belonging to the state, counties, cities, or agencies of state and local governments must pledge securities to the SAFE program pool which are held as collateral against these deposits. In the event of the failure of a bank, securities pledged by that bank would be liquidated by the State Treasurer to replace the public deposits. If the securities pledged failed to produce adequate funds for that purpose, every bank participating in the pool would share the liability for the remaining balance.

CREDIT RISK

Credit risk is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. Unrestricted investments in U.S. Government T-Notes and U.S. Treasury Bills had a fair market value of \$72,750,998 and \$67,665,003 as of June 30, 2023, and 2022 respectively. U.S. Government obligations are not considered to have credit risk and do not require disclosure of credit quality.

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification (investments acquired from a single issuer). The Authority's cash deposits are held in several financial institutions and are fully insured by the Federal Deposit Insurance Corporation (FDIC), the U.S. Government, and the SAFE Program.

The Authority's investment policy limits its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the Authority's total investment portfolio will be invested in a single security type or with a single financial institution.

INTEREST RATE RISK

Interest rate risk is the possibility that an interest rate change could adversely affect an investment's fair value.

The Authority's investment policy is to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Authority will not directly invest in securities maturing more than three years from the date of purchase. However, unrestricted investments, the Revenue Bond Reserve Funds, and Construction Bond Funds may be invested in securities exceeding three years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

NOTE 4: FAIR VALUE MEASUREMENTS AND FINANCIAL INSTRUMENTS REPORTED AT FAIR VALUE

The Authority categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure fair value of the asset. Level I inputs consist of quoted market prices in active markets for identical assets; Level 2 inputs consist of significant other observable inputs; Level 3 inputs consist of significant unobservable inputs. Certain items required to be reported at their net asset value (NAV) are not subject to level disclosure.

INVESTMENT MATURITIES AT FAIR VALUE (IN YEARS)

TYPE OF INVESTMENT	PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	6/30/2023 TOTAL	6/30/2022 TOTAL
U.S. TREASURY BILLS					
U.S. GOVERNMENT T-NOTES	61,760,998			61,760,998	56,945,003
U.S. TREASURY/SLGS AGENCY SECURITIES	10,990,000			10,990,000	10,720,000
TOTAL INVESTMENTS AT FAIR VALUE	\$72,750,998			\$72,750,998	\$67,665,003

SECURITY VALUATION DISCLOSURE:

Debt securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 & 3 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Pricing source: ICE Interactive Data.

The fair value presented herein is based on pertinent information available to management as of June 30, 2023 and 2022. Although management is not aware of any factors that would significantly affect fair value amounts, future events, or other valuation techniques for determining fair value may differ significantly from the amounts presented herein.

NOTE 5: LEASES

LEASE ARRANGEMENTS WITH THE AUTHORITY AS THE LESSOR

The Authority is the lessor of terminal space, land, hangars, and buildings at the Airport to air carriers and other tenants under various operating leases for periods through 2033. Some of the leases, in addition to non cancellable amounts at fixed rates, provide for additional payments based on usage or activity.

NOTE 5: LEASES (CONT.)

For purposes of GASBS No. 87 implementation, the Authority's leases have been classified as:

- I. Subject to GASBS No. 87 Non-Regulated Leases
- 2. Not Subject to GASBS No. 87 Short Term Leases and Regulated Leases

LEASES SUBJECT TO GASBS NO. 87

In accordance with GASBS No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases subject to GASBS No. 87. For these leases, the Authority is reporting Lease Receivable of \$10.9 million for the fiscal year ended June 30, 2023. The Authority also reported lease revenue of \$3.9 million and interest revenue of \$589 thousand related to lease payments received.

The leases managed by the Authority do not have an implicit rate of return, therefore the Authority has used their incremental borrowing rate of 4.75% to discount the lease revenue to the net present value.

The Leases Subject to GASBS No. 87 are summarized below.

NON-REGULATED LEASES

Concessions

The Authority leases concession space throughout the terminal for food and beverage, and retail goods. The terms of these leases range from 7 to 8 years. The concession leases include a minimum annual guarantee (MAG) and a variable revenue component based on a percentage of gross sales.

Rental Cars

The Authority leases land, office and counter space, and ready return parking spaces to the rental car companies for a term of 5 years. During the first year of the agreement the tenant is required to pay concession fees equal to 10% of gross revenues. Beginning in year two, the agreement includes a Minimum Annual Guarantee (MAG) and a variable revenue component based on a percentage of gross sales.

Building

The Authority leases office space in Building 9 (also known as the Outparcel Building) to the TSA and the FAA. The terms of these agreements includes a fixed revenue component based on square footage. The length of these agreements is 5 and 10 years.

The future minimum lease receipts for the next five fiscal years and then each five-year increment are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
JULY 1, 2023 - JUNE 30,2024	3,404,277	442,824	\$3,847,101
JULY 1, 2024 - JUNE 30, 2025	3,593,181	277,381	\$3,870,562
JULY 1, 2025 - JUNE 30, 2026	3,811,199	101,639	\$3,912,838

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
JULY 1, 2026 - JUNE 30, 2027	14,952	2,925	\$17,877
JULY 1, 2027 - JUNE 30, 2028	13,448	2,219	\$15,667
JULY 1, 2028 - JUNE 30, 2033	39,963	3,196	\$43,159
TOTAL	\$10,877,020	\$830,184	\$11,707,204

LEASES NOT SUBJECT TO GASBS NO. 87

SHORT-TERM LEASES

In accordance with GASBS No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for a lease that is less than I2 months. This also includes leases that have expired and are in a month-to-month status.

REGULATED LEASES

In accordance with GASBS No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings. The U.S. Department of Transportation and the Federal Aviation Administration regulate aviation leases between airports and air carriers and other aeronautical users. The Authority has regulated leases with four airlines and multiple hangar tenants.

The use and lease agreement between the airlines and the Authority includes exclusive, preferential, and joint use of certain spaces at the Airport. The square footage breakdown of the airline leased space is listed below.

FY 2023 LEASED SPACE

	AMERICAN	DELTA	SOUTHWEST	UNITED	TOTAL
TERMINAL SQ. FT.	16,047	15,393	17,255	9,650	58,345
APRON SQ. FT.	118,761	158,348	79,174	79,174	435,457
LEASE GATES	3	4	2	2	11

The Authority has hangar lease agreements with 23 different entities. The list of hangars and the related square footage under lease is listed below.

No.	HANGAR TENANT	SQ. FT.	% OF TOTAL
1	MPT OF 69TH STREET (HANGAR 25B & 25C)	248,242	11%
2	ENCOMPASS HEALTH CORP (HANGAR 20)	177,357	8%

NOTE 5: LEASES (CONT.)

No.	HANGAR TENANT	SQ. FT.	% OF TOTAL
3	REGIONS BANK (HANGAR 21B)	129,798	6%
4	HARBERT 24 LLC (HANGAR 25)	124,107	6%
5	DRUMMOND COMPANY (HANGAR 2)	118,022	5%
6	SOUTHERN COMPANY (HANGAR 32)	115,220	5%
7	H28 LLC (HANGAR 28)	110,853	5%
8	ENCOMPASS HEALTH (HANGAR 20)	107,674	5%
9	HANGAR 24 LLC (HANGAR 24)	105,563	5%
10	AIR QUARTERS LLC (HANGAR 29)	99,735	5%
11	ERGON HOLDING LLC (HANGAR 32)	93,516	4%
12	MCWANE INC. (HANGAR 1)	90,165	4%
13	BHM HANGAR LLC (HANGAR 4)	84,375	4%
14	HANGAR 27 LLC (HANGAR 27)	83,850	4%
15	ROBINS & MORTON LLC (HANGAR 23)	71,829	3%
16	OWL HANGAR II (HANGAR 30)	71,513	3%
17	LIGON AIR LLC (HANGAR 26)	70,640	3%
18	BUILDING 31 LLC (HANGAR 31)	66,151	3%
19	SYNFUEL HOLDINGS LLC (HANGAR 29B)	57,901	3%
20	LIV DEVELOPMENT (HANGAR 22)	52,475	2%
21	FLAG AIR, INC. (HANGAR 21)	49,310	2%
22	THOMPSON TRACTOR (HANGAR 6)	39,073	2%
23	AIR METHODS (HANGAR 7)	27,356	1%
ΤΟΤΑ	L ALL HANGARS	2,194,725	100%

The Authority recognized the following regulated lease revenue inflows in fiscal year 2023:

AIRLINE LEASE REVENUE	\$4,834,392
HANGAR LEASE REVENUE	2,632,545
TOTAL REGULATED LEASE REVENUE	\$7,466,938

The future expected minimum payments related to regulated leases are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
JULY 1, 2023 - JUNE 30,2024	3,866,586		3,866,586
JULY 1, 2024 - JUNE 30, 2025	3,886,074		3,886,074
JULY 1, 2025 - JUNE 30, 2026	3,924,001		3,924,001
JULY 1, 2026 - JUNE 30, 2027	3,879,089		3,879,089
JULY 1, 2027 - JUNE 30, 2028	3,581,585		3,581,585
JULY 1, 2028 - JUNE 30, 2033	12,419,274		12,419,274
JULY 1, 2033 - JUNE 30, 2038	9,099,162		9,099,162
JULY 1, 2038 - JUNE 30, 2043	7,940,365		7,940,365
JULY 1, 2043 - JUNE 30, 2048	3,734,726		3,734,726
JULY 1, 2048 - JUNE 30, 2053	3,672,481		3,672,481
TOTAL	\$56,003,344		\$56,003,344

LEASE ARRANGEMENTS WITH THE AUTHORITY AS THE LESSEE

The Authority leases copy machines and postage equipment under agreements reported as operating leases and the annual lease payments are recorded as expenses. The current agreements have approximately three-year terms. The future payments associated with those leases are:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
JULY 1, 2023 - JUNE 30, 2024	14,193	997	15,190
JULY 1, 2024 - JUNE 30, 2025	12,871	308	13,179
TOTAL	\$27,064	\$1,305	\$28,369

The assets leased to the Authority are as follows:

Right-of-use asset

OFFICE EQUIPMENT	236,612
LESS: ACCUMULATED DEPRECIATION	(20,399)
TOTAL	\$216,213

NOTE 6: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority has entered into subscription-based information technology arrangements (SBITA) involving leasing and accounts receivable management, mass communication, gate management, and procurement and accounts payable. All SBITA have fixed, periodic payments over the subscription periods, which range from 2 – 5 years and expire no later than 2026. There are no commitments or outflows of resources related to SBITA that are not yet effective.

RIGHT-OF-USE ASSET

The subscriptions assets of the Authority are as follows:

SBITA	53,746
LESS: ACCUMULATED DEPRECIATION	(15,553)
TOTAL	\$38,193

Future subscription payments as of June 30, 2023, are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
JULY 1, 2023 - JUNE 30,2024	53,003	7,354	60,357
JULY 1, 2024 - JUNE 30, 2025	48,076	4,781	52,857
JULY 1, 2025 - JUNE 30, 2026	50,410	2,447	52,857
TOTAL	\$151,488	\$14,583	\$166,071

NOTE 7: CHANGES IN CAPITAL ASSETS

A summary of the changes in capital assets for the years ended June 30, 2023, and 2022, is as follows:

CAPITAL ASSETS NOT BEING DEPRECIATED	BALANCE AT 7/1/2022	ADDITIONS	DEDUCTIONS	BALANCE AT 6/30/23
LAND	198,857,427	493,740	(3,451)	199,347,716
CONSTRUCTION IN PROGRESS	25,591,033	10,087,660	(23,249,706)	12,428,987

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			A DECK STREET		
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	\$224,448,460	\$10,581,400	(\$23,253,157)	\$211,776,703	
CAPITAL ASSETS BEING DEPRECIATED					
BUILDINGS	312,354,205	12,401,704		324,755,910	
INFRASTRUCTURE IMPROVEMENTS	227,382,432	8,845,198		236,227,627	
MACHINERY & EQUIPMENT	70,037,148	1,674,266		71,711,413	
FURNITURE & FIXTURES	4,560,761	2,427,802		6,988,563	
TOTAL CAPITAL ASSETS BEING DEPRECIATED	\$614,334,546	\$25,348,970		\$639,683,513	
LESS: ACCUMULATED DEPRECIAT	ΓΙΟΝ				
BUILDINGS	115,530,471	7,830,136		123,360,607	
INFRASTRUCTURE IMPROVEMENTS	149,827,156	8,258,941		158,086,097	
MACHINERY & EQUIPMENT	40,261,179	4,677,073		44,938,252	
FURNITURE & FIXTURES	2,716,062	545,835		3,261,896	
TOTAL ACCUMULATED DEPRECIATION	\$308,334,868	\$21,311,985		\$329,646,852	
TOTAL CAPITAL ASSETS DEPRECIATED, NET	\$305,999,678	\$4,036,985		\$310,036,661	
LEASE RIGHT-OF-USE ASSETS					
OFFICE EQUIPMENT	42,512	194,101		236,613	
LESS: ACCUMULATED AMORTIZATION	2,567	17,833		20,400	
NET LEASE RIGHT-OF-USE ASSETS	\$39,945	\$176,268		\$216,213	
SBITA RIGHT-OF-USE ASSETS					
SOFTWARE		53,746		53,746	
LESS: ACCUMULATED AMORTIZATION		15,553		15,553	
NET SBITA RIGHT-OF-USE ASSETS		\$38,193		\$38,193	
TOTAL CAPITAL ASSETS, NET	\$530,488,083	\$14,832,846	(\$23,253,157)	\$522,067,770	

NOTE 7: CHANGES IN CAPITAL ASSETS (CONT.)

CAPITAL ASSETS NOT BEING DEPRECIATED	BALANCE AT 7/1/2021	ADDITIONS	DEDUCTIONS	BALANCE AT 6/30/22
LAND	196,104,725	2,752,702		198,857,427
CONSTRUCTION IN PROGRESS	17,164,851	8,527,154	(100,972)	25,591,033
TOTAL CAPITAL ASSETS NOT BEING DEPRECEIATED	\$213,269,576	\$11,279,856	(\$100,972)	\$224,448,460
CAPITAL ASSETS BEING DEPREC	ATED			
BUILDINGS	312,160,346	215,968	(22,109)	312,354,205
INFRASTRUCTURE IMPROVEMENTS	227,382,432			227,382,432
MACHINERY & EQUIPMENT	69,792,849	417,863	(173,564)	70,037,148
FURNITURE & FIXTURES	4,537,263	23,498		4,560,761
TOTAL CAPITAL ASSETS BEING DEPRECIATED	\$613,872,890	\$657,329	(\$195,673)	\$614,334,546
LESS: ACCUMULATED DEPRECIAT	ΓΙΟΝ			
BUILDINGS	108,263,770	7,267,169	(468)	115,530,471
INFRASTRUCTURE IMPROVEMENTS	142,598,732	7,228,424		149,827,156
MACHINERY & EQUIPMENT	35,954,699	4,480,044	(173,564)	40,261,179
FURNITURE & FIXTURES	2,440,547	275,515		2,716,062
TOTAL ACCUMULATED DEPRECIATION	\$289,257,748	\$19,251,152	(\$174,032)	\$308,334,868
TOTAL CAPITAL ASSETS DEPRECIATED, NET	\$324,615,142	(\$18,593,823)	(\$21,641)	\$305,999,678
LEASE RIGHT-OF-USE ASSETS				
OFFICE EQUIPMENT		42,512		42,512
LESS: ACCUMULATED AMORTIZATION		2,567		2,567
NET LEASE RIGHT-OF-USE ASSETS		39,945		39,945
SBITA RIGHT-OF-USE ASSETS				
SOFTWARE				

LESS: ACCUMULATED AMORTIZATION				
NET SBITA RIGHT-OF-USE ASSETS				
TOTAL CAPITAL ASSETS, NET	\$537,884,721	(\$7,274,022)	(\$122,613)	\$530,488,083

Depreciation expense in the amount of \$21,311,985 and \$19,250,684 was charged for the year ended June 30, 2023, and 2022, respectively.

NOTE 8: CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for the years ended June 30, 2023, and 2022 are summarized as follows:

	BALANCE AT 6/30/22	ADDITIONS	DEDUCTIONS	BALANCE AT 6/30/23	DUE WITHIN 1 YEAR
REVENUE BOND PAYABLE	102,130,000			102,130,000	(5,230,000)
PLUS: UNAMORTIZED PREMIUM	18,714,315		(1,975,355)	16,756,960	
REVENUE BONDS PAYABLE, NET	\$120,844,315		(\$1,957,355)	\$118,886,960	(\$5,230,000)
NOTES PAYABLE					
COMPENSATED EMPLOYEE ABSENCES *	677,208	654,812	(5,600)	1,326,420	278,859
NET PENSION LIABILITY	19,772,699		(1,493,405)	18,279,294	
OTHER POST- EMPLOYMENT BENEFITS	(575,090)	263,289		(311,801)	

* Includes longevity pay and executive deferred compensation

	BALANCE AT 6/30/21	ADDITIONS	DEDUCTIONS	BALANCE AT 6/30/22	DUE WITHIN 1 YEAR
REVENUE BOND PAYABLE	102,130,000			102,130,000	
PLUS: UNAMORTIZED PREMIUM	20,571,750		(1,857,435)	18,714,315	
REVENUE BONDS PAYABLE, NET	\$122,701,750		(\$1,857,435)	\$120,844,315	
NOTES PAYABLE					
COMPENSATED EMPLOYEE ABSENCES *	585,412	153,456	(61,660)	677,208	172,184
NET PENSION LIABILITY	11,041,421	8,731,278		19,772,699	
OTHER POST- EMPLOYMENT BENEFITS	326,116		(901,206)	(575,090)	

* Includes longevity pay and executive deferred compensation

NOTE 9: LINE OF CREDIT

The Authority had an unsecured line of credit with a financial institution. Under the agreement the Authority could borrow up to \$10,000,000 to pay the costs of a facility at the Airport commonly known as a "quick turnaround facility" for use by rental car companies operating at the Airport. The Authority borrowed \$7,000,000 in 2019. The debt was repaid in full on June 18, 2021 and the line was closed.

NOTE 10: REVENUE BONDS PAYABLE

SERIES 2020

On July 9, 2020, the Authority issued the Birmingham Airport Authority Airport Revenue Refunding Bonds, Series 2020. The bonds consisted of a principal amount of \$102,130,000 and a premium of \$19,959,828, for a total of \$122,089,828. The Series 2020 Bonds were issued to provide funds to refund the Authority's Series 2010 Bonds outstanding in the principal amount of \$138,590,000. Other sources of funds used to refund the Series 2010 bonds included \$19,151,475 from debt service reserve and other reserve funds.

The Series 2020 Bonds mature no later than July I, 2040, and require semiannual interest payments on January I and July I, beginning January I, 202I, at rates ranging between 4 and 5.0 percent. Principal payments on the Series 2020 Bonds are due annually beginning July I, 2023.

The Series 2020 net bond proceeds of \$139,386,888 (after payment of \$1,853,034 in issuance cost) were deposited into the refunding escrow fund with Synovus Bank to refund the Series 2010 bonds.

A summary of the revenue bonds payable for the years ended June 30, 2023, and 2022 are summarized as follows:

	MATURITY YEAR	ORIGINAL INTEREST RATE RANGE	FACE VALUE OUTSTANDING 6/30/23	FACE VALUE OUTSTANDING 6/30/22
SERIES 2020, \$102,130,000 ORIGINAL PRINCIPAL	2040	4-5%	102,130,000	102,130,000
LESS: CURRENT MATURITIES			(5,230,000)	
ADD: UNAMORTIZED PREMIUM			16,756,960	18,714,315
TOTAL REVENUE BONDS PAYABLE			\$113,656,960	\$120,844,315

The following shows debt service to maturity for the Series 2020 Bonds:

FY JUNE 30,	PRINCIPAL	INTEREST	TOTAL	BALANCE
2024	5,230,000	4,635,750	9,865,750	96,900,000
2025	5,490,000	4,367,750	9,857,750	91,410,000

The following shows debt service to maturity for the

FY JUNE 30,	PRINCIPAL	INTEREST	TOTAL	BALANCE	
2026	5,765,000	4,086,375	9,851,375	85,645,000	
2027-2031	33,460,000	15,691,750	49,151,750	52,185,000	
2032-2036	23,310,000	8,571,375	31,881,375	28,875,000	
2037-2041	28,875,000	2,978,100	31,853,100		
TOTAL	\$102,130,000	\$40,331,100	\$142,461,100		

NOTE 11: CAPITAL CONTRIBUTIONS

Since its inception, the Authority has received capital contributions from the City of Birmingham, in the form of net assets transferred as of the date of inception, and through Federal grants and Passenger Facility Charges as follows:

	INCEPTION TO DATE	2023	2022
CITY OF BIRMINGHAM	12,359,477		
FEDERAL	441,026,448	5,644,158	17,451,465
PASSENGER FACILITY CHARGES	123,851,124	5,555,672	5,146,291
TOTAL	\$577,237,049	\$11,199,830	\$22,597,756

NOTE 12: PENSION PLAN

GENERAL INFORMATION

The City participates in one multi-employer agency defined benefit plan, the City of Birmingham Retirement and Relief System (Retirement and Relief System Tier I and Tier II), that has two participating entities, the City and the Jefferson County Department of Health (Health Department), and two single employer defined benefit pension plans, the City of Birmingham Firemen's and Policemen's Supplemental Pension System (Firemen's and Policemen's System) and, the City of Birmingham Unclassified Employees' Pension & Relief System (Unclassified Pension and Relief System) which provides pension benefits for substantially all employees. Each of the three plans was established by state law and is administered by a separate board of managers.

The funding methods and determination of benefits payable were established by the legislative acts creating such plans and provide that the pension plan funds are to be funded from employee contributions, employer contributions, and income from the investment of accumulated funds. The cost of administering the plans is funded by the City. The City acts as the trustee for these plans. Separate financial statements are presented in this report for the pension funds.

ne Series	2020	Bonds:
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PLAN DESCRIPTION RETIREMENT AND RELIEF SYSTEM

This system covers all eligible civil service, appointed, elected, Airport Authority, and E9II employees, along with Health Department employees. Membership is mandatory for civil service and Airport Authority employees and is effective upon employment.

Appointed, elected and E9II employees have the option of participating in this plan or in an alternative retirement plan. The plan is closed to Health Department new hires.

BENEFITS PROVIDED RETIREMENT AND RELIEF SYSTEM (TIER I PARTICIPANTS)

A participant hired prior to July I, 2017, may retire at (a) age 60 if they have completed 5 years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.50% of final average salary for each year of credited service. This amount cannot be greater than 75% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee's last ten years of participation. A participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

DISABILITY

A Tier I participant is eligible for disability benefits after 5 years of credited service. The benefit amount is 2% of final average salary at disability for each year of credited services, payable immediately. This amount cannot be greater than 60% of the final average salary nor less than \$400.

EXTRAORDINARY DISABILITY

If a Tier I or Tier II participant becomes disabled as the result of a job-related injury, they may be eligible for an extraordinary disability benefit regardless of years of service. The benefit begins on the date the participant ceases to receive a salary as a City employee, provided the Pension Board has approved the application. The benefit amount is 70% of the participant's monthly salary at the time of the accident.

TERMINATION

A lump sum of contributions without interest is payable to a Tier I participant terminating prior to eligibility for a pension from the plan. Tier I participants terminating after 5 years of credited service who leave their contributions in the Plan have a non- forfeitable right to a monthly pension beginning at age 60. The form and amount of the pension are the same as the Normal pension.

OPTIONAL BENEFIT FORMS

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

DEATH BENEFITS

If a Tier I participant dies prior to his attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested Tier I participant or

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vested inactive Tier I participant dies, 60% of the accrued pension benefit, multiplied by the service percentage, is payable to the surviving spouse, if any, during their remaining lifetime. The service percentage is as follows: 5 years – 50%; 6 years – 60%; 7 years – 70%, 8 years – 80%; 9 years – 90%; 10 or more years – 100%. The spousal benefit is deferred to the date the Tier I participant would have been age 60 or would have accrued 20 years of credited service. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

DEFERRED RETIREMENT OPTION PLAN (DROP)

A Tier I participant with 33 years of service or who is at least age 63 with 23 years of service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date, and the participant will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

RETIREMENT AND RELIEF SYSTEM (TIER II PARTICIPANTS)

A participant hired on or after July I, 2017, may retire at (a) age 62 if they have completed IO years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.25% of final average salary for each year of credited service. This amount cannot be greater than 67.5% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee's last ten years of participation. A Tier II participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

CONTRIBUTIONS

Prior to July I, 2017, the City, Airport Authority, and E9II participants each contributed one-half of the required contribution payable as a percent of compensation for the year, exclusive of overtime and subject to statutory limits. The participants and City contributions were equal to 7.0% and 7.0%, respectively, effective July I, 2015, and continuing through June 30, 2017. Effective July I, 2017, however, the City contributions increased to 7.25%. Effective July I, 2018, the City contributions increased to 8.50%. Between 2019 and 2022, employee contributions and City contributions changed on July I in accordance with the chart below.

EFFECTIVE DATE	INCEPTION TO DATE	EMPLOYEE CONTRIBUTIONS
JULY 1, 2019	12.0%	7.0%
JULY 1, 2020	9.0%	7.0%
JULY 1, 2021	16.50%	7.5%
JULY 1, 2022	16.83%	7.5%

Effective July I, 2020, the City E9II participants each contributed one-half of the required contribution payable as a percent of compensation for the year, exclusive participants contribute 6.00%. The plan is funded by contributions from participants, the City, Airport Authority, E9II, Health Department and income from the investment of accumulated funds.

MEMBERSHIP DATA

As of most recent measurement date of the net pension liability, membership data for the pension plans are as follows:

RETIREMENT & RELIEF SYSTEM

MEASUREMENT DATE	JUNE 30, 2023
RETIREES & BENEFICIARIES CURRENTLY RECEIVING BENEFITS	3,632
INACTIVE MEMBERS ENTITLED TO BENEFITS YET RECEIVING THEM INCLUDING 323 FUTURE PENSIONERS CURRENTLY RECEIVING BENEFITS FROM THE SUPPLEMENTAL SYSTEM	390
INACTIVE MEMBERS DUE A REFUND OF CONTRIBUTIONS	368
	3,257
TOTAL PARTICIPANTS	7,647

The stand-alone financial report for the plan is available on the City's website at www.birminghamal.gov, Open Data, Finance.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSION

The net pension liability (NPL) is the difference between the "Total Pension Liability" (TPL) and the plan's "fiduciary net position" (FNP). At June 30, 2023, the Authority reported a liability of \$18,279,294 for its proportionate share of the net pension liability. The City's net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the pay provided in the participant data provided for actuarial valuation purposes as of July I, 2022. This basis is intended to measure the proportion of each employer's long-term funding requirements.

MEASUREMENT DATE	RETIREMENT & RELIEF SYSTEMS		
MEASUREMENT DATE	6/30/2023	6/30/2022	
TOTAL PENSION LIABILITY	1,673,684,313	1,635,731,434	
FIDUCIARY NET POSITION	1,085,925,649	1,055,886,895	
NET PENSION LIABILITY (ASSET)	\$587,758,664	\$579,844,539	
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF TOTAL PENSION LIABILITY	64.88%	64.55%	

Note: The Authority's proportionate share of NPL is 3.11% and 3.41% for the years ended June 30, 2023 and 2022.

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DETERMINATION OF PROPORTIONATE S

	C
FY 2023 COVERED EMPLOYEE PAYROLL	191,5
PERCENT OF FY 2023 COVERED EMPLOYEE PAYROLL	9
SHARE OF NPL AS OF JUNE 30, 2023	567,1
FY 2022 COVERED EMPLOYEE PAYROLL	185,5
PERCENT OF FY 2022 COVERED EMPLOYEE PAYROLL	ļ
SHARE OF NPL AS OF JUNE 30, 2022	558,3
For the year ended June 30, 2023 and 2022 -\$2,240,246 respectively.	2, the Ai
PENSION EXPENSE - TOTAL FOR A	
REPORTING DATE FOR EMPLOYER U	NDER
MEASURING DATE	
COMPONENTS OF PENSION EXPENS	E
SERVICE COST	
INTEREST	
EXPENSED PORTION OF CURRENT- PERIOD IN PROPORTION	
CURRENT-PERIOD BENEFIT CHANGE	S
EXPENSED PORTION OF CURRENT-P DIFFERENCE BETWEEN EXPECTED 8 EXPERIENCE IN THE TOTAL PENSION	
EXPENSED PORTION OF CURRENT-P CHANGES OF ASSUMPTIONS	ERIOD
MEMBER CONTRIBUTIONS	
PROJECT EARNINGS ON PENSION PL	_AN IN\
EXPENSED PORTION OF CURRENT-P DIFFERENCES BETWEEN ACTUAL AN EARNINGS ON PENSION PLAN INVES	ID PRO
ADMINISTRATIVE EXPENSE	

SHARE BY EMPLOYER				
ΤY	AIRPORT AUTHORITY	EMERGENCY COMMUNICA- TION DISTRICT	TOTAL	
74,317	6,174,635	782,331	198,531,283	
96.50%	3.11%	0.39%	100%	
87,111	18,279,294	2,292,259	587,758,664	
49,209	6,509,037	553,854	192,612,100	
96.30%	3.41%	0.29%	100%	
90,292	19,772,699	1,681,548	579,844,539	

uthority recognized pension expense of -\$36I,077 and

PLOYERS

GASB 68	6/30/23	6/30/22
	6/30/23	6/30/22
	22,719,031	21,740,338
	116,125,439	113,808,307
		114,097
AL LITY	3,137,235	(1,469,461)
		16,322,314
	(15,159,381)	(14,196,912)
/ESTMENTS	(74,424,579)	(89,609,508)
JECTED 'S	(2,859,224)	40,234,597
	230,296	388,444

REPORTING DATE FOR EMPLOYER UNDER GASB 68	6/30/23	6/30/22
MEASURING DATE	6/30/23	6/30/22
OTHER		
RECOGNITION OF BEGINNING OF YEAR DEFERRED OUTFLOWS OF RESOURCES AS PENSION EXPENSE	153,732,673	97,175,762
RECOGNITION OF BEGINNING OF YEAR DEFERRED INFLOWS OF RESOURCES AS PENSION EXPENSE	(197,092,090)	(251,721,498)
NET AMORTIZATION OF DEFERRED AMOUNTS FROM CHANGES IN PORPORTION		
PENSION EXPENSE	\$6,409,400	(\$67,213,520)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

The Change in Net Pension Liability for Retirement and Relief System for the Fiscal Year ended June 30, 2023 is as follows:

RETIREMENT & RELIEF SYSTEM

CHANGE IN NET PENSIONLIABILITY	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY
SERVICE COST	22,719,031		22,719,031
INTEREST ON TOTAL PENSION LIABILITY	116,125,439		116,125,439
CHANGE IN BENEFIT TERMS			
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE	12,548,940		12,548,940
EMPLOYER CONTRIBUTIONS		39,829,501	(39,829,501)
EMPLOYEE CONTRIBUTIONS		15,159,381	(15,159,381)
PENSION PLAN NET INVESTMENT INCOME		88,720,699	(88,720,699)
ASSUMPTION CHANGES			
BENEFIT PAYMENTS, INCLUDING REFUNDS	(113,440,531)	(113,440,531)	
ADMINISTRATIVE EXPENSE		(230,296)	230,296
NET CHANGE	\$37,952,879	\$30,038,754	\$7,914,125
BALANCES - BEGINNING OF YEAR	\$1,635,731,434	\$1,055,886,895	\$579,844,539
BALANCES - END OF YEAR	\$1,673,684,313	\$1,085,925,649	\$587,758,664

ASSUMPTIONS & OTHER DATA

SCHEDULE OF ASSUMPTIONS

VALUATION DATE	JULY 1, 2
ACTUARIAL COST METHOD	ENTRY A
AMORTIZATION METHOD	LEVEL PI USING 2.
AMORTIZATION PERIOD	CLOSED,
ASSET VALUATION METHOD	MARKET RETURN
INVESTMENT RATE OF RETURN	7.25% NE EXPENSE
WAGE INFLATION	2.25%
SALARY INCREASES	2.25%, Pl
MORTALITY RATES:	
PRE-RETIREMENT	SEX-DISTIN
HEALTHY	SEX-DISTIN
DISABLED	SEX-DISTIN MORTALIT
FUTURE IMPROVEMENT	GENERATI SCALE

The following table presents the Authority's proportionate share of NPL.

ALLOCATION OF JUNE 30, 2023 NET PENSION LIABILITY (NPL)

	COVERED EMPLOYEE PAYROLL	PROPORTION OF NET PENSION LIABILITY	PROPORTIONATE SHARE OF NET PENSION LIABILITY	PROPORTIONATE SHARE OF PEN- SION EXPENSE
RETIREMENT & RELIEF SYSTEM	198,531,283	100.00%	587,758,664	6,409,400
AIRPORT AUTHORITY	6,174,635	3.11%	18,279,294	199,332
TOTAL	\$198,531,283	100.00%	\$587,758,664	\$6,409,400

The actuarial assumptions used in the July I, 2022 valuation were based on the results of an experience study for the period July I, 2015 through June 30, 2020. The long- term expected rate of return on System investments was determined using a building- block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment

2022

GE ACTUARIAL COST METHOD

PERCENT OF PAYROLL, .25% ANNUAL INCREASES

, **29 YEARS**

T VALUE ASSETS LESS UNRECOGNIZED IS IN EACH OF THE LAST FIVE YEARS ET OF PENSION PLAN INVESTMENT SE, INCLUDING INFLATION

LUS AGE-RELATED SALARY SCALE

NCT PRI-2012 EMPLOYEE AMOUNT-WEIGHTED Y TABLE, WITH RATES MULTIPLIED BY 70%

NCT PRI-2012 HEALTHY RETIREE AMOUNT-WEIGHTED Y TABLE WITH RATES MULTIPLIED BY 110%

NCT PRI-2012 DISABLED RETIREE AMOUNT-WEIGHTED Y TABLE, WITH RATES MULTIPLIED BY 110%

ONAL PROJECTION USING MP-2021 IMPROVEMENT

expense and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the longterm expected investment rate of return assumption are summarized in the following tables:

ASSET CLASS	TARGET ALLOCATION	LONG-TERM EXPECTED REAL RATE OF RETURN
LARGE CAP DOMESTIC EQUITY	30%	6.71%
SMALL & MID CAP DOMESTIC EQUITY	10%	7.46%
INTERNATIONAL EQUITY	27%	7.21%
	11%	1.61%
SHORT-TERM HIGH YIELD FIXED INCOME	4%	3.71%
PRIVATE EQUITY	15%	9.96%
CASH	2%	0.71%
OTHER FIXED INCOME	1%	3.71%
TOTAL	100%	

DISCOUNT RATE

RETIREMENT AND RELIEF SYSTEM

The discount rates used to measure the Total Pension Liability (TPL) was 7.25% as of June 30, 2023 and June 30, 2022, respectively. The projection of cash flows used to determine the discount rate assumed plan member contributions will continue to be made at 7.50% of compensation and City contributions will be made at rates equal to the actuarial determined contribution. In addition, there are anticipated contributions from the City and the Supplemental System to the Retirement and Relief System, on behalf of Fire and Police retirees who are receiving benefits from the Supplemental System. Based on those assumtions, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2023 and June 30, 2022.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability (asset) for each of the City's plans, calculated using the discount rate, as well as what the City's net pension liability would have been if it were calculated using a discount rate that is I-percentage-point lower and I-percentage-point higher than the current rate:

	SENSITIVITY		
OPERATING REVENUES	1% DECREASE (6.25%)	CURRENT DISCOUNT RATE (7.25%)	1% INCREASE (8.25%)
RETIREMENT & RELIEF SYSTEM	774,152,404	587,758,664	\$430,922,601
AIRPORT AUTHORITY	24,076,140	18,279,294	13,401,693
TOTAL FOR ALL EMPLOYEES	\$774,152,404	\$587,758,664	\$430,922,601

SCHEDULE OF DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
DIFFERENCES BETWEEN EXPECTED & ACTUAL EXPERIENCE	365,228	169,139
NET DIFFERENCE BETWEEN PROJECTED & ACTUAL INVESTMENT EARNINGS ON PENSION PLAN INVESTMENTS	1,101,860	
CHANGES OF ASSUMPTIONS	2,400,055	8,982,677
CHANGES IN PROPORTION & DIFFERENCES BETWEEN EMPLOYER CONTRIBUTIONS & PROPORTIONATE SHARE OF CONTRIBUTIONS	535,709	2,513,518
TOTAL	\$4,402,852	\$11,665,334
DIFFERENCES BETWEEN EXPECT- ED AND ACTUAL EXPERIENCES	288,664	320,801
NET DIFFERENCE BETWEEN PROJECTED & ACTUAL INVESTMENT EARNINGS ON PENSION PLAN INVESTMENTS	2,133,970	
CHANGES OF ASSUMPTION	5,637,212	14,492,992
CHANGES IN PROPORTION & DIFFERENCES BETWEEN EMPLOYER CONTRIBUTIONS & PROPORTIONATE SHARE OF CONTRIBUTIONS	1,378,482	1,543,387
TOTAL	\$9,438,328	\$16,807,180

There are changes in each employer's proportionate share of the total Net Pension Liability (NPL) during the measurement period ended June 30, 2023. The net effect of the change on the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources is recognized over the average of the expected remaining service lives of all employees that are provided with pensions through Retirement and Relief System which is four years as of June 30, 2023.

In addition, the difference between the actual employer contributions and the proportionate share of the employer contributions during the measurement period ended June 30, 2023 is recognized over the same period. This is presumed to be zero because the proportionate share was determined using participant salaries, and contributions are a flat percentage of salary for all employees.

The average of the expected service lives of all employees is determined by:

- Calculating each active employee's expected remaining service life as the present value of \$I per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employees, nonactive and retired members.

Amounts reported as deferred outflows of resources and deferred inflows of resources at June 30, 2023 will be recognized in pension expense as follows:

YEAR ENDING JUNE 30	
2024	(\$2,898,917)
2025	(\$4,941,249)
2026	\$666,614
2027	(\$88,922)
2028	
THEREAFTER	

NOTE 13: OTHER POST-EMPLOYMENT BENEFITS

GENERAL INFORMATION ABOUT THE OPEB PLAN:

PLAN DESCRIPTION

The Authority's defined benefit other post employment benefits (OPEB) Plan, the Birmingham Airport Retiree Medical and Life Insurance Plan (BARMLIP), provides OPEB for all permanent full time employees of the

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Authority. BARMLIP is a single employer defined benefit OPEB plan administered by the Authority. Article III of the Lease and Use agreement with the City of Birmingham grants the Authority the right to establish benefit terms and financing requirements. The plan does not have a stand alone financial report.

On October 22, 2018, the Authority's Board of Directors authorized the creation and funding of an investment OPEB Trust to meet the requirements of GASB 85. The purpose of the OPEB Trust was for the Authority to meet its liability for the payment of health and related benefits for its retired employees under long established employee benefit plans. Management has a plan whereby cash contributions are intended to be made to help offset the anticipated increased outflows in future years to cover retiree benefits.

The Plan is administered by the management of the Authority, and it's governed by the Chief Financial Officer and in his absence by the CEO/President. The Authority's Board of Directors authorized an OPEB Trust Investment Policy on November II, 2018.

As of June 30, 2023, the OPEB Trust has a balance of \$1,805,957 and is overfunded by \$311,801.

BENEFITS PROVIDED

The Authority provides healthcare and life insurance benefits for retirees. The Authority adopted a policy to pay for the cost of postemployment health insurance for eligible employees. Employees of the Authority must meet the following eligibility requirements for pension benefits as defined by the City of Birmingham Retirement and Relief System for retirement:

- Retirees with 30 years of service at any age
- Retirees with 5 or more years of service and age 60 or older
- Retirees receiving disability pension benefits
- Retirees with 25 or more years of service and age 55 or older

Retirees may elect to continue their health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA). COBRA provides retirees with health insurance coverage for a period of I8 months. Retirees may continue the same coverage (single or family) at the time of retirement. The retiree must elect health insurance coverage under COBRA within 60 days of the retirement date.

Retirees who meet the eligibility requirements, as listed above, are entitled to receive a subsidy amount equal to the amount the Authority pays for single coverage for an active employee. Retirees may receive the subsidy until they reach the age of 65, become Medicare eligible, are covered under another policy or deceased. The benefits paid under this plan are reimbursements for the cost of coverage, and proof of coverage is required.

The retiree is responsible for paying the applicable balance of the monthly health insurance premium. The retiree may elect to have their portion of the health insurance deducted from their monthly pension benefit or elect to mail a check to the Authority by the I0th of each month for their portion.

The plan also provides all retirees with life insurance benefits up to a maximum of \$100,000, of which the Authority pays 100% of the premiums. The benefit reduces by 50% once the retiree reaches age 70.

EMPLOYEES COVERED BY BENEFIT TERMS

At June 30, 2023, the following employees were covered by the benefit terms:

ge and age 60 or older efits and age 55 or older

ACTIVE PARTICIPANTS IN VALUATION			
ACTIVE MEMBERS 107			
AVERAGE AGE	48.84		
AVERAGE YEARS OF SERVICE	6.10		
TOTAL PAYROLL	\$7,626,414		

RETIRED PARTICIPANTS				
NUMBER WITH LIFE INSURANCE	51			
AVERAGE AGE	72.47			
NUMBER RECEIVING HEALTH INSURANCE REIMBURSEMENT	0			

The Net OPEB Liability was measured as of June 30, 2023, and 2022. Plan Fiduciary Net Position (Plan assets) was valued as of the measurement dates and the Total OPEB Liability was determined from actuarial valuations using data as of July I, 2023 and 2022, respectively.

NET OPEB LIABILITY		
REPORTING DATE FOR EMPLOYER UNDER GASB 75	2023	2022
MEASUREMENT DATE	2023	2022
COMPONENTS OF THE NET OPEB LIABILITY		
TOTAL OPEB LIABILITY	\$1,494,156	\$1,173,769
PLAN FIDUCIARY NET POSITION	1,805,957	1,748,859
NET OPEB LIABILITY	(\$311,801)	(\$575,090)
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL OPEB LIABILITY	120.87%	149.00%

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SENSITIVITY OF THE NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE AND HEALTHCARE COST TREND RATES

The following presents the NOL of Airport Authority as well as what the Airport Authority's NOL would be if it were calculated using a discount rate that is I percentage point lower (2.54%) or I percentage point higher (4.54%) than the current rate. Also shown is the NOL as if it were calculated using healthcare cost trend rates that were I percentage point lower or I percentage point higher than the current healthcare trend rates.

	1% DECREASE (3.00%)	CURRENT DISCOUNT RATE (4.00%)	1% INCREASE (5.00%)
NET OPEB LIABILITY (ASSET)	(\$142,558)	(\$311,801)	(\$455,224)
	1% DECREASE IN HEALTH CARE COST TREND RATES	CURRENT HEALTH CARE COST TREND RATES	1% INCREASE IN HEALTHCARE COST TREND
NET OPEB LIABILTY (ASSET)	(\$311,801)	(\$311,801)	(\$311,801)

SCHEDULE OF CHANGES IN NET OPEB LIABILITY – LAST TWO FISCAL YEARS

Reporting Date for Employer under GASB 75

TOTAL OPEB LIABILITY	6/30/23	6/30/22
SERVICE COST	115,460	159,598
INTEREST	44,523	57,041
CHANGE OF BENEFIT TERMS		
CHANGES OF ASSUMPTIONS	200,336	(484,675)
BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMBER CONTRIBUTIONS	(63,577)	(20,349)
NET CHANGE IN TOTAL OPEB LIABILITY	\$320,387	(\$578,094)
TOTAL OPEB LIABILITY - BEGINNING	\$1,173,769	\$1,751,863
TOTAL OPEB LIABILITY - ENDING	\$1,494,156	\$1,173,769
PLAN FIDUCIARY NET POSITION	6/30/23	6/30/22
CONTRIBUTIONS - EMPLOYER	63,577	382,465
CONTRIBUTIONS - EMPLOYEE		
NET INVESTMENT INCOME	64,167	2,986
BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMBER CONTRIBUTIONS	(63,577)	(20,349)

PLAN FIDUCIARY NET POSITION	6/30/23	6/30/22
ADMINISTRATIVE EXPENSE	(7,069)	(5,990)
OTHER		
NET CHANGE IN PLAN FIDUCIARY NET POSITION	\$57,098	\$359,112
PLAN FIDUCIARY NET POSITION - BEGINNING	\$1,748,859	\$1,389,747
PLAN FIDUCIARY NET POSITION - ENDING	\$1,805,957	\$1,748,859
NET OPEB LIABILITY - ENDING	(\$311,801)	(\$575,090)
PLAN FIDUCIARY NET POSITION AS A PER- CENTAGE OF THE TOTAL OPEB LIABILITY	120.87%	149.00%
COVERED PAYROLL (1)	7,626,414	5,638,486
PLAN NET OPEB LIABILITY AS PERCENTAGE COVERED PAYROLL	(4.09%)	(10.20%)

(I) Covered payroll represents compensation earnable and pensionable compensation.

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The following charts reflect the deferred inflows and outflows of resources related to OPEB. Deferred inflows and outflows are differences between actual and expected experience that are not reflected in the current year's expenses.

REPORTING DATE FOR EMPLOYER UNDER GASB 75	6/30/23	6/30/22
MEASUREMENT DATE	6/30/23	6/30/22
DEFERRED OUTFLOWS OF RESOURCES		
CHANGES OF ASSUMPTIONS OR OTHER INPUTS	222,126	237,239
NET DIFFERENCE BETWEEN PROJECTED & ACTUAL EARNINGS OF OPEB PLAN INVESTMENTS	37,623	69,569
DIFFERENCE BETWEEN EXPECTED & ACTUAL EXPERIENCE IN THE TOTAL OPEB LIABILITY	201,564	34,825
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$461,313	\$341,633
DEFERRED INFLOWS OF RESOURCES		
CHANGES OF ASSUMPTIONS OR OTHER INPUTS	373,352	448,483

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REPORTING DATE FOR EMPLOYER UNDE
NET DIFFERENCE BETWEEN PROJECTED
EARNINGS ON OPEB PLAN INVESTMENTS
DIFFERENCE BETWEEN EXPECTED & AC
EXPERIENCE IN THE TOTAL OPEB LIABIL
TOTAL DEFERRED INFLOWS OF RESOUR

Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

REPORTING DATE FOR EMPLOYER UNDER GASB 75 YEAR ENDED JUNE 30, 2023:

2023	2024	2025	2026	2	027	2028	THEREAFTER		
N/A	(65,906)	(70,419)	(78,481)	(87	' ,2 91)	(31,581)	(34,873)		
OPEB EXPE	OPEB EXPENSE								
REPORTING	DATE FOR EN	IPLOYER UND	ER GASB 75			6/30/23	6/30/22		
MEASUREM	ENT DATE					6/30/23	6/30/22		
COMPONEN	TS OF OPEB E	XPENSE							
SERVICE CC	OST					115,460	159,598		
INTEREST O	N TOTAL OPE	B LIABILITY			44,523		57,041		
CURRENT-P	ERIOD BENEF	IT CHANGES							
DIFFERENC	E BETWEEN E	URRENT-PER XPECTED & A()PEB LIABILIT	CTUAL			28,622	(60,587)		
		URRENT-PER				3,377	(36,211)		
MEMBER CONTRIBUTIONS									
PROJECTED EARNINGS ON PLAN INVESTMENTS					(52,360)		(47,034)		
EXPENSED PORTION OF CURRENT-PERIOD DIFFERENCES BETWEEN ACTUAL & PROJECTED EARNINGS ON PLAN INVESTMENTS						(2,363)	8,808		
ADMINISTRATIVE EXPENSE						7,069	5,990		

2023	2024	2025	2026		2027	2028	THEREAFTER		
N/A	(65,906)	(70,419)	(78,481)	(8	7,291)	(31,581)	(34,873)		
ОРЕВ ЕХРЕ	OPEB EXPENSE								
REPORTING	DATE FOR EN		ER GASB 75		(6/30/23	6/30/22		
MEASUREM	ENT DATE				(6/30/23	6/30/22		
COMPONEN	TS OF OPEB E	XPENSE							
SERVICE CO	DST				1	15,460	159,598		
INTEREST C	N TOTAL OPE	B LIABILITY			44,523		57,041		
CURRENT-P	ERIOD BENEF	IT CHANGES							
DIFFERENC	PORTION OF C E BETWEEN E ES IN TOTAL C	XPECTED & A	CTUAL			28,622	(60,587)		
	PORTION OF C					3,377	(36,211)		
MEMBER CONTRIBUTIONS									
PROJECTED EARNINGS ON PLAN INVESTMENTS					(52,360)		(47,034)		
EXPENSED PORTION OF CURRENT-PERIOD DIFFERENCES BETWEEN ACTUAL & PROJECTED EARNINGS ON PLAN INVESTMENTS						(2,363)	8,808		
ADMINISTRA	ATIVE EXPENS	E				7,069	5,990		

R GASB 75	6/30/23	6/30/22
) & ACTUAL S		
TUAL ITY	456,512	538,564
CES	\$829,864	\$987,147

OPEB EXPENSE	6/30/23	6/30/22
OTHER		
RECOGNITION OF BEGINNING OF YEAR DEFERRED OUTFLOWS OF RESOURCES AS OPEB EXPENSE	62,858	54,048
RECOGNITION OF BEGINNING OF YEAR DEFERRED INFLOWS OF RESOURES AS OPEB EXPENSE	(157,283)	(60,485)
OPEB EXPENSE	\$49,903	\$81,168

SCHEDULE OF RECONCILIATION OF NET OPEB LIABILITY				
REPORTING DATE FOR EMPLOYER UNDER GASB 75	6/30/23	6/30/22		
BEGINNING NET OPEB LIABILITY	(575,090)	362,116		
OPEB EXPENSE	49,903	81,168		
EMPLOYER CONTRIBUTIONS	(63,577)	(382,465)		
NEW NET DEFERRED INFLOWS/OUTFLOWS	182,538	(642,346)		
RECOGNITION OF PRIOR DEFERRED INFLOWS/OUTFLOWS	94,425	6,437		
ENDING NET OPEB LIABILITY	(\$311,801)	(\$575,090)		

ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

The total OPEB liability in the June 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:

RATIONALE FOR ASSUMPTIONS:

The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation are shown in the Birmingham Retirement and Relief System Experience Study Report for the five year period ended June 30, 2020. Based on the results of that study as well as professional judgment, no additional demographic changes are warranted at this time and will be assessed again in the next five year review. The Birmingham Airport Authority participates in this pension plan, and the demographic assumptions for "General Employees" of that plan apply to the Birmingham Airport Authority.

PAYROLL INCREASE:	2.25%
DISCOUNT RATES:	4.00% for June 30, 20 was assumed to be th term expected rate of
EXPECTED RATE OF RETURN ON PLAN ASSETS:	4.00% for June 30, 20 are currently all in low the expected rate of r securities.
MORTALITY PRE-RETIREMENT:	Pri-2012 Employee An by 70%, projected ger
MORTALITY HEALTHY ANNUITANTS:	Pri-2012 Healthy Retir modified by 110%, pro
MORTALITY DISABLED ANNUITANTS:	Pri-2012 Disabled Reti two years for males a generationally using S

The tables above, with adjustments as shown, reasonably reflect the mortality experience of the Birmingham Retirement and Relief System as of the measurement date. The mortality tables were then generationally projected using Scale MP-202I to reflect future mortality improvement.

DISABILITY RATES BEFORE RETIREMENT

AGE	20	25	30	35	40	45	50	55	60
DISABILITY	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.65%	0.65%	0.65%

*20% of disability is assumed to be on the job disability.

TERMINATION RATES BEFORE RETIREMENT										
YEARS OF SERVICE	<1	1	2	3	4	5	6	7	8	9
RATE WITHDRAWAL (%)	13.00	13.00	13.00	10.00	10.00	10.00	10.00	6.50	6.50	6.50
YEARS OF SERVICE	10	11	12	13	14	15	16-19	20-24	25-29	30+
RATE WITHDRAWAL (%)	6.50	4.00	4.00	4.00	4.00	4.00	2.50	1.50	1.00	0.00

023 and 3.54% for June 30. 2022. The discount rate ne greater of the municipal bond rate and the long ⁱreturn.

023 and 3.00% for June 30, 2022. As the investments yield fixed income securities, we have assumed that eturn was equal to a portfolio of low yield fixed income

nount-weighted Mortality Table, with rates modified nerationally using Scale MP-2021.

ree Amount-weighted Mortality Table, with rates jected generationally using Scale MP-2021.

iree Amount-weighted Mortality Table, set back nd set forward two years for females, projected Scale MP-202I.

RETIREMENT RATES

Employees are assumed to retire, after meeting the service requirements in accordance with the following rates:

PRIOR TO JULY 1, 2021

AGE	RATE %
UNDER 50	0.0
50-52	35.0
53-54	25.0
55-61	12.0
62-73	25.0
74 & OVER	100.0

ON OR AFTER JULY 1, 2021

AGE	RATE %
UNDER 55	0.0
55-61	12.0
62-73	25.0
74 & OVER	100.0

SALARY SCALE

SALART SCALE	
AGE	RATE %
20	7.00
25	5.75
30	5.75
35	5.00
40	4.50
45	4.00
50	4.00
55	3.00
60	2.65
65	2.65
70 & OVER	2.25

The salary scale assumption includes an allowance for inflation of 2.25% per year. The assumption is based on the Airport Authority's pay plan, along with analysis completed in conjunction with an Experience Study Report for the five year period ended June 30, 2020.

PER CAPITA COST DEVELOPMENT:	Per capita costs are based on the Health Subsidy (\$649) with no age- adjustments. It is assumed that no implicit rate of subsidy is associated with those benefits.

ASSUMED 2023 AVERAGE HEALTH SUBSIDY (SINGLE EMPLOYEE): \$649

ASSUMED PARTICIPATION: DEPENDENTS: Not covered

50% medical **100%** life insurance LIFE INSURANCE **PREMIUM:**

The life insurance premium amount used for the valuation is \$34.80 annually per \$1,000 of life insurance coverage amount. Life insurance coverage amount is based on age and the salary at retirement for eligible retirees.

HEALTH CARE REFORM **ASSUMPTION:**

The valuation does not reflect the potential impact of any future changes due to prior or pending legislation.

NOTE 14: DEFERRED COMPENSATION PLAN

The Authority offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) solely the property and rights of the Authority (without being restricted to the provisions of benefits under the plan), subject only to the claims of the authority's general creditors. Participants' rights under the plan are equal to those of general creditors of the Authority in an amount equal to the fair value of the deferred account for each participant.

It is the opinion of the Authority's legal counsel that the Authority has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Authority believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 15: MAJOR CUSTOMERS

On June 17, 2022, the Authority entered into a new three year lease agreement with each of the four major airlines serving Birmingham. The new agreement became effective on July I, 2022 and will expire on June 30, 2025. There are several differences in the new agreement which are overall more beneficial to the Authority. The most important changes in the lease are:

- a. The signatory and non-signatory classifications for airlines has been eliminated. All airlines pay the same rates for landing fees and use of the terminal.
- b. Terminal concession revenue sharing has been eliminated.
- c. The Authority can recover airport funded capital projects via amortization.
- d. The joint use calculation is based on enplanements and now includes TSA passenger screening and CBRA areas.
- e. The Authority may utilize a discretionary credit to lower airline rates and charges.

NOTE 16: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Authority has purchased commercial insurance for all risk above minimal deductible amounts. In addition, all tenants and users of the Airport are required to have commercial insurance coverage naming the Authority as additional insured.

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NOTE 16: RISK MANAGEMENT (CONT.)

During fiscal year 2023, the Authority obtained commercial property and automobile coverage valued at \$475,775,638 for a premium of \$591,936. The Authority also maintains crime, cyber, terrorism, premises and professional liability insurance policies valued at \$113,100,000 for premiums of \$200,566. No liability is recorded as of June 30, 2023, for outstanding claims or for any potential claims incurred but not reported as of that date. Settled claims have not exceeded these commercial coverages by any material amounts during the year ended June 30, 2023.

NOTE 17: LITIGATION/CONTINGENCY

The Authority is a defendant in various lawsuits and is aware of pending claims arising in the ordinary course of its activities. These lawsuits seek monetary damages that could potentially have an impact on the operations of the Authority. The outcome of these lawsuits is not presently determinable and the status ranges from an early discovery stage to various levels of appeal of judgements. The Authority intends to defend itself vigorously against all suits; however, no prediction can be made, as of the date thereof, with respect to the liability of the Authority for such claims or the outcome of such suits.

NOTE 18: RELATED PARTY TRANSACTIONS

The Authority reimburses the City for the cost of providing police and fire protection services to the Airport. Amounts charged by the City are reported as operating expenses during the year incurred and totaled \$4,928,612 and \$2,840,925 for the fiscal years ended June 30, 2023, and 2022, respectively.

NOTE 19: COMMITMENTS

On June 30, 2023, the Authority was committed under contracts for the following construction and planning projects:

PROJECT DESCRIPTION	COMMITTED AMOUNT
RUNWAY 18 RSA IMPROVEMENTS	225,158
SOUTH CARGO ACCESS ROAD	1,179,080
TAXIWAY BRAVO, FOXTROT & OVERFLOW APRON	7,491,810
RUNWAY 6-24 & TAXIWAY HOTEL SEAL COAT & CRACK SEAL	443,017
PREFABRICATED METAL AIR CARGO STRUCTURE	25,923
AIRFIELD SAFETY & CAPACITY PROGRAM DEFINITION STUDY	191,369
AIR CARGO FACILITY, PHASE 1 - DESIGN & CONSTRUCTION	29,954,586
RAPID INTERVENTION VEHICLE	404,559
RWY 6, 24, & 36 SAFETY AREA IMPROVEMENTS	1,439,795

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PROJECT DESCRIPTION

TAXIWAY H CONNECTORS REHABILITATIC

HANGAR 7 TAXILANE REHABILITATION

TAXIWAY P&N CRACK SEAL & SEAL

BAA OFFICE EXPANSION

BAA OFFICE EXPANSION FURNITURE, FIXTURES & EQUIPMENT

AUTOMATED EXIT LANE BREACH CONTR

TERMINAL WIFI UPGRADES

AIRFIELD REGULATOR REPLACEMENT

RAINWATER HARVESTING SYSTEM

CCTV UPGRADE

RFID - GROUND TRANS PROJECT

UTILITY MASTER PLAN

PARKING DECK - ELEVATOR RESTORATIO

TSA CBRA EXPANSION

TERMINAL APRON REPAIRS

TOTAL ALL PROJECTS

NOTE 20: CHANGE IN ACCOUNTING PRINCIPAL

Effective July I, 2022, the Authority adopted GASBS No. 96, Subscription-Based Information Technology Arrangements (SBITA)–using the facts and circumstances that existed at the beginning of the period of implementation.

The Authority recognized the following balances related to the subscription right-to-use assets:

THE AUTHORITY AS LESSEE SUBSCRIPTION RIGHT-OF-USE ASSETS SUBSCRIPTION LIABILITIES

	COMMITTED AMOUNT
ON	2,327,253
	19,090
	212,413
	649,291
	200,000
OL SYSTEM	224,880
	507,391
	1
	564,120
	1,734,502
	64,686
	298,960
ON D & E	134,788
	5,456,481
	80,746
	\$53,829,897

JUNE 30, 2023
\$247,846
\$156,411

NOTE 20: CHANGE IN ACCOUNTING PRINCIPAL (CONT.)

For the year ended June 30, 2023 the Authority recognized the following balances related to the subscription right-to-use assets:

THE AUTHORITY AS LESSEE	JUNE 30, 2023
AMORTIZATION OF THE RIGHT-OF-USE ASSET	\$19,215
INTEREST EXPENSE	\$9,871

NOTE 21: RISKS & UNCERTAINTIES

There are certain risks within the aviation industry that are unknown at this time that could affect the Airport. The industry is subject to the strength of the economy and can be negatively impacted by additional national and global situations that are beyond the control of the Authority. Some of these uncertainties, including war, terrorism, pandemics, and the price of jet fuel, could adversely affect the financial performance of the Airport and other airports and airlines nationwide.

NOTE 22: CORRECTION OF ERROR

Management while preparing the financial statements for the year ended June 30, 2023, discovered an error in the calculation of leases related to the implementation GASBS No. 87 and in the classification of balances in the Authority's net position. The error in the calculation of leases caused an overstatement of the lease receivable, deferred inflows and interest income relating to certain leases which led to a reduction in total net position. The error in the calculation of net position balances was caused by an error in the calculation of the net investment in capital assets but did not impact the total net position.

The financial statements for the year ended June 30, 2022, have been restated as follows:

	· · ·		
STATEMENTS OF NET POSITION	AS ORIGINALLY REPORTED	AS RESTATED	CHANGE
CURRENT ASSETS			
LEASE RECEIVABLES - CURENT	7,394,970	3,304,443	(4,090,527)
NON-CURRENT ASSETS			
LEASE RECEIVABLE - NON-CURRENT	23,808,487	10,919,705	(12,888,782)
DEFERRED INFLOWS OF RES	OURCES		
DEFERRED INFLOWS OF RESOURCES RELATED TO LEASES	30,401,412	13,795,241	(16,606,171)
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	459,100,655	393,718,715	(65,381,940)
RESTRICTED	16,424,658	21,914,658	5,490,000

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STATEMENTS OF NET POSITION	AS ORIGINALLY REPORTED	AS RESTATED	CHANGE	
UNRESTRICTED	18,088,780	77,607,568	59,518,788	
TOTAL	\$493,614,093	\$493,240,941	(\$373,152)	
STATEMENTS OF REVENUES, EXPENSES & CHANGES IN FUND NET POSITION				
	1,875,600	1,502,452	(373,148)	

NOTE 23: SUBSEQUENT EVENTS

The Authority's Board ratified an execution made by the Board Chairperson on November 15, 2022 to approve a qualified 40I(a) Executive Pension Plan (the Plan). While the Plan is effective as of January I, 2022, the investment policy statement and the funding cadence were not approved until June 2023. The actuarial determined contribution as of July I, 2022, projected to July I, 2023 and estimated to be paid monthly during the plan year beginning July I, 2023, is \$314,527.

There are three participants in the the Plan and it will not be open to any other participants in the future. The three participants are also participants in the City of Birmingham Retirement & Relief System ("R&R"), and the benefits the participants will be paid by the Plan will be offset by benefits they may be paid from R&R. Participants are vested in R&R after IO years and are vested in the Plan after five (5) years. If participants retire from the Plan before they become vested in R&R (i.e., after 5 years but prior to IO years of service), the Authority will be responsible for the entire benefit paid from the Plan, subject to the direction of the "Employee Rollover Contribution" (as defined in the Plan) to the Plan from the R&R by the participant (or beneficiary, as applicable).

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *Last 10 Fiscal Years (I)*

SCHEDULE OF THE PLAN'S FIDUCIARY NET POSITION AS PERCENTAGE OF TOTAL

	2023	2022	2021
TOTAL PENSION LIABILITIY	\$1,673,684,313	\$1,635,731,434	1,550,750,248
LESS: PLAN FIDUCIARY NET PENSION	1,085,925,649	1,055,885,895	1,222,136,520
CITY'S NET PENSION LIABILITY	587,758,664	579,844,539	328,613,728
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	64.88%	64.55%	78.81%

	2020	2019	2018	2017
TOTAL PENSION LIABILITIY	\$2,227,765,845	\$1,973,741,484	\$1,783,042,202	\$1,745,211,041
LESS: PLAN FIDUCIARY NET PENSION	993,999,847	1,042,877,491	1,055,421,690	1,038,084,945
CITY'S NET PENSION LIABILITY	1,233,765,998	930,863,993	727,620,512	707,126,096
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	44.62%	52.84%	59.19%	59.48%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILTY

The following tables present the Authority's allocation of Net Pension Liability:

ALLOCATION OF JUNE 30, 2023 TO NET PENSION LIABILITY (NPL)

FISCAL YEAR ENDED	EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
JUNE 30, 2023	AUTHORITY	6,174,635	3.11%	18,279,294
	TOTAL FOR ALL EMPLOYEES	\$198,531,283		\$587,758,664
JUNE 30, 2022	AUTHORITY	6,509,037	3.41%	19,772,699
	TOTAL FOR ALL EMPLOYEES	\$190,612,100		\$579,844,539
JUNE 30, 2021	AUTHORITY	6,781,292	3.36%	11,423,628
	TOTAL FOR ALL EMPLOYEES	\$202,026,478		\$339,988,924
JUNE 30, 2020	AUTHORITY	7,104,956	3.55%	43,798,694
	TOTAL FOR ALL EMPLOYEES	\$200,234,161		\$1,233,765,998
JUNE 30, 2019	AUTHORITY	6,991,168	3.36%	31,277,030
	TOTAL FOR ALL EMPLOYEES	\$208,175,344		\$930,863,993
JUNE 30, 2018	AUTHORITY	7,494,780	3.67%	26,703,673
	TOTAL FOR ALL EMPLOYEES	\$203,984,897		\$727,620,512

JUNE 30, 2017	AUTHORITY	6,561,793	3.28%	23,193,736
	TOTAL FOR ALL EMPLOYEES	\$200,205,482		\$707,126,096

SCHEDULES OF EMPLOYER CONTRIBUTIONS - PENSION PLAN

	2023	2022	2021
ACTUARIALLY DETERMINED CONTRIBUTION *	32,795,771	33,322,262	33,322,262
CONTRIBUTION IN RELATION TO THE ACTUARIALLY DETERMINED CONTRIBUTION	33,917,517	34,988,353	28,280,924
CONTRIBUTION DEFICIENCY (EXCESS)	(1,121,746)	(1,666,091)	5,041,338
COVERED PAYROLL**	202,125,080	189,292,160	186,487,229
CONTRIBUTIONS AS PERCENTAGE OF COVERED PAYROLL	16.78%	18.48%	15.17%

	2020	2019	2018	2017
ACTUARIALLY DETERMINED CONTRIBUTION *	32,166,230	31,146,932	30,063,990	30,564,212
CONTRIBUTION IN RELATION TO THE ACTUARIALLY DETERMINED CONTRIBUTION	24,225,209	19,652,651	17,276,073	16,554,808
CONTRIBUTION DEFICIENCY (EXCESS)	7,941,021	11,494,280	12,787,917	14,009,404
COVERED PAYROLL**	201,581,514	197,988,943	202,177,529	200,441,743
CONTRIBUTIONS AS PERCENTAGE OF COVERED PAYROLL	12.02%	9.93%	8.55%	8.26%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

Notes to the schedule:

*The actuarially determined contribution is equal to the total calculated contribution in the most recent actuarial valuation, minus the portion expected to be covered by employee contributions.

** Payroll is estimated based on the actual employee contributions received and a 7.00% contribution rate for year ended June 30, 2021 and a 7.50% contribution rate for year ended June 30, 2022. The City's contributions as a percentage of covered-employee payroll are greater than the City's statutory contribution rate, since they reflect contributions made by the City on behalf of retired members in the Firemen's and Policemen's Supplemental Pension Plan, as well as transfers from the Supplemental Plan.

Notes: Valuation date: Actuarially determined contribution rates are calculated using a July valuation date as of the beginning of the fiscal year in which contributions are reported.

The following methods and assumptions are used to determine contribution rates:

ACTUARIAL COST METHOD ENTRY AGE NORMAL

ACTUARIAL COST METHOD	Entry age actuarial cost method
AMORTIZATION METHOD	Level Percent of Payroll, using 2.25% annual increases
REMAINING AMORTIZATION PERIOD	Closed, 29 years remaining as of July I, 2022

AMORTIZATION PERIOD

	The market value of assets less unrecognized returns in each of the last five
ASSET	years. Unrecognized return is equal to the difference between actual and
VALUATION	expected returns on a market value basis and is recognized over a five-year
METHOD	period. The deferred return is further adjusted, if necessary, so that the
	actuarial value of assets will stay within 20% of the market value of assets.

2023 ACTUARIAL ASSUMPTIONS

INVESTMENT RATE OF RETURN	7.25%, net of pension plan investment expense, including inflation
INFLATION RATE	2.25%
PROJECTED SALARY INCREASES	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale

2022 ACTUARIAL ASSUMPTIONS

INVESTMENT RATE OF RETURN	7.25%, net of pension plan investment expense, including inflation.	
INFLATION RATE	2.25%	
PROJECTED SALARY INCREASES	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale	
2021 ACTUARIAL ASSUMPTIONS		

INVESTMENT RATE OF RETURN	7.50%, including inflation, net of pension plan investment expense
INFLATION RATE	2.50%

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PROJECTED SALARY **INCREASES**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET **PENSION LIABILITY - AIRPORT AUTHORITY**

Reporting Date for Employer under GASB 68 & of June 30	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll (2)	Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	Plan Fudiciary Net Position as a Percentage of the Total Pension Liability
2023	3.11%	18,279,294	6,174,635	290.79%	64.88%
2022	3.41%	19,772,699	6,509,037	306.32%	64.55%
2021	3.36%	11,041,421	6,781,292	162.82%	78.81%
2020	3.55%	43,798,692	7,104,956	616.45%	44.62%
2019	3.36%	31,277,030	6,991,168	447.38%	52.84%
2018	3.67%	26,073,673	7,494,780	347.89%	59.19%
2017	3.28%	23,196,736	6,561,763	353.47%	59.48%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

(2) Payroll is estimated on the actual employee contributions received and a 7.5% contribution rate.

SCHEDULE OF STATUTORILY ESTABLISHED EMPLOYER & EMPLOYEE CONTRIBUTIONS

Year Ended June 30	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2023	1,019,948	1,238,697	(218,749)	6,174,635	20.06%
2022	NOT AVAILABLE	1,418,504	(1,418,504)	6,509,037	21.79%
2021	NOT AVAILABLE	1,117,176	(1,117,176)	6,781,292	16.47%
2020	NOT AVAILABLE	1,013,244	(1,013,244)	7,104,956	14.26%
2019	NOT AVAILABLE	(660,239)	660,239	6,991,168	(9.44%)

2.50%, plus age-related salary scale based on participant group

SCHEDULE OF STATUTORILY ESTABLISHED EMPLOYER & EMPLOYEE CONTRIBUTIONS

Year Ended June 30	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2018	NOT AVAILABLE	(634,032)	634,032	7,494,780	(8.46%)
2017	NOT AVAILABLE			6,561,793	0.00%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

Detailed information about the pension plan is available in the Annual Comprehensive Financial Report of the City of Birmingham. That report is available on the City's website at www.birminghamal.gov, Open Data, Finance.

SCHEDULE OF CONTRIBUTIONS - OTHER POST-EMPLOYMENT BENEFIT PLAN

Year Ended June 30	Actuarially Determined Contributions (2)	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll (3)	Contributions as a Percentage of Covered Employee Payroll
2023	116,752	63,577	53,175	7,626,414	0.83%
2022	174,683	382,465	(207,782)	5,638,486	6.78%
2021		4,874	(4,874)	7,119,300	0.07%
2020		2,597	(2,597)	7,157,316	0.04%
2019	228,002	1,373,750	(1,145,748)	6,937,207	19.80%
2018	228,002	15,211	212,791	7,726,430	0.20%
2017	250,339	17,066	233,273	9,014,199	0.19%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

(2) All "Actuarially Determined Contributions" through June 30, 2017, were determined as the "Annual Required Contribution" under GASB 43 and 45

(3) Covered employee payroll represents earnable compensation for those eligible for future benefits under the Plan.

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Notes to Schedule:

METHODS & ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES:

Valuation Date: Actuarially determined contribution rates are calculated as of July I. **Discount Rate:** Beginning of year GASB 75 discount rate. Asset Method: Market Value

Actuarial Cost Method: Entry Age Actuarial Cost Method **Amortization Method:** 30 years, open, level dollar **Remaining Amortization Period:** 30 years

SCHEDULE OF INVESTMENT RETURNS - OTHER POST-EMPLOYMENT BENEFIT PLAN

ANNUAL MONEY WEIGHTED RATE OF RETURN, NET OF INVESTMENT EXPENSE						
2023	2022	2021	2020	2019	2018	2017
3.68%	0.19%	0.10%	1.85%	1.12%	NOT AVAILABLE	NOT AVAILABLE

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

SCHEDULE OF CHANGES IN NET OPEB LIABILITY - OTHER POST EMPLOYMENT BENEFIT PLAN

REPORTING DATE FOR EMPLOYER UNDER GASB 75	
MEASUREMENT DATE	
TOTAL OPEB LIABILITY	
SERVICE COST	
INTEREST	
CHANGE OF BENEFIT TERMS	
DIFFERENCES BETWEEN EXPECTED & ACTUAL EXPERIENCE	
CHANGES OF ASSUMPTIONS	
BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMBER CONTRIBUTIONS	
NET CHANGE IN TOTAL OPEB LIABILITY	
TOTAL OPEB LIABILITY - BEGINNING	
TOTAL OPEB LIABILITY - ENDING	;
PLAN FIDUCIARY NET POSITION	

CONTRIBUTIONS - EMPLOYER

2023	2022	2021
2023	2022	2021
115,460	159,598	114,677
44,523	57,041	43,252
200,336	(484,675)	44,771
23,645	(289,709)	224,573
(63,577)	(20,349)	(4,874)
\$320,577	(\$578,094)	\$422,399
\$1,173,769	\$1,751,863	\$1,329,464
\$1,494,156	\$1,173,769	\$1,751,863
63,577	382,465	4,874

TOTAL OPEB LIABILITY

CONTRIBUTIONS - EMPLOYEE			
NET INVESTMENT INCOME	64,167	2,986	1,422
BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMER CONTRIBUTIONS	(63,577)	(20,349)	(4,874)
ADMINISTRATIVE EXPENSE	(7,069)	(5,990)	(5,570)
OTHER			
NET CHANGE IN PLAN FIDUCIARY NET POSITION	\$57,098	\$359,112	(\$4,148)
PLAN FIDUCIARY NET POSITION - BEGINNING	\$1,748,859	\$1,389,747	\$1,393,895
PLAN FIDUCIARY NET POSITION - ENDING	\$1,805,957	\$1,748,859	\$1,389,747
NET OPEB LIAILITY - ENDING	(\$311,801)	(\$575,090)	\$362,116
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL OPEB LIABILITY	120.87%	149.00%	79.33%
COVERED EMPLOYEEE PAYROLL (2)	7,626,414	7,726,430	6,937,207
PLAN NET OPEB LIABILITY AS A PERCENT- AGE OF COVERED EMPLOYEE PAYROLL	(4.09)%	(7.44%)	5.22%

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

(2) Covered employee payroll represents earnable compensation for those eligible for future benefits under the Plan.

REPORTING DATE FOR EMPLOYER UNDER GASB 75	2020	2019	2018			
MEASUREMENT DATE	2020	2019	2018			
SERVICE COST	104,857	149,784	157,857			
INTEREST	44,000	58,565	50,036			
CHANGE OF BENEFIT TERMS						

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TOTAL OPEB LIABILITY

DIFFERENCES BETWEEN EXPECTED **& ACTUAL EXPERIENCE**

CHANGES OF ASSUMPTIONS

BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMBER CONTRIBUTIONS

NET CHANGE IN TOTAL OPEB LIABILITY

TOTAL OPEB LIABILITY - BEGINNING

TOTAL OPEB LIABILITY - ENDING

PLAN FIDUCIARY NET POSITION

CONTRIBUTIONS - EMPLOYER

CONTRIBUTIONS - EMPLOYEE

NET INVESTMENT INCOME

BENEFIT PAYMENTS, INCLUDING REFUNDS OF MEMER CONTRIBUTIONS

ADMINISTRATIVE EXPENSE

OTHER

NET CHANGE IN PLAN FIDUCIARY NET POSITION

PLAN FIDUCIARY NET POSITION -BEGINNING

PLAN FIDUCIARY NET POSITION -ENDING

NET OPEB LIAILITY - ENDING

PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL **OPEB LIABILITY**

COVERED EMPLOYEE PAYROLL (2)

PLAN NET OPEB LIABILITY AS A PERCENT-AGE OF COVERED EMPLOYEE PAYROLL

(I) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full IO year trend is presented.

(2) Covered employee payroll represents earnable compensation for those eligible for future benefits under the Plan.

(64,227)	(110,006)	(21,092)
93,854	(304,568)	(51,762)
(2,597)	(7,420)	(15,211)
\$175,887	(\$213,645)	\$119,828
\$1,153,577	\$1,367,222	\$1,247,394
\$1,329,464	\$1,153,577	\$1,367,222
2 597	1.373.750	15.211

2,597	1,373,750	15,211
25,428	7,671	
(2,597)	(7,420)	(15,211)
(5,534)		
\$19,894	\$1,374,001	
\$1,374,001		
\$1,393,895	\$1,374,001	
(\$64,431)	(\$220,424)	\$1,367,222
104.85%	119.11%	0.00%
7,157,316	6,937,207	7,726,430
(0.90%)	(3.18%)	17.70%





Departures STATISTICAL

This section of the annual comprehensive report contains additional information to exhibit the Authority's overall financial health. It contains accounting and non-accounting data that covers a 10-year period where applicable.

FINANCIAL TREND DATA

Tables and/or graphs that present data exhibiting how the Authority's financial performance has changed over time.

- 94 | Total Annual Revenues and Expenses
- 96 | Changes in Net Position and PFC Collections

REVENUE CAPACITY DATA

Tables and/or graphs that present data exhibiting the Authority's major sources of revenue and expenses.

102 | Total Annual Revenues and Expenses

DEBT CAPACITY DATA

Tables and/or graphs that present data exhibiting the Authority's debt obligation and its ability to service the debt.

- **104** | **Pledged Revenues**
- **108** | Pledged Revenues and **Debt Service Ratios**
- **IIO** | **Pledged Revenues for** the QTA
- **II2** | Outstanding Debt & Debt **Per Enplaned Passenger**

OPERATING INFORMATION

Tables and/or graphs that present data exhibiting the Authority's operating activity, including traffic statistics, rates, charges, and general Airport information.

- **II4** | **Passenger Stats by Carrier**
- **124** | Passenger Statistics, Passenger **Aircraft Operations and Landed** Weight
- **126** | Cash Available for Operations
- **128** | Airport Information
- **130** | Summary of Certain Rates and Charges and Number of Employees
- **132** | Key Revenue Sources Per Enplanement

DEMOGRAPHIC & **ECONOMIC STATISTICS**

Tables and/or graphs that present data exhibiting the demographic and socioeconomic environment of the Authority's primary service region.

- 134 | Birmingham-Hoover MSA Population
- 134 | Birmingham-Hoover MSA Largest Ten **Employers**
- 135 | Birmingham-Hoover MSA Statistical **Summary**

STATISTICAL INFORMATION (UNAUDITED) **FINANCIAL TREND DATA**

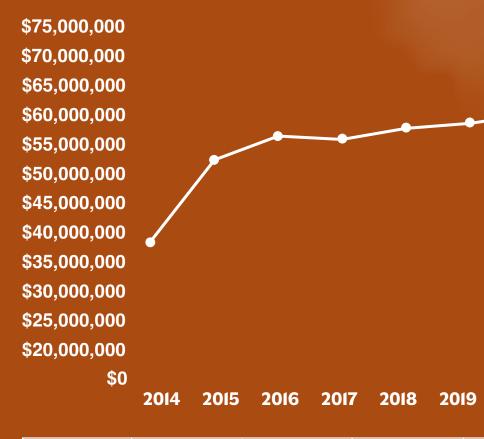
REVENUES 2014–2023

\$75,000,000 \$70,000,000 \$65,000,000 \$60,000,000 \$55,000,000 \$50,000,000 \$45,000,000 \$40,000,000 \$35,000,000 \$30,000,000 \$25,000,000 \$20,000,000 **\$0** 2018 2019 2020 2021 2022 2023 2014 2015 2016 2017

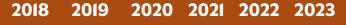
	2014	2015	2016	2017
REVENUE	50,074,696	54,151,129	54,355,603	54,082,564
EXPENSES	38,203,374	52,078,824	56,152,004	55,647,182

STATISTICAL INFORMATION (UNAUDITED)

EXPENSES 2014-2023



2018	2019	2020	2021	2022	2023
56,952,622	60,739,232	52,284,524	46,743,651	60,642,211	70,840,582
57,466,091	58,306,369	59,869,194	47,471,342	46,820,034	58,571,911

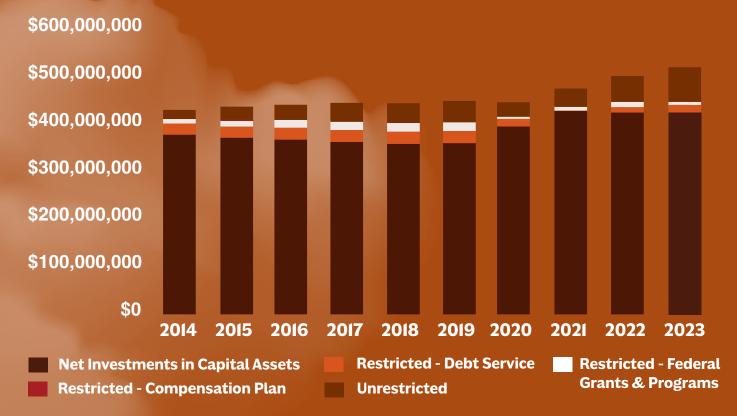


SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS.

STATISTICAL INFORMATION (UNAUDITED) **NET POSITION AT YEAR END**

	2014	2015	2016	2017	
NET INVESTMENT IN CAPITAL ASSETS	\$367,798,716	\$361,560,555	\$358,269,422	\$353,534,611	
RESTRICTED NET POSITION					
RESTRICTED FOR DEBT SERVICE	22,797,506	23,108,351	23,613,285	24,041,654	
FEDERAL GRANTS AND PROGRAMS	9,427,381	14,186,556	19,075,186	18,903,430	
UNRESTRICTED	18,624,099	27,179,399	30,881,474	39,014,644	
TOTAL NET POSITION	\$418,647,702	\$426,034,861	\$431,839,367	\$435,494,339	

NET POSITION AS OF JUNE 30 FOR EACH OF THE YEARS PRESENTED



STATISTICAL INFORMATION (UNAUDITED) **NET POSITION AT YEAR END**

2018	2019	2020	2021	2022	2023	
\$351,827,237	\$353,013,496	\$388,862,507	\$421,175,955	\$393,718,715	\$390,924,343	
RESTRICTED NET POSITION						
24,581,248	25,294,000	15,733,499	55,637	10,794,475	16,572,355	
17,802,172	17,609,106	5,380,857	10,201,543	11,120,183	11,350,394	
40,779,939	43,879,762	29,782,950	36,129,045	77,607,568	91,981,974	
\$434,990,596	\$439,796,364	\$439,759,813	\$467,562,183	\$493,240,941	\$510,829,066	

PFC COLLECTIONS

2014 \$5,473,591	2015 \$5,263,847	2016 \$5,095,712
-1.79% year-over-year change	-3.83% year-over-year change	-3.19% year-over-year change
2017 \$5,223,462	2018 \$5,710,690	2019 \$6,139,766
2.51% year-over-year change	9.33% year-over-year change	7.51% year-over-year change
2020 \$4,075,347	2021 \$3,182,058	2022 \$5,148,351
-33.62% year-over-year change	-21.92% year-over-year change	61.79% year-over-year change
2023 \$5,628,587 9.33% year-over-year change		

STATISTICAL INFORMATION (UNAUDITED) **CHANGE IN NET POSITION**

OPERATING REVENUES

	2014	2015	2016	2017	
AVIATION REVENUES	17,608,083	20,229,860	18,231,429	18,624,349	
CONCESSION REVENUES	19,870,112	20,661,480	22,478,650	21,940,863	
AIRPORT RENTALS	2,010,778	1,826,981	1,783,837	1,672,487	
AVIATION SERVICES	693,229	720,894	750,965	763,630	
MISCELLANEOUS REVENUES	596,022	614,307	801,314	827,949	
TOTAL OPERATING REVENUES	\$40,778,224	\$44,053,522	\$44,046,195	\$43,829,278	
NON-OPERATING REVENUES					
FEDERAL GRANTS - CARES, CRRSAA AND ARPA					
PASSENGER FACILITY CHARGES	5,175,057	5,241,743	5,258,436	5,208,341	
CUSTOMER FACILITY CHARGES	4,480,839	4,725,271	4,830,565	4,745,406	
INTEREST INCOME	161,504	130,593	110,407	\$239,243	
GAIN (LOSS) ON DISPOSAL OF CAPITAL ASSETS	(520,928)		110,000		
SETTLEMENT - INSURANCE & OTHERS				27,283	
UNREALIZED GAIN ON INVESTMENTS (NET)				33,013	
TOTAL NON-OPERATING REVENUES	\$9,296,472	\$10,097,607	\$10,309,408	\$10,253,286	

TOTAL REVENUES

TOTAL REVENUES	\$50,074,696	\$54,151,129	\$54,355,603	\$54,082,564
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STATISTICAL INFORMATION (UNAUDITED) **CHANGE IN NET POSITION**

OPERATING REVENUES						
2018	2019	2020	2021	2022	2023	
19,335,890	19,037,947	17,489,109	16,397,963	17,835,735	25,717,176	
22,810,454	24,431,197	19,226,592	12,698,687	22,152,856	26,382,904	
2,022,078	2,975,630	3,041,033	2,752,883	3,002,030	3,803,996	
804,324	834,290	811,239	769,061	996,365	1,078,820	
732,591	629,893	534,674	397,445	487,092	572,343	
\$45,705,337	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239	
NON-OPE	RATING RE	EVENUES				
		2,374,536	7,147,198	5,594,884	324,704	
5,708,601	6,135,296	4,057,275	3,175,906	5,141,308	5,555,672	
4,908,780	5,168,987	3,806,147	2,989,088	3,855,981	4,316,754	
480,042	1,141,005	948,041	271,625	1,502,452	2,055,919	
			171,464	21,605	6,306	
(10,925)	9,332	(4,591)	(27,667)	51,903	19,071	
160,787	375,655	469			1,006,917	
\$11,247,285	\$12,830,275	\$11,181,877	\$13,727,614	\$16,168,133	\$13,285,343	
TOTAL RE	VENUES					
\$56 952 622	\$60 739 232	\$52 284 524	\$46 743 651	\$60 642 211	\$70 840 582	

OPERATING REVENUES							
2018	2019	2020	2021	2022	2023		
19,335,890	19,037,947	17,489,109	16,397,963	17,835,735	25,717,176		
22,810,454	24,431,197	19,226,592	12,698,687	22,152,856	26,382,904		
2,022,078	2,975,630	3,041,033	2,752,883	3,002,030	3,803,996		
804,324	834,290	811,239	769,061	996,365	1,078,820		
732,591	629,893	534,674	397,445	487,092	572,343		
\$45,705,337	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239		
NON-OPE	RATING RE	EVENUES					
		2,374,536	7,147,198	5,594,884	324,704		
5,708,601	6,135,296	4,057,275	3,175,906	5,141,308	5,555,672		
4,908,780	5,168,987	3,806,147	2,989,088	3,855,981	4,316,754		
480,042	1,141,005	948,041	271,625	1,502,452	2,055,919		
			171,464	21,605	6,306		
(10,925)	9,332	(4,591)	(27,667)	51,903	19,071		
160,787	375,655	469			1,006,917		
\$11,247,285	\$12,830,275	\$11,181,877	\$13,727,614	\$16,168,133	\$13,285,343		
TOTAL REVENUES							
\$56,952,622	\$60,739,232	\$52,284,524	\$46,743,651	\$60,642,211	\$70,840,582		

STATISTICAL INFORMATION (UNAUDITED) CHANGE IN NET POSITION (CONT.)

OPERATING EXPENSES

2014	2015	2016	2017
11,574,238	13,337,566	16,073,206	15,068,098
7,708,103	7,374,387	7,550,984	7,659,450
1,442,773	1,644,463	1,217,508	1,347,247
5,254,209	5,129,546	5,383,871	4,657,123
\$25,979,323	\$27,485,962	\$30,225,569	\$28,731,918
9,775,644	15,572,715	16,311,707	17,342,863
	11,574,238 7,708,103 1,442,773 5,254,209 \$25,979,323	11,574,238 13,337,566 7,708,103 7,374,387 1,442,773 1,644,463 5,254,209 5,129,546 \$25,979,323 \$27,485,962	11,574,238 13,337,566 16,073,206 7,708,103 7,374,387 7,550,984 1,442,773 1,644,463 1,217,508 5,254,209 5,129,546 5,383,871 \$25,979,323 \$27,485,962 \$30,225,569

NON-OPERATING EXPENSES

INTEREST EXPENSES	2,497,850	9,011,341	9,606,613	9,572,401
LOSS ON EXTINGUISHMENT OF DEBT				
BOND ISSUANCE COST				
UNREALIZED LOSS ON INVESTMENTS (NET)	(31,443)	8,806	8,115	
TOTAL NON-OPERATING EXPENSES	\$2,448,407	\$9,020,147	\$9,614,728	\$9,572,401
TOTAL EXPENSES	\$38,203,374	\$52,078,824	\$56,152,004	\$55,647,182
FEDERAL CONTRIBUTIONS	\$20,336,728	\$6,844,392	\$7,600,907	\$4,937,446
TOTAL CHANGE IN NET POSITION	\$32,208,050	\$8,916,697	\$5,804,506	\$3,372,828

STATISTICAL INFORMATION (UNAUDITED) CHANGE IN NET POSITION (CONT.)

OPERATING EXPENSES

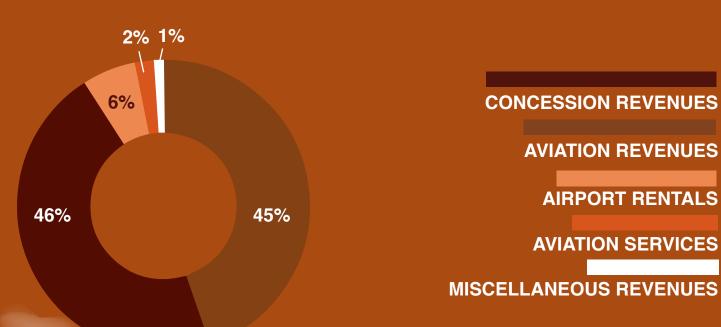
UPERATING EXPENSES						
2018	2019	2020	2021	2022	2023	
15,890,399	15,507,055	17,261,949	8,544,770	7,061,838	10,780,739	
8,944,073	10,206,340	9,250,780	8,087,158	7,933,618	10,237,504	
1,306,763	1,426,681	1,373,997	1,739,358	2,035,599	3,191,022	
4,815,406	4,869,138	4,552,272	4,043,414	6,323,897	9,876,260	
\$30,956,641	\$32,009,214	\$32,438,998	\$22,414,700	\$23,354,952	\$34,085,525	
17,258,899	17,361,529	18,006,437	19,597,391	17,450,371	19,442,814	

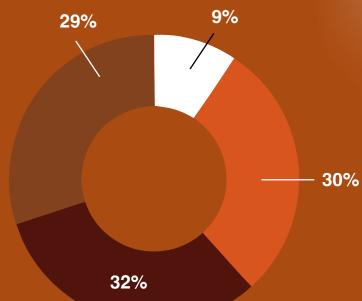
NON-OPERATING EXPENSES

9,250,551	8,935,626	8,777,415	4,142,760	5,085,440	5,043,572
		434,313			
		212,031	1,268,183		
			48,308	929,271	
\$9,250,551	\$8,935,626	\$9,423,759	\$5,459,251	\$6,014,711	\$5,043,572
\$57,466,091	\$58,306,369	\$59,869,194	\$47,471,342	\$46,820,034	\$58,571,911
\$9,726	\$2,372,906	\$7,548,115	\$28,530,055	\$11,856,581	\$5,319,454
(\$503,743)	\$4,805,769	(\$36,555)	\$27,802,366	\$25,678,758	\$17,588,125

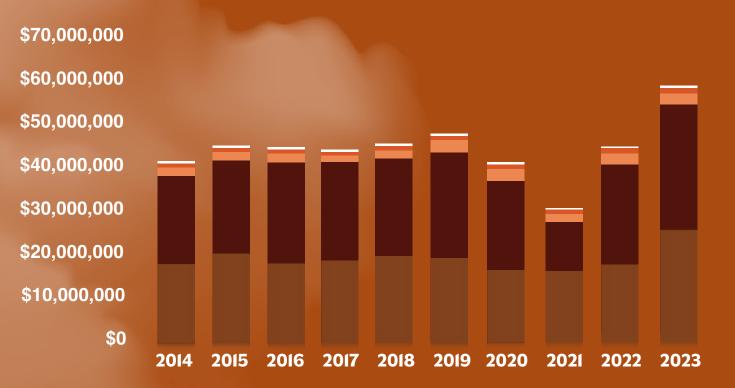
REVENUE CAPACITY DATA

FY2023 OPERATING REVENUE COMPOSITION

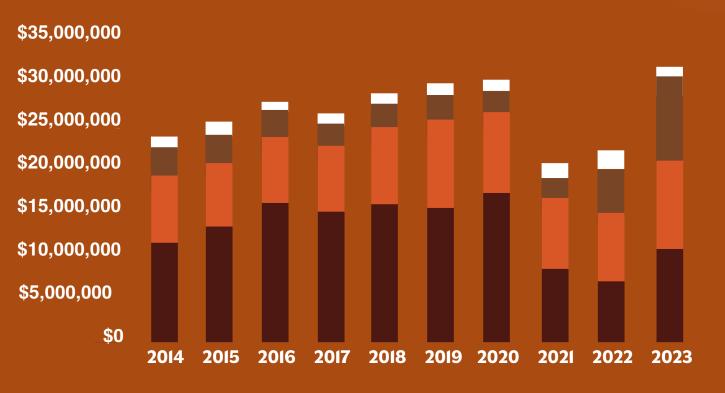




10 YEAR REVENUE COMPOSITION



10 YEAR EXPENSES COMPOSITION



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FY2023 OPERATING EXPENSE COMPOSITION

PROFESSIONAL/CONTRACTED SERVICES

OTHER OPERATING SERVICES

SALARIES AND BENEFITS

MATERIALS/SUPPLIES/ MAINTENANCE

DEBT CAPACITY DATA

PLEDGED REVENUES OPERATING REVENUES

AVIATION REVENUES

	2014	2015	2016	2017		
LANDING FEES	9,238,784	10,277,188	10,114,416	10,303,116		
AIRLINE SPACE RENTALS	7,710,928	9,233,501	7,347,579	7,280,533		
OTHER AIRLINE FEES & CHARGES ¹	658,371	719,171	769,434	1,040,700		
SUBTOTAL	\$17,608,083	\$20,229,860	\$18,231,429	\$18,624,349		
CONCESSION REVEN	UES					
AUTOMOBILE PARKING	12,545,705	12,764,253	14,344,228	13,751,891		
RENTAL CAR OPERATIONS	5,152,722	5,437,472	5,627,300	5,620,811		
RESTAURANT & RETAIL	1,563,916	1,748,578	1,906,579	2,071,587		
GROUND TRANSPORTATION	374,527	428,958	271,037	186,782		
TERMINAL ADVERTISING	177,869	219,381	279,327	262,755		
VENDING, OTHER CONCESSION & LESSOR FEES	55,373	62,838	50,179	47,037		
SUBTOTAL	\$19,870,112	\$20,661,480	\$22,478,650	\$21,940,863		
AIRPORT RENTALS						
TERMINAL OFFICE SPACE						
BUILDING LEASES	2,010,778	1,826,981	1,783,837	1,672,487		
SUBTOTAL	\$2,010,778	\$1,826,981	\$1,783,837	\$1,672,487		

NOTES:

(1) Apron, ramp overnight parking and per turn fees.

PLEDGED REVENUES **OPERATING REVENUES**

AVUATION DEVENUES

AVIATION REVENUES						
2018	2019	2020	2021	2022	2023	
11,136,231	10,605,258	8,832,724	8,230,502	9,031,592	11,451,763	
7,076,646	7,319,174	7,558,016	7,417,827	7,677,845	13,263,253	
1,123,013	1,113,515	1,098,369	749,636	1,126,298	1,002,160	
\$19,335,890	\$19,037,947	\$17,489,109	\$16,397,963	\$17,835,735	\$25,717,176	

CONCESSION REVENUES

14,412,546	15,537,390	11,646,835	6,895,580	14,118,883	16,403,034
5,758,239	6,036,642	5,281,777	4,495,813	5,874,735	6,953,249
2,089,437	2,193,078	1,693,004	886,413	1,582,444	1,997,683
217,861	254,537	215,366	107,315	136,098	159,689
282,802	350,518	264,683	208,142	223,258	328,171
49,569	59,032	124,927	105,424	217,438	541,077
\$22,810,454	\$24,431,197	\$19,226,592	\$12,698,687	\$22,152,856	\$26,382,904

AIRPORT RENTALS

		435,778		279,672	275,816
2,022,078	2,975,630	2,605,255	2,752,883	2,722,358	3,528,180
\$2,022,078	\$2,975,630	\$3,041,033	\$2,752,883	\$3,002,030	\$3,803,996

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS.

PLEDGED REVENUES (CONT.) **OPERATING REVENUES**

AVIATION SERVICES

	2014	2015	2016	2017		
AIRFIELD OPERATIONS ²	384,498	404,266	418,992	419,109		
FUEL COMMISSIONS & SALES	308,731	316,628	331,973	344,521		
SUBTOTAL	\$693,229	\$720,894	\$750,965	\$763,630		
MISCELLANEOUS REVENUES						
AIRPORT SERVICES SOLD ³	573,595	490,156	603,267	690,303		
MISCELLANEOUS INCOME ⁴	22,427	124,151	198,047	137,646		
SUBTOTAL	\$596,022	\$614,307	\$801,314	\$827,949		
TOTAL OPERATING REVENUES						
TOTAL OPERATING REVENUES	\$40,778,224	\$44,053,522	\$44,046,195	\$43,829,278		

NOTES:

(2) FBO and services provided to airlines

(3) ATM, Utilities reimbursement, TSA law enforcement reimbursement

(4) Event and meeting room rental, settlements and claims, other misc. revenue.

STATISTICAL INFORMATION (UNAUDITED) PLEDGED REVENUES (CONT.) **OPERATING REVENUES**

AVIATION SERVICES							
2018	2019	2020	2021	2022	2023		
425,459	435,327	460,464	445,373	540,309	630,248		
378,865	398,963	350,775	323,688	456,056	448,573		
\$804,324	\$834,290	\$811,239	\$769,061	\$996,365	\$1,078,820		
MISCELLANEOUS REVENUES							
694,864	629,893	534,674	139,412	193,311	176,033		
37,727			258,033	293,781	396,310		
\$732,591	\$629,893	\$534,674	\$397,445	\$487,092	\$572,343		
TOTAL REVENUES							
\$45,705,337	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239		

AVIATION SERVICES							
2018	2019	2020	2021	2022	2023		
425,459	435,327	460,464	445,373	540,309	630,248		
378,865	398,963	350,775	323,688	456,056	448,573		
\$804,324	\$834,290	\$811,239	\$769,061	\$996,365	\$1,078,820		
MISCELL	MISCELLANEOUS REVENUES						
694,864	629,893	534,674	139,412	193,311	176,033		
37,727			258,033	293,781	396,310		
\$732,591	\$629,893	\$534,674	\$397,445	\$487,092	\$572,343		
TOTAL REVENUES							
\$45,705,337	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239		

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS.

STATISTICAL INFORMATION (UNAUDITED) PLEDGED REVENUES & DEBT SERVICE RATIOS

NET REVENUES

	2014	2015	2016	2017		
OPERATING REVENUE	40,778,224	44,053,522	44,046,195	43,829,278		
INTEREST INCOME (LEASE INTEREST INCOME INCLUDED)	161,504	130,593	110,407	239,243		
OTHER NON-OPERATING REVENUES	9,134,968	9,967,014	10,199,001	10,014,043		
GROSS REVENUES	50,074,696	54,151,129	54,355,603	54,082,564		
LESS: OPERATING EXPENSES BEFORE DEPRECIATION	(25,979,323)	(27,485,962)	(30,225,569)	(28,731,918)		
NET PLEDGED REVENUE	\$24,095,373	\$26,665,167	\$24,130,034	\$25,350,646		
DEBT SERVICE						
PRINCIPAL	6,005,000	6,295,000	6,590,000	6,930,000		
INTEREST	10,405,138	10,143,900	9,864,700	9,572,401		
DEBT SERVICE SUBTOTAL	\$16,410,138	\$16,438,900	\$16,454,700	\$16,502,401		
LESS PFC REVENUE AVAILABLE FOR DEBT SERVICE	(5,000,538)	(4,999,338)	(5,001,138)	(5,000,738)		
TOTAL DEBT SERVICE	\$11,409,601	\$11,439,563	\$11,453,563	\$11,501,663		
COVERAGE OF DEBT SERVICE						
COVERAGE OF DEBT SERVICE	1.47	1.62	1.47	1.54		
NET REQUIRED REV. PER BOND RATE COVENANT	14,262,001	14,299,453	14,316,953	14,377,079		
RATIO OF REQUIRED REVENUE						
RATIO OF REQUIRED REVENUE	1.69	1.86	1.69	1.76		

NOTES:

(1) Debt service requirement, per debt service schedule, is equal to interest expense (excluding amortization of bond discount and amounts provided for payment of interest by bond proceeds and other sources and deposited into a restricted fund for that purpose) for each respective fiscal year ended June 30, plus principal payment payable on the next July 1. Certain passenger facility charge revenue is available to cover required debt service.

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STATISTICAL INFORMATION (UNAUDITED) PLEDGED REVENUES & DEBT SERVICE RATIOS

NET REVENUES

2018	2019	2020	2021	2022	2023	
45,705,337	47,908,957	41,102,647	33,016,039	44,474,078	57,555,239	
480,042	1,141,005	948,041	271,625	1,502,452	2,055,919	
10,767,243	11,689,270	10,233,836	13,455,989	14,665,681	11,229,424	
56,952,622	60,739,232	52,284,524	46,743,653	60,642,211	70,840,582	
(30,956,641)	(32,009,214)	(32,438,998)	(22,414,700)	(23,354,952)	(34,085,525)	
\$25,995,981	\$28,730,018	\$19,845,526	\$24,328,953	\$37,287,259	\$36,755,057	

DEBT SERVICE

7,270,000	7,625,000	8,015,000			5,230,000		
9,250,551	8,935,626	8,581,675	4,660,578	4,766,500	4,766,500		
\$16,520,551	\$16,560,626	\$16,596,675	\$4,660,578	\$4,766,500	\$9,996,500		
(5,003,738)	(5,000,713)	(5,002,463)			(5,230,000)		
\$11,516,814	\$11,559,913	\$11,594,212	\$4,660,578	\$4,766,500	\$4,766,500		
COVERAG	E OF DEBT	SERVICE					
1.57	1.73	1.20	5.22	7.82	3.68		
14,396,017	14,449,891	14,492,765	5,825,723	5,958,125	5,958,125		
RATIO OF	RATIO OF REQUIRED REVENUE						
1.81	1.99	1.37	4.18	6.26	6.17		

7,270,000	7,625,000	8,015,000			5,230,000		
9,250,551	8,935,626	8,581,675	4,660,578	4,766,500	4,766,500		
\$16,520,551	\$16,560,626	\$16,596,675	\$4,660,578	\$4,766,500	\$9,996,500		
(5,003,738)	(5,000,713)	(5,002,463)			(5,230,000)		
\$11,516,814	\$11,559,913	\$11,594,212	\$4,660,578	\$4,766,500	\$4,766,500		
COVERAG	E OF DEBT	SERVICE					
1.57	1.73	1.20	5.22	7.82	3.68		
14,396,017	14,449,891	14,492,765	5,825,723	5,958,125	5,958,125		
RATIO OF	RATIO OF REQUIRED REVENUE						
1.81	1.99	1.37	4.18	6.26	6.17		

NOTES:

(2) Net revenues in each fiscal year are required to be at least equal to the larger of either (1) the debt service and reserve transfer requirements of each fiscal year or; (2) 125% of the debt service requirements for such fiscal year

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS

STATISTICAL INFORMATION (UNAUDITED) PLEDGED REVENUES FOR THE QTA

NET REVENUES

	2014	2015	2016	2017
CUSTOMER FACILITY CHARGE COLLECTIONS	4,636,133	4,673,396	4,577,500	4,351,870
CUSTOMER FACILITY CHARGE BOND				
CFC INTEREST INCOME	2,689	4,544	36,039	64,079
TOTAL RESOURCES AVAILABLE FOR DEBT SERVICE	\$4,638,822	\$4,677,940	\$4,613,539	\$4,415,949
TOTAL ANNUAL EXPENSES	(\$51)		(\$207,097)	(\$3,930,703)
NET PLEDGED REVENUE	\$4,638,771	\$4,677,940	\$4,406,442	\$485,246

STATISTICAL INFORMATION (UNAUDITED) PLEDGED REVENUES FOR THE QTA

NET DEVENUES

2018	2019	2020	2021	2022	2023					
5,553,524	5,085,336	4,162,963	2,736,842	3,855,981	4,316,754					
		7,000,000								
107,691	166,017	51,082	1,866	1,505	57,126					
\$5,661,215	\$5,251,353	\$11,214,045	\$2,738,708	\$3,857,486	\$4,373,880					
(\$7,206,521)	(\$7,276,963)	(\$22,245,840)	(\$2,457,773)	(\$1,337,065)	(\$1,610,456)					
(\$1,545,306)	(\$2,025,610)	(\$11,031,795)	\$280,935	\$2,520,421	\$2,763,424					

NOTES:

(1) On November 19, 2012, the Authority's Board of Directors elected to impose a Customer Facility Charge (CFC) of \$5.00 per transaction day to fund a Quick Turn Around Facility "QTA" at the Airport.

(2) The Authority borrowed \$7,000,000 from BBVA Compass to pay the costs of the QTA Facility and the costs

of issuing the bond. The bond, which was secured by CFC revenue, was repaid in full on June 18, 2021.

(3) No other Airport Funds are pledged toward the payment of QTA expenses.

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS

STATISTICAL INFORMATION (UNAUDITED) OUTSTANDING DEBT & DEBT PER ENPLANED PASSENGER

OUTSTANDING DEBT BY TYPE [1]	

	2014	2015	2016	2017
2003A REVENUE BONDS, FIXED RATE (2)	20,820,000	19,665,000	17,440,000	15,105,000
2003B REVENUE BONDS, FIXED RATE (2)	960,000			
2007 REVENUE BONDS, FIXED RATE (2)	31,330,000	28,720,000	25,980,000	23,110,000
2010 REVENUE BONDS, FIXED RATE (3)	148,750,000	147,470,000	146,140,000	144,755,000
2020 REVENUE BONDS, FIXED RATE (3)				
SUBTOTAL, REVENUE BONDS PAYABLE	\$201,860,000	\$195,855,000	\$189,560,000	\$182,970,000
UNAMORTIZED DISCOUNT/PREMIUM	(479,024)	(479,776)	(481,232)	(483,323)
TOTAL OUTSTANDING DEBT PAYABLE	201,380,976	195,375,224	189,078,768	182,486,677
SHORT & LONG TERM LEASE LIABILITY				
TOTAL OUTSTANDING DEBT PAYABLE & LEASE LIABILITY	\$201,380,976	\$195,375,224	\$189,078,768	\$182,486,677
TOTAL ENPLANED PASSENGERS	1,307,885	1,330,235	1,349,032	1,336,065
OUTSTANDING DEBT PER ENPLANED PASSENGER	\$153.97	\$146.87	\$140.16	\$136.59

STATISTICAL INFORMATION (UNAUDITED) OUTSTANDING DEBT & DEBT PER ENPLANED PASSENGER

OUTSTANDING DEBT BY TYPE

2018	2019	2020	2021	2022	2023					
12,640,000	10,055,000									
20,085,000	16,915,000									
143,315,000	141,800,000	140,235,000								
			102,130,000	102,130,000	\$102,130,000					
\$176,040,000	\$168,770,000	\$140,235,000	\$102,130,000	\$102,130,000	\$102,130,000					
(485,985)	(489,159)	(7)	20,571,750	18,714,315	16,756,960					
175,554,015	168,280,841	140,234,993	122,701,750	120,844,315	118,886,960					
				40,852	183,642					
\$175,554,015	\$168,280,841	\$140,234,993	\$122,701,750	\$120,885,167	\$119,070,602					
1,409,531	1,533,824	1,119,455	747,272	1,289,296	1,434,680					
\$124.55	\$109.71	\$125.27	\$164.20	\$93.76	\$82.99					

NOTES:

(1) Includes both current and long-term liabilities (See Note 8)

(2) Defeased by the Authority on December 31, 2019.

(3) Defeased by the Authority on August 10, 2020.

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS

OPERATING INFORMATION

PASSENGER STATS BY CARRIER

	FISCAL YEAR 2014		FISCAL YEAR 2015		FISCAL YEAR 2016	
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
AMERICANS AIRLINES, INC.	144,085	5.5%	121,600	4.6%	3,851	0.1%
ENVOY AIR - AA		0.0%	81,678	3.1%	88,414	3.3%
AMERICAN EAGLE - AA	81,049	3.1%		0.0%		0.0%
AIR WISCONSIN - AA		0.0%		0.0%	134,336	5.0%
EXPRESS JET - AA		0.0%		0.0%	2,168	0.1%
MESA AIRLINES - AA		0.0%		0.0%	146,613	5.4%
PSA AIRLINES - AA		0.0%		0.0%	232,405	8.6%
PIEDMONT AIRLINES - AA		0.0%		0.0%		0.0%
TRAN STATE - AA		0.0%		0.0%		0.0%
BAHAMAS AIR - AA	998	0.0%	986	0.0%		0.0%
REPUBLIC AMERICA - AA						
SKYWEST - AA		0.0%		0.0%		0.0%
AMERICAN AIRLINES, INC. SUBTOTAL	226,132	8.7%	204,264	7.7%	607,787	22.6%
US AIRWAYS EXPRESS		0.0%		0.0%		0.0%
AERO MEXICO - US		0.0%	772	0.0%		0.0%
AIR WISCONSIN - US	18,652	0.7%	94,477	3.5%		0.0%
MESA AIRLINES - US	138,119	5.3%	56,627	2.1%		0.0%
PSA AIRLIENS - US	186,072	7.1%	250,609	9.4%		0.0%
US AIRWAYS EXPRESS SUBTOTAL	342,843	13.1%	402,485	15.1%		0.0%

PASSENGER STATS BY CARRIER

FISCAL YE	AR 2017	FISCAL YEAR 2018		FISCAL YEA	AR 2019	FISCAL YEAR 2020	
TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
734	0.0%	684	0.0%	544	0.0%	42,690	1.9%
73,721	2.8%	111,816	4.0%	109,501	3.6%	101,876	4.5%
	0.0%		0.0%		0.0%		0.0%
81,879	3.1%	6,010	0.2%		0.0%		0.0%
4,816	0.2%	29,175	1.0%	7,493	0.2%		0.0%
168,447	6.3%	156,101	5.5%	226,843	7.4%	123,173	5.5%
266,838	10.0%	314,256	11.1%	334,649	10.9%	306,600	13.7%
12,003	0.4%	13,038	0.5%	41,667	1.4%	9,672	0.4%
17,739	0.7%	23,600	0.8%	6,116	0.2%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%	15,185	0.5%	275	0.0%	9,488	0.4%
626,177	23.5%	669,865	23.8%	727,088	23.7%	593,499	26.4%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%

SOURCE: AIRLINE REPORTS

SOURCE: AIRLINE REPORTS



	FISCAL YEAR 2021		FISCAL YEAR 2022		FISCAL YEAR 2023	
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
AMERICANS AIRLINES, INC.	20,631	1.4%	151,666	5.9%	259,188	10.1%
ENVOY AIR - AA	121,337	8.1%	175,037	6.8%	171,592	6.7%
AMERICAN EAGLE - AA		0.0%		0.0%		0.0%
AIR WISCONSIN - AA		0.0%		0.0%	2,547	0.1%
EXPRESS JET - AA		0.0%		0.0%		0.0%
MESA AIRLINES - AA	65,024	4.4%	42,261	1.6%	23,113	0.9%
PSA AIRLINES - AA	250,492	16.8%	363,261	14.1%	348,719	13.5%
PIEDMONT AIRLINES - AA	5,989	0.4%	19,611	0.8%	51	0.0%
TRAN STATE - AA		0.0%		0.0%		0.0%
BAHAMAS AIR - AA		0.0%		0.0%		0.0%
REPUBLIC AMERICA - AA	29,635	2.0%	11,822	0.5%	10,786	0.4%
SKYWEST - AA	11,119	0.7%	19,201	0.7%	5,830	0.2%
AMERICAN AIRLINES, INC. SUBTOTAL	504,227	33.8%	782,859	30.4%	821,826	31.9%
US AIRWAYS EXPRESS		0.0%		0.0%		0.0%
AERO MEXICO - US		0.0%		0.0%		0.0%
AIR WISCONSIN - US		0.0%		0.0%		0.0%
MES AIRLINES - US		0.0%		0.0%		0.0%
PSA AIRLIENS - US		0.0%		0.0%		0.0%
US AIRWAYS EXPRESS SUBTOTAL		0.0%		0.0%		0.0%

	FISCAL YEAR 2014		FISCAL YEAR 2015		FISCAL YEAR 2016	
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
DELTA AIRLINES	657,511	25.2%	726,460	27.3%	746,020	27.7%
EXPRESS JET (ASA) - DL	107,859	4.1%	104,167	3.9%	134,821	5.0%
ENDEAVOR - DL	66,251	2.5%	8,250	0.3%	21,524	0.8%
GOJET - DL	6,909	0.3%	25,704	1.0%		0.0%
SHUTTLE AMERICA - DL	1,728	0.1%		0.0%	2,383	0.1%
SKYWEST - DL		0.0%	1,251	0.0%		0.0%
REPUBLIC - DL		0.0%		0.0%		0.0%
COMPASS - DL	22,353	0.9%		0.0%		0.0%
DELTA AIRLINES SUBTOTAL	862,611	33.0%	865,832	32.5%	904,748	33.6%
SOUTHWEST AIRLINES	929,244	35.6%	904,018	34.0%	883,260	32.8%
UNITED AIRLINES		0.0%		0.0%		0.0%
EXPRESS JET - UA	221,866	8.5%	222,047	8.3%	164,076	6.1%
MESA - UA		0.0%	123	0.0%	64	0.0%
SKYWEST - UA	30,003	1.1%	62,304	2.3%	135,060	5.0%
REPUBLIC - US		0.0%		0.0%		0.0%
AIR WISCONSIN - UA		0.0%		0.0%		0.0%
GO JET - UA		0.0%		0.0%		0.0%
COMMUT AIR - UA						
TRANS STATE - UA		0.0%		0.0%		0.0%
UNITED AIRLINES SUBTOTAL	251,869	9.6%	284,474	10.7%	299,200	11.1%
				<u> </u>		0500070

STATISTICAL INFORMATION (UNAUDITED) **PASSENGER STATS BY CARRIER (CONT.)**

FISCAL YEAR	2017							
		FISCAL YEA	AR 2018	FISCAL YEA		FISCAL YEAR 2020		
	ARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	
724,089 2	7.1%	765,772	27.2%	804,660	26.2%	595,680	26.5%	
94,620 3	3.5%	46,408	1.6%		0.0%		0.0%	
12,185 (0.5%	17,611	0.6%	56,997	1.9%	13,849	0.6%	
28,429 1	1.1%	95,930	3.4%	36,966	1.2%	30,460	1.4%	
(0.0%		0.0%		0.0%		0.0%	
23,676 (0.9%	2,596	0.1%	92,542	3.0%	75,519	3.4%	
(0.0%		0.0%		0.0%	21,359	1.0%	
(0.0%		0.0%		0.0%		0.0%	
882,999 3	3.1%	928,317	32.9%	991,165	32.3%	736,867	32.8%	
855,357 3	2.1%	852,572	30.2%	903,211	29.5%	608,480	27.1%	
(0.0%	480	0.0%	1,673	0.1%	2,624	0.1%	
185,951 7	7.0%	139,756	5.0%	108,650	3.5%	55,518	2.5%	
(0.0%	13,435	0.5%	55,504	1.8%	60,999	2.7%	
93,068 3	3.5%	104,017	3.7%	90,458	3.0%	120,365	5.4%	
23,154 (0.9%	57,291	2.0%	11,191	0.4%	18,657	0.8%	
(0.0%	4,670	0.2%	14,753	0.5%	12,009	0.5%	
(0.0%	25,820	0.9%	81,722	2.7%	1,709	0.1%	
(0.0%		0.0%		0.0%		0.0%	
(0.0%		0.0%	8,620	0.3%	8,552	0.4%	
302,173 1	1.3%	345,469	12.3%	372,571	12.2%	280,433	12.5%	

SOURCE: AIRLINE REPORTS

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SOURCE: AIRLINE REPORTS

	FISCAL YEAR 2021		FISCAL YEAR 2022		FISCAL YEAR 2023	
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
DELTA AIRLINES	254,121	17.0%	709,176	27.5%	756,681	29.4%
EXPRESS JET (ASA) - DL		0.0%		0.0%		0.0%
ENDEAVOR - DL	95,693	6.4%	72,324	2.8%	74,032	2.9%
GOJET - DL		0.0%		0.0%		0.0%
SHUTTLE AMERICA - DL		0.0%		0.0%		0.0%
SKYWEST - DL		0.0%	10,803	0.4%	14,143	0.5%
REPUBLIC - DL		0.0%		0.0%		0.0%
COMPASS - DL		0.0%		0.0%		0.0%
DELTA AIRLINES SUBTOTAL	349,814	23.4%	792,303	30.7%	844,856	32.8%
SOUTHWEST AIRLINES	428,227	28.7%	726,242	28.2%	885,601	34.4%
UNITED AIRLINES	269	0.0%	468	0.0%	685	0.0%
EXPRESS JET - UA	6,959	0.5%		0.0%		0.0%
MESA - UA	61,361	4.1%	45,130	1.8%	51,948	2.0%
SKYWEST - UA	99,840	6.7%	144,038	5.6%	136,216	5.3%
REPUBLIC - US	21,616	1.4%	19,857	0.8%	4,663	0.2%
AIR WISCONSIN - UA	2,455	0.2%	15,051	0.6%	39,934	1.5%
GO JET - UA	3,905	0.3%	1,687	0.1%	5,309	0.2%
COMMUT AIR - UA	14,494	1.0%	50,055	1.9%	83,230	3.2%
TRANS STATE - UA		0.0%		0.0%		0.0%
UNITED AIRLINES SUBTOTAL	210,899	14.1%	276,286	10.7%	321,985	12.5%

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SOURCE: AIRLINE REPORTS



	FISCAL YEA	AR 2014	FISCAL YEAR 2015 FISCAL YEAR 2016			AR 2016
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
XTRA AIRWAYS		0.0%	1,265	0.0%		0.0%
REPUBLIC	895	0.0%	121	0.0%		0.0%
SUNWING		0.0%		0.0%		0.0%
FRONTIER		0.0%		0.0%		0.0%
VIA AIR		0.0%		0.0%		0.0%
TOTAL PASSENGERS	2,613,594	100%	2,662,459	100%	2,694,995	100%

SOURCE: AIRLINE REPORTS

STATISTICAL INFORMATION (UNAUDITED) PASSENGER STATS BY CARRIER (CONT.)

FISCAL YE	AR 2017	FISCAL YEAR 2018		FISCAL YEAR 2019		FISCAL YEAR 2020	
TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
1,304	0.0%	288	0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%		0.0%		0.0%		0.0%
	0.0%	22,854	0.8%	71,290	2.3%	25,337	1.1%
	0.0%		0.0%	903	0.0%		0.0%
2,668,010	100%	2,819,365	100%	3,066,228	100%	2,244,616	100%

	FISCAL YEA	R 2021	FISCAL YEA	R 2022 FISCAL YEAR 2023		
AIRLINES	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE	TOTAL PASSENGER	MARKET SHARE
XTRA AIRLINES		0.0%		0.0%		0.0%
REPUBLIC		0.0%		0.0%		0.0%
SUNWING		0.0%		0.0%		0.0%
FRONTIER		0.8%		2.3%		1.1%
VIA AIR		0.0%		0.0%		0.0%
TOTAL PASSENGERS	1,493,167	100%	2,577,690	100%	2,874,268	100%

SOURCE: AIRLINE REPORTS

OPERATIONAL STATISTICS

TOTAL PASSENGERS

FISCAL YEAR	TOTAL	PERCENTAGE CHANGE
2014	2,613,594	(7.2%)
2015	2,662,459	1.9%
2016	2,694,995	1.2%
2017	2,668,010	(1.0%)
2018	2,819,365	5.7%
2019	3,066,228	8.8%
2020	2,244,616	(26.8%)
2021	1,493,167	(33.5%)
2022	2,577,690	72.6%
2023	2,874,268	11.5%

PASSENGER AIRCRAFT OPERATIONS

FISCAL YEAR	TOTAL	INCREASE (DECREASE)	PERCENTAGE CHANGE
2014	37,306	(4,610)	(11.0%)
2015	37,630	324	0.9%
2016	38,492	862	2.3%
2017	37,706	(786)	(2.0%)
2018	38,982	1,276	3.4%
2019	41,364	2,382	6.1%
2020	33,288	(8,076)	(19.5%)
2021	23,540	(9,748)	(29.3%)
2022	30,864	7,324	31.1%
2023	31,866	1,002	3.2%

PASSENGER ENPLANEMENTS

FISCAL YEAR	TOTAL	PERCENTAGE CHANGE
2014	1,307,885	(7.1%)
2015	1,330,235	1.7%
2016	1,349,032	1.4%
2017	1,336,065	(1.0%)
2018	1,409,531	5.5%
2019	1,533,824	8.8%
2020	1,119,455	(27.0%)
2021	747,272	(33.2%)
2022	1,289,296	72.5%
2023	1,434,680	11.3%

PASSENGER AIRCRAFT LANDED WEIGHT (IN THOUSANDS OF POUNDS)

FISCAL YEAR	TOTAL	INCREASE (DECREASE)	PERCENTAGE CHANGE
2014	1,642,368	(192,893)	(10.5%)
2015	1,635,170	(7,198)	(0.4%)
2016	1,624,706	(10,464)	(0.6%)
2017	1,656,428	31,722	2.0%
2018	1,738,586	82,158	5.0%
2019	1,833,622	95,036	5.5%
2020	1,487,485	(346,137)	(18.9%)
2021	1,064,578	(422,907)	(28.4%)
2022	1,494,718	430,140	40.4%
2023	1,629,185	134,467	9.0%

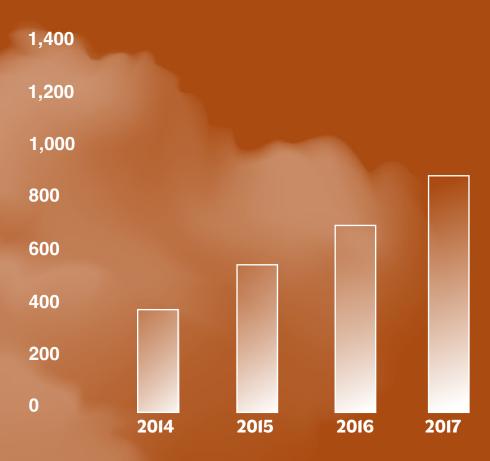
STATISTICAL INFORMATION (UNAUDITED)

SOURCE: AIRLINE REPORTS

STATISTICAL INFORMATION (UNAUDITED) CASH AVAILABLE FOR OPERATIONS

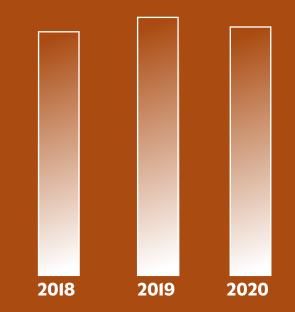
	2014	2015	2016	2017
UNRESTRICTED CASH & CASH EQUIVALENTS	21,485,093	26,453,879	28,488,429	34,430,543
UNRESTRICTED INVESTMENTS	7,007,870	14,983,226	20,168,903	25,926,563
TOTAL CASH AVAILABLE FOR OPERATIONS	\$28,492,963	\$41,437,145	\$48,657,332	\$60,357,106
OPERATING EXPENSES LESS NON-CASH PENSION EXPENSE	25,979,323	25,853,901	25,432,220	25,230,897
DAYS IN FISCAL YEAR	365	365	366	365
DAYS FUNDED	400	585	700	873

DAYS FUNDED



STATISTICAL INFORMATION (UNAUDITED) CASH AVAILABLE FOR OPERATIONS

2018	2019	2020	2021	2022	2023
39,525,666	32,075,429	53,142,353	39,682,286	36,913,811	40,971,297
26,398,830	40,599,347	10,146,525	30,208,732	56,945,002	61,575,792
\$65,924,496	\$72,674,776	\$63,288,878	\$69,891,018	93,858,813	102,547,089
27,060,856	27,606,851	25,600,510	24,383,945	27,013,701	35,685,300
365	365	366	365	365	364
889	961	905	1,046	1,268	1,046



SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS

DAYS FUNDED

1,400

1,200

1,000

800

600

400

200

0



2021

2023

STATISTICAL INFORMATION (UNAUDITED) AIRPORT INFORMATION



LOCATION 4 miles Northeast of Downtown Birmingham



AREA 2,170 Acres



RUNWAYS 18/36 - 7,099 FT X 150 FT 6/24 - 12,007 FT X 150 FT



COMMERCIAL AIRLINE APRON 1,812,216 sf



NUMBER OF GATES/ HARDSTAND POSITION

TERMINAL SPACE		
AIRLINES	88,527 sf	
CONCESSION & OFFICE SPACE	149,122 sf	
CIRCULATION SPACE	147,250 sf	
UTILITIES	17,162 sf	
OTHER	23,062 sf	
TOTAL	425,123 sf	

SOURCE	BIRMINGHAM AI	ΙΡΡΟΡΤΛΙΙΤΗΟΕ	VITV RECORDS
Source.	DIMINIONANA		

PARKING SPACES	
PARKING DECK	4,500
ECONOMY LOT	450
EMPLOYEE LOT	287
TOTAL	5,237

RENTAL CAR

FACILITY 8 Rental Car Agencies

AIRPORT

CODE BHM



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SUMMARY OF CERTAIN RATES & CHARGES [1]

	2014	2015	2016	2017			
SIGNATORY							
LANDING FEES (2)	\$5.83	\$5.74	\$5.59	\$5.66			
TERMINAL SPACE RENTALS (3)	\$81.98	\$70.80	\$69.45	\$66.98			
APRON FEES (3)	\$1.42	\$1.60	\$1.50	\$1.26			
NON-SIGNATORY							
LANDING FEES (2)	\$7.29	\$7.18	\$6.99	\$7.08			
TERMINAL SPACE RENTALS (3)	\$102.48	\$88.50	\$86.81	\$83.73			
APRON FEES (3)	\$1.78	\$2.00	\$1.88	\$1.58			
AIRCRAFT OVERNIGHT PARKING (PER OCCURENCE)	\$105.00	\$105.00	\$105.00	\$105.00			
PARKING RATES (4)	PARKING RATES (4)						
PARKING DECK DAILY	\$12.00	\$12.00	\$12.00	\$12.00			
PARKING DECK HOURLY	\$24.00	\$24.00	\$24.00	\$24.00			
ECONOMY LOT	\$10.00	\$10.00	\$10.00	\$10.00			

Notes:

(I) Airline rates and charges are post-audit

(2) Per I,000 pounds of landing weight

(3) Per square foot per year up to FY 2022. Changed to per gate in FY 2023

(4) Maximum per day

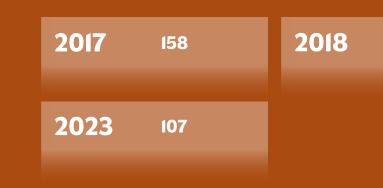
NUMBER OF EMPLOYEES

2014 141	2015 133	2016 131
2020 155	2021 125	2022 100

STATISTICAL INFORMATION (UNAUDITED) SUMMARY OF CERTAIN RATES & CHARGES [1]

2018	2019	2020	2021	2022	2023
\$5.55	\$5.20	\$5.18	\$6.71	\$5.39	\$5.85
\$70.30	\$68.42	\$72.25	\$65.89	\$66.49	\$106.90
\$1.31	\$1.31	\$1.15	\$1.02	\$1.09	\$32,893.00
\$6.94	\$6.50	\$6.48	\$8.39	\$6.74	\$5.85
\$87.88	\$85.53	\$90.31	\$82.36	\$83.11	\$106.90
\$1.64	\$1.64	\$1.44	\$1.28	\$1.36	\$32,893.00
\$105.00	\$105.00	\$105.00	\$113.00	\$133.51	\$85.67
					<u> </u>
\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00
\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS.



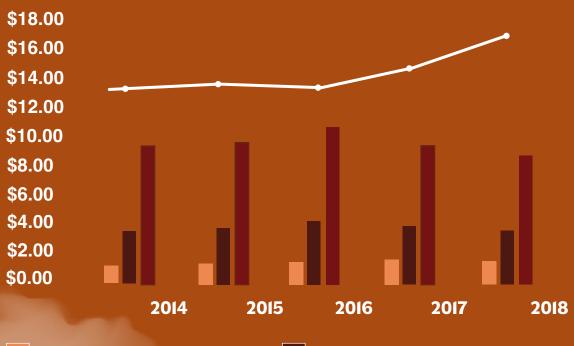
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2019

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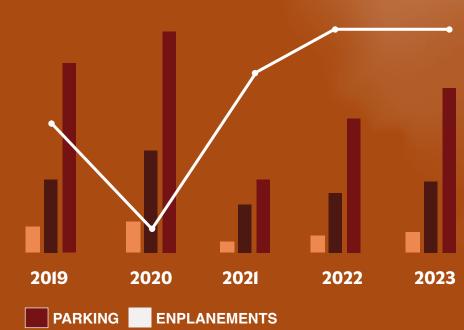
STATISTICAL INFORMATION (UNAUDITED) **KEY REVENUE SOURCES PER ENPLANEMENT**



FOOD, BEVERAGE, NEW & GIFTS RENTAL CAR OPERATIONS

OPERATING REVENUE PER ENPLANEMENT

REVENUE	2014	2015	2016	2017	2018
FOOD, BEVERAGE, NEW & GIFTS, ETC.	\$1.18	\$1.30	\$1.43	\$1.47	\$1.36
RENTAL CAR	\$3.87	\$4.03	\$4.21	\$3.99	\$3.75
PARKING	\$9.43	\$9.46	\$10.74	\$9.76	\$9.40



OPERATING REVENUE PER ENPLANEMENT

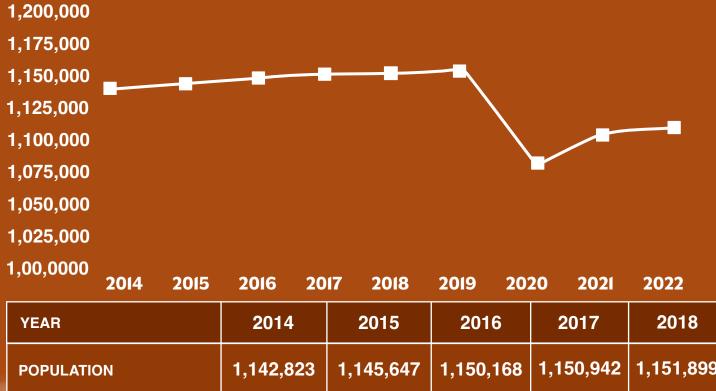
REVENUE	2019	2020	2021	2022	2023
FOOD, BEVERAGE, NEW & GIFTS, ETC.	\$1.96	\$2.27	\$0.69	\$1.10	\$1.39
RENTAL CAR	\$5.39	\$7.07	\$3.49	\$4.09	\$4.85
PARKING	\$13.88	\$15.59	\$5.35	\$9.84	\$11.43

1,600,000 1,500,000 1,400,000 1,300,000 1,200,000 1,100,000 1,000,000 900,000 800,000 700,000

SOURCE: BIRMINGHAM AIRPORT AUTHORITY RECORDS.

DEMOGRAPHICS & ECONOMIC STATISTICS

BIRMINGHAM-HOOVER MSA POPULATION (2014-2022)



POPULATION	1,142,023	1,145,047	1,150,100	1,150,942	1,151,055
YEAR	2019	2020	2021	20	22
POPULATION	1,154,278	1,092,281	1,114,262	1,116,857	

BIRMINGHAM-HOOVER MSA LARGEST TEN EMPLOYERS (2022 COMPARED TO 2013)

	2022		2013			
NAME	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT
UNIVERSITY OF ALABAMA AT BIRMINGHAM	26,000	1	4.7%	18,984	1	3.8%
REGIONS FINANCIAL CORP.	5,763	2	1.0%	6,000	2	1.2%
WALMART	4,900	3	0.9%			
HONDA MANUFACTURING OF ALABMA	4,500	4	0.8%	4,000	7	0.8%
MERCEDES-BENZ U.S. INTERNATIONAL INC.	4,500	5	0.8%	3,500	10	0.7%
CHILDREN'S OF ALABAMA	4,155	6	0.8%	3,700	9	0.7%

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		2022			2013	
NAME	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT
BROOKWOOD BAPTIST HEALTH	3,590	7	0.6%	4,350	5	0.9%
ALABAMA POWER COMPANY	3,555	8	0.6%	3,956	8	0.8%
BLUECROSS AND BLUESHIELD OF ALABAMA	3,282	9	0.6%			
BIRMINGHAM VA MEDICAL CENTER	2,995	10	0.5%			
ST. VINCENT'S HEALTH SYSTEM INC.				4,820	3	1.0%
CITY OF BIRMINGHAM				4,565	4	0.9%
JEFFERSON COUNTY BOARD OF EDUCATION				4,315	6	0.9%
TOTAL	63,240		11.4%	58,190		11.5%
EST. MSA EMPLOYMENT	553,752			505,443		

BIRMINGHAM-HOOVER MSA STATISTICAL SUMMARY

YEAR	AVERAGE EMPLOYMENT 2	PERSONAL INCOME (\$000S) 1	PER CAPITA PERSONAL INCOME 1	MEDIAN AGE 1	SCHOOL ENROLLMENT 1	AVERAGE UNEMPLOYMENT RATE (%) 2
2013	512,400	45,842,549	42,719	38.2	284,308	6.3
2014	516,200	47,764,875	44,376	38.4	278,605	6.0
2015	521,900	50,104,352	46,388	38.2	281,264	5.5
2016	526,500	50,935,284	47,018	38.8	282,094	5.5
2017	531,600	53,456,370	49,216	38.6	282,680	4.1
2018	539,200	55,926,306	51,377	39.1	277,096	3.5
2019	546,000	58,020,400	53,185	38.8	258,399	2.7
2020	520,400	60,136,271	55,074	38.7	262,344	5.5
2021	537,784	65,860,284	59,107	39.4	263,196	3.2
2022	553,752	69,537,997	62,262	39.3	270,347	2.4

SOURCE: BIRMINGHAM BUSINESS JOURNAL, BOOK OF LISTS (2013 & 2022). NOTE: Due to rounding, percentages may not add up precisely to the total provided.

> NOTE (I): U.S. Census Bureau; Bureau of Economic Analysis Note (2): U.S. Bureau of Labor Statistics



Arrivals COMPLIANCE

- **138** | Independent Auditor's Report on **Internal Control Over Financial Reporting and on Compliance** and Other Matters Based on an Audit of Financial Statements **Performed in Accordance with Government Auditing Standards**
- **I39 | Schedule of Expenditures of Federal Awards**
- 140 | Notes to Schedule of **Expenditures of Federal Awards**
- 141 | Schedule of Findings and Questioned Costs



- **142** | Independent Auditor's Report on Compliance for Each Major **Program and on Internal Control over Compliance Required by The Uniform** Guidance
- **144 | Schedule of Passenger Facility Charges Collected** and Expended
- 145 | Notes to the Schedule of Passenger Facility Charges **Collected and Expended**

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS





To the Board of Directors of the Birmingham Airport Authority Birmingham, Alabama

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 business-type activities of the Birmingham Airport Authority (the Authority) as of and for the year ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 31.2023.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

REPORT ON COMPLIANCE AND OTHER MATTERS

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

PURPOSE OF THIS REPORT

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

Birmingham, Alabama October 31, 2023



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

UF FLULKAL AVV							
FEDERAL GRANTOR/PASS- THROUGH GRANTOR PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	ID NUMBER	EXPENDITURES				
U.S. DEPARTMENT OF TRANSPO	ORTATION						
FEDERAL AVIATION ADMINISTRA	ATION						
	20.106	3-01-0014-108-2020	105,654				
CRRSAA	20.106	3-01-0014-111-2022	324,704				
	20.106	3-01-0014-114-2022	1,026,022				
	20.106	3-01-0014-115-2023	397				
	20.106	3-01-0014-116-2022	2,440,905				
	20.106	3-01-0014-117-2022	455,569				
	20.106	3-01-0014-118-2022	302,458				
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$4,655,709				
U.S. DEPARTMENT OF HOMELAN							
TRANSPORTATION SECURITY AI	OMINISTRATION						
TSA AIRPORT CHECKED BAGGAGE INSPECTION	97.117	70T04018T9CAP1056	23,540				
SYSTEM PROGRAM (ARRA)	97.117	70T04022T7672N007	560,413				
TOTAL U.S DEPARTMENT OF HOMELAND SECURITY			\$583,953				
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$5,239,662				

COMPLIANCE SECTION | 139

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Birmingham Airport Authority (the Authority) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: INDIRECT COST RATE

The Authority has elected to use the IO% de minimis indirect cost rate as allowed under the Uniform Guidance.



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SCHEDULE OF FINDINGS & QUESTIONED COSTS

Section I - Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiencies identified that are to be material weaknesses

Noncompliance material to financial state

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?

Significant deficiencies identified that are considered to be material weaknesses

Type of auditor's report issued on complian for major programs:

Any audit findings disclosed that are requireported in accordance with Section 2 CFF

Identification of major programs:

FEDERAL ASSISTANCE LISTING NUMBER

20.106

Dollar threshold used to distinguish betwee and Type B programs:

Auditee qualified as low-risk auditee?

Section II - Financial Statement Findings No matters were reported.

	○YES	NO
not considered	YES	NONE REPORTED
ements noted?	YES	NO NO
	YES	NO
not	YES	NONE REPORTED
ance	UNMODIF	IED
ired to be R 200.516(a)?	YES	ΝΟ
	FEDERAL P mprovement	
en Type A	\$750,000	
	YES	O NO

COMPLIANCE SECTION | 141

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM & ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE





To the Board of Directors **Birmingham Airport Authority** Birmingham, Alabama

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

OPINION ON EACH MAJOR FEDERAL PROGRAM

We have audited the Birmingham Airport Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2023. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

BASIS FOR OPINION ON EACH MAJOR FEDERAL PROGRAM

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

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

RESPONSIBILITIES OF MANAGEMENT FOR COMPLIANCE

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF COMPLIANCE

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

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user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

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

- performing such other procedures as we considered necessary in the circumstances.
- opinion is expressed.

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

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Birmingham, Alabama October 31, 2023

Bank, Finley White " Co.

Exercise professional judgment and maintain professional skepticism throughout the audit.

• Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and

 Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such

SCHEDULE OF PFC COLLECTED & EXPENDED

FOR THE YEAR ENDED JUNE 30,2023

QUARTER ENDED	PFC CHARGES RECEIVED	INTEREST EARNED	TOTAL RECEIVED
BEGINNING BALANCE	118,293,202	1,441,964	119,735,166
9/30/2022	1,374,639	4,150	1,378,789
12/31/2022	1,068,570	9,791	1,078,361
3/31/2023	1,601,767	20,251	1,622,017
6/30/2023	1,512,687	38,723	1,551,410
TOTAL 2023	\$5,557,663	\$72,915	\$5,630,578
TOTAL PROGRAM	\$123,850,865	\$1,514,879	\$125,365,744

QUARTER ENDED	EXPENDITURES ON APPROVED PROJECTS	NET PER FINANCIAL STATEMENTS
BEGINNING BALANCE	113,578,723	6,156,443
9/30/2022	5,500,000	(4,121,211)
12/31/2022		1,078,361
3/31/2023		1,622,017
6/30/2023		1,551,410
TOTAL 2023	\$5,500,000	\$130,578
TOTAL PROGRAM	\$119,078,723	\$6,287,021
RECEIVABLE AT 6/30/2023		452,048
PCF FUNDS TO BE USED FOR FUTURE DEBT SERVICE PAY- MENTS & CAPITAL PROJECTS		\$6,739,069

NOTES TO THE SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED & EXPENDED

NOTE I: BASIS OF PRESENTATION

The accompanying Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the Authority from August I, 1997 (original date of approval) through June 30, 2023. The schedule also includes all funds expended life to date. The Authority currently collects \$4.50 per enplaned passenger. The current approval for charges as approved by the Federal Aviation Administration is estimated to end on February I, 203I.

NOTE 2: BASIS OF ACCOUNTING

The Schedule of Passenger Facility Charges Collected and Expended was prepared on the accrual basis of accounting. PFCs are recorded as revenue when earned and expenditures for debt service and approved capital projects are recorded as expenditures are incurred. Expenditures are incurred in accordance with the approved FAA application for use.

NOTE 3: PROGRAM COSTS

The amounts shown as current year revenues and expenses represent only the Passenger Facility Charges portions of the project costs. Entire project costs may be more than shown.

NOTE 4: RECONCILATION TO STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Passenger facility charges are reported on an accrual basis in the Authority's Statement of Revenues, Expenses, and Changes in Net Position in the Annual Comprehensive Financial Report. Reporting standards adopted by the FAA require for purposes of the Schedule of PFC Collected and Expended such charges be reported on a cash basis. A reconciliation between cash collections and revenues reported on the accrual basis is as follows:

FISCAL YEAR 2023	
PASSENGER FACILITY CHARGES:	
PFC FUNDS RECEIVED PER SCHEDULE OF PFC COLLETED & EXPENDED	5,557,663
LESS PRIOR YEAR ACCRUAL	454,048
ADD CURRENT YEAR	452,048
AMOUNT PER STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION	\$5,555,663





BY THE NUMBERS

- 148 | Fiscal Year 2023 BAA Project **Summaries**
- 149 | O&D Passenger Market Share
- 149 | BHM Daily Departures
- 150 | Catchment Area Demographics
- 151 | Top O&D Domestic and **International Markets**

Bag claim

153 | Demographics Report 154 | Interstate Access Maps and **BHM** Footprint 155 | Nonstop Markets 156 | One-Stop World Map 158 | Nonstop and One-Stop Markets

FISCAL YEAR 2023 BAA PROJECT SUMMARIES

AIR CARGO FACILITY

Due to a significant demand for additional cargo space at the airport, the BAA has embarked on an ambitious project to build a new air cargo facility. Construction of the new facility began in June of 2023 with a completion date of June 2024. The 53,000 square foot air cargo facility will provide for international air cargo business directly into the Birmingham region. The total cost of the BAA-funded project is approximately \$28 million dollars.



TAXIWAY 'H' CONNECTOR REHABILITATION

Years of aircraft operations have significantly impacted the pavement condition of the Taxiway H connectors that serve numerous aircraft operators along the west side of the airfield, including the Air National Guard. This project will reconstruct critical airfield infrastructure, extending the life of the Taxiway H connectors to our general aviation and military community. The project is expected to cost approximately \$5 million and will be funded through FAA AIP grant and local funds.



TAXIWAY B, FAND OVERFLOW APRON REHABILITATION

The BAA is committed to extending the useful life of existing pavement. Based on the Airport Pavement Management System (APMS) and daily inspection reports, Taxiway B, F, and the Overflow Apron, are in need of rehabilitation. Construction began in September of 2023 and is expected to be complete in June of 2024. Construction will cost approximately \$8.6 million and is funded by BIL and local BAA funds.



TAXIWAY 'H' REALIGNMENT - DESIGN

This project will design the Taxiway 'H' realignment. It will be the first major geometry improvement to the airfield in the past IO years. This realignment, when completed, will allow for additional capacity and larger aircraft on Taxiway H that will significantly improve efficiency and safety on the airfield. Design on this project will cost approximately \$700,000 and be funded through BIL and local funds.



MARKET OSD PASSE

31%

SOUTHWEST

29%

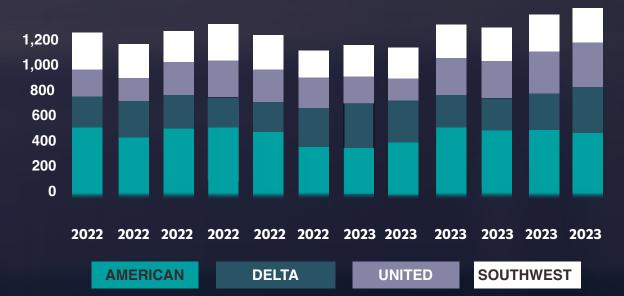
DELTA

2.8M

Passengers Served in FY 2023 (in & out)

108

Peak Daily Flights (in & out)



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ENGER MARKET SHARE							
-		ОТІ	HER				
4		AMERICAN					
þ	10%	28%	1%				

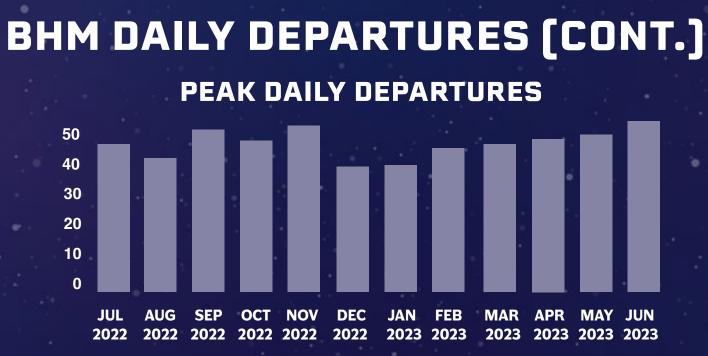




Customer Satisfaction Rate Average (2022-2023)

BHM DAILY DEPARTURES

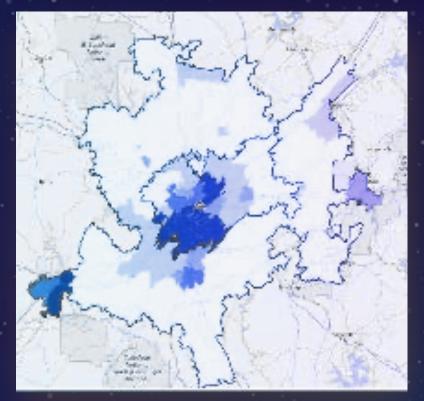
DAILY DEPARTURES BY AIRLINE



American provides service to Charlotte, Chicago, Dallas, Miami, Philadelphia, and Washington DC. Southwest served Baltimore, Chicago, Dallas, Denver, Houston, Las Vegas, Orlando, and Tampa. United offers service to Chicago, Denver, and Houston. Delta provides service to Atlanta, Detroit, and New York.

Source: Diio Mi – T-IOO BHM outbound flown monthly departures (excludes 8 ops reported as YX marketed) and peak day of scheduled flights by month).

BHM CATCHMENT AREA | 60 MINUTE DRIVE



The Birmingham Catchment Area was defined as the geographic region surrounding the Birmingham-Shuttlesworth International Airport that is approximately a 60 minute drive from the airport.

TOP DOMESTIC 0&D MARKETS

RANK	DESTINATION	O&D PASSENGERS	O&D REVENUE	AVERAGE FAIR	YOY PAX	′% CHAN REV	GE FAIR
1	ORLANDO, FL	148,970	22,482,511	151	7%	17%	9%
2	DENVER, CO	107,253	22,514,443	210	4%	19%	15%
3	TAMPA, FL	97,190	13,398,916	138	12%	29%	15%
4	DALLAS, TX (DFW)	96,888	21,027,216	217	12%	32%	18%
5	NEW YORK, NY (LGA)	89,972	22,138,385	246	9%	33%	22%
6	DALLAS, TX (DAL)	85,938	12,481,596	145	7%	22%	15%
7	WASHINGTON, DC (DCA)	84,670	19,599,450	231	31%	51%	15%
8	HOUSTON, TX (IAH)	73,815	14,388,218	195	9%	17%	7%
9	CHICAGO, IL (MDW)	73,709	9,765,694	132	43%	56%	9%
10	LAS VEGAS, NV	72,991	18,542,861	254	(6%)	4%	11%
11	BALTIMORE, MD	66,569	9,990,645	150	26%	39%	10%
12	HOUSTON, TX (HOU)	64,529	9,097,907	141	56%	70%	9%
13	CHICAGO, IL (ORD)	61,557	12,426,835	202	13%	31%	16%
14	LOS ANGELES, CA	49,010	15,413,789	315	12%	21%	8%
15	PHILADELPHIA, PA	47,600	12,343,922	259	(8%)	12%	21%
16	DETROIT, MI	47,397	13,000,815	274	(4%)	21%	26%
17	PHOENIX, AZ	46,884	12,588,583	269	16%	24%	7%
18	AUSTIN, TX	45,426	8,280,875	182	28%	41%	10%
19	CHARLOTTE- DOUGLAS, NC	44,859	11,534,201	257	10%	34%	22%
20	BOSTON, MA	43,473	10,805,449	249	21%	40%	16%
TOTAL ALI	_ MARKETS	2,761,566	712,644,079	258	11%	32%	19%
	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	1ORLANDO, FL2DENVER, CO3TAMPA, FL4DALLAS, TX (DFW)5NEW YORK, NY (LGA)6DALLAS, TX (DAL)7WASHINGTON, DC (DCA)7WASHINGTON, DC (DCA)9CHICAGO, IL (MDW)10LAS VEGAS, NV11BALTIMORE, MD12HOUSTON, TX (HOU)13CHICAGO, IL (ORD)14LOS ANGELES, CA15PHILADELPHIA, PA16DETROIT, MI17PHOENIX, AZ18AUSTIN, TX19CHARLOTTE- DOUGLAS, NC	HANK DESTINATION PASSENGERS 1 ORLANDO, FL 148,970 2 DENVER, CO 107,253 3 TAMPA, FL 97,190 4 DALLAS, TX (DFW) 96,888 5 NEW YORK, NY (LGA) 89,972 6 DALLAS, TX (DAL) 85,938 7 WASHINGTON, DC (DCA) 84,670 8 HOUSTON, TX (IAH) 73,815 9 CHICAGO, IL (MDW) 73,709 10 LAS VEGAS, NV 72,991 11 BALTIMORE, MD 66,569 12 HOUSTON, TX (HOU) 64,529 13 CHICAGO, IL (ORD) 61,557 14 LOS ANGELES, CA 49,010 15 PHILADELPHIA, PA 47,600 16 DETROIT, MI 47,397 17 PHOENIX, AZ 46,884 18 AUSTIN, TX 45,426 19 CHARLOTTE- DOUGLAS, NC 44,859 20 BOSTON, MA 43,473	HANKDESTINATIONPASSENGERSREVENUE1ORLANDO, FL148,97022,482,5112DENVER, CO107,25322,514,4433TAMPA, FL97,19013,398,9164DALLAS, TX (DFW)96,88821,027,2165NEW YORK, NY (LGA)89,97222,138,3856DALLAS, TX (DAL)85,93812,481,5967WASHINGTON, DC (DCA)84,67019,599,4508HOUSTON, TX (IAH)73,7099,765,69410LAS VEGAS, NV72,99118,542,86111BALTIMORE, MD66,5699,990,64512HOUSTON, TX (HOU)64,5299,097,90713CHICAGO, IL (NDW)61,55712,426,83514LOS ANGELES, CA49,01015,413,78915PHILADELPHIA, PA47,60012,343,92216DETROIT, MI47,39713,000,81517PHOENIX, AZ46,88412,588,58318AUSTIN, TX45,4268,280,87519CHARLOTTE- DOUGLAS, NC44,85911,534,20120BOSTON, MA43,47310,805,449	HANKDESTINATIONPASSENGERSREVENUEFAIR1ORLANDO, FL148,97022,482,5111512DENVER, CO107,25322,514,4432103TAMPA, FL97,19013,398,9161384DALLAS, TX (DFW)96,88821,027,2162175NEW YORK, NY (LGA)89,97222,138,3852466DALLAS, TX (DAL)85,93812,481,5961457WASHINGTON, DC (DCA)84,67019,599,4502318HOUSTON, TX (IAH)73,7099,765,6941329CHICAGO, IL (MDW)73,7099,765,69413210LAS VEGAS, NV72,99118,542,86125411BALTIMORE, MD66,5699,990,64515012HOUSTON, TX (HOU)64,5299,097,90714113CHICAGO, IL (ORD)61,55712,426,83520214LOS ANGELES, CA49,01015,413,78931515PHILADELPHIA, PA47,60012,343,92225916DETROIT, MI47,39713,000,81527417PHOENIX, AZ46,88412,588,58326918AUSTIN, TX45,4268,280,87518219CHARLOTTE- DOUGLAS, NC44,85911,534,20125720BOSTON, MA43,47310,805,449249	HANKDESTINATIONPASSENGERSREVENUEPAARPAX1ORLANDO, FL148,97022,482,5111517%2DENVER, CO107,25322,514,4432104%3TAMPA, FL97,19013,398,91613812%4DALLAS, TX (DFW)96,88821,027,21621712%5NEW YORK, NY (LGA)89,97222,138,3852469%6DALLAS, TX (DFW)85,93812,481,5961457%7WASHINGTON, DC (DCA)84,67019,599,45023131%8HOUSTON, TX (IAH)73,7099,765,69413243%10LAS VEGAS, NV72,99118,542,861254(6%)11BALTIMORE, MD66,5699,990,64515026%12HOUSTON, TX (HOU)64,5299,097,90714156%13CHICAGO, IL (ORD)61,55712,426,83520213%14LOS ANGELES, CA49,01015,413,78931512%15PHILADELPHIA, PA47,60012,343,922259(8%)16DETROIT, MI47,39713,000,815274(4%)17PHOENIX, AZ46,88412,588,58326916%18AUSTIN, TX45,4268,280,87518228%19CHARLOTTE- DOUGLAS, NC44,85911,534,20125710%20BOSTON, MA43,47310,805,44924921% <th>HANKDESTINATIONPASSENGERSREVENUEPARPAXREV1ORLANDO, FL148,97022,482,5111517%17%2DENVER, CO107,25322,514,4432104%19%3TAMPA, FL97,19013,398,91613812%29%4DALLAS, TX (DFW)96,88821,027,21621712%32%5NEW YORK, NY (LGA)89,97222,138,3852469%33%6DALLAS, TX (DAL)85,93812,481,5961457%22%7WASHINGTON, DC (DCA)84,67019,599,45023131%51%8HOUSTON, TX (IAH)73,7099,765,69413243%56%10LAS VEGAS, NV72,99118,542,861254(6%)4%11BALTIMORE, MD66,5699,990,64515026%39%12HOUSTON, TX (HOU)64,5299,097,90714156%70%13CHICAGO, IL (ORD)61,55712,426,83520213%31%14LOS ANGELES, CA49,01015,413,78931512%21%16DETROIT, MI47,39713,000,815274(4%)21%17PHOENIX, AZ46,88412,588,58326916%24%18AUSTIN, TX45,4268,280,87518228%41%19CHARLOTTE- DOUGLAS, NC44,85911,534,20125710%34%<</th>	HANKDESTINATIONPASSENGERSREVENUEPARPAXREV1ORLANDO, FL148,97022,482,5111517%17%2DENVER, CO107,25322,514,4432104%19%3TAMPA, FL97,19013,398,91613812%29%4DALLAS, TX (DFW)96,88821,027,21621712%32%5NEW YORK, NY (LGA)89,97222,138,3852469%33%6DALLAS, TX (DAL)85,93812,481,5961457%22%7WASHINGTON, DC (DCA)84,67019,599,45023131%51%8HOUSTON, TX (IAH)73,7099,765,69413243%56%10LAS VEGAS, NV72,99118,542,861254(6%)4%11BALTIMORE, MD66,5699,990,64515026%39%12HOUSTON, TX (HOU)64,5299,097,90714156%70%13CHICAGO, IL (ORD)61,55712,426,83520213%31%14LOS ANGELES, CA49,01015,413,78931512%21%16DETROIT, MI47,39713,000,815274(4%)21%17PHOENIX, AZ46,88412,588,58326916%24%18AUSTIN, TX45,4268,280,87518228%41%19CHARLOTTE- DOUGLAS, NC44,85911,534,20125710%34%<

All top 20 O&D markets except Las Vegas, Philadelphia, and Detroit had increases in passengers; overall, passengers were up II%, while revenue increased 32% on a I9% increase in average fares.

Source: Diio Mi, YE Q2 2023

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TOP INTERNATIONAL OSD MARKETS

RANK	DESTINATION	O&D PASSENGERS	O&D REVENUE	AVERAGE FAIR	YOY PAX	% CHAN REV	GE FAIR	
1	CANCUN, MEXICO	12,848	3,694,788	288	(6%)	9%	16%	
2	LONDON, UK (LHR)	12,061	7,829,966	649	85%	121%	19%	
3	MEXICO CITY, MEXICO	8,802	3,032,490	345	30%	57%	21%	
4	MONTEGO BAY, JAMAICA	8,676	2,788,178	321	(2%)	17%	19%	
5	TORONTO, CANADA	7,714	2,407,939	312	90%	97%	4%	
6	PUNTA CANA, DOMINICAN REPUBLIC	6,593	2,366,861	359	11%	23%	11%	
7	PARIS-DE GAULLE, FRANCE	6,445	3,928,885	610	102%	126%	12%	
8	SAN JOSE DEL CABO, MEXICO	6,061	2,025,238	334	18%	32%	12%	
9	ROME-DA VINCI, ITALY	5,370	3,946,331	735	111%	167%	26%	
10	FRANKFURT, GERMANY	4,751	4,002,954	843	50%	52%	1%	
11	NASSAU, BAHAMAS	4,727	1,597,439	338	12%	29%	16%	
12	VANCOUVER, CANADA	3,895	1,791,602	460	129%	137%	3%	
13	AMSTERDAM, NETHERLANDS	3,775	2,102,980	557	118%	111%	(3%)	
14	GUADALAJARA, MEXICO	3,577	1,155,184	323	29%	39%	8%	
15	LEON/GUANAJUATO, MEXICO	3,246	1,055,551	325	(5%)	3%	9%	
16	GUATEMALA CITY, GUATEMALA	3,066	1,157,426	377	(9%)	31%	45%	
17	MONTREAL, CANADA	2,997	1,021,654	341	98%	153%	28%	
18	PUERTO VALLARTA, MEXICO	2,835	867,099	306	20%	51%	25%	
19	QUERETARO, MEXICO	2,749	916,682	334	34%	43%	7%	
20	MONTERREY, MEXICO	2,696	1,066,555	396	56%	68%	8%	
TOTAL AL	L MARKETS	237,183	133,975,346	565	39%	76%	27%	
								ſ

International markets made up 9% of total O&D passengers and I9% of O&D revenue; overall, international traffic was up 39% year-over-year.

Source: Diio Mi, YE Q2 2023

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DEMOGRAPHICS REPORT FOR POSTAL CODES WITHIN 50 MILES OF BHM

Note: 2022 data is sourced from the US Census American Community Survey (ACS) 2022 5-year estimates. 2020 data is sourced from US Census 2020 Redistricting Data (PL 94-I7I). 2010 data is sourced from US Census 2010 Redistricting Data (PL 94-I7I).

GENERAL	2022	2020	2010
HOUSEHOLDS	598,200	598,396	494,244
MEDIAN HOUSEHOLD VALUE	\$148,300	\$147,230	\$109,300
AVG HOUSEHOLD INCOME	\$77,574	\$67,766	\$61,402
PER CAPITA INCOME	\$31,623	\$29,463	\$24,643
POPULATION	2021	2022	2023
TOTAL	1,350,989	1,350,442	1,290,391
WHITE	883,133	864,400	913,890
AFRICAN AMERICAN	357,022	355,924	330,251
HISPANIC	61,256	72,360	N/A
ASIAN	17,918	20,422	14,902
HAWAIIAN/OTHER PACIFIC ISLANDER	443	630	288
NATIVE AMERICAN/ ALASKA NATIVE	3,556	5,416	3,499
OTHER	27,661	31,290	15,490

BIRMINGHAM AIRPORT AUTHORITY INTERSTATE ACCESS MAP



BHM NONSTOP ROUTE MAP SUMMER 2023

DELTA	AMERICAN	SOUTHWEST	UNITED
ATLANTA DETROIT NEW YORK-LGA	CHARLOTTE CHICAGO-ORD DALLAS-DFW MIAMI PHILADELPHIA WASHINGTON-DCA NEW YORK-LGA (Began May 2023)	BALTIMORE CHICAGO-MDW DALLAS-DAL DENVER HOUSTON-HOU LAS VEGAS ORLANDO TAMPA	CHICAGO-ORD DENVER HOUSTON - IAH

BHM FOOTPRINT

BHM is conveniently located about 4.5 miles east of downtown Birmingham and the uptown entertainment district. Complete with restaurants, bars, hotels, event facilities, and a 45,000 seat stadium adjacent to interstates 20 & 59 with easy access to interstates 459, 65 and 22.

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BHM GLOBAL ACCESS



BY THE NUMBERS SECTION | 157

NONSTOP AND ONE-STOP MARKETS

DOMESTIC | 265 MARKETS (18 NONSTOP & 247 ONE-STOP)

E BDL	. BZN	CRW	EGE	GCC	HOU*	LAS*	MDT
BFL	CAE	CSG	ELM	GCK	HPN	LAW	MDW*
a BGN	Л САК	CVG	ELP	GEG	HRL	LAX	МЕМ
Ø BGP	R CHA	CWA	ERI	GGG	HTS	LBB	MFE
BIH	СНО	CYS	EUG	GJT	HYS	LBF	MFR
/ BIL	CHS	DAB	EVY	GNV	IAD	LCH	МНК
BIS	CID	DAL*	EWN	GPT	IAH*	LEX	мнт
S BLI	CIU	DAY	EWR	GRB	ICT	LFT	MIA*
B BMI	CLE	DCA*	EYW	GRI	IDA	LGA*	MKE
) BNA	CLL	DEC	FAR	GRK	ILM	LGB	MLB
A BOI	CLT*	DEN*	FAT	GRR	IND	LIH	MLI
C BOS	смн	DFW*	FAY	GSO	ISP	LIT	MLU
BPT	СМІ	DHN	FCA	GSP	JAC	LNK	МОВ
BQ	с смх	DIK	FLG	GTF	JAN	LRD	МОТ
* BRC	CNY	DLH	FLL	GUC	JAX	LWS	MRY
/ BTR	COD	DRO	FLO	HDN	JFK	LYH	MSN
S BTV	COS	DSM	FNT	ннн	JMS	MAF	MSO
BUF	COU	DTW*	FSD	HLN	JST	MBS	MSP
BUF	R CPR	DVL	FSM	HNL	KOA	MCI	MSY
) BWI	* CRP	ECP	FWA	НОВ	LAN	MCO	* MTJ
	BFL BGM BGM BGF BIH BIL BIL BIL BIL BIL BIL BIL BIL BIL BIL	BFLCAEDBGMCAKCBGRCHACBIHCHOVBILCHSCBISCIDSBLICIUBBMICLEDBNACLLABOICLT*CBOSCMHFBPTCMIEBQKCNYVBTRCODSBTVCOSBUFCOUPBURCPR	BFLCAECSGQBGMCAKCVGQBGRCHACWAPBIHCHOCYSVBILCHSDABCBISCIDDAL*SBLICIUDAYBBMICLEDCA*DBNACLLDECABOICLT*DEN*CBOSCMHDFW*FBPTCMIDHNEBQKCNYDLHVBTRCODDROSBTVCOSDSMBUFCOUDTW*PBURCPRDVL	BFLCAECSGELMDBGMCAKCVGELPABGRCHACWAERIABIHCHOCYSEUGABILCHSDABEVYABISCIDDAL*EWNBBLICIUDAYEWRBBMICLEDCA*EYWBBNACLLDECFARABOICLT*DEN*FATCBOSCMHDFW*FAYFBPTCMIDHNFCAEBQKCNYDLHFLIWBTRCODDROFLOSBTVCOSDSMFNTBUFCOUDTW*FSDPBURCPRDVLFSM	BFLCAECSGELMGCKQBGMCAKCVGELPGEGGBGRCHACWAERIGGGFBIHCHOCYSEUGGJTØBILCHSDABEVYGNVGBISCIDDAL*EWNGPTSBLICIUDAYEWRGRBBCLEDCA*EYWGRIDBNACLLDECFARGRKABOICLT*DEN*FATGRRCBOSCMHDFW*FAYGSOFBPTCMIDHNFCAGSPEBQKCMXDIKFLGGTF*BROCNYDLHFLLGUCVBTRCODDROFLOHDNSBTVCOSDSMFNTHHHBUFCOUDTW*FSDHLNPBURCPRDVLFSMHNL	BFLCAECSGELMGCKHPNDBGMCAKCVGELPGEGHRLGBGRCHACWAERIGGGHTSBIHCHOCYSEUGGJTHYSMBILCHSDABEVYGNVIADKBISCIDDAL*EWNGPTIAH*SBLICIUDAYEWRGRBICTBCLEDCA*EYWGRIIDADBNACLLDECFARGRKILMDBNACLT*DEN*FATGRRINDCBOSCMHDFW*FAYGSOISPFBOSCMHDFW*FAYGSOISPFBROCNYDLHFLGGTFJAN*BROCNYDLHFLOHDNJFKSBTVCOSDSMFNTHHHJMSBUFCOUDTW*FSDHLNJSTBURCPRDVLFSMHNLKOA	BFL CAE CSG ELM GCK HPN LAW Q BGM CAK CVG ELP GEG HRL LAX Q BGR CHA CWA ERI GGG HTS LBB Q BIH CHO CYS EUG GJT HYS LBF Q BIL CHS DAB EVY GNV IAD LCH Q BIS CID DAL* EWN GPT IAH* LEX Q BIS CID DAL* EWN GPT IAH* LEX S BLI CIU DAY EWR GRB ICT LFT S BLI CIU DAY EWR GRB IDA LGA* S BLI CIU DAY EWR GRB IDA LGA* S BLI CIU DAY EVR GRI IDA LGA* D BNA CLL DEC FAR GRK ILM LGB <

* Non-stop market also served via one-stop.

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	DOMESTIC I 265 MARKETS (CONT.)							
	MYR	PVD	SCE	SUX				
÷.	OAJ	PWM	SDF	SWO				
	ΟΑΚ	RAP	SEA	SYR				
	OGG	RDM	SFO	TLH				
	ОКС	RDU	SGF	TPA*				
4	ОМА	RIC	SGU	TRI				
	ONT	RIW	SHR	TUL				
	ORD*	RKS	SHV	TUS				
	ORF	RNO	SJC	ТVС				
	ORH	ROA	SJT	ТХК				
	PBI	ROC	SJU	TYR				
	PDX	ROW	SLC	TYS				
	PGV	RST	SLN	VCT				
	PHF	RSW	SMF	VEL				
	PHL*	SAF	SNA	VLD				
	РНХ	SAN	SPI	VPS				
	PIA	SAT	SPS	XNA				
	PIT	SAV	SRQ	XWA				
	PLN	SBA	STL	YUM				
	PNS	SBN	STT					
	PSC	SBP	STX					
	PSP	SBY	SUN					

INTERNATIONAL 103 ONE-STOP MARKETS						
AGU	DUB	LHR	PEK	TQO		
AMS	EIS	LIM	PLS	TRC		
ANU	ELH	LIR	POP	UIO		
AUA	EZE	LOS	POS	UVF		
ΑΧΑ	FCO	MAD	ΡΤΥ	VER		
BAQ	FPO	MBJ	PUJ	XPL		
BCN	FRA	MDE	PVG	YEG		
BDA	GCM	MEX	PVR	YOW		
BGI	GDL	MGA	QRO	YUL		
BJX	GGT	МНН	RTB	YVR		
BOG	GIG	MID	SAL	YYC		
BRU	GND	MLM	SAP	YYZ		
BZE	GRU	ΜΤΥ	SCL	ZCL		
CDG	GUA	MUC	SDQ	ZIH		
CLO	GYE	MVD	SJD	ZRH		
CMW	HAV	MXP	SJO			
CTG	HND	MZT	SKB			
CUN	HOG	NAS	SLP			
CUR	HUX	NRT	SNU			
CUU	ICN	ΟΑΧ	STI			
CZM	JNB	PAP	SXM			
DGO	KIN	PEI	ТАМ			

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